

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

REVISED

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

LLS NO. 17-0985.01 Jennifer Berman x3286

HOUSE BILL 17-1219

HOUSE SPONSORSHIP

Arndt and McLachlan,

SENATE SPONSORSHIP

Crowder and Donovan,

House Committees

Agriculture, Livestock, & Natural Resources

Senate Committees

Agriculture, Natural Resources, & Energy

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.**

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.

SENATE
2nd Reading Unamended
April 11, 2017

HOUSE
3rd Reading Unamended
March 29, 2017

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.

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.