



UTAH STATEWIDE WATER MARKETING STRATEGIES

Dynamic Tools for a Resilient Future

Why

Water Marketing Brings Greater Flexibility

Utah faces a challenging water future. Innovative and impactful tools are needed to bring greater flexibility to water management and stewardship. Many state policies and goals rely on sharing water between users to meet growing demands. Water marketing uses market principles, primarily water leasing, to organize and incentivize new water uses. Water rights owners retain the value of their water right, those seeking water secure a water supply.

What

Water Marketing Strategies Developed by Exploring the Water Banking Act

In the mid-2010s several reports identified “water marketing” or “water banking” as a way to address water challenges. Between 2017 and 2020, a diverse and large group of water stakeholders met regularly to study water market activities in other states and discuss Utah water user needs. The stakeholder group determined that a water banking program in Utah should embody three core principles:

- Local** Local water users are in control and set all conditions of leasing arrangements.
- Temporary** Agreements are for a specific time and water users retain ownership of and income from their water rights.
- Voluntary** A water bank only happens if locals want it to happen.

Building on these concepts, the stakeholder group drafted and passed the Utah Water Banking Act. The Act authorizes certain qualifying leasing arrangements to apply to be a Utah Water Bank and therefore be extended requested benefits, such as forfeiture protections, streamlined administrative process, instream and environmental flows and others.

To test the concepts of the Utah Water Banking Act and broader water marketing principles, the State of Utah secured \$800,000 in funding to implement several pilot projects and develop a Statewide Water Marketing Strategy. The result of this effort is a robust set of new tools and resources aimed at helping Utah water users understand water marketing and its benefits.

A Success Story: Culminating Engaging with Thousands of Utah Water Users

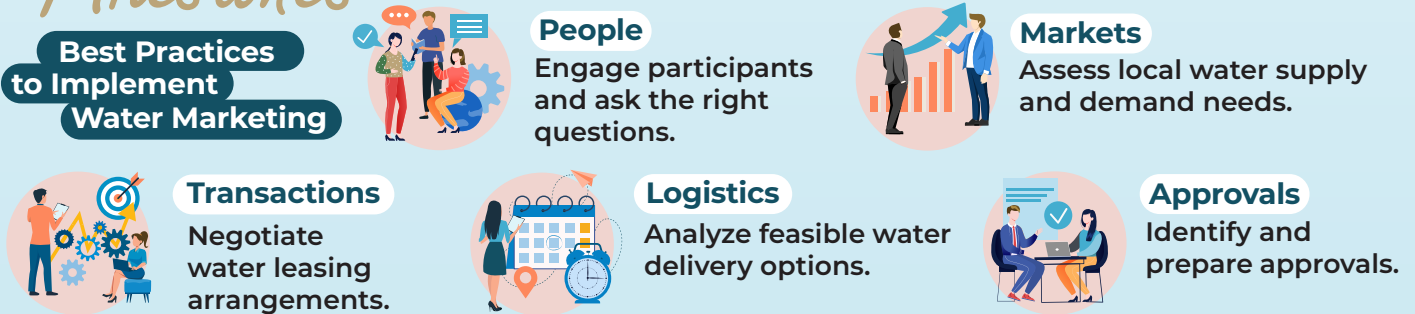
From 2020 to 2023, the State of Utah has met the goals set for Water Marketing:

- Implemented four Pilot Projects: 1) Price River, 2) Cache County, 3) Uintah Basin, and 4) Snyderville Basin;
- Developed dynamic resources and materials to guide, identify and organize the necessary steps that lead to successful transactions;
- Established an administrative process for reviewing and approving Utah Water Banks

The Statewide Water Marketing Strategy adds new and robust tools to support Utah water users.

Marketing Milestones

Based on stakeholder experiences exploring water marketing strategies and the Utah Water Banking Act, the State of Utah is providing resources to help water users navigate the five key milestones to successful water marketing:



Water Marketing has a Multiplier Effect

Water marketing principles can help Utah achieve a number of state priorities:

- Regional water conservation goals.
- Agricultural optimization efforts.
- Great Salt Lake Water Trust and Great Salt Lake Management.
- Colorado River Compact compliance.
- Watershed councils.
- Protect private property rights.
- Secure instream flows.
- Water quality compliance.
- Economic transitions (power; agricultural; conservation).
- Emergency allocation—beneficial use preferences.

Water Marketing Asks the Right Questions

Water marketing clarifies where the State should expend time and resources:

- Distribution (moving water from Point A to Point B); telemetry; modeling.
- Administrative efficiencies and processes.
- Infrastructure improvements and opportunities.
- Establish baseline hydrologic conditions.
- Legal advancements—clarify and evolve laws.
- Private-Public Partnerships.
- Demand for water skills/water economy.

More information can be found at utahwaterbank.org