

HOUSE BILL NO. HB0180

Amending local surface water runoff system authority.

Sponsored by: Representative(s) Geringer, Banks, Filer,
Neiman, Strock and Wharff and Senator(s)
Boner, Crum, Laursen, D and Love

A BILL

for

1 AN ACT relating to cities and towns; amending the authority
2 for cities, towns and boards of public utilities to
3 establish a water system for diverting surface water
4 runoff; amending the authority for cities and towns to
5 prescribe and regulate fees and charges for the diversion
6 or management of surface water runoff; specifying
7 requirements for existing surface water diversion or runoff
8 systems; making conforming amendments; providing an
9 appropriation; and providing for an effective date.

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11 *Be It Enacted by the Legislature of the State of Wyoming:*

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13 **Section 1.** W.S. 15-7-115 is created to read:

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1 **15-7-115. Surface water runoff and diversion systems**
2 **existing before April 1, 2026; requirements.**

3
4 (a) Not later than July 1, 2027, any surface water
5 diversion system and any surface water runoff system
6 established, purchased, constructed, extended, maintained
7 or regulated by a city or town under W.S. 15-7-101(a)(iii)
8 before April 1, 2026 shall:

9
10 (i) Be reclassified as or placed within a
11 surface water drainage utility in accordance with the
12 Surface Water Drainage Utility Act, provided that the
13 reclassification or placement shall only be effective upon
14 an affirmative vote of the electors of the surface water
15 drainage utility area, as applicable and pursuant to W.S.
16 16-10-105(e); or

17
18 (ii) Operate using only funds that are held or
19 maintained by the city or town that established the surface
20 water diversion system or surface water runoff system and
21 that are not collected as fees or charges from the users of
22 the system. For purposes of this paragraph:

23

1 (A) Any charges or fees charged or assessed
2 to the users of the surface water diversion system or
3 surface water runoff system shall be refunded in accordance
4 with subsection (b) of this section;

5
6 (B) A city or town operating a surface
7 water diversion or runoff system may impose or assess fees
8 or charges to the users of the system after submitting the
9 question of whether fees or charges may be assessed and
10 after approval by a majority of the electors voting on the
11 question. After approval by the electors under this
12 subparagraph, the question of the imposition of fees and
13 charges for a surface water diversion or runoff system
14 shall be submitted to the voters at each municipal election
15 four (4) years after the electors first approve the
16 imposition or assessment of system fees;

17
18 (C) Nothing in this paragraph shall be
19 construed to limit or prohibit the assessment and
20 collection and fees for other services in accordance with
21 law, including trash, water and sewer services.

22

1 (b) The imposition of any charges and fees prescribed
2 or collected for the diversion or management of surface
3 water runoff under W.S. 15-7-101(a)(iii)(B) shall terminate
4 on April 1, 2026. If the surface water diversion or runoff
5 system established under W.S. 15-7-101(a)(iii) is not
6 reclassified or placed within a surface water drainage
7 utility under the Surface Water Drainage Utility Act or
8 does not operate in accordance with paragraph (a)(ii) of
9 this section by April 1, 2026, the city or town that
10 collected charges and fees under W.S. 15-7-101(a)(iii)(B)
11 shall refund all charges and fees collected before April 1,
12 2026 to each user of the system who paid the charges and
13 fees not later than September 1, 2027, subject to
14 subsection (c) of this section.

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16 (c) Charges and fees collected under W.S.
17 15-7-101(a)(iii)(B) that were revenues pledged for the
18 payment of any revenue bonds issued under W.S. 15-7-102 may
19 be retained to repay bonds issued before April 1, 2026.

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21 **Section 2.** W.S. 15-6-102 by creating a new subsection
22 (c), 15-7-101(a)(iii)(intro) and (B), 15-7-401 and
23 16-10-105(a) are amended to read:

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2 **15-6-102. General grant of authority;**
3 **nonapplicability of other provisions; restriction;**
4 **nonexclusivity.**

5

6 (c) Each city and town that completed an improvement
7 under this chapter before April 1, 2026 for a surface water
8 runoff system or surface water diversion system shall:

9

10 (i) Comply with the requirements of W.S.
11 15-7-115;

12

13 (ii) Not charge fees or other charges to system
14 users after April 1, 2026, subject to W.S. 15-7-115(a)(ii)
15 and (c);

16

17 (iii) Not later than July 1, 2027, either:

18

19 (A) Reclassify or place the surface water
20 diversion system or surface water runoff system in a
21 surface water drainage utility in accordance with the
22 Surface Water Drainage Utility Act, provided that the
23 reclassification or placement shall only be effective upon

1 an affirmative vote of the electors of the reclassified
2 surface water drainage utility area pursuant to W.S.
3 16-10-105(e); or

4
5 (B) Operate the system in accordance with
6 W.S. 15-7-115(a)(ii).

7
8 (iv) Dissolve on July 1, 2027 if the system is
9 not reclassified or placed within a surface water drainage
10 utility in accordance with the Surface Water Drainage
11 Utility Act, this section and W.S. 15-7-115 or is not
12 operated in accordance with W.S. 15-7-115(a)(ii) and refund
13 all collected charges and fees in accordance with W.S.
14 15-7-115.

15
16 **15-7-101. Purposes.**

17
18 (a) In addition to all other powers provided by law,
19 any city or town may make public improvements as follows
20 for which bonds may be issued to the contractor or be sold
21 as provided in this chapter to:

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1 (iii) Take any action necessary to establish,
2 purchase, extend, maintain and regulate a water system for
3 supplying water to and, subject to W.S. 15-7-115, diverting
4 surface water runoff from its inhabitants and their
5 property and for any other public purposes, including:

6
7 (B) Prescribing and regulating of rates for
8 the use of water and, subject to W.S. 15-7-115, the
9 diversion or management of surface water runoff; and

10
11 **15-7-401. Establishment; powers and duties generally.**

12
13 (a) Any city or town which owns and operates a
14 municipal waterworks, a sanitary sewer system, a sewage
15 disposal plant or an electric utility distribution system
16 may establish a board of commissioners to be known as the
17 board of public utilities. The board of public utilities
18 shall manage, operate, maintain and control such plants and
19 make all rules and regulations necessary for their safe,
20 economical and efficient operation and management. The
21 board may also improve, extend or enlarge the plants as
22 provided in this article.

23

1 (b) Each board of public utilities that has
2 established, constructed, operated or maintained a surface
3 water diversion system or a surface water runoff system
4 under this article or W.S. 15-7-101(a)(iii) before April 1,
5 2026 shall:

6
7 (i) Comply with the requirements of W.S.
8 15-7-115;

9
10 (ii) Not charge fees or other charges to system
11 users after April 1, 2026, subject to W.S. 15-7-115(a)(ii)
12 and (c);

13
14 (iii) Not later than July 1, 2027, either:

15
16 (A) Reclassify or place the surface water
17 diversion system or surface water runoff system in a
18 surface water drainage utility in accordance with the
19 Surface Water Drainage Utility Act, provided that the
20 reclassification or placement shall only be effective upon
21 an affirmative vote of the electors of the reclassified
22 surface water drainage utility area pursuant to W.S.
23 16-10-105(e); or

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(B) Operate the system in accordance with W.S. 15-7-115(a)(ii).

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16-10-105. Ordinance or resolution for construction; required and authorized provisions.

(a) If the governing body of a city, town or county desires to establish a surface water drainage utility pursuant to this act, a county shall do so by resolution and a city or town shall do so by ordinance. The resolution or ordinance shall provide for the administration of the surface water drainage utility either by the governing body of the city, town, county, joint powers board or other board or entity selected by the applicable governing body, including but not limited to a board of public utilities

1 formed pursuant to W.S. ~~15-7-401~~15-7-401(a). The
2 ordinance or resolution shall contain the specific
3 description of the surface water drainage area to be served
4 by the surface water drainage utility.

5
6 **Section 3.** There is appropriated five thousand
7 dollars (\$5,000.00) from the general fund to the office of
8 state lands and investments for distribution to any city or
9 town that established a surface water diversion or runoff
10 system under W.S. 15-7-101(a)(iii) or 15-7-401 before the
11 effective date of this act that is seeking to transition
12 the system to a surface water drainage utility. The office
13 of state lands and investments shall distribute this
14 appropriation to cities and towns on a pro rata basis. This
15 appropriation shall be for the period beginning with the
16 effective date of this act and ending June 30, 2028. This
17 appropriation shall not be transferred or expended for any
18 other purpose and any unexpended, unobligated funds
19 remaining from this appropriation shall revert as provided
20 by law on June 30, 2028.

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1 **Section 4.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

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(END)