

**Senator John L. Valentine** proposes the following substitute bill:

**WATER CONSERVANCY DISTRICT AMENDMENTS**

2012 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: John L. Valentine**

House Sponsor: Bradley M. Daw

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**LONG TITLE**

**General Description:**

This bill directs the Revenue and Taxation Interim Committee to conduct a study of the proper allocation of water costs to the rate structure charged for water customers.

**Highlighted Provisions:**

This bill:

▸ directs the Revenue and Taxation Interim Committee in 2012 to study the proper allocation of water costs to the rate structure charged for water customers.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Uncodified Material Affected:**

ENACTS UNCODIFIED MATERIAL

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

Section 1. **Revenue and Taxation Interim Committee study of issues related to the financing of water services.**

In 2012, the Revenue and Taxation Interim Committee shall conduct a study of the



26 proper allocation of water costs to the rate structure charged for water customers, including a  
27 study of:

28 (1) the proper allocation of repair and replacement costs for infrastructure by a water  
29 conservancy district;

30 (2) the proper method of financing new and related water infrastructure;

31 (3) the proper allocation of funds to comply with applicable federal mitigation  
32 requirements;

33 (4) the impact on development by impact fees or hook-up fees charged by a water  
34 conservancy district;

35 (5) the advisability of establishing a sinking fund to fund replacement costs or building  
36 new projects and infrastructure;

37 (6) methods to effectively charge for the delivery and acquisition of water;

38 (7) the efficacy of or need for various water conservancy district programs, including  
39 variable rate processing, education programs, landscape ordinances, and multi-tier rate  
40 structures;

41 (8) the allocation of costs and financing methods used in surrounding states for water  
42 projects; and

43 (9) the role of conservation in water pricing and supply adequacy for future water  
44 needs.