

Drinking Water Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

LONG TITLE**General Description:**

This bill modifies the Safe Drinking Water Act to include a fee schedule.

Highlighted Provisions:

This bill:

- requires the Department of Environmental Quality to establish a fee schedule;
- outlines requirements related to the fee schedule;
- allows the Department of Environmental Quality to establish a financial incentive to comply with certain criteria;
- provides for the collection of fees;
- creates an exemption related to wholesale water suppliers;
- provides that fees are treated as dedicated credits; and
- requires monitoring of fees.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

19-4-116, Utah Code Annotated 1953

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

Section 1. Section **19-4-116** is enacted to read:

19-4-116 . Fee schedule.

(1)(a) The department shall establish a fee schedule for the regulation of public water systems in the state in accordance with Section 63J-1-504.

(b) To create the fee schedule described in Subsection (1)(a), the department shall:

- (i) complete a review of program costs and indirect costs of regulating public water systems in the state, after consulting with industry, local governments, special

- 32 districts, and special service districts;
- 33 (ii) use the findings from the review described in Subsection (1)(b)(i) to create the fee
- 34 schedule; and
- 35 (iii) evaluate other sources of funding to support the regulation of public water
- 36 systems in the state.
- 37 (c) The fee schedule described in Subsection (1)(a) may:
- 38 (i) implement an annual fee on a public water system in the state, on the basis of
- 39 consumption, for the direct delivery of water to an end user for human
- 40 consumption and other domestic uses;
- 41 (ii) implement a reasonable fee for plan review;
- 42 (iii) implement a reasonable fee for a public water system sanitary survey;
- 43 (iv) provide for reasonable and timely oversight of the fee schedule by the
- 44 department; and
- 45 (v) adequately meet the needs of public water systems and the department, including
- 46 enabling the department to employ qualified personnel to appropriately oversee
- 47 public drinking water regulation.
- 48 (d) The fee schedule described in Subsection (1)(a) may include fees that provide
- 49 financial incentives:
- 50 (i) to a public water system that is not a community water system if the public water
- 51 system complies with Section 19-4-114; and
- 52 (ii) to a community water system if the community water system:
- 53 (A) installs water meters on each residential connection in the community water
- 54 system;
- 55 (B) adopts tiered water rates;
- 56 (C) creates a drinking water master plan report within 10 years before the day on
- 57 which the fee is imposed; and
- 58 (D) complies with Section 19-4-114.
- 59 (2) A public water system shall submit payment of the fee established by Subsection (1) to
- 60 the department:
- 61 (a) in accordance with a schedule provided by the department; and
- 62 (b) using a form provided by the department.
- 63 (3) Except for a wholesale water supplier that delivers water directly to an end user for
- 64 human consumption and other domestic uses, a public water system that is a wholesale
- 65 water supplier is exempt from the fee established by Subsection (1)(c)(i).

66 (4) The department shall:

67 (a) retain fees collected under this section as dedicated credits; and

68 (b) use the fees to administer the regulation of public water systems.

69 (5) The Office of the Legislative Fiscal Analyst shall monitor fees collected under this
70 section.

71 Section 2. **Effective date.**

72 This bill takes effect on May 7, 2025.