1 **GREAT SALT LAKE AMENDMENTS** 2 **2023 GENERAL SESSION** 3 STATE OF UTAH **Chief Sponsor: Casey Snider** 4 Senate Sponsor: 5 6 7 LONG TITLE **General Description:** 8 9 This bill addresses management of the Great Salt Lake and related activities. 10 **Highlighted Provisions:** 11 This bill: 12 modifies provisions related to severance taxes; 13 clarifies minerals with royalties going to the Great Salt Lake Account; 14 addresses mineral leases or royalty agreements related to the Great Salt Lake; 15 provides for royalties for certain elements and minerals; 16 defines terms; 17 codifies legislative findings; 18 ▶ modifies the Division of Forestry, Fire, and State Lands' management 19 responsibilities for the Great Salt Lake, including addressing rulemaking; 20 establishes emergency management responsibilities and powers; 21 addresses force majeure; and 22 makes technical and conforming changes. 23 Money Appropriated in this Bill: 24 None 25 **Other Special Clauses:** 26 None 27 **Utah Code Sections Affected:**



28	AMENDS:
29	59-5-202, as last amended by Laws of Utah 1990, Chapter 295
30	65A-5-1, as last amended by Laws of Utah 2022, Chapter 54
31	65A-5-1.5, as enacted by Laws of Utah 2022, Chapter 54
32	65A-6-2, as last amended by Laws of Utah 1994, Chapter 294
33	65A-6-4, as last amended by Laws of Utah 1994, Chapter 294
34	73-30-202, as last amended by Laws of Utah 2012, Chapter 242
35	ENACTS:
36	65A-10-201, Utah Code Annotated 1953
37	65A-10-202, Utah Code Annotated 1953
38	65A-10-204, Utah Code Annotated 1953
39	65A-10-205, Utah Code Annotated 1953
40	RENUMBERS AND AMENDS:
41	65A-10-203, (Renumbered from 65A-10-8, as last amended by Laws of Utah 2022,
42	Chapter 78)
43	
44	Be it enacted by the Legislature of the state of Utah:
45	Section 1. Section 59-5-202 is amended to read:
46	59-5-202. Severance tax Rate Computation Annual exemption.
47	(1) [Freed] A menor and in the hardware of mining an enter time we to 11:6
48	(1) [Every] \underline{A} person engaged in the business of mining or extracting metalliferous
40	(1) [Every] <u>A</u> person engaged in the business of mining or extracting metalliferous minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of
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	minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of
49	minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of.
49 50	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes
49 50 51	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous
49 50 51 52	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals are shipped are subject to the severance tax. If the metals or metalliferous minerals are
49 50 51 52 53	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals shipped are subject to the severance tax. If the metals or metalliferous minerals are stockpiled, the tax is not applicable until they are sold or shipped out of state. For purposes of
49 50 51 52 53 54	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals shipped are subject to the severance tax. If the metals or metalliferous minerals are stockpiled, the tax is not applicable until they are sold or shipped out of state. For purposes of the tax imposed by this chapter, uranium concentrates shall be considered to be finished metals.
 49 50 51 52 53 54 55 	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals shipped are subject to the severance tax. If the metals or metalliferous minerals are stockpiled, the tax is not applicable until they are sold or shipped out of state. For purposes of the tax imposed by this chapter, uranium concentrates shall be considered to be finished metals. The owner of the metals or metalliferous minerals that are stockpiled shall report to the
 49 50 51 52 53 54 55 56 	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals shipped are subject to the severance tax. If the metals or metalliferous minerals are stockpiled, the tax is not applicable until they are sold or shipped out of state. For purposes of the tax imposed by this chapter, uranium concentrates shall be considered to be finished metals. The owner of the metals or metalliferous minerals that are stockpiled shall report to the commission annually, in a form acceptable to the commission, the amount of metalliferous
 49 50 51 52 53 54 55 56 57 	 minerals in this state shall pay to the state a severance tax equal to 2.6% of the taxable value of all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes a sale, and the finished metals or the recoverable units of finished metals from the metalliferous minerals shipped are subject to the severance tax. If the metals or metalliferous minerals are stockpiled, the tax is not applicable until they are sold or shipped out of state. For purposes of the tax imposed by this chapter, uranium concentrates shall be considered to be finished metals. The owner of the metals or metalliferous minerals that are stockpiled shall report to the commission annually, in a form acceptable to the commission, the amount of metalliferous minerals so stockpiled. Metals or metalliferous minerals that are stockpiled for more than two

59	(3) An annual exemption from the payment of the tax imposed by this chapter upon the
60	first \$50,000 in gross value of the metalliferous mineral is allowed to each mine.
61	(4) These taxes are in addition to all other taxes provided by law and are delinquent,
62	unless otherwise deferred, on June 1 next succeeding the calendar year when the metalliferous
63	mineral is produced and sold or delivered.
64	(5) (a) As used in this Subsection (5):
65	(i) "Great Salt Lake extraction operator" means a person who:
66	(A) is engaged in the business of mining or extracting metal or metalliferous minerals
67	from the brine of the Great Salt Lake; and
68	(B) as of July 1, 2020, had a mineral lease with the Division of Forestry, Fire, and State
69	Lands, but not a royalty agreement for a metalliferous mineral, chloride compound, or salt.
70	(ii) "Metalliferous compound" means a metalliferous mineral or a chloride compound
71	or salt containing a metalliferous mineral.
72	(b) Notwithstanding the exclusion for chloride compounds or salts from the definition
73	of metalliferous minerals under Section 59-5-201, beginning with calendar year 2023, a Great
74	Salt Lake extraction operator shall pay to the state a severance tax in accordance with this part
75	for the mining of a metalliferous compound.
76	(c) This Subsection (5) may not be interpreted to:
77	(i) excuse a person from paying a severance tax in accordance with the other provisions
78	of this part; or
79	(ii) void a mineral lease or royalty agreement.
80	(d) A person extracting metal or metalliferous minerals, including a metalliferous
81	compound, from the brine of the Great Salt Lake is subject to the payment of a royalty
82	agreement under Section 65A-6-4 and the payment of a severance tax under this part.
83	Section 2. Section 65A-5-1 is amended to read:
84	65A-5-1. Sovereign Lands Management Account.
85	(1) There is created within the General Fund a restricted account known as the
86	"Sovereign Lands Management Account."
87	(2) The Sovereign Lands Management Account shall consist of the following:
88	(a) the revenues derived from sovereign lands, except for revenues deposited into the
89	Great Salt Lake Account under Section 65A-5-1.5;

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90	(b) that portion of the revenues derived from mineral leases on other lands managed by
91	the division necessary to recover management costs;
92	(c) fees deposited by the division; and
93	(d) amounts deposited into the account in accordance with Section 59-23-4.
94	(3) (a) The expenditures of the division relating directly to the management of
95	sovereign lands shall be funded by appropriation by the Legislature from the Sovereign Lands
96	Management Account or other sources.
97	(b) Money in the Sovereign Lands Management Account may be used only for the
98	direct benefit of sovereign lands, including the management of sovereign lands.
99	(c) In appropriating money from the Sovereign Lands Management Account, the
100	Legislature shall prefer appropriations that benefit the sovereign land from which the money is
101	derived unless compelling circumstances require that money be appropriated for sovereign land
102	other than the sovereign land from which the money is derived.
103	(4) The division shall use the amount deposited into the account under Subsection
104	(2)(d) for the Great Salt Lake as described in Section [65A-10-8] 65A-10-203 as directed by
105	the Great Salt Lake Advisory Council created in Section 73-30-201.
106	Section 3. Section 65A-5-1.5 is amended to read:
107	65A-5-1.5. Great Salt Lake Account.
108	(1) As used in this section:
109	(a) "Account" means the Great Salt Lake Account created in this section.
110	(b) "Mineral" includes a chemical compound that includes an element or mineral.
111	[(b)] (c) "Mining" means the process of producing, extracting, leaching, evaporating, or
112	otherwise removing a mineral from a natural deposit of the mineral.
113	(2) (a) There is created within the General Fund a restricted account known as the
114	"Great Salt Lake Account" consisting of:
115	(i) revenues deposited into the account under Subsection (3);
116	(ii) appropriations from the Legislature; and
117	(iii) interest and other earnings described in Subsection (2)(b).
118	(b) The Office of the Treasurer shall deposit interest and other earnings derived from
119	investment of money in the account into the account.
120	(3) The division shall deposit into the account the royalty income received by the state

121	from mining that occurs on or after July 1, 2022, of a mineral from the sovereign lands of the
122	Great Salt Lake if during the fiscal year beginning July 1, 2020, the state did not receive royalty
123	income from the mining of that same mineral from the sovereign lands of the Great Salt Lake.
124	(4) Upon appropriation by the Legislature, money in the account may be used to
125	manage the water levels of the Great Salt Lake.
126	Section 4. Section 65A-6-2 is amended to read:
127	65A-6-2. Mineral leases Division to prescribe rules.
128	The division shall by rule prescribe:
129	(1) the term of the lease;
130	(2) the annual rental;
131	(3) <u>subject to Section 65A-6-4</u> , the amount of royalty in addition to or in lieu of rental;
132	and
133	(4) the basis upon which the royalty shall be computed.
134	Section 5. Section 65A-6-4 is amended to read:
135	65A-6-4. Mineral leases Multiple leases on same land Rentals and royalties
136	Lease terms Great Salt Lake.
137	(1) As used in this section:
138	(a) "Great Salt Lake element or mineral" means:
139	(i) a rare earth element;
140	(ii) a trace element or mineral; or
141	(iii) a chemical compound that includes a rare earth element or trace element or
142	mineral.
143	(b) "Rare earth element" is one of the following ores, minerals, or elements located in
144	the brines or the sovereign lands of the Great Salt Lake:
145	(i) lanthanum;
146	(ii) cerium;
147	(iii) praseodymium;
148	(iv) neodymium;
149	(v) samarium;
150	(vi) europium;
151	(vii) gadolinium;

152	(viii) terbium;
153	(ix) dysprosium;
154	(x) holmium;
155	(xi) erbium;
156	(xii) thulium;
157	(xiii) ytterbium;
158	(xiv) lutetium; and
159	(xv) yttrium.
160	(c) "Trace element or mineral" means an element or mineral that is located in the brines
161	or the sovereign lands of the Great Salt Lake that is not in production by July 1, 2020, and for
162	which the state has not received a royalty payment by July 1, 2020.
163	(2) (a) Mineral leases, including oil, gas, and hydrocarbon leases, may be issued for
164	prospecting, exploring, developing, and producing minerals covering any portion of state lands
165	or the reserved mineral interests of the state.
166	(b) (i) Leases may be issued for different types of minerals on the same land.
167	(ii) If leases are issued for different types of minerals on the same land, the leases shall
168	include stipulations for simultaneous operations.
169	(c) No more than one lease may be issued for the same resource on the same land.
170	(d) The division shall require a separate royalty agreement for extraction of minerals
171	from brines of the Great Salt Lake when:
172	(i) a mineral lease, a royalty agreement, or both that are in effect before the operator
173	seeks to extract a particular mineral or mineral compound do not expressly include the right to
174	extract the particular mineral or mineral compound; or
175	(ii) the proposed operation will use brines from the Great Salt Lake, but will not
176	occupy sovereign lands for the direct production of minerals other than for incidental structures
177	such as pumps and intake and outflow pipelines.
178	$\left[\frac{(2)}{(3)}\right]$ (a) Each mineral lease issued by the division shall provide for an annual rental
179	of not less than \$1 per acre per year, except that a mineral lease issued by the division
180	involving the extraction of mineral from brines in the Great Salt Lake shall provide for an
181	annual rental of not less than \$100 per acre per year.
182	(b) However, a lease may provide for a rental credit, minimum rental, or minimum

183	royalty upon commencement of production, as prescribed by rule.
184	$\left[\frac{(3)}{(4)}\right]$ The primary term of a mineral lease may not exceed:
185	(a) 20 years for oil shale and tar sands; and
186	(b) 10 years for oil and gas and any other mineral.
187	(5) (a) Subject to the other provisions of this Subsection (5), for a mineral lease or
188	royalty agreement involving the extraction of minerals from brines in the Great Salt Lake, the
189	division shall ensure that following terms are included:
190	(i) an extraction operation or extraction method shall adhere to commercially available
191	technologies that minimize water depletion or evaporation;
192	(ii) an extraction operation or extraction method shall mitigate depletion or evaporation
193	that occurs through operations or processing by providing water back into the Great Salt Lake
194	that approximates the volume of water lost through operations, processing, or evaporation;
195	(iii) a provision authorizing the division to curtail or limit mineral production at any
196	time the condition of the Great Salt Lake reaches the emergency trigger, as defined in Section
197	<u>65A-10-201;</u>
198	(iv) a provision authorizing the division to withdraw lands, operations, extraction
199	methods, or technologies from mineral production or mineral operations; and
200	(v) a provision allowing the division to require an existing operator to use
201	commercially available, innovative technologies to minimize water evaporation or depletion
202	caused by the planned mineral extraction as a condition of continued operations.
203	(b) If as of May 3, 2023, an operator has a mineral lease but not a royalty agreement
204	involving the extraction of minerals from brines in the Great Salt Lake, the extraction operation
205	or extraction method shall mitigate depletion and evaporation as provided in Subsection
206	(5)(a)(ii) only to the extent that the extraction operation or extraction method increases
207	depletion and evaporation as compared to the 10-year average of depletion and evaporation
208	measured beginning on January 1, 2013, and ending on December 31, 2022.
209	(c) If under Subsection $(5)(a)(v)$ the division requires an existing operator to use a
210	commercially available, innovative technology, the division may not require use of the
211	technology to begin until after a reasonable period determined by the division not to exceed
212	five years.
213	(6) (a) Upon nomination from a prospective operator, the division shall by rule, made

214	in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establish a
215	royalty rate and calculation methodology for a Great Salt Lake element or mineral that:
216	(i) provides for a full and fair return to the state from the production of the Great Salt
217	Lake element or mineral;
218	(ii) is consistent with market royalty rates applicable to the production of the Great Salt
219	Lake element or mineral or of the production of oil and gas;
220	(iii) provides a base royalty rate;
221	(iv) provides a reduced royalty rate from the royalty rate under Subsection (6)(a)(iii) if
222	the royalty agreement:
223	(A) relates to a non-evaporative method of producing the Great Salt Lake element or
224	mineral; or
225	(B) provides an incentive to use commercially available, innovative technology to
226	minimize water depletion and evaporation as determined by the division; and
227	(v) provides for a royalty rate that is based on the highest market value prevailing at the
228	time of the sale or disposal of the following:
229	(A) the Great Salt Lake element or mineral; or
230	(B) a product the lessee produces from the Great Salt Lake element or mineral.
231	(b) Before entering into a royalty agreement permitting the extraction of Great Salt
232	Lake elements or minerals, the operator shall:
233	(i) demonstrate commercial viability;
234	(ii) certify before operation begins that the operator is not negatively impacting the
235	biota or chemistry of the Great Salt Lake; and
236	(iii) obtain the approval of the division and the Department of Environmental Quality
237	that the certification supports a finding that the operation will not negatively impact the biota or
238	chemistry of the Great Salt Lake.
239	(c) A new mineral lease for a mineral in production in the Great Salt Lake as of May 3,
240	2023, is subject to new royalty rates due to emergent technologies.
241	(d) An operator who as of July 1, 2020, had a mineral lease with the division but not a
242	royalty agreement and who is subject to a severance tax under Subsection 59-5-202(5) shall pay
243	a royalty under this section in addition to the severance tax.
244	(7) An operator who extracts a Great Salt Lake element or mineral from tailings from

245	the production of minerals from brines in the Great Salt Lake is subject to this section to the
246	same extent as an operator producing a Great Salt Lake element or mineral from brines in the
247	Great Salt Lake.
248	(8) Actions under this section related to the Great Salt Lake are reasonable and
249	necessary in light of the legislative findings under Section 65A-10-202.
250	[(4) The division shall make rules regarding the continuation of a mineral lease after
250	the primary term has expired, which shall provide that a mineral lease shall continue so long
252	as:]
253	[(a) the mineral covered by the lease is being produced in paying quantities from:]
254	[(i) the leased premises;]
255	[(ii) lands pooled, communitized, or unitized with the leased premises; or]
256	[(iii) lands constituting an approved mining or drilling unit with respect to the leased
257	premises; or]
258	[(b) (i) the lessee is engaged in diligent operations, exploration, research, or
259	development which is reasonably calculated to advance development or production of the
260	mineral covered by the lease from:]
261	[(A) the leased premises;]
262	[(B) lands pooled, communitized, or unitized with the leased premises; or]
263	[(C) lands constituting an approved mining or drilling unit with respect to the leased
264	premises; and]
265	[(ii) the lessee pays a minimum royalty.]
266	[(5) For the purposes of Subsection (4), diligent operations with respect to oil, gas, and
267	other hydrocarbon leases may include cessation of operations not in excess of 90 days in
268	duration.]
269	Section 6. Section 65A-10-201 is enacted to read:
270	Part 2. Great Salt Lake Management
271	<u>65A-10-201.</u> Definitions.
272	As used in this part:
273	(1) "Emergency trigger" means that the salinity levels of the south arm of the Great Salt
274	Lake do not satisfy the ecological conditions required for functional brine shrimp and brine fly
275	reproduction.

276	(2) "Healthy physical and ecological condition" means that the south arm of the Great
277	Salt Lake has sustained salinity levels that satisfy the ecological conditions required for
278	functional brine shrimp and brine fly reproduction.
279	(3) "Management berm" means a berm on the Great Salt Lake that is implemented and
280	maintained for the management of salinity.
281	(4) "UP causeway breach" means the 21-mile Union Pacific Railroad causeway across
282	the Great Salt Lake that separates the Great Salt Lake into a north arm and a south arm of
283	different salinities.
284	Section 7. Section 65A-10-202 is enacted to read:
285	65A-10-202. Legislative findings.
286	The Legislature finds that:
287	(1) under Section 65A-10-1 the division, as the manager of sovereign lands, has a duty
288	to serve the public interest in managing the Great Salt Lake;
289	(2) the Great Salt Lake is a critical resource owned and managed by the state;
290	(3) the lake levels of the Great Salt Lake have reached historic lows, requiring action
291	by the state to address significant risks and minimize dangers to protect the ecological integrity
292	of the Great Salt Lake, the state's environment in general, and the welfare of the state's citizens;
293	and
294	(4) the management of the Great Salt Lake under this part, especially if the emergency
295	trigger is reached, is reasonable and necessary to serve important public purposes and no
296	reasonable alternative meets the interests described in Subsection (3).
297	Section 8. Section 65A-10-203, which is renumbered from Section 65A-10-8 is
298	renumbered and amended to read:
299	[65A-10-8]. 65A-10-203. Great Salt Lake Management responsibilities of the
300	division.
301	The division has the following powers and duties:
302	(1) The division shall [prepare and maintain a comprehensive plan for the Great Salt
303	Lake that recognizes the following policies] make rules, in accordance with Title 63G, Chapter
304	3, Utah Administrative Rulemaking Act, for the management of the Great Salt Lake that
305	recognize and balance the following public trust values and public interest benefits and
306	policies:

307	[(a) develop strategies to deal with a fluctuating lake level;]
308	[(b) encourage development of the Great Salt Lake in a manner that will preserve the
309	Great Salt Lake, encourage availability of brines to lake extraction industries, protect wildlife,
310	and protect recreational facilities;]
311	[(c) maintain the Great Salt Lake's flood plain as a hazard zone;]
312	[(d)] (a) strategies to effectively and efficiently manage the Great Salt Lake based on
313	the Great Salt Lake's fluctuating lake levels;
314	(b) development of the Great Salt Lake that balances, in a manner that promotes a
315	healthy physical and ecological condition:
316	(i) migratory and shorebirds habitats;
317	(ii) wetlands;
318	(iii) brines, minerals, chemicals, and petro-chemicals;
319	(iv) brine shrimp;
320	(v) the protection of wildlife and wildlife habitat;
321	(vi) the protection of recreational access and facilities; and
322	(vii) search and rescue efforts;
323	(c) [promote] water quality management for the Great Salt Lake and the Great Salt
324	Lake's tributary streams, including adequate nutrients, healthy salinity levels, and sufficient
325	water quantity;
326	[(e) promote the development of lake brines, minerals, chemicals, and petro-chemicals
327	to aid the state's economy;]
328	[(f) encourage the use of appropriate areas for extraction of brine, minerals, chemicals,
329	and petro-chemicals;]
330	[(g) maintain the Great Salt Lake and the marshes as important to shorebirds,
331	waterfowl, and other waterbird flyway system;]
332	[(h) encourage the development of an integrated industrial complex;]
333	[(i) promote and maintain recreation areas on and surrounding the Great Salt Lake;]
334	[(j) encourage safe boating use of the Great Salt Lake;]
335	[(k) maintain and protect state, federal, and private marshlands, rookeries, and wildlife
336	refuges; and]
337	[(1)] (d) [provide] public access to the Great Salt Lake for recreation, hunting, and

338	fishing[-];
339	(e) temperature moderation, a stable role in the water cycle, and dust mitigation;
340	(f) maintain the Great Salt Lake's flood plain as a hazard zone;
341	(g) maintain the Great Salt Lake and the marshes as important shorebirds, waterfowl,
342	and other waterbird flyway system;
343	(h) promote and maintain recreation areas on and surrounding the Great Salt Lake; and
344	(i) maintain and protect state, federal, and private marshlands, rookeries, and wildlife
345	refuges.
346	(2) The division shall prepare and maintain a comprehensive management plan for the
347	Great Salt Lake that is consistent with the public trust values and public interest benefits and
348	policies established by rule under Subsection (1).
349	[(2)] (3) The division may employ personnel and purchase equipment and supplies that
350	the Legislature authorizes through appropriations for the purposes of this chapter.
351	[(3)] (4) The division may initiate studies of the Great Salt Lake and the Great Salt
352	Lake's related resources.
353	[(4)] (5) The division may publish scientific and technical information concerning the
354	Great Salt Lake.
355	[(5)] (6) The division shall define the Great Salt Lake's flood plain.
356	[(6)] (7) The division may qualify for, accept, and administer grants, gifts, or other
357	funds from the federal government and other sources, for carrying out any functions under this
358	chapter.
359	[(7)] (8) The division shall determine the need for public works and utilities for the
360	lake area.
361	[(8)] (9) The division may implement the comprehensive plan described in Subsection
362	[(1)] (2) through state and local entities or agencies.
363	[(9)] (10) The division shall coordinate the activities of the various divisions within the
364	Department of Natural Resources with respect to the Great Salt Lake.
365	[(10) The division may perform all other acts reasonably necessary to carry out the
366	purposes and provisions of this chapter.]
367	(11) The division shall retain and encourage the continued activity of the Great Salt
368	Lake technical team.

369	(12) The division shall administer Chapter 16, Great Salt Lake Watershed
370	Enhancement Program.
371	(13) The division shall administer Section 65A-10-204 when the Great Salt Lake
372	emergency trigger is reached.
373	(14) The division shall manage the adaptive management berm in the UP causeway
374	breach to manage salinity and to protect the ecosystem of Gilbert Bay. Unless salinity
375	conditions in Gilbert Bay warrant raising the management berm, the policy of the state is to
376	keep the UP causeway breach open so as to allow the exchange of water between Gilbert and
377	Gunnison Bays.
378	(15) The division may perform acts other than those described in Subsections (1)
379	through (14) that are reasonably necessary to carry out this chapter.
380	Section 9. Section 65A-10-204 is enacted to read:
381	65A-10-204. Emergency management responsibilities of the division.
382	(1) When the Great Salt Lake reaches the emergency trigger, the division:
383	(a) may construct, operate, modify, and maintain one or more management berms;
384	(b) may construct, operate, modify, and maintain a management system or structure in
385	addition to or in lieu of a management berm;
386	(c) may enter into agreements as necessary to provide for all or a portion of a
387	management berm, system, or structure;
388	(d) is exempt from Title 63G, Chapter 6a, Utah Procurement Code, when acting to
389	manage the Great Salt Lake under this section;
390	(e) is not liable for a third-party claim resulting from the division's actions to manage
391	the Great Salt Lake under this section;
392	(f) may decline to issue a new permit, authorization, or agreement and may curtail
393	mineral production for leases that contain provisions contemplating curtailment or similar
394	contractual remedies;
395	(g) may implement mineral lease withdrawal over one or more of the following:
396	(i) portions of the Great Salt Lake;
397	(ii) specific methods of extraction; or
398	(iii) specific minerals; and
399	(h) may require the implementation of one or more of the following:

400	(i) extraction methods that are non-depletive in nature;
401	(ii) mitigation to offset depletion; or
402	(iii) innovative extraction technologies.
403	(2) The division shall make rules in accordance with Title 63G, Chapter 3, Utah
404	Administrative Rulemaking Act, providing for the procedures the division shall follow in
405	taking an action described in Subsection (1).
406	Section 10. Section 65A-10-205 is enacted to read:
407	<u>65A-10-205.</u> Force majeure.
408	(1) For purposes of managing the Great Salt Lake, the division may treat the fact that
409	the Great Salt Lake has reached the emergency trigger as a triggering event for the purposes of
410	invoking a force majeure provision in a contract, mineral lease, or royalty agreement.
411	(2) In addition to the standard mechanisms whereby performance is excused by
412	invocation of a force majeure provision, the division shall include language in a contract,
413	mineral lease, or royalty agreement whereby the division may curtail or prohibit mineral
414	production that results in a net depletion of water.
415	(3) If the division invokes a force majeure provision in a contract, mineral lease, or
416	royalty agreement, the effected operator is relieved from performance of any contractual
417	provision requiring production to hold the contract, mineral lease, or royalty agreement for a
418	maximum of two years. If the conditions creating the emergency trigger persists beyond a
419	two-year period, the division shall terminate the contract, mineral lease, or royalty agreement
420	and require the operator to engage in new contractual agreements whereby the operator
421	represents and warrants that future operations will not amount to a net depletion of water.
422	Section 11. Section 73-30-202 is amended to read:
423	73-30-202. Duties of the council.
424	(1) (a) The council shall advise the persons listed in Subsection (1)(b) on the
425	sustainable use, protection, and development of the Great Salt Lake in terms of balancing:
426	(i) sustainable use;
427	(ii) environmental health; and
428	(iii) reasonable access for existing and future development.
429	(b) The council shall advise, as provided in Subsection (1)(a):
430	(i) the governor;

431 (ii) the Department of Natural Resources; and 432 (iii) the Department of Environmental Quality. 433 (2) The council shall assist the Division of Forestry, Fire, and State Lands in its 434 responsibilities for the Great Salt Lake described in [Section 65A-10-8] Sections 65A-10-203 435 and 65A-10-204. 436 (3) The council: 437 (a) may recommend appointments to the Great Salt Lake technical team created by the 438 Division of Forestry, Fire, and State Lands; and 439 (b) shall receive and utilize technical support from the Great Salt Lake technical team. 440 (4) The council shall assist the Department of Natural Resources, the Department of 441 Environmental Quality, and their applicable boards in accomplishing their responsibilities for 442 the Great Salt Lake. 443 (5) The council shall report annually to the Natural Resources, Agriculture, and

444 Environmental Quality Appropriations Subcommittee on the council's activities.