

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

SENATE FILE NO.

Surface water management.

Sponsored by: Select Water Committee

A BILL

for

1 AN ACT relating to cities and towns; clarifying the
2 assessment of rates for management of surface water runoff;
3 clarifying the application of the surface water drainage
4 utility act; clarifying when elections are required for
5 funding of surface water utilities; making conforming
6 amendments; and providing for an effective date.

7

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

9

10 **Section 1.** W.S. 15-7-101(a)(iii)(B), 15-7-102(c) and
11 by creating a new subsection (d), 16-10-102(a)(iii), 16-10-
12 103(c) and 16-10-105(b)(intro) and (e) are amended to read:

13

1 **15-7-101. Purposes.**

2

3 (a) In addition to all other powers provided by law,
4 any city or town may make public improvements as follows
5 for which bonds may be issued to the contractor or be sold
6 as provided in this chapter to:

7

8 (iii) Take any action necessary to establish,
9 purchase, extend, maintain and regulate a water system for
10 supplying water to and diverting surface water runoff from
11 its inhabitants and their property and for any other public
12 purposes, including:

13

14 (B) Prescribing and regulating of rates for
15 the use of water and for the diversion or management of
16 surface water runoff subject to the requirements of W.S.
17 15-7-102(d); and

18

19 **15-7-102. Borrowing and issuance of bonds generally;**
20 **sewerage systems; elections; fees for management of surface**
21 **water runoff.**

22

1 (c) Notwithstanding any provision of W.S. 22-21-101
2 through 22-21-112, for purposes of this section, where
3 repayment of funds borrowed from the United States of
4 America or from the state of Wyoming, or from any
5 subdivision, agency or department of either, is to be made
6 solely from revenues generated by the enterprise with which
7 the financed public improvement project is associated and
8 where security for the loan is restricted to a claim on the
9 revenues generated from the enterprise with which the
10 proposed public improvement project is associated and to
11 the assets of that enterprise, any document evidencing the
12 agreement to repay the borrowed funds shall not be
13 considered a bond and no election shall be required. For
14 purposes of this subsection, the revenues for diversion or
15 management of surface water runoff shall be limited to
16 rates assessed in accordance with the requirements of
17 subsection (d) of this section.

18

19 (d) Before prescribing any rate for diversion or
20 management of surface water runoff, the city or town shall
21 adopt an ordinance establishing an engineering-based
22 methodology to establish just and reasonable rates. Any
23 ordinance adopted under this subsection shall:

1

2 (i) Identify the factors, data, assumptions,
3 property classifications and calculations used to establish
4 the rate;

5

6 (ii) Provide that the city or town shall use an
7 equivalent residential unit or another engineering-based
8 methodology reasonably related to the property's
9 contribution to runoff, demand on the stormwater system,
10 benefit from stormwater management services or any
11 combination of those factors. The methodology shall
12 consider the extent and runoff characteristics of permeable
13 and impermeable surfaces on the property, including the
14 comparative permeability of different surface types;

15

16 (iii) Provide discounts or credits to properties
17 that have established surface water mitigation measures,
18 including retention ponds or other surface water mitigation
19 measures, in accordance with requirements established by
20 the city or town. The requirements established under this
21 paragraph shall include consideration of water mitigation
22 measures previously approved by the city or town;

23

1 (iv) Establish a formal appeal process for a
2 property owner to dispute the rate that is assessed on the
3 property.

4
5 **16-10-102. Definitions.**

6
7 (a) As used in this act:

8
9 (iii) "Surface water drainage utility" means ~~an~~
10 ~~enterprise fund function~~ a public entity, program, system
11 or undertaking expressly established under this act
12 pursuant to W.S. 16-10-105(a) by which a governing body
13 provides for public needs in the area of surface water
14 drainage management and charges user fees to finance all or
15 a portion of its operations;

16
17 **16-10-103. Powers.**

18
19 (c) In addition to other methods provided by law or
20 ordinance, and subject to the voter approval ~~as provided by~~
21 requirements of W.S. ~~16-10-105(d)~~ 16-10-105(e), a governing
22 body may issue revenue bonds and may levy and collect
23 service charges to finance the surface water drainage

1 utility. A surface water drainage utility may be formed by
2 the governing body of any city or town, or by the county in
3 the unincorporated area of the county, as provided by this
4 act, for all or a portion of the respective municipality by
5 its governing body, or for all or a portion of the
6 unincorporated area of a county by its governing body.

7
8 **16-10-105. Ordinance or resolution for construction;**
9 **required and authorized provisions.**

10
11 (b) Subject to the voter approval ~~as provided by~~
12 requirements of subsection (e) of this section, a city,
13 town, county or joint powers board may fund the surface
14 water drainage utility by general and special funds,
15 revenue or other bonds and other forms of indebtedness,
16 service charges or a combination of these sources. The
17 resolution or ordinance establishing the utility, or a
18 resolution or ordinance later adopted by the governing
19 body, shall specify the means of financing the surface
20 water drainage utility by one (1) or more of the following
21 sources:

1 (e) Except as otherwise provided in this subsection,
2 a governing body shall not ~~fund~~ impose a tax, assessment or
3 other financing mechanism for which voter approval is
4 required under Wyoming law for a surface water drainage
5 utility created under this chapter until the proposition to
6 impose ~~the means of financing the surface water drainage~~
7 ~~utility~~ that financing mechanism has been submitted to and
8 adopted by the electors within the proposed surface water
9 drainage area under this subsection. Upon adoption of a
10 resolution or ordinance pursuant to subsection (a) of this
11 section, the proposition to impose the ~~means of financing~~
12 ~~the surface water drainage utility~~ financing mechanism
13 requiring voter approval shall be submitted to the electors
14 within the proposed utility on an election date determined
15 by the governing body and authorized under W.S. 22-21-103.
16 A notice of election shall be given in at least one (1)
17 newspaper of general circulation published in the county in
18 which the election is to be held or in the city or town if
19 only a city wide or town wide utility is proposed, and the
20 notice shall specify the proposed ~~means of financing the~~
21 ~~surface water drainage utility~~ financing mechanism
22 requiring voter approval. At the election, the ballots
23 shall contain appropriate language explaining the proposed

1 ~~means of financing the surface water drainage utility~~
2 financing mechanism. If the proposition is adopted, the
3 governing body may ~~proceed to issue revenue bonds or~~
4 ~~otherwise fund the surface water drainage utility~~ impose
5 the financing mechanism requiring voter approval as
6 specified in the ballot proposition. If the proposition is
7 defeated, a proposition to impose a ~~means of financing the~~
8 ~~surface water drainage utility~~ financing mechanism
9 requiring voter approval shall not again be submitted to
10 the electors within the utility before the next election
11 date authorized under W.S. 22-21-103 and occurring not less
12 than two (2) years after the election at which the
13 proposition was defeated. This subsection shall apply only
14 to financing for a surface water drainage utility created
15 under this chapter and shall not apply to rates or charges
16 lawfully imposed under W.S. 15-7-101 and 15-7-102 or to
17 other lawful non-tax backed revenues. Nothing in this
18 chapter shall require a municipality exercising authority
19 under W.S. 15-7-101 and 15-7-102 to establish a surface
20 water drainage utility under this chapter.

21
22 **Section 2.** This act is effective July 1, 2027.
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(END)