



House of Intro  
To Com. No. \_\_\_\_\_  
Stand Report Do \_\_\_ Amd \_\_\_ Not \_\_\_  
Com Whole Do \_\_\_ Amd \_\_\_ Not \_\_\_  
2nd Reading Amd \_\_\_  
3rd Reading Amd \_\_\_ Pass \_\_\_ Fail \_\_\_

Second House  
To Com No. \_\_\_\_\_  
Stand Report Do \_\_\_ Amd \_\_\_ Not \_\_\_  
Com Whole Do \_\_\_ Amd \_\_\_ Not \_\_\_  
2nd Reading Amd \_\_\_  
3rd Reading Amd \_\_\_ Pass \_\_\_ Fail \_\_\_

**INTRODUCED**

1987

STATE OF WYOMING

87LSO-0730.01

SENATE FILE NO. 0263

Reserved industrial water right.

Sponsored by: Senator(s) SCOTT

*Charles H. Scott*

A BILL

for

1 AN ACT to create W.S. 41-3-116 relating to water rights;  
2 authorizing the conversion of an industrial water right to  
3 a reserved industrial water right for certain cities and  
4 towns; providing for conversion and specifying use; speci-  
5 fying conditions; and providing for an effective date.

6 Be It Enacted by the Legislature of the State of Wyoming:

7 Section 1. W.S. 41-3-116 is created to read:

8 41-3-116. Reserved industrial water right.

9 (a) If an industrial water right is subject to aban-

**NO SIGNIFICANT FISCAL IMPACT**

SF 0263

1     donment for nonuse under W.S. 41-3-401, any city or town  
2     whose corporate limits are within ten (10) miles of either  
3     the point of use or the point of diversion of the water  
4     may file a petition with the board of control requesting  
5     conversion of the water right to a reserved industrial  
6     water right to be owned by the city or town. Notwith-  
7     standing W.S. 41-3-401 and 41-3-402, a petition filed  
8     under this section shall have priority over any other  
9     abandonment action filed thereunder. If a city or town  
10    has filed a petition under this section and more than one  
11    (1) city or town is located within ten (10) miles of  
12    either the point of diversion or the point of use for the  
13    water rights sought, any other city or town qualified to  
14    file a petition under this section for those rights shall  
15    do so within thirty (30) days of the initial filing or is  
16    deemed to have waived its rights under this section. A  
17    city or town is entitled to a portion of the water right  
18    in the ratio its population bears to the population of  
19    other cities and towns which have filed a timely petition  
20    under this section. Population shall be based upon the  
21    last federal census. Any city or town may file jointly  
22    with any other city or town and may determine an appropri-  
23    ate division of the water right by agreement. The peti-  
24    tion shall be granted if it complies with this section.

1           (b) In addition to subsection (a) of this section, a  
2 reserved industrial water right may be created by a volun-  
3 tary transfer of a water right by an industrial user to a  
4 city or town qualified to file a petition under subsection  
5 (a) of this section. Any voluntary transfer under this  
6 subsection shall not preclude any other city or town qual-  
7 ified to petition for conversion under subsection (a) of  
8 this section from obtaining its entitlement to a portion  
9 of the water right if the original industrial water right  
10 has not been used within five (5) years.

11           (c) A reserved industrial water right shall retain  
12 the priority date, entitlement to divert water and point  
13 of diversion as existing under the original water right,  
14 except that a city or town may in whole or in part:

15                   (i) Transfer the point of diversion subject to  
16 W.S. 41-3-114;

17                   (ii) Change the use to municipal use in accor-  
18 dance with procedures provided under W.S. 41-3-104;

19                   (iii) Sell or lease the water right to any  
20 industrial user. Any portion of a water right sold, used  
21 under lease for more than five (5) years or leased for  
22 more than five (5) years shall revert to the status of the

1 original water right.

2 (d) Any water right appropriated for a specific or  
3 specialized industrial use shall upon conversion to a  
4 reserved industrial water right, be available for any  
5 industrial use. This subsection shall not apply to any  
6 water right appropriated for the production of electricity  
7 by use of falling water.

8 (e) Except as provided under this section, a  
9 reserved industrial water right is not subject to abandon-  
10 ment for nonuse under W.S. 41-3-401 and 41-3-402. A  
11 reserved industrial water right shall be put to beneficial  
12 use within five (5) years after conversion unless extended  
13 by the state engineer. The state engineer shall extend  
14 the five (5) year period if the city or town shows due  
15 diligence in seeking to obtain an industrial use for the  
16 water right.

17 Section 2. This act is effective May 22, 1987.

18 (END)