Representative Casey Snider proposes the following substitute bill:

	GREAT SALT LAKE AMENDMENTS
2	2023 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Casey Snider
5	Senate Sponsor:
6 7	LONG TITLE
8	General Description:
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	This bill provides a special effective date.
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:
11	65A-10-203, (Renumbered from 65A-10-8, as last amended by Laws of Utah 2022,
41	05A-10-203, (Renumbered from 05A-10-6, as last amended by Laws of Otali 2022,
42	Chapter 78)
	·
42	·
42 43	Chapter 78)
42 43 44	Chapter 78) Be it enacted by the Legislature of the state of Utah:
42 43 44 45	Chapter 78) Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read:
42 43 44 45 46	Chapter 78) Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption.
42 43 44 45 46 47	Chapter 78) Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A person engaged in the business of mining or extracting metalliferous
42 43 44 45 46 47 48	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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
42 43 44 45 46 47 48 49	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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 all metals or metalliferous minerals sold or otherwise disposed of.
42 43 44 45 46 47 48 49 50	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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 all metals or metalliferous minerals sold or otherwise disposed of. (2) If the metals or metalliferous minerals are shipped outside the state, this constitutes
42 43 44 45 46 47 48 49 50	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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 all 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
42 43 44 45 46 47 48 49 50 51	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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 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
42 43 44 45 46 47 48 49 50 51 52 53	Be it enacted by the Legislature of the state of Utah: Section 1. Section 59-5-202 is amended to read: 59-5-202. Severance tax Rate Computation Annual exemption. (1) [Every] A 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 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

57	minerals so stockpiled. Metals or metalliferous minerals that are stockpiled for more than two
58	years, however, are subject to the severance tax.
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 metalliferous minerals from the
67	brine of the Great Salt Lake; and
68	(B) enters into a mineral lease with the Division of Forestry, Fire, and State Lands on
69	or after May 3, 2023, or as of July 1, 2020, had a mineral lease with the Division of Forestry,
70	Fire, and State Lands, but not a royalty agreement for a metalliferous mineral, chloride
71	compound, or salt.
72	(ii) "Metalliferous compound" means a metalliferous mineral or a chloride compound
73	or salt containing a metalliferous mineral.
74	(b) Notwithstanding the exclusion for chloride compounds or salts from the definition
75	of metalliferous minerals under Section 59-5-201, beginning with calendar year 2024, a Great
76	Salt Lake extraction operator shall pay to the state a severance tax in accordance with this part
77	for the mining of a metalliferous compound.
78	(c) This Subsection (5) may not be interpreted to:
79	(i) excuse a person from paying a severance tax in accordance with the other provisions
80	of this part; or
81	(ii) void a mineral lease or royalty agreement.
82	(d) A person extracting metalliferous minerals, including a metalliferous compound,
83	from the brine of the Great Salt Lake is subject to the payment of a royalty agreement under
84	Section 65A-6-4 and the payment of a severance tax under this part.
85	Section 2. Section 65A-5-1 is amended to read:
86	65A-5-1. Sovereign Lands Management Account.
87	(1) There is created within the General Fund a restricted account known as the

"Sovereign Lands Management Account."

88

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

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

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

181	of not less than \$1 per acre per year, except that a mineral lease issued by the division
182	involving the extraction of mineral from brines in the Great Salt Lake shall provide for an
183	annual rental of not less than \$100 per acre per year.
184	(b) However, a lease may provide for a rental credit, minimum rental, or minimum
185	royalty upon commencement of production, as prescribed by rule.
186	[(3)] <u>(4)</u> The primary term of a mineral lease may not exceed:
187	(a) 20 years for oil shale and tar sands; and
188	(b) 10 years for oil and gas and any other mineral.
189	(5) (a) Subject to the other provisions of this Subsection (5), for a mineral lease or
190	royalty agreement involving the extraction of minerals from brines in the Great Salt Lake, the
191	division shall ensure that following terms are included:
192	(i) an extraction operation or extraction method shall adhere to commercially available
193	technologies that minimize water depletion or evaporation;
194	(ii) an extraction operation or extraction method shall mitigate depletion or evaporation
195	that occurs through operations or processing by providing water back into the Great Salt Lake
196	that approximates the volume of water lost through operations, processing, or evaporation;
197	(iii) a provision authorizing the division to curtail or limit mineral production at any
198	time the condition of the Great Salt Lake reaches the emergency trigger, as defined in Section
199	<u>65A-10-201;</u>
200	(iv) a provision authorizing the division to withdraw lands, operations, extraction
201	methods, or technologies from mineral production or mineral operations; and
202	(v) a provision allowing the division to require an existing operator to use
203	commercially available, innovative technologies to minimize water evaporation or depletion
204	caused by the planned mineral extraction as a condition of continued operations.
205	(b) If as of May 3, 2023, an operator has a mineral lease but not a royalty agreement
206	involving the extraction of minerals from brines in the Great Salt Lake, the extraction operation
207	or extraction method shall mitigate depletion and evaporation as provided in Subsection
208	(5)(a)(ii) only to the extent that the extraction operation or extraction method increases
209	depletion and evaporation as compared to the 10-year average of depletion and evaporation
210	measured beginning on January 1, 2013, and ending on December 31, 2022.
211	(c) If under Subsection (5)(a)(v) the division requires an existing operator to use a

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

243	(d) An operator who as of July 1, 2020, had a mineral lease with the division but not a
244	royalty agreement and who is subject to a severance tax under Subsection 59-5-202(5) shall pay
245	a royalty under this section in addition to the severance tax.
246	(7) An operator who extracts a Great Salt Lake element or mineral from tailings from
247	the production of minerals from brines in the Great Salt Lake is subject to this section to the
248	same extent as an operator producing a Great Salt Lake element or mineral from brines in the
249	Great Salt Lake.
250	(8) Actions under this section related to the Great Salt Lake are reasonable and
251	necessary in light of the legislative findings under Section 65A-10-202.
252	[(4) The division shall make rules regarding the continuation of a mineral lease after
253	the primary term has expired, which shall provide that a mineral lease shall continue so long
254	as:]
255	[(a) the mineral covered by the lease is being produced in paying quantities from:]
256	[(i) the leased premises;]
257	[(ii) lands pooled, communitized, or unitized with the leased premises; or]
258	[(iii) lands constituting an approved mining or drilling unit with respect to the leased
259	premises; or]
260	[(b) (i) the lessee is engaged in diligent operations, exploration, research, or
261	development which is reasonably calculated to advance development or production of the
262	mineral covered by the lease from:
263	[(A) the leased premises;]
264	[(B) lands pooled, communitized, or unitized with the leased premises; or]
265	[(C) lands constituting an approved mining or drilling unit with respect to the leased
266	premises; and]
267	[(ii) the lessee pays a minimum royalty.]
268	[(5) For the purposes of Subsection (4), diligent operations with respect to oil, gas, and
269	other hydrocarbon leases may include cessation of operations not in excess of 90 days in
270	duration.]
271	Section 6. Section 65A-10-201 is enacted to read:
272	Part 2. Great Salt Lake Management
273	65A-10-201. Definitions.

2/4	As used in this part:
275	(1) "Adaptive management berm" means a berm installed in the UP causeway breach
276	to manage salinity to protect the ecosystem of Gilbert Bay.
277	(2) "Emergency trigger" means that the salinity levels of the Gilbert Bay of the Great
278	Salt Lake do not satisfy the ecological conditions required for healthy brine shrimp and brine
279	<u>fly reproduction.</u>
280	(3) "Healthy physical and ecological condition" means that the Gilbert Bay of the Great
281	Salt Lake has sustained salinity levels that satisfy the ecological conditions required for healthy
282	brine shrimp and brine fly reproduction.
283	(4) "UP causeway breach" means a breach in the 21-mile Union Pacific Railroad
284	causeway across the Great Salt Lake that separates the Great Salt Lake into Gunnison Bay and
285	Gilbert Bay.
286	Section 7. Section 65A-10-202 is enacted to read:
287	65A-10-202. Legislative findings.
288	The Legislature finds that:
289	(1) under Section 65A-10-1 the division, as the manager of sovereign lands, has a duty
290	to serve the public interest in managing the Great Salt Lake;
291	(2) the Great Salt Lake is a critical resource owned and managed by the state;
292	(3) the lake levels of the Great Salt Lake have reached historic lows, requiring action
293	by the state to address significant risks and minimize dangers to protect the ecological integrity
294	of the Great Salt Lake, the state's environment in general, and the welfare of the state's citizens;
295	<u>and</u>
296	(4) the management of the Great Salt Lake under this part, especially if the emergency
297	trigger is reached, is reasonable and necessary to serve important public purposes and no
298	reasonable alternative meets the interests described in Subsection (3).
299	Section 8. Section 65A-10-203 , which is renumbered from Section 65A-10-8 is
300	renumbered and amended to read:
301	[65A-10-8]. 65A-10-203. Great Salt Lake Management responsibilities of the
302	division.
303	The division has the following powers and duties:
304	(1) The division shall [prepare and maintain a comprehensive plan for the Great Salt

303	Lake that recognizes the following poncies in make rules, in accordance with Title 63G, Chapter
306	3, Utah Administrative Rulemaking Act, for the management of the Great Salt Lake that
307	recognize and balance the following public trust values and public interest benefits and
308	policies:
309	[(a) develop strategies to deal with a fluctuating lake level;]
310	[(b) encourage development of the Great Salt Lake in a manner that will preserve the
311	Great Salt Lake, encourage availability of brines to lake extraction industries, protect wildlife,
312	and protect recreational facilities;]
313	[(c) maintain the Great Salt Lake's flood plain as a hazard zone;]
314	[(d)] (a) strategies to effectively and efficiently manage the Great Salt Lake based on
315	the Great Salt Lake's fluctuating lake levels;
316	(b) development of the Great Salt Lake that balances, in a manner that promotes a
317	healthy physical and ecological condition:
318	(i) migratory and shorebirds habitats;
319	(ii) wetlands;
320	(iii) brines, minerals, chemicals, and petro-chemicals;
321	(iv) brine shrimp;
322	(v) the protection of wildlife and wildlife habitat;
323	(vi) the protection of recreational access and facilities; and
324	(vii) search and rescue efforts;
325	(c) promote water quality management for the Great Salt Lake and the Great Salt
326	Lake's tributary streams;
327	[(e) promote the development of lake brines, minerals, chemicals, and petro-chemicals
328	to aid the state's economy;]
329	[(f) encourage the use of appropriate areas for extraction of brine, minerals, chemicals,
330	and petro-chemicals;]
331	[(g) maintain the Great Salt Lake and the marshes as important to shorebirds,
332	waterfowl, and other waterbird flyway system;]
333	[(h) encourage the development of an integrated industrial complex;]
334	[(i) promote and maintain recreation areas on and surrounding the Great Salt Lake;]
335	[(j) encourage safe boating use of the Great Salt Lake;]

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

367	purposes and provisions of this chapter.]
368	(11) The division shall retain and encourage the continued activity of the Great Salt
369	Lake technical team.
370	(12) The division shall administer Chapter 16, Great Salt Lake Watershed
371	Enhancement Program.
372	(13) The division shall administer Section 65A-10-204 when the Great Salt Lake
373	emergency trigger is reached.
374	(14) The division shall manage the adaptive management berm in the UP causeway
375	breach to manage salinity to protect the ecosystem of Gilbert Bay. Unless salinity conditions in
376	Gilbert Bay warrant raising the adaptive management berm, the policy of the state is to keep
377	the UP causeway breach open so as to allow the exchange of water between Gilbert and
378	Gunnison Bays.
379	(15) The division may perform acts other than those described in Subsections (1)
380	through (14) that are reasonably necessary to carry out this chapter.
381	(16) This part may not be interpreted to override, supersede, or modify any water right
382	within the state, or the role and authority of the state engineer.
383	Section 9. Section 65A-10-204 is enacted to read:
384	65A-10-204. Emergency management responsibilities of the division.
385	(1) When the Great Salt Lake reaches the emergency trigger, the division:
386	(a) may construct, operate, modify, and maintain the adaptive management berm;
387	(b) may construct, operate, modify, and maintain one or more additional berms, dikes,
388	structures, or management systems consistent with the authority granted in this title;
389	(c) may enter into agreements as necessary to provide for all or a portion of a berm,
390	dike, system, or structure;
391	(d) is exempt from Title 63G, Chapter 6a, Utah Procurement Code, when acting to
392	manage the Great Salt Lake under this section;
393	(e) is not liable for a third-party claim resulting from the division's actions to manage
394	the Great Salt Lake under this section;
395	(f) may decline to issue a new permit, authorization, or agreement and may curtail
396	mineral production for leases that contain provisions contemplating curtailment or similar
397	contractual remedies;

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

02-23-23 8:59 AM

1st Sub. (Buff) H.B. 513

429	(i) sustainable use;
430	(ii) environmental health; and
431	(iii) reasonable access for existing and future development.
432	(b) The council shall advise, as provided in Subsection (1)(a):
433	(i) the governor;
434	(ii) the Department of Natural Resources; and
435	(iii) the Department of Environmental Quality.
436	(2) The council shall assist the Division of Forestry, Fire, and State Lands in its
437	responsibilities for the Great Salt Lake described in [Section 65A-10-8] Sections 65A-10-203
438	and 65A-10-204.
439	(3) The council:
440	(a) may recommend appointments to the Great Salt Lake technical team created by the
441	Division of Forestry, Fire, and State Lands; and
442	(b) shall receive and utilize technical support from the Great Salt Lake technical team.
443	(4) The council shall assist the Department of Natural Resources, the Department of
444	Environmental Quality, and their applicable boards in accomplishing their responsibilities for
445	the Great Salt Lake.
446	(5) The council shall report annually to the Natural Resources, Agriculture, and
447	Environmental Quality Appropriations Subcommittee on the council's activities.
448	Section 12. Effective date.
449	(1) Except as provided in Subsection (2), this bill takes effect on May 3, 2023.
450	(2) The amendments to Section 59-5-202 take effect on January 1, 2024.