

CHAPTER 197

**WATER AND IRRIGATION**

**SENATE BILL 95-083**

BY SENATORS Ament, Johnson, Bishop, Dennis, Hopper, Matsunaka, Mutzebaugh, Norton, R. Powers, Schroeder, and Wattenberg; also REPRESENTATIVES Jerke, Entz, Acquafresca, Moellenberg, Musgrave, Schwarz, and Taylor.

**AN ACT**

**CONCERNING CREATION OF THE DRINKING WATER REVOLVING FUND TO PROVIDE FINANCIAL ASSISTANCE FOR CERTAIN DRINKING WATER SUPPLY PROJECTS, AND, IN CONNECTION THEREWITH, PROVIDING FOR THE ASSIGNMENT AND TRANSFER OF LOANS OR MONEYS FROM THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND INTO THE DRINKING WATER REVOLVING FUND AND THE REPEAL OF THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.**

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

**SECTION 1.** 37-95-103, Colorado Revised Statutes, 1990 Repl. Vol., as amended, is amended by THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

**37-95-103. Definitions.** As used in this article:

(4.8) "DRINKING WATER PROJECT ELIGIBILITY LIST" MEANS THE LIST OF PROJECTS ELIGIBLE FOR FINANCIAL ASSISTANCE FROM THE AUTHORITY THROUGH THE DRINKING WATER REVOLVING FUND OR ITS OTHER BONDING CAPABILITIES, AS ADOPTED AND FROM TIME TO TIME MODIFIED IN ACCORDANCE WITH SECTION 37-95-107.8 (4). THE LIST SHALL CONSIST OF NEW OR EXISTING WATER MANAGEMENT FACILITIES THAT EXTEND, PROTECT, IMPROVE, OR REPLACE DOMESTIC DRINKING WATER SUPPLIES IN THE STATE OF COLORADO AND MAY INCLUDE ANY DOMESTIC DRINKING WATER SUPPLY PROJECTS ELIGIBLE FOR FINANCIAL ASSISTANCE THROUGH A STATE REVOLVING FUND PURSUANT TO THE TERMS OF THE "SAFE DRINKING WATER ACT", AS DEFINED IN SUBSECTION (12.2) OF THIS SECTION.

(12.2) "SAFE DRINKING WATER ACT" MEANS THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET. SEQ., AS AMENDED OR SUPPLEMENTED.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

**SECTION 2.** Article 95 of title 37, Colorado Revised Statutes, 1990 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

**37-95-107.8. Creation and administration of drinking water revolving fund.**

(1) THERE IS HEREBY CREATED IN THE AUTHORITY THE DRINKING WATER REVOLVING FUND THAT THE AUTHORITY SHALL MAINTAIN AND ADMINISTER FOR THE PURPOSES STATED IN THIS SECTION. THE AUTHORITY MAY:

(a) ESTABLISH PROCEDURES TO ADMINISTER THE DRINKING WATER REVOLVING FUND IN ACCORDANCE WITH THE SAFE DRINKING WATER ACT AND STATE LAW;

(b) CREATE SEPARATE ACCOUNTS IN THE DRINKING WATER REVOLVING FUND AND PLEDGE AND ASSIGN THE ACCOUNTS AS SECURITY FOR THE PAYMENT OF THE BONDS OF THE AUTHORITY;

(c) TO THE EXTENT PERMITTED BY THE SAFE DRINKING WATER ACT, TRANSFER MONEYS TO AND DIVIDE MONEYS BETWEEN THE DRINKING WATER REVOLVING FUND AND THE WATER POLLUTION CONTROL REVOLVING FUND CREATED IN SECTION 37-95-107.6.

(2) (a) SUBJECT TO ANY APPLICABLE PROVISIONS OF THE SAFE DRINKING WATER ACT AND AGREEMENTS WITH THE HOLDERS OF BONDS OF THE AUTHORITY, THE AUTHORITY SHALL DEPOSIT IN THE DRINKING WATER REVOLVING FUND:

(I) ANY GRANTS FROM THE FEDERAL GOVERNMENT OR ITS AGENCIES ALLOCATED TO THE STATE FOR DEPOSIT IN SAID FUND;

(II) STATE MATCHING FUNDS, IF REQUIRED;

(III) LOAN PRINCIPAL, INTEREST, AND PENALTY PAYMENTS RECEIVED WITH RESPECT TO LOANS MADE FROM THE DRINKING WATER REVOLVING FUND;

(IV) LOAN PRINCIPAL, INTEREST, AND PENALTY PAYMENTS RECEIVED WITH RESPECT TO LOANS MADE BY THE STATE TREASURER FROM THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND AND ASSIGNED AND TRANSFERRED FROM THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND TO THE AUTHORITY PURSUANT TO SECTION 37-95-107.7 (5);

(V) ALL MONEYS TRANSFERRED FROM THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND TO THE AUTHORITY BY THE STATE TREASURER PURSUANT TO SECTION 37-95-107.7 (6); AND

(VI) ANY OTHER MONEYS AS DETERMINED BY THE AUTHORITY.

(b) MONEYS IN THE DRINKING WATER REVOLVING FUND SHALL BE SPENT IN A MANNER CONSISTENT WITH THE TERMS AND CONDITIONS OF ANY STATE

REVOLVING PROGRAM FUND ESTABLISHED BY THE SAFE DRINKING WATER ACT AND MAY BE USED:

(I) TO PROVIDE ASSISTANCE TO GOVERNMENTAL AGENCIES FOR PROJECTS THAT APPEAR ON THE DRINKING WATER PROJECT ELIGIBILITY LIST, REFERRED TO IN THIS SECTION AS "ELIGIBLE PROJECTS"; AND

(II) FOR ANY OTHER PURPOSES PERMITTED BY THE SAFE DRINKING WATER ACT.

(c) THE AUTHORITY MAY SPEND MONEYS IN THE DRINKING WATER REVOLVING FUND FOR FINANCIAL ASSISTANCE TO GOVERNMENTAL AGENCIES FOR ELIGIBLE PROJECTS, INCLUDING EXPENDITURES BY ANY OF THE FOLLOWING MEANS:

(I) ANY MEANS SPECIFIED IN THE SAFE DRINKING WATER ACT;

(II) MAKING LOANS TO GOVERNMENTAL AGENCIES;

(III) PURCHASING OR REFINANCING OBLIGATIONS OF GOVERNMENTAL AGENCIES IF THE DEBT OBLIGATIONS WERE INCURRED AFTER OCTOBER 14, 1993, OR FOR A PROJECT TO COMPLY WITH AMENDMENTS TO REGULATIONS ENACTED BY THE 1986 AMENDMENTS TO THE SAFE DRINKING WATER ACT;

(IV) SECURING OR PURCHASING INSURANCE FOR DEBT OBLIGATIONS;

(V) SECURING OR PROVIDING MONEYS FOR PAYMENT OF THE PRINCIPAL AND INTEREST ON BONDS OF THE AUTHORITY;

(VI) SECURING OR PROVIDING MONEYS FOR PAYMENT OF THE PRINCIPAL AND INTEREST ON OTHER BONDS ISSUED TO FINANCE ELIGIBLE PROJECTS;

(VII) PROVIDING FOR THE COSTS OF ADMINISTERING THE DRINKING WATER REVOLVING FUND, INCLUDING THE ADMINISTRATIVE COSTS OF STATE AGENCIES;

(VIII) INVESTING MONEY THAT IS NOT CURRENTLY NEEDED FOR THE OPERATION OF THE DRINKING WATER REVOLVING FUND IN THE MANNER DETERMINED BY THE AUTHORITY. ALL INTEREST EARNED ON THESE INVESTMENTS SHALL BE CREDITED TO THE SPECIFIED ACCOUNT, IF ANY, IN THE DRINKING WATER REVOLVING FUND.

(IX) PROVIDING FOR ANY OTHER EXPENDITURE THAT IS CONSISTENT WITH THE SAFE DRINKING WATER ACT AND STATE LAW.

(3) (a) THE AUTHORITY MAY MAKE AND CONTRACT TO MAKE LOANS TO GOVERNMENTAL AGENCIES IN ACCORDANCE WITH AND SUBJECT TO THIS SECTION TO FINANCE THE COST OF ELIGIBLE PROJECTS THAT THE GOVERNMENTAL AGENCY MAY LAWFULLY UNDERTAKE OR ACQUIRE UNDER STATE LAW AND FOR WHICH THE GOVERNMENTAL AGENCY IS ENTITLED BY LAW TO BORROW MONEY. THE AUTHORITY MAY MAKE THE LOANS SUBJECT TO TERMS AND CONDITIONS DETERMINED BY THE AUTHORITY TO BE CONSISTENT WITH THE PURPOSES OF THE LOANS, AND, TO THE EXTENT THAT MONEYS ORIGINATING IN GRANTS FROM THE FEDERAL GOVERNMENT ARE THE SOURCE OF THE LOANS, CONSISTENT WITH THE PROVISIONS OF THE SAFE DRINKING WATER ACT. LOANS BY THE AUTHORITY AND THE TERMS AND CONDITIONS OF THE LOANS ARE SUBJECT TO FINANCIAL ANALYSIS BY THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE FINANCIAL ANALYSIS SHALL INCLUDE AN ANALYSIS OF THE CAPACITY TO REPAY A LOAN AND THE NEED FOR

FINANCIAL ASSISTANCE. THE LOANS SHALL BE EVIDENCED BY NOTES, BONDS, OR OTHER OBLIGATIONS OF THE BORROWER THAT ARE ISSUED TO THE AUTHORITY. IN THE CASE OF A GOVERNMENTAL AGENCY, NOTES AND BONDS TO BE ISSUED TO THE AUTHORITY SHALL BE AUTHORIZED AND ISSUED PURSUANT TO THIS PARAGRAPH (a). ALL NOTES, BONDS, OR OTHER OBLIGATIONS EVIDENCING A LOAN FROM THE AUTHORITY MAY BE SOLD AT PRIVATE SALE TO THE AUTHORITY AT ANY PRICE, WHETHER OR NOT LESS THAN PAR VALUE. THE DENOMINATIONS, THE TIMES FOR PAYMENT OF PRINCIPAL AND INTEREST, AND THE PROVISIONS FOR REDEMPTION PRIOR TO MATURITY OF SUCH NOTES, BONDS, OR OTHER OBLIGATIONS SHALL BE AS THE AUTHORITY AND THE BORROWER AGREE. EACH LOAN TO A GOVERNMENTAL AGENCY AND THE NOTES, BONDS, OR OTHER OBLIGATIONS THEREBY ISSUED SHALL BEAR INTEREST AT SUCH RATE OR RATES PER ANNUM AT OR BELOW MARKET INTEREST RATE AND SHALL BE FOR SUCH TERMS NOT TO EXCEED TWENTY YEARS AFTER PROJECT COMPLETION AS THE AUTHORITY AND THE BORROWER MAY AGREE; EXCEPT THAT, IF THE SOURCE OF THE LOANED FUNDS IS A GRANT FROM THE UNITED STATES, THE LOAN TERM MAY BE EXTENDED IN ACCORDANCE WITH THE TERMS OF THE SAFE DRINKING WATER ACT PROVIDING FOR EXTENDED LOAN TERMS.

(b) FROM MONEYS IN THE DRINKING WATER REVOLVING FUND, THE AUTHORITY MAY PURCHASE OR REFINANCE OR PURCHASE INSURANCE FOR THE PAYMENT OF ALL OR ANY PORTION OF THE PRINCIPAL AND INTEREST ON BONDS, NOTES, OR OTHER OBLIGATIONS ISSUED BY A GOVERNMENTAL AGENCY TO FINANCE AN ELIGIBLE PROJECT THAT THE GOVERNMENTAL AGENCY MAY LAWFULLY UNDERTAKE OR ACQUIRE UNDER STATE LAW AND FOR WHICH THE GOVERNMENTAL AGENCY IS AUTHORIZED BY LAW TO BORROW MONEY. THE PURCHASE OR REFINANCING OR PURCHASE OF INSURANCE BY THE AUTHORITY IS SUBJECT TO FINANCIAL ANALYSIS BY THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE FINANCIAL ANALYSIS SHALL INCLUDE AN ANALYSIS OF THE CAPACITY TO REPAY A LOAN AND THE NEED FOR FINANCIAL ASSISTANCE.

(c) THE AUTHORITY MAY CHARGE TO AND COLLECT FROM GOVERNMENTAL AGENCIES PROVIDED FINANCIAL ASSISTANCE FROM THE DRINKING WATER REVOLVING FUND FEES AND CHARGES IN CONNECTION WITH THE AUTHORITY'S LOANS OR OTHER SERVICES, INCLUDING, BUT NOT LIMITED TO, FEES AND CHARGES SUFFICIENT TO REIMBURSE THE AUTHORITY FOR ALL REASONABLE COSTS IT NECESSARILY INCURRED IN PROVIDING FINANCIAL ASSISTANCE FROM THE DRINKING WATER REVOLVING FUND, INCLUDING, BUT NOT LIMITED TO, COSTS OF FINANCING AND THE ESTABLISHMENT AND MAINTENANCE OF RESERVES OR OTHER FUNDS AS THE AUTHORITY MAY DETERMINE IS REASONABLE.

(4) (a) THE INITIAL DRINKING WATER PROJECT ELIGIBILITY LIST SHALL BE DEVELOPED BY THE DIVISION OF ADMINISTRATION IN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT AND SHALL BE SUBMITTED TO THE GENERAL ASSEMBLY ON OR BEFORE MARCH 31, 1995. ON OR BEFORE MAY 31, 1995, THE INITIAL DRINKING WATER PROJECT ELIGIBILITY LIST SHALL BE ADOPTED BY THE PASSAGE OF A JOINT RESOLUTION THAT IS APPROVED BY A MAJORITY VOTE OF BOTH HOUSES OF THE GENERAL ASSEMBLY AND THAT IS APPROVED BY THE GOVERNOR IN ACCORDANCE WITH SECTION 39 OF ARTICLE V OF THE STATE CONSTITUTION.

(b) ADDITIONS OR MODIFICATIONS TO THE DRINKING WATER PROJECT ELIGIBILITY LIST SHALL BE DEVELOPED BY THE STATE BOARD OF HEALTH AND SHALL BE

SUBMITTED TO THE GENERAL ASSEMBLY ON OR BEFORE JANUARY 15 OF EACH YEAR. ANY ADDITIONS OR MODIFICATIONS SHALL CONFORM TO ANY APPLICABLE PROVISIONS OF THE SAFE DRINKING WATER ACT AND STATE LAW. ON OR BEFORE APRIL 1 OF EACH YEAR, SUCH ADDITIONS OR MODIFICATIONS SHALL BE ADOPTED BY THE PASSAGE OF A JOINT RESOLUTION THAT IS APPROVED BY A MAJORITY VOTE OF BOTH HOUSES OF THE GENERAL ASSEMBLY AND THAT IS APPROVED BY THE GOVERNOR IN ACCORDANCE WITH SECTION 39 OF ARTICLE V OF THE STATE CONSTITUTION.

(c) MONEYS SHALL NOT BE SPENT FROM THE DRINKING WATER REVOLVING FUND OR BONDS ISSUED BY THE AUTHORITY PURSUANT TO SUBSECTION (6) OF THIS SECTION FOR ANY PROJECT UNLESS THE PROJECT IS ON THE DRINKING WATER PROJECT ELIGIBILITY LIST APPROVED IN ACCORDANCE WITH THIS SUBSECTION (4). FINANCIAL ASSISTANCE FOR A PROJECT PURSUANT TO THIS SECTION MAY BE PROVIDED REGARDLESS OF THE RANK, IF ANY, OF THE PROJECT ON THE ELIGIBILITY LIST; EXCEPT THAT ANY PRIORITY FOR ELIGIBLE PROJECTS ESTABLISHED OR REQUIRED BY THE SAFE DRINKING WATER ACT SHALL APPLY IN THE ISSUANCE OF FINANCIAL ASSISTANCE IF THE SOURCE OF THE FINANCIAL ASSISTANCE IS GRANT MONEYS FROM THE FEDERAL GOVERNMENT.

(5) (a) THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS, THE DIVISION OF ADMINISTRATION IN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND THE AUTHORITY SHALL DEVELOP AN INTENDED USE PLAN THAT COMPLIES WITH THE SAFE DRINKING WATER ACT. THE INTENDED USE PLAN SHALL INCLUDE, BUT IS NOT LIMITED TO:

(I) ANY MATERIAL THAT MAY BE REQUIRED BY THE SAFE DRINKING WATER ACT;

(II) AN ENUMERATION OF THE BONDS THAT THE AUTHORITY WOULD NEED TO ISSUE, INCLUDING THE AMOUNTS, TERMS, AND CONDITIONS THEREOF; AND

(III) A LIST OF LOANS PROPOSED TO BE MADE FROM THE DRINKING WATER REVOLVING FUND, INCLUDING THE TERMS AND CONDITIONS THEREOF AND THE ANTICIPATED RATE OF INTEREST PER ANNUM AND REPAYMENT SCHEDULE THEREFOR.

(b) A DECISION TO PROCEED WITH THE ISSUANCE OF BONDS UNDER THIS SUBSECTION (5) SHALL BE ENTIRELY WITHIN THE DISCRETION OF THE AUTHORITY.

(6) THE AUTHORITY MAY ISSUE BONDS PURSUANT TO THIS ARTICLE TO FINANCE THE COST OF PROVIDING FINANCIAL ASSISTANCE FROM THE DRINKING WATER REVOLVING FUND AND TO PROVIDE RESERVES THEREFOR PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(7) ON BEHALF OF THE STATE AND WITH THE WRITTEN APPROVAL OF THE STATE BOARD OF HEALTH, THE AUTHORITY MAY ENTER INTO ANY AGREEMENTS WITH THE FEDERAL GOVERNMENT AS NECESSARY TO COMPLY WITH ANY PROVISIONS OF THE SAFE DRINKING WATER ACT AND IF OTHERWISE REQUIRED TO PROVIDE FOR ANY CAPITALIZATION OF THE DRINKING WATER REVOLVING FUND FROM FEDERAL GRANT MONEYS.

(8) SECTIONS 37-95-107 AND 37-95-107.5 SHALL NOT APPLY TO ANY PROJECT ON THE DRINKING WATER PROJECT ELIGIBILITY LIST APPROVED IN ACCORDANCE WITH

SUBSECTION (4) OF THIS SECTION.

**SECTION 3.** 37-95-107.6, Colorado Revised Statutes, 1990 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**37-95-107.6. Creation and administration of water pollution control revolving fund.** (9) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN ANY OTHER PROVISION OF THIS ARTICLE, MONEYS ON DEPOSIT IN THE WATER POLLUTION CONTROL REVOLVING FUND MAY, IF PERMITTED BY APPLICABLE FEDERAL LAW AND THE TERMS OF ANY AGREEMENT BETWEEN THE STATE AND THE UNITED STATES RELATING TO THE WATER POLLUTION CONTROL REVOLVING FUND, BE DEPOSITED BY THE AUTHORITY, IN ITS DISCRETION, INTO ONE OR MORE FUNDS OR ACCOUNTS CREATED OR PLEDGED TO SECURE THE PAYMENTS OF BONDS ISSUED BY THE AUTHORITY IN CONNECTION WITH THE DRINKING WATER REVOLVING FUND CREATED AND ADMINISTERED UNDER SECTION 37-95-107.8. ANY MONEYS TRANSFERRED UNDER THIS SUBSECTION (9) FROM THE WATER POLLUTION CONTROL REVOLVING FUND INTO OR FOR THE BENEFIT OF THE DRINKING WATER REVOLVING FUND SHALL BE REPAID INTO THE WATER POLLUTION CONTROL REVOLVING FUND AS SOON AS PRACTICABLE.

**SECTION 4.** 37-95-107.7, Colorado Revised Statutes, 1990 Repl. Vol., as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

**37-95-107.7. Creation and administration of domestic water supply project revolving fund - repeal.** (5) UPON EXECUTING EACH LOAN TO A GOVERNMENTAL AGENCY FROM THE DOMESTIC WATER SUPPLY REVOLVING FUND CREATED BY SECTION 37-95-107.8, THE STATE TREASURER SHALL EXECUTE AND DELIVER TO THE AUTHORITY A DOCUMENT THAT ASSIGNS AND TRANSFERS TO THE AUTHORITY THE RIGHT TO RECEIVE ANY AND ALL PAYMENTS OF PRINCIPAL AND INTEREST AND ANY PENALTY FEES THAT ARE MADE WITH RESPECT TO SUCH LOAN.

(6) (a) ON JULY 1, 1995, AND JANUARY 1, 1996, AND ON JANUARY 1 OF EACH YEAR THEREAFTER, UNTIL THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND IS DEPLETED, THERE SHALL BE TRANSFERRED FROM THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND IN THE STATE TREASURY TO THE DRINKING WATER REVOLVING FUND CREATED BY SECTION 37-95-107.8 WITHIN THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY A SUM OF MONEY EQUAL TO NOT MORE THAN NINE PERCENT OF THE ANNUAL REVENUE OF THE AUTHORITY AS DETERMINED BY THE AUTHORITY FOR THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

(b) ON TRANSFER OF ALL LOANS FROM AND MONEYS IN THE DOMESTIC WATER SUPPLY PROJECT REVOLVING FUND, THIS SECTION IS REPEALED. THE STATE TREASURER SHALL BE REQUIRED TO TRANSMIT A LETTER TELLING OF THE FUND'S DEPLETION TO THE REVISOR OF STATUTES. THE EFFECTIVE DATE OF THE REPEAL OF THIS SECTION SHALL BE THE DATE THE REVISOR OF STATUTES RECEIVES NOTICE FROM THE AUTHORITY THAT SUCH FUND HAS BEEN DEPLETED.

**SECTION 5.** 25-1-107 (1), Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**25-1-107. Powers and duties of the department - repeal.** (1) The department has, in addition to all other powers and duties imposed upon it by law, the following powers and duties:

(gg) TO COOPERATE WITH AND ASSIST THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY IN THE ADMINISTRATION OF THE DRINKING WATER REVOLVING FUND CREATED BY SECTION 37-95-107.8, C.R.S., INCLUDING ADOPTING RULES GOVERNING THE DRINKING WATER PROJECT ELIGIBILITY LIST PROVIDED BY SAID SECTION AND MODIFICATIONS TO THE ELIGIBILITY LIST FOR SUBMISSION TO THE GENERAL ASSEMBLY, AND TO TAKE ANY OTHER ACTIONS NECESSARY TO ASSIST THE AUTHORITY IN COMPLYING WITH THE REQUIREMENTS OF THE FEDERAL "SAFE DRINKING WATER ACT".

**SECTION 6. Transfer of moneys - 1995-96 fiscal year.** For the 1995-96 fiscal year, the state treasurer is hereby directed to transfer to the Drinking Water Revolving Fund the sum of one million six hundred fifteen thousand one hundred forty dollars (\$1,615,140) on July 1, 1995, and the sum of one million six hundred fifteen thousand one hundred forty dollars (\$1,615,140) on January 1, 1996, from the Domestic Water Supply Project Revolving Fund.

**SECTION 7. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, from the Colorado water resources and power development authority, to the department of local affairs, for allocation to the division of local government, for the fiscal year beginning July 1, 1995, the sum of seventeen thousand eight hundred twenty-two dollars (\$17,822) and 0.5 FTE, or so much thereof as may be necessary, for the implementation of this act. Of this amount, fourteen thousand seven hundred ninety-two dollars (\$14,792) shall be appropriated as a cash fund exempt appropriation and three thousand thirty dollars (\$3,030) shall be appropriated as a cash fund appropriation. Such amount shall be from amounts received from the Colorado water resources and power development authority. The appropriation of moneys and FTE provided by this subsection (1) are conditioned upon the creation of a state revolving fund and the receipt of moneys from the United States environmental protection agency through the federal "Safe Drinking Water Act", 42 U.S.C. sec. 300f et seq., as amended or supplemented. Such appropriation of moneys and FTE shall not be made unless these conditions are met.

(2) In addition to any other appropriation, there is hereby appropriated, from the Colorado water resources and power development authority, to the department of public health and environment, for allocation to the division of administration, for the fiscal year beginning July 1, 1995, the sum of fifty-five thousand eight hundred five dollars (\$55,805), or so much thereof as may be necessary, for the implementation of this act. Of this amount, forty-six thousand three hundred eighteen dollars (\$46,318) shall be appropriated as a cash fund exempt appropriation and nine thousand four hundred eighty-seven dollars (\$9,487) shall be appropriated as a cash fund appropriation. Such amount shall be from amounts received from the Colorado water resources and power development authority if a state revolving fund is created and moneys are received from the United States environmental protection agency through the federal "Safe Drinking Water Act", 42 U.S.C. sec. 300f et seq., as amended or supplemented.

**SECTION 8. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 25, 1995