

Water Optimization Reporting Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Doug Owens

Senate Sponsor:

LONG TITLE**General Description:**

This bill creates a study related to agricultural water optimization.

Highlighted Provisions:

This bill:

- requires the Division of Water Resources, in coordination with the Division of Water Rights, to study water diversions classified as an agricultural diversion to determine:
 - the number, type, and volume of diversions currently classified as an agricultural diversion; and
 - the volume of water diverted from an agricultural diversion for non-agricultural use;
- requires the Division of Water Resources to report the results of the study to the Natural Resources, Agriculture, and Environment Interim Committee before November 30, 2026; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:**AMENDS:**

63I-2-273 (Effective 05/06/26) (Superseded 07/01/26), as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

63I-2-273 (Effective 07/01/26), as last amended by Laws of Utah 2025, Chapter 124

73-10g-205 (Effective 05/06/26) (Repealed 07/01/28), as last amended by Laws of Utah 2025, Chapters 91, 99

73-10g-207 (Effective 05/06/26) (Repealed 07/01/28), as enacted by Laws of Utah 2023, Chapter 261

ENACTS:

31 **73-10g-207.5 (Effective 05/06/26), Utah Code Annotated 1953**

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33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **63I-2-273** is amended to read:

35 **63I-2-273 (Effective 05/06/26) (Superseded 07/01/26). Repeal dates: Title 73.**

36 [Reserved.]

37 (1) Section 73-10g-207, Study on classification of water diversions, is repealed July 1, 2027.

38 (2) Subsection 73-10g-607(5), regarding a requirement to report to an interim committee, is
39 repealed January 1, 2027.

40 Section 2. Section **63I-2-273** is amended to read:

41 **63I-2-273 (Effective 07/01/26). Repeal dates: Title 73.**

42 (1) Section 73-10g-207, Study on classification of water diversions, is repealed July 1, 2027.

43 (2) Subsection 73-10g-607(5), regarding a requirement to report to an interim committee, is
44 repealed January 1, 2027.

45 Section 3. Section **73-10g-205** is amended to read:

46 **73-10g-205 (Effective 05/06/26) (Repealed 07/01/28). Agricultural Water**
47 **Optimization Committee.**

48 (1) There is created in the department a committee known as the "Agricultural Water
49 Optimization Committee" that consists of:

- 50 (a) the commissioner of the department, or the commissioner's designee;
- 51 (b) the director of the division, or the director's designee;
- 52 (c) the director of the Division of Water Rights, or the director's designee;
- 53 (d) the dean of the College of Agriculture and Applied Science from Utah State
54 University, or the dean's designee;
- 55 (e) one individual representing local conservation districts created by Title 17D, Chapter
56 3, Conservation District Act, appointed by the executive director of the Department
57 of Natural Resources;
- 58 (f) one individual representing water conservancy districts, appointed by the executive
59 director of the Department of Natural Resources; and
- 60 (g) three Utah residents representing the interests of the agriculture industry appointed
61 by the executive director of the Department of Natural Resources.

62 (2)(a) An individual appointed under Subsection (1) shall serve for a term of four years.

63 (b) Notwithstanding the requirements of Subsection (2)(a), the executive director of the
64 Department of Natural Resources shall, at the time of appointment or reappointment,

adjust the length of terms to ensure that the terms of appointed members are staggered so that approximately half of the appointed members are appointed every two years.

(3)(a) The presence of five members constitutes a quorum.

(b) The vote of five members constitutes the transaction of business by the committee.

(c) The committee shall select one of the committee's members to be chair. The committee may select a member to be vice chair to act in place of the chair:

(i) during the absence or disability of the chair; or

(ii) as requested by the chair.

(d) The committee shall convene at the times and places prescribed by the chair.

(4) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

(a) Section 63A-3-106;

(b) Section 63A-3-107; and

(c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(5) The department shall provide administrative support to the committee.

(6) The committee shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing:

(a) eligibility requirements for a grant issued under Section 73-10g-206, except that the eligibility requirements shall:

(i) require at least a match for grant money of 50% of the total costs, except that for a grant application filed on or after January 1, 2024, the eligibility requirements shall require at least a match of 25% of the total costs for:

(A) a subsurface drip irrigation project;

(B) an automated surge irrigation project; or

(C) a measurement, telemetry, or reporting project;

(ii) consider the statewide need to distribute grant money;

(iii) require a grant recipient to construct or install and maintain one or more measuring devices as necessary to comply with Section 73-5-4 and rules adopted by the Division of Water Rights regarding installation, use, and maintenance of devices to measure water use and to demonstrate water use in accordance with a project funded by a grant; and

(iv) require a grant recipient to report water diversion and use measurements to the

- 99 state engineer pursuant to Section 73-5-4 and rules made by the state engineer, in
100 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
101 water measurement and reporting;
- 102 (b) the process for applying for a grant issued under Section 73-10g-206; and
103 (c) preliminary screening criteria to be used by the department under Subsection
104 73-10g-206(2)(d).
- 105 (7) The committee shall, in coordination with the division:
- 106 (a) ~~[as of July 1, 2023, assume oversight of all remaining]~~ oversee the research and
107 contracts of the previous Agricultural Water Optimization Task Force activities;
108 (b) post research to address and account for farm economics at the enterprise and
109 community level that affects agricultural water optimization and encourage market
110 behavior that financially rewards agricultural water optimization practices;
111 (c) oversee research to identify obstacles to and constraints upon optimization of
112 agricultural water use, and to recommend management tools, technologies, and other
113 opportunities to optimize agricultural water use as measured at the basin level;
114 (d) use money in the account to fund research approved by the committee that:
115 (i) is described in Subsection (7)(b) or (c); or
116 (ii) establishes methods for measuring saved water or the effectiveness of the
117 agricultural water optimization funding programs established by this part; and
118 (e) facilitate benefits for farmers who optimize water use and protect water quality.
- 119 (8) The committee shall comply with Section 73-10g-206 related to grants issued under this
120 part.
- 121 Section 4. Section **73-10g-207** is amended to read:
- 122 **73-10g-207 (Effective 05/06/26) (Repealed 07/01/28). Division public information**
123 **and reporting.**
- 124 (1) The division shall, in coordination with the department and the Division of Water
125 Rights, annually compile and publish a report on:
- 126 (a) completed projects;
127 (b) saved water made available from agricultural water optimization projects; and
128 (c) the effectiveness of the agricultural water optimization funding programs established
129 by this part.
- 130 (2) On or before November 30 of each year, the committee, division, and the Division of
131 Water Rights shall jointly present the annual report to:
- 132 (a) the Legislative Water Development Commission created in Section 73-27-102;

- (b) the Natural Resources, Agriculture, and Environment Interim Committee;
- (c) the Utah Water Task Force within the Department of Natural Resources; and
- (d) the Utah Watersheds Council created in Section 73-10g-304.

(3) The division shall publish reports from research described in Subsection 73-10g-205(7).

Section 5. Section **73-10g-207.5** is enacted to read:

73-10g-207.5 (Effective 05/06/26). Study on classification of water diversions.

(1) As used in this section:

- (a) "Agricultural diversion" means water diverted for an agricultural use, including the production of crops, orchards, livestock, poultry, aquaculture, livestock products, or poultry products.
- (b) "Agricultural diversion" does not include water diverted for the purpose of:
 - (i) irrigating lawn or turf, as those terms are defined in Section 73-10-37;
 - (ii) a municipal or industrial use;
 - (iii) a golf course, park, or athletic field; or
 - (iv) wildlife habitat.

(2) The division shall, in coordination with the Division of Water Rights, complete a study of statewide water diversions classified as an agricultural diversion by a state agency.

(3) The study described in Subsection (2) shall include:

- (a) findings on:
 - (i) the number, type, and volume of diversions currently classified as an agricultural diversion by a state agency; and
 - (ii) the volume of water diverted, under classification as an agricultural diversion by a state agency, for a non-agricultural purpose; and
- (b) recommendations, if any, for legislative action.

(4) The division may contract with a public or private entity to support the completion of the study.

(5) The division shall report the findings and recommendations described in Subsection (3) to the Natural Resources, Agriculture, and Environment Interim Committee before November 30, 2026.

Section 6. **Effective Date.**

(1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

(2) The actions affecting Section 63I-2-273 (Effective 07/01/26) take effect on July 1, 2026.