

Representative Michael E. Noel proposes the following substitute bill:

EXTRATERRITORIAL JURISDICTION AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to the extraterritorial jurisdiction of a city.

Highlighted Provisions:

This bill:

- ▶ modifies provisions regarding the extraterritorial jurisdiction of a city of the first class;
- ▶ authorizes a retail water provider to begin adding a \$1 charge per billing cycle per customer on January 1, 2019;
- ▶ creates the Drinking Water Expendable Special Revenue Fund; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-8-15, as last amended by Laws of Utah 2016, Chapter 348

73-10-32.5, as enacted by Laws of Utah 2016, Chapter 282



26 73-10g-103, as enacted by Laws of Utah 2015, Chapter 458

27 ENACTS:

28 19-4-201, Utah Code Annotated 1953



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

31 Section 1. Section 10-8-15 is amended to read:

32 **10-8-15. Waterworks -- Construction -- Extraterritorial jurisdiction.**

33 (1) (a) [They] A city may:

34 (i) construct or authorize the construction of waterworks within or without the city
35 limits[;]; and

36 (ii) exercise jurisdiction for the purpose of maintaining and protecting the [same]
37 waterworks described in Subsection (1)(a)(i) from injury and the water from pollution [their] as
38 described in this section.

39 (b) The jurisdiction described in Subsection (1)(a)(ii) shall extend over the territory
40 occupied by [such works] waterworks, and over all reservoirs, streams, canals, ditches, pipes
41 and drains used in and necessary for the construction, maintenance and operation of the same,
42 and over the stream or source from which the water is taken, for 15 miles above the point from
43 which it is taken and for a distance of 300 feet on each side of such stream and over highways
44 along such stream or watercourse within said 15 miles and said 300 feet[; provided, that the
45 jurisdiction of cities of the first class shall be over the entire watershed, except that].

46 (2) Notwithstanding Subsection (1):

47 (a) livestock shall be permitted to graze beyond 1,000 feet from any such stream or
48 source; and [provided further, that]

49 (b) each city of the first class shall provide a highway in and through its corporate
50 limits, and so far as its jurisdiction extends, which may not be closed to cattle, horses, sheep or
51 hogs driven through any [such] city of the first class, or through any territory adjacent thereto
52 over which such city has jurisdiction, but the board of commissioners of such city may enact
53 ordinances placing under police regulations the manner of driving such cattle, sheep, horses
54 and hogs through such city, or any territory adjacent thereto over which it has jurisdiction.

55 (3) [They] A city may enact all ordinances and regulations necessary to carry the power
56 [herein conferred] described in this section into effect, and [are] is authorized and empowered

57 to enact ordinances preventing pollution or contamination of the streams or watercourses from
58 which the inhabitants of cities derive their water supply, in whole or in part, for domestic and
59 culinary purposes, and may enact ordinances prohibiting or regulating the construction or
60 maintenance of any closet, privy, outhouse or urinal within the area over which the city has
61 jurisdiction, and provide for permits for the construction and maintenance of the same.

62 (4) In granting [~~such permits they~~] the permits described in Subsection (3), a city may
63 annex thereto such reasonable conditions and requirements for the protection of the public
64 health as [~~they deem~~] the city considers proper, and may, if [~~deemed~~] considered advisable,
65 require that all closets, privies, and urinals along such streams shall be provided with effective
66 septic tanks or other germ-destroying instrumentalities.

67 Section 2. Section **19-4-201** is enacted to read:

68 **19-4-201. Special revenue fund -- Creation -- Deposits.**

69 (1) There is created an expendable special revenue fund known as the "Drinking Water
70 Expendable Special Revenue Fund."

71 (2) The fund shall consist of deposits received pursuant to Section [73-10-32.5](#).

72 (3) This fund may accrue investment income derived from money in the fund.

73 (4) Beginning on January 1, 2020, the division may utilize money in the fund to
74 implement drinking water programs.

75 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
76 board shall make rules:

77 (a) to establish criteria for spending money from the fund on drinking water programs
78 that may allow for priority to be given to watershed protection efforts in drinking water source
79 protection areas of retail water providers that deposit monies into the Drinking Water
80 Expendable Special Revenue Fund; and

81 (b) as otherwise necessary to administer this section.

82 (6) The Legislature may appropriate money from the fund to pay for costs of the
83 Department of Environmental Quality in administering and implementing this part.

84 Section 3. Section **73-10-32.5** is amended to read:

85 **73-10-32.5. Culinary water pricing structure.**

86 A retail water provider, as defined in Section [73-10-32](#)[5]:

87 (1) shall:

- 88 ~~[(1)]~~ (a) establish a culinary water rate structure that:
- 89 ~~[(a)]~~ (i) incorporates increasing block units of water used; and
- 90 ~~[(b)]~~ (ii) provides for an increase in the rate charged for additional block units of water
- 91 used as usage increases from one block unit to the next;
- 92 ~~[(2)]~~ (b) provide in customer billing notices, or in a notice that is distributed to
- 93 customers at least annually, block unit rates and the customer's billing cycle; and
- 94 ~~[(3)]~~ (c) include individual customer water usage in customer billing notices~~[-];~~ and
- 95 (2) may, by January 1, 2019, add a \$1 charge per billing cycle per customer:
- 96 (a) retaining 50 cents of the \$1 charge to invest in the retail water provider's water
- 97 infrastructure and long-term planning;
- 98 (b) remitting 25 cents of the \$1 charge to the Water Infrastructure Restricted Account,
- 99 created in Section [73-10g-103](#), on a quarterly basis; and
- 100 (c) remitting 25 cents of the \$1 charge to the Drinking Water Expendable Special
- 101 Revenue Fund, created in Section [19-4-201](#), on a quarterly basis.

102 Section 4. Section **73-10g-103** is amended to read:

103 **73-10g-103. Creation of the Water Infrastructure Restricted Account.**

- 104 (1) (a) There is created a restricted account in the General Fund known as the "Water
- 105 Infrastructure Restricted Account."
- 106 (b) The restricted account shall earn interest.
- 107 (2) The restricted account consists of money generated from the following sources:
- 108 (a) voluntary contributions made to the division for the construction, operation, or
- 109 maintenance of state water projects;
- 110 (b) appropriations made to the fund by the Legislature; ~~[and]~~
- 111 (c) any money remitted to the account pursuant to Section [73-10-32.5](#); and
- 112 ~~[(e)]~~ (d) interest earned on the restricted account.
- 113 (3) Subject to appropriation, the division and the board shall manage the restricted
- 114 account created in Subsection (1) in accordance with this chapter.