

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 17-0985.01 Jennifer Berman x3286

**HOUSE BILL 17-1219**

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**HOUSE SPONSORSHIP**

**Arndt and McLachlan,**

**SENATE SPONSORSHIP**

**Crowder and Donovan,**

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**House Committees**

Agriculture, Livestock, & Natural Resources

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING AN EXTENSION OF THE AGRICULTURAL WATER LEASING**  
102                    **PILOT PROGRAM ADMINISTERED BY THE COLORADO WATER**  
103                    **CONSERVATION BOARD.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The Colorado water conservation board (board) administers a pilot program to demonstrate the practice of fallowing agricultural irrigation land and leasing the associated water rights for temporary municipal, agricultural, environmental, industrial, or recreational use. Under the current pilot program, the board, in consultation with the state engineer,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

HOUSE  
2nd Reading Unamended  
March 28, 2017

may authorize up to 10 pilot projects, each of a duration up to 10 years. Of the 10 pilot projects that the board may authorize, no more than 3 pilot projects may be located in any one of the following major river basins: The South Platte river basin; the Arkansas river basin; the Rio Grande river basin; and the Colorado river basin. An applicant must apply on or before December 31, 2018, to sponsor a pilot project. The pilot program is scheduled to be completed in 2029, at which time the board, in consultation with the state engineer, is required to provide a final report to the water resources review committee, or its successor committee, on the results of the pilot projects authorized.

The bill extends the pilot program as follows:

- ! The board, in consultation with the state engineer, may authorize up to 15 pilot projects;
- ! No more than 5 pilot projects may be located in any one of the 4 major river basins listed above;
- ! An applicant must apply on or before December 31, 2023, to sponsor a pilot project; and
- ! The pilot program would be completed in 2034, at which time the board, in consultation with the state engineer, would provide a final report to the water resources review committee or its successor committee.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 37-60-115, **amend**  
3 (8)(a) introductory portion, (8)(d)(IX), (8)(i), and (8)(j) as follows:

4 **37-60-115. Water studies - rules - repeal. (8) Fallowing and**  
5 **leasing pilot projects.** (a) After a period of notice and comment, the  
6 board may, in consultation with the state engineer and upon consideration  
7 of any comments submitted, select the sponsors of up to ~~ten~~ FIFTEEN pilot  
8 projects pursuant to the approval process set forth in ~~paragraph (f) of this~~  
9 ~~subsection (8)~~ SUBSECTION (8)(f) OF THIS SECTION. The board shall not  
10 itself sponsor a pilot project, but the board may provide financial,  
11 technical, or other assistance to a pilot project pursuant to the board's  
12 other activities and programs. No more than ~~three~~ FIVE pilot projects may  
13 be located in any one of the major river basins, namely: The South Platte

1 river basin; the Arkansas river basin; the Rio Grande river basin; and the  
2 Colorado river basin. Each project may last up to ten years in duration and  
3 must demonstrate the practice of:

4 (d) After providing a reasonable opportunity for public comment  
5 and consideration of any comments received, the board, in consultation  
6 with the state engineer, shall establish criteria and guidelines including at  
7 least the following:

8 (IX) Criteria for selecting pilot projects over a ~~five-year~~ period  
9 ending on December 31, ~~2018~~ 2023, to provide a window for potential  
10 pilot project sponsors to apply;

11 (i) The board, in consultation with the state engineer, shall  
12 annually report to the water resources review committee, created in  
13 section 37-98-102, or its successor committee, on the reported results of  
14 the pilot projects. The board, in consultation with the state engineer, shall  
15 provide a final report to the water resources review committee, or its  
16 successor committee, by July 1, ~~2029~~ 2034, or the year in which the final  
17 pilot project is completed, if before ~~2029~~ 2034.

18 (j) This subsection (8) is repealed, effective ~~July 1, 2030~~  
19 SEPTEMBER 1, 2035.

20 **SECTION 2. Act subject to petition - effective date.** This act  
21 takes effect at 12:01 a.m. on the day following the expiration of the  
22 ninety-day period after final adjournment of the general assembly (August  
23 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
24 referendum petition is filed pursuant to section 1 (3) of article V of the  
25 state constitution against this act or an item, section, or part of this act  
26 within such period, then the act, item, section, or part will not take effect  
27 unless approved by the people at the general election to be held in

- 1 November 2018 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.