

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0337.01 Richard Sweetman x4333

**HOUSE BILL 22-1092**

**HOUSE SPONSORSHIP**

**Soper and Roberts,** Boesenecker, Duran, Hooton, Jodeh, Kennedy, Lontine, Lynch, McCluskie, McCormick, McLachlan, Ricks, Titone, Valdez D.

**SENATE SPONSORSHIP**

**Bridges and Coram,**

**House Committees**

Agriculture, Livestock, & Water

**Senate Committees**

Agriculture & Natural Resources

**A BILL FOR AN ACT**

101 **CONCERNING THE ISSUANCE OF LOANS BY IRRIGATION DISTRICTS TO**  
102 **LANDOWNERS FOR CERTAIN PURPOSES.**

**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>.)*

**Section 1** of the bill allows a board of directors of an irrigation district (board) to borrow money, which the irrigation district may use to make loans to landowners to be used to make improvements to private water delivery systems or for other types of projects that improve:

- Water conservation or efficiencies on landowner property;  
or

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

HOUSE  
3rd Reading Unamended  
March 3, 2022

HOUSE  
Amended 2nd Reading  
March 2, 2022

- Landowner delivery or drainage systems.

An obligation or contract to borrow such money is exempt from the existing requirement that a contract purporting to bind the district to pay any sum in excess of \$500,000 must be ratified by a majority of all the votes cast at a general or special election. Additionally, the district cannot assess landowners to raise money to fund the loans.

A board may adopt rules concerning the issuance of loans to landowners.

**Section 2** requires each irrigation district to include in its annual appropriation resolution all amounts payable by landowners to the irrigation district in accordance with loans issued to the landowners and indicate the amount payable by each tract within the irrigation district for which a landowner has received a loan.

**Section 3** requires a county assessor, in assessing land within an irrigation district, to:

- Apply the information provided in the irrigation district's annual appropriation resolution concerning loans issued to landowners; and
- Assess the additional amount payable for each tract for which the landowner has received a loan.

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

2 **SECTION 1.** In Colorado Revised Statutes, 37-42-113, **add** (5)  
3 as follows:

4 **37-42-113. Powers of district - loans for improvements.**

5 (5) (a) THE BOARD OF DIRECTORS MAY ENTER INTO ANY OBLIGATION OR  
6 CONTRACT TO BORROW MONEY, WHICH THE IRRIGATION DISTRICT MAY USE  
7 TO ISSUE LOANS TO LANDOWNERS:

8 (I) TO MAKE IMPROVEMENTS TO PRIVATE WATER DELIVERY  
9 SYSTEMS; OR

10 (II) FOR OTHER TYPES OF PROJECTS THAT IMPROVE:

11 (A) WATER CONSERVATION OR EFFICIENCIES ON LANDOWNER  
12 PROPERTY; OR

13 (B) LANDOWNER DELIVERY OR DRAINAGE SYSTEMS.

14 (b) AN OBLIGATION OR CONTRACT TO BORROW MONEY DESCRIBED

1 IN SUBSECTION (5)(a) OF THIS SECTION IS NOT SUBJECT TO THE  
2 REQUIREMENTS OF SUBSECTION (1)(c) OF THIS SECTION.

3 (c) THE BOARD SHALL NOT ASSESS DISTRICT LAND IN ORDER TO  
4 RAISE MONEY TO ISSUE LOANS PURSUANT TO THIS SUBSECTION (5).  
5 HOWEVER, THE BOARD, IN ITS DISCRETION, MAY USE OTHER SOURCES OF  
6 MONEY FOR THE PURPOSE OF ISSUING LOANS AS DESCRIBED IN THIS  
7 SUBSECTION (5).

8 (d) IN CASE OF DEFAULT IN THE PAYMENT OF ANY INSTALLMENT OF  
9 PRINCIPAL OR INTEREST WHEN DUE, THE COUNTY TREASURER MAY ASSESS  
10 UPON THE ELIGIBLE REAL PROPERTY A TAX LIEN FOR THE PAYMENT OF THE  
11 WHOLE OF THE UNPAID INSTALLMENT OF PRINCIPAL AND INTEREST; EXCEPT  
12 THAT, THE COUNTY TREASURER SHALL NOT ASSESS A TAX LIEN FOR THE  
13 ENTIRE VALUE OF THE LANDOWNER'S PORTION OF THE IRRIGATION LOAN  
14 ISSUED BY THE WATER DISTRICT.

15 (e) THE BOARD MAY ADOPT RULES CONCERNING THE ISSUANCE OF  
16 LOANS TO LANDOWNERS PURSUANT TO THIS SUBSECTION (5).

17 **SECTION 2.** In Colorado Revised Statutes, 37-42-125, **add** (3)  
18 as follows:

19 **37-42-125. Fiscal year - appropriation resolution.** (3) THE  
20 ANNUAL APPROPRIATION RESOLUTION DESCRIBED IN SUBSECTION (2) OF  
21 THIS SECTION MUST INCLUDE THE AMOUNT OF MONEY NEEDED TO MEET  
22 LOAN OBLIGATIONS AND ALL AMOUNTS PAYABLE BY LANDOWNERS TO THE  
23 IRRIGATION DISTRICT IN ACCORDANCE WITH LOANS ISSUED TO THE  
24 LANDOWNERS PURSUANT TO SECTION 37-42-113 (5) AND SHALL INDICATE  
25 THE AMOUNT PAYABLE BY EACH TRACT WITHIN THE IRRIGATION DISTRICT  
26 FOR WHICH A LANDOWNER HAS RECEIVED A LOAN.

27 

1           **SECTION 3.** In Colorado Revised Statutes, 37-42-128, **amend**  
2           (7) as follows:

3           **37-42-128. Collection of assessments.** (7) THE COUNTY  
4           TREASURER SHALL RECEIVE IN THE COUNTY TREASURER'S OFFICIAL  
5           CAPACITY all such district assessments collected and paid to the county  
6           treasurer, ~~shall be received by said treasurer in his official capacity,~~ and  
7           ~~he shall be~~ THE COUNTY TREASURER IS responsible for the safekeeping,  
8           disbursement, and payment thereof the same OF SUCH ASSESSMENTS as for  
9           WELL AS other moneys MONEY collected by him as such THE COUNTY  
10          treasurer. The county treasurer shall receive for the collection of such  
11          assessments such amount as the board of directors may allow, as provided  
12          in section 30-1-102; ~~C.R.S.~~ EXCEPT THAT THE TREASURER SHALL RECEIVE  
13          FIVE DOLLARS PER TRACT ASSESSED PURSUANT TO SECTION 37-42-125 (3)  
14          FOR LOANS ISSUED TO LANDOWNERS PURSUANT TO SECTION 37-42-113 (5),  
15          AND THIS FIVE DOLLARS SHALL BE ASSESSED AGAINST EACH  
16          PARTICIPATING TRACT. Any assessment collected and paid to the county  
17          treasurer for districts that are defunct or have not been in operation for  
18          five or more years shall be transferred by the county treasurer to the  
19          county general fund.

20          **SECTION 4.** In Colorado Revised Statutes, 37-41-113, **add** (9)  
21          as follows:

22          **37-41-113. Board of directors - duties - contracts - rules.**  
23          (9) (a) THE BOARD OF DIRECTORS MAY ENTER INTO ANY OBLIGATION OR  
24          CONTRACT TO BORROW MONEY, WHICH THE IRRIGATION DISTRICT MAY USE  
25          TO ISSUE LOANS TO LANDOWNERS:

26          (I) TO MAKE IMPROVEMENTS TO PRIVATE WATER DELIVERY  
27          SYSTEMS; OR

1           (II) FOR OTHER TYPES OF PROJECTS THAT IMPROVE:

2           (A) WATER CONSERVATION OR EFFICIENCIES ON LANDOWNER  
3 PROPERTY; OR

4           (B) LANDOWNER DELIVERY OR DRAINAGE SYSTEMS.

5           (b) AN OBLIGATION OR CONTRACT TO BORROW MONEY DESCRIBED  
6 IN SUBSECTION (9)(a) OF THIS SECTION IS NOT SUBJECT TO THE  
7 REQUIREMENTS OF SUBSECTION (4) OF THIS SECTION.

8           (c) THE BOARD OF DIRECTORS SHALL NOT ASSESS DISTRICT LAND  
9 IN ORDER TO RAISE MONEY TO ISSUE LOANS PURSUANT TO THIS  
10 SUBSECTION (9). HOWEVER, THE BOARD OF DIRECTORS, IN ITS DISCRETION,  
11 MAY USE OTHER SOURCES OF MONEY FOR THE PURPOSE OF ISSUING LOANS  
12 AS DESCRIBED IN THIS SUBSECTION (9).

13           (d) IN CASE OF DEFAULT IN THE PAYMENT OF ANY INSTALLMENT OF  
14 PRINCIPAL OR INTEREST WHEN DUE, THE COUNTY TREASURER MAY ASSESS  
15 UPON THE ELIGIBLE REAL PROPERTY A TAX LIEN FOR THE PAYMENT OF THE  
16 WHOLE OF THE UNPAID INSTALLMENT OF PRINCIPAL AND INTEREST; EXCEPT  
17 THAT THE COUNTY TREASURER SHALL NOT ASSESS A TAX LIEN FOR THE  
18 ENTIRE VALUE OF THE LANDOWNER'S PORTION OF THE IRRIGATION LOAN  
19 ISSUED BY THE WATER DISTRICT.

20           (e) THE BOARD OF DIRECTORS MAY ADOPT RULES CONCERNING THE  
21 ISSUANCE OF LOANS TO LANDOWNERS PURSUANT TO THIS SUBSECTION (9).

22           **SECTION 5.** In Colorado Revised Statutes, **amend 37-41-120** as  
23 follows:

24           **37-41-120. Fiscal year - directors to fix levy.** (1) The fiscal year  
25 of each irrigation district in this state shall commence on January 1 in  
26 each year. It is the duty of the board of directors on or before October 15  
27 in each year to determine the amount of money required to meet the

1 maintenance, operating, and current expenses for the ensuing fiscal year  
2 and to certify by resolution to the board of county commissioners of the  
3 county in which the office of the district is located said amount, together  
4 with any additional amount which may be necessary to meet any  
5 deficiency in the payment of said expenses theretofore incurred. The  
6 board of directors may fix the amount payable for any tract containing  
7 one acre or less and, if so, similarly shall certify this amount to the board  
8 of county commissioners. The board of directors shall also fix the amount  
9 payable by each tract within any district with which the United States has  
10 made a contract and shall certify the same to the board of county  
11 commissioners, and the amount so fixed shall be in accordance with the  
12 federal reclamation laws and the public notices, orders, and regulations  
13 issued thereunder and shall be in compliance with any contracts made by  
14 the United States with any owners of said lands and in compliance further  
15 with the contracts between the district and the United States. The  
16 obligation of every irrigation district contracting with the United States  
17 shall be deemed a district debt. Said resolution shall be termed the annual  
18 appropriation resolution for the next fiscal year, and no expenditure to be  
19 paid out of such fund shall exceed in any one year the amounts fixed for  
20 such expenses in the annual appropriation resolution, except as provided  
21 in section 37-41-129.

22 (2) THE ANNUAL APPROPRIATION RESOLUTION DESCRIBED IN  
23 SUBSECTION (1) OF THIS SECTION MUST INCLUDE THE AMOUNT OF MONEY  
24 NEEDED TO MEET LOAN OBLIGATIONS AND ALL AMOUNTS PAYABLE BY  
25 LANDOWNERS TO THE IRRIGATION DISTRICT IN ACCORDANCE WITH LOANS  
26 ISSUED TO THE LANDOWNERS PURSUANT TO SECTION 37-41-113 (9) AND  
27 SHALL INDICATE THE AMOUNT PAYABLE BY EACH TRACT WITHIN THE

1 IRRIGATION DISTRICT FOR WHICH A LANDOWNER HAS RECEIVED A LOAN.

2 **SECTION 6.** In Colorado Revised Statutes, 37-41-121, add (4)

3 as follows:

4 **37-41-121. Assessor - assessment.** (4) NOTWITHSTANDING ANY  
5 PROVISION OF THIS ARTICLE 41 TO THE CONTRARY, IN ADDITION TO THE  
6 AMOUNT DESCRIBED IN SECTION 30-1-102 (1)(p), THE COUNTY TREASURER  
7 SHALL RECEIVE FIVE DOLLARS PER TRACT ASSESSED PURSUANT TO  
8 SECTION 37-41-120 FOR LOANS ISSUED TO LANDOWNERS PURSUANT TO  
9 SECTION 37-41-113 (9), AND THIS FIVE DOLLARS SHALL BE ASSESSED  
10 AGAINST EACH PARTICIPATING TRACT.

11 **SECTION 7.** Act subject to petition - effective date. This act  
12 takes effect at 12:01 a.m. on the day following the expiration of the  
13 ninety-day period after final adjournment of the general assembly; except  
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
15 of the state constitution against this act or an item, section, or part of this  
16 act within such period, then the act, item, section, or part will not take  
17 effect unless approved by the people at the general election to be held in  
18 November 2022 and, in such case, will take effect on the date of the  
19 official declaration of the vote thereon by the governor.