

1 **Rule Against Perpetuities Amendments**

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Troy Shelley

Senate Sponsor: Derrin R. Owens

2 **LONG TITLE**3 **General Description:**

4 This bill amends provisions relating to the rule against perpetuities.

5 **Highlighted Provisions:**

6 This bill:

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- 8 ▶ defines terms;
- 9 ▶ provides that a water right subordination agreement does not create a nonvested right for
- 10 purposes of the rule against perpetuities; and
- 11 ▶ provides that the provisions this bill enacts apply retroactively.

12 **Money Appropriated in this Bill:**

13 None

14 **Other Special Clauses:**

15 None

16 **Utah Code Sections Affected:**

17 ENACTS:

18 **75-2-1210**, Utah Code Annotated 1953

19 *Be it enacted by the Legislature of the state of Utah:*20 Section 1. Section **75-2-1210** is enacted to read:21 **75-2-1210 . Water right subordination agreements not subject to the rule against**
22 **perpetuities.**23 **(1) As used in this section:**24 **(a) "Person with control of a water right" means:**25

- 26 (i) the holder of a water right approved by the state engineer in accordance with Title
27 73, Chapter 3, Appropriation;
- 28 (ii) the record owner of a perfected water right; or
- 29 (iii) a person who has written authorization from a person described in Subsection
30 (1)(a)(i) or (ii) to enter into a water right subordination agreement.

31 (b) "Water right" means:

32 (i) a right to use water evidenced by any means identified in Section 73-1-10; or

33 (ii) a right under an application that the state engineer approves under Title 73,

34 Chapter 3, Appropriation:

35 (A) to appropriate water;

36 (B) for a change of use of water; or

37 (C) for the exchange of water.

38 (c) "Water right subordination agreement" means a written agreement in which a person

39 with control of a water right consents to a water right standing in order of priority

40 behind one or more water rights that would otherwise be junior in priority.

41 (2) A water right subordination agreement does not create a nonvested property interest that
42 is subject to:

43 (a) this chapter; or

44 (b) the common law rule against perpetuities.

45 (3) This section applies retroactively.

46 **Section 2. Effective Date.**

47 This bill takes effect on May 6, 2026.