

Senator Jacob L. Anderegg proposes the following substitute bill:

SECONDARY WATER REQUIREMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jacob L. Anderegg

House Sponsor: Timothy D. Hawkes

LONG TITLE

General Description:

This bill addresses the metering of pressurized secondary water.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires a secondary water provider that begins design work for new secondary water services to certain users on or after April 1, 2020, to meter the use of water;
- ▶ requires a secondary water supplier to develop a plan related to metering for submission to the Division of Water Resources;
- ▶ requires a study of issues related to metering secondary water by a task force within the Department of Natural Resources and reporting its findings; and
- ▶ permits loans to fund metering of secondary water.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:



26 73-10-34, Utah Code Annotated 1953



27
28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section **73-10-34** is enacted to read:

30 **73-10-34. Secondary water metering.**

31 (1) As used in this section:

32 (a) (i) "Commercial user" means a secondary water user that is a place of business.

33 (ii) "Commercial user" does not include a multi-family residence, an agricultural user,
34 or a customer that falls within the industrial or institutional classification.

35 (b) (i) "Industrial user" means a secondary water user that manufactures or produces
36 materials.

37 (ii) "Industrial user" includes a manufacturing plant, an oil and gas producer, and a
38 mining company.

39 (c) (i) "Institutional user" means a secondary water user that is dedicated to public
40 service, regardless of ownership.

41 (ii) "Institutional user" includes a school, church, hospital, park, golf course, and
42 government facility.

43 (d) (i) "Residential user" means a secondary water user in a residence.

44 (ii) "Residential user" includes a single-family or multi-family home, apartment,
45 duplex, twin home, condominium, or planned community.

46 (e) "Secondary water" means water that is:

47 (i) not culinary or water used on land assessed under Title 59, Chapter 2, Part 5,
48 Farmland Assessment Act; and

49 (ii) delivered to and used by an end consumer for the irrigation of landscaping or a
50 garden.

51 (f) "Secondary water supplier" means an entity that supplies pressurized secondary
52 water.

53 (2) A secondary water supplier that begins design work for new service on or after
54 April 1, 2020, to a commercial, industrial, institutional, or residential user shall meter the use
55 of pressurized secondary water by the users receiving that new service.

56 (3) (a) A secondary water provider that provides pressurized secondary water to a

57 commercial, industrial, institutional, or residential user shall develop a plan for metering the
58 use of the pressurized water in accordance with this Subsection (3).

59 (b) The plan required by this Subsection (3) shall be filed with the Division of Water
60 Resources by no later than December 31, 2019, and address the process the secondary water
61 supplier will follow to implement metering, including:

62 (i) the costs of full metering by the secondary water provider;

63 (ii) how long it would take the secondary water provider to complete full metering,
64 including an anticipated begin date and completion date; and

65 (iii) how the secondary water supplier will finance metering.

66 (4) (a) The Department of Natural Resources shall oversee a study by the Utah Water
67 Task Force within the Department of Natural Resources of issues related to metering secondary
68 water in the state including cost, timing, the need for exemptions, resources to pay the cost of
69 metering, and any other issues the Department of Natural Resources finds relevant.

70 (b) The Department of Natural Resources shall report the results of the study to the
71 Natural Resources, Agriculture, and Environment Interim Committee by no later than the
72 November interim meeting of 2019.

73 (5) (a) Beginning July 1, 2019, the Board of Water Resources may make up to
74 \$10,000,000 in low-interest loans available each year:

75 (i) from the Water Resources Conservation and Development Fund, created in Section
76 [73-10-24](#); and

77 (ii) for financing the cost of secondary water metering.

78 (b) The Division of Water Resources shall ensure that for purposes of determining the
79 amount of a loan under this Subsection (5), the calculation of a secondary water supplier's total
80 cost to meter secondary water includes secondary water metering costs the secondary water
81 supplier:

82 (i) incurs in or before May 2019; or

83 (ii) finances through a loan, bond, grant, subsidy program, or other means not
84 described in this Subsection (5).

85 (c) The Division of Water Resources and the Board of Water Resources shall make
86 rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
87 establishing the criteria and process for receiving a loan described in this Subsection (5), except

88 the rules may not include prepayment penalties.