



# House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL  
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February 18, 2015

Mr. Speaker:

The Natural Resources, Agriculture, and Environment Committee recommends **H.B. 43**, WATER RIGHTS - CHANGE APPLICATION AMENDMENTS, by Representative K. McIff, be replaced and reports a favorable recommendation on **2nd Sub. H.B. 43**, WATER RIGHTS - CHANGE APPLICATION AMENDMENTS with the following amendments:

1. *Page 12, Lines 341 through 344:*

341 (b) "Water company" means, except as described in Subsection (1)(c), any  
company,  
342 operating for profit or not for profit, [~~in which~~] where a shareholder has the right to  
receive a  
343 proportionate share, based on that shareholder's ownership interest, of water rights  
delivered by the  
344 company.

2. *Page 12, Lines 354 through 356:*

354 (2) (a) A shareholder who seeks to file a change application under Section 73-3-3 to  
355 make a change to some or all of the water rights represented by the shareholder's  
shares in a water  
356 company shall:

3. *Page 15, Lines 429 through 435:*

429 (5) (a) If the water company declines to consent to the proposed change application,  
430 stating its reasons, { or the water company consents to the proposed change subject  
to conditions  
431 to which the shareholder does not agree, the shareholder may:

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432 ~~—(f)}~~ **the shareholder may** file an action in district court, seeking court review  
 of the reasonableness of the  
 433 conditions imposed for giving consent or the reasons stated for declining consent and a  
final  
 434 order allowing the shareholder to file the proposed change application with the state  
engineer ~~{~~  
 435 **or** ~~}~~

4. Page 15, Lines 436 through 438:

436 ~~{(f)}~~ **(b) If the water company consents to the proposed change subject**  
**to conditions to which the shareholder does not agree, the shareholder may** file  
the change application with the state engineer as provided in Subsection (6),  
 437 without waiving the shareholder's right to contest conditions ~~{imposed by the water~~  
**company}**  
 438 before the state engineer **that are within the state engineer's jurisdiction** or  
**contest intracorporate issues before** the district court on de novo judicial review.

5. Page 17, Lines 491 through 494:

491 (10) By mutual agreement only, and when the shares will rely upon a different  
 492 diversion and delivery system, the ~~{state engineer}~~ **water company and the**  
**shareholder** may negotiate a buyout from the water  
 493 company that may include a pro rata share of the water company's existing indebtedness  
 494 assignable to the shares.

Respectfully,

Lee B. Perry  
Committee Chair

Voting: 8-4-2

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