

MEMORANDUM

TO: Joint Budget Committee Members

FROM: JBC Staff

SUBJECT: Bill Drafts for Discussion on February 1, 2016

DATE: February 1, 2016

This memo includes the following bill drafts for the Committees consideration.

- LLS 16-0916: "Concerning Granting Electronic Access to Court Information to Attorneys Under Contract with the Office of the Respondent Parents' Counsel." (Carolyn Kampman)
- LLS 16-0918: "Concerning the Reserve in the Severance Tax Operational Fund." (Carly Jacobs)
- LLS 16-0919: "Concerning a Requirement that the State Auditor Conduct a Periodic Study to Determine the Normal Cost of Benefits Provided to Members of the Public Employees' Retirement Association." (Alfredo Kemm)
- LLS 16-0920_01: "Concerning the Financing of the Water Pollution Control Program." (Megan Davisson)
- LLS 16-0920_02: "Concerning the Financing of the Water Pollution Control Program." (Megan Davisson)
- LLS 16-0923: "Concerning an Exception to the Application of a Statutory Reduction in the Amount of Contributions That the Public Utilities Commission Requires Telecommunications Companies to Pay to Fund the High Cost Support Mechanism if the Amount of the Contributions Assessed by the Public Utilities Commissions Would Be Reduced by an Amount Greater Than That Reflected in the Statutory Reduction When Compared to the Amount of Contributions from the Previous Year." (Tom Dermody)
- LLS 16-1010: "Concerning Transfers of Money from the High Cost Support Mechanism to the Broadband Fund, and, in Connection Therewith, Scheduling the Transfers on July 1 of Each Year and Continuously Appropriating the Portion of the Money in the Broadband Fund That Was Allocated from the High Cost Support Mechanism." (Tom Dermody)
- LLS 16-0924: "Concerning the Manner in which the State Funds Driver and Vehicle Services by the Division of Motor Vehicles in the Department of Revenue." (Scott Thompson)
- LLS 16-0929: "Concerning the Evaluation of State Tax Expenditures." (Kevin Neimond)

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.27.16

DRAFT

LLS NO. 16-0916.01 Jane Ritter x4342

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Electronic Access Ofc Respondent Parents' Counsel"

A BILL FOR AN ACT

101 CONCERNING GRANTING ELECTRONIC ACCESS TO COURT
102 INFORMATION TO ATTORNEYS UNDER CONTRACT WITH THE
103 OFFICE OF THE RESPONDENT PARENTS' COUNSEL.

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. The bill grants electronic access to the name index and register of actions to attorneys under contract with the office of the respondent parents' counsel.

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

2 **SECTION 1.** In Colorado Revised Statutes, 13-1-119.5, **amend**
3 (1) (e) as follows:

4 **13-1-119.5. Electronic access to name index and register of**
5 **actions.** (1) Statewide electronic read-only access to the name index and
6 register of actions of public case types ~~shall~~ **MUST** be made available to
7 the following agencies or attorneys appointed by the court:

8 (e) A respondent ~~parent~~ PARENT'S counsel ~~appointed by the court~~
9 ~~and paid by the judicial department~~ UNDER CONTRACT WITH THE OFFICE
10 OF THE RESPONDENT PARENTS' COUNSEL, CREATED IN SECTION 13-92-103,
11 OR AUTHORIZED BY THE OFFICE OF THE RESPONDENT PARENTS' COUNSEL
12 TO ACT AS A RESPONDENT PARENT'S COUNSEL, as it relates to a case in
13 which they are appointed by the court; and

14 **SECTION 2.** In Colorado Revised Statutes, 19-1-304, **amend** (7)
15 (e) as follows:

16 **19-1-304. Juvenile delinquency records - division of youth**
17 **corrections critical incident information - definitions.** (7) In addition
18 to the persons who have access to court records pursuant to paragraph (a)
19 of subsection (1) of this section, statewide electronic read-only access to
20 the name index and register of actions of the judicial department ~~shall~~
21 **MUST** be allowed to the following agencies or attorneys appointed by the
22 court:

23 (e) A respondent ~~parent~~ PARENT'S counsel ~~appointed by the court~~
24 ~~and paid by the judicial department~~ UNDER CONTRACT WITH THE OFFICE
25 OF THE RESPONDENT PARENTS' COUNSEL, CREATED IN SECTION 13-92-103,
26 C.R.S., OR AUTHORIZED BY THE OFFICE OF THE RESPONDENT PARENTS'
27 COUNSEL TO ACT AS A RESPONDENT PARENT'S COUNSEL, as it relates to a

1 case in which they are appointed by the court.

2 **SECTION 3. Effective date.** This act takes effect July 1, 2016.

3 **SECTION 4. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.29.16

DRAFT

LLS NO. 16-0918.02 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Severance Tax Operational Fund Reserve"

A BILL FOR AN ACT

101 **CONCERNING THE RESERVE IN THE SEVERANCE TAX OPERATIONAL**
102 **FUND.**

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://www.leg.state.co.us/bills/summaries>.)

Joint Budget Committee. Beginning July 1, 2016, the amount of the annual reserve for the severance tax operational fund (fund) is changed as follows:

- The amount of the reserve based on appropriations for tier I programs (tier I reserve) is reduced in half; and
- The amount of the reserve based on transfers for tier II

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

programs (tier II reserve) is tripled.

The bill specifies that both the tier I and tier II reserves are available to offset any temporary reductions in the tier I programs, but the tier I reserve is used first. If the tier II reserve is used to offset reductions in the tier I programs, then there is less money available to offset the proportional reductions in the periodic tier II transfers. The bill also eliminates the requirement that the reserve be repaid for transfers during a state revenue crisis.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-29-109.3, **amend**
3 (3) (a), (4) (b) (I), (4) (b) (II), and (4) (b) (III) as follows:

4 **39-29-109.3. Severance tax operational fund - repeal.**

5 (3) (a) ~~Except as provided in paragraph (b) of this subsection (3);~~ It is the
6 intent of the general assembly that the operational fund maintain a reserve
7 equal to ONE-HALF OF the current state fiscal year's operating
8 appropriations for the programs specified in subsection (1) of this section
9 plus ~~fifteen~~ FORTY-FIVE percent of the current fiscal year's transfers
10 specified in subsection (2) of this section. Moneys may be transferred
11 from the reserve to offset temporary revenue reductions in the programs
12 specified in subsection (1) of this section. ~~and to offset reductions for~~
13 ~~programs specified in subsection (2) of this section, up to fifteen percent~~
14 ~~of the current fiscal year's transfers specified in subsection (2) of this~~
15 ~~section; except that, if the general assembly determines that transfers of~~
16 ~~moneys from the reserve are needed during a state revenue crisis, the~~
17 ~~transfers shall be a loan from the reserve to be repaid as soon as moneys~~
18 ~~are available.~~ IN MAKING THESE TRANSFERS, THE STATE TREASURER SHALL
19 FIRST USE THE PORTION OF THE RESERVE THAT IS BASED ON OPERATING
20 APPROPRIATIONS FOR PROGRAMS AND THEN, IF NECESSARY, FROM THE
21 PORTION THAT IS BASED ON TRANSFERS SPECIFIED IN SUBSECTION (2) OF

1 THIS SECTION. IF MONEY FROM THIS SECOND PORTION OF THE RESERVE IS
2 USED TO OFFSET TEMPORARY REVENUE REDUCTIONS UNDER THIS
3 PARAGRAPH (a), THEN THE AMOUNT OF THE RESERVE THAT IS AVAILABLE
4 TO BE USED TO OFFSET ANY PROPORTIONAL TRANSFER REDUCTIONS AS SET
5 FORTH IN PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION IS REDUCED
6 BY THE SAME AMOUNT. This provision is intended to mitigate the impact
7 of fluctuations in the amount of revenue credited to the fund from year to
8 year so as to maintain current levels of service for the programs specified
9 in subsection (1) of this section.

10 (4) (b) (I) If the revenue estimate prepared by the staff of the
11 legislative council in June of any fiscal year indicates that the amount of
12 severance tax revenues to be credited to the operational fund in the next
13 fiscal year as specified in section 39-29-109 (2) (b) is insufficient for the
14 state treasurer to make the transfers set forth in subsection (2) of this
15 section and to meet the reserve requirement specified in subsection (3) of
16 this section, all transfers scheduled to be made on July 1 shall be
17 proportionally reduced. The July 1 proportional reduction shall be
18 calculated based on the size of the annual transfers as specified in
19 subsection (2) of this section and shall be made to the extent necessary to
20 cover forty percent of the projected shortfall between total moneys
21 available in the operational fund and the sum of the total operating
22 appropriations for the programs specified in subsection (1) of this section,
23 the total fiscal year's transfers specified in subsection (2) of this section,
24 and the reserve requirement specified in subsection (3) of this section;
25 except that up to one-third of the ~~fifteen~~ FORTY-FIVE percent of the
26 current fiscal year's transfers specified as part of the reserve set forth in
27 subsection (3) of this section shall be used to offset any proportional

1 reduction required by this subparagraph (I) in any fiscal year.

2 (II) If the revenue estimate prepared by the staff of the legislative
3 council in December of any fiscal year indicates that the amount of
4 severance tax revenues credited to the operational fund as specified in
5 section 39-29-109 (2) (b) is insufficient for the state treasurer to make the
6 transfers set forth in subsection (2) of this section and to meet the reserve
7 requirement specified in subsection (3) of this section, all transfers
8 scheduled to be made on January 4 of the fiscal year shall be
9 proportionally reduced. The January 4 proportional reduction shall be
10 calculated based on the size of the annual transfers as specified in
11 subsection (2) of this section and shall be made to the extent necessary to
12 cover seventy percent of the projected shortfall between total moneys
13 available in the operational fund and the sum of the total operating
14 appropriations for the programs specified in subsection (1) of this section,
15 the total fiscal year's transfers specified in subsection (2) of this section,
16 and the reserve requirement specified in subsection (3) of this section;
17 except that up to one-third of the ~~fifteen~~ FORTY-FIVE percent of the
18 current fiscal year's transfers specified as part of the reserve set forth in
19 subsection (3) of this section shall be used to offset any proportional
20 reduction required by this subparagraph (II) in any fiscal year.

21 (III) If the revenue estimate prepared by the staff of the legislative
22 council in March of any fiscal year indicates that the amount of severance
23 tax revenues credited to the operational fund as specified in section
24 39-29-109 (2) (b) is insufficient for the state treasurer to make the
25 transfers set forth in subsection (2) of this section and to meet the reserve
26 requirement specified in subsection (3) of this section, all transfers
27 scheduled to be made on April 1 of the fiscal year shall be proportionally

1 reduced. The April 1 proportional reduction shall be calculated based on
2 the size of the annual transfers as specified in subsection (2) of this
3 section and shall be made to the extent necessary to cover the projected
4 shortfall between total moneys available in the operational fund and the
5 sum of the total operating appropriations for the programs specified in
6 subsection (1) of this section, the total fiscal year's transfers specified in
7 subsection (2) of this section, and the reserve requirement specified in
8 subsection (3) of this section; except that any moneys remaining of the
9 ~~fifteen~~ FORTY-FIVE percent of the current fiscal year's transfers specified
10 as part of the reserve set forth in subsection (3) of this section shall be
11 used to offset any proportional reduction required by this subparagraph
12 (III) in any fiscal year.

13 **SECTION 2. Effective date - applicability.** This act takes effect
14 July 1, 2016, and applies to the operating reserve of the severance tax
15 operational fund for fiscal years that commence on or after said date.

16 **SECTION 3. Safety clause.** The general assembly hereby finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.28.16

DRAFT

LLS NO. 16-0919.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Normal Cost Of PERA Benefits Provided To Members"

DEADLINES: Finalize by: FEB 1, 2016 File by: FEB 3, 2016

A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT THE STATE AUDITOR CONDUCT A
102 PERIODIC STUDY TO DETERMINE THE NORMAL COST OF BENEFITS
103 PROVIDED TO MEMBERS OF THE PUBLIC EMPLOYEES'
104 RETIREMENT ASSOCIATION.

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The funding of the public employees' retirement association (association) includes funding the annual cost of the pension plan that accrues each year, known as the normal cost, and the

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Dashes through the words indicate deletions from existing statute.*

payments toward the unfunded accrued liability of the pension plan, known as the amortization payment. Each month, employers that are members of the association transfer to the association employer and member contributions as well as an amortization equalization payment and a supplemental amortization equalization payment.

The bill requires the state auditor to conduct a study of the association every 5 years to estimate the cost of the benefits that the association provides to members in each division of the association that are hired on or after January 1, 2011. In addition, the state auditor is required to estimate the percentage of the total amount of the employer and employee contributions, the amortization equalization payment, and the supplemental amortization equalization payment that represents payment for the normal cost of benefits provided to members by the association and the percentage of such total contributions and payments that represents payment for the amortization payment.

The state auditor may contract with a professional actuarial or pension consulting firm of national standing to perform duties in connection with the study. On or before July 15, 2017, and on or before July 15 every 5 years thereafter, the state auditor is required to deliver a report detailing the findings of the study to the office of the governor, the joint budget committee, the legislative audit committee, and the finance committees of the senate and the house of representatives, or any successor committees.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-51-614, **amend**
3 (7); and **add** (9) as follows:

4 **24-51-614. Employee retirement benefit study.** (7) For
5 purposes of the studies required by ~~subsections (5) and (6)~~ SUBSECTIONS
6 (5), (6), AND (9) of this section, the association shall provide access to
7 official member information and data under a confidentiality agreement
8 with the retained actuarial firm or firms.

9 (9) (a) THE STATE AUDITOR SHALL CONDUCT A COMPREHENSIVE
10 STUDY AT LEAST ONCE EVERY FIVE YEARS TO ESTIMATE THE NORMAL
11 COSTS OF BENEFITS THAT THE ASSOCIATION PROVIDES TO MEMBERS IN
12 EACH DIVISION OF THE ASSOCIATION WHO ARE HIRED ON OR AFTER

1 JANUARY 1, 2011. AS PART OF THE STUDY, THE STATE AUDITOR SHALL
2 ESTIMATE THE PERCENTAGE OF THE TOTAL AMOUNT TRANSFERRED TO THE
3 ASSOCIATION ANNUALLY FROM THE EMPLOYER AND MEMBER
4 CONTRIBUTIONS PURSUANT TO SECTION 24-51-401, AND FROM THE
5 AMORTIZATION EQUALIZATION DISBURSEMENT AND THE SUPPLEMENTAL
6 AMORTIZATION EQUALIZATION DISBURSEMENT PURSUANT TO SECTION
7 24-51-411, THAT REPRESENTS PAYMENT FOR THE NORMAL COSTS FOR
8 MEMBERS HIRED ON OR AFTER JANUARY 1, 2011, AND THE PERCENTAGE OF
9 SUCH TOTAL AMOUNT TRANSFERRED THAT REPRESENTS PAYMENT ON THE
10 UNFUNDED ACCRUED LIABILITY OF THE ASSOCIATION.

11 (b) THE STATE AUDITOR MAY CONTRACT WITH A PROFESSIONAL
12 ACTUARIAL OR PENSION CONSULTING FIRM OF NATIONAL STANDING TO
13 PERFORM DUTIES IN CONNECTION WITH THE STUDY REQUIRED PURSUANT
14 TO THIS SUBSECTION (9). THE EXPENSES OF THE FIRM, AS APPROVED BY
15 THE STATE AUDITOR, SHALL BE PAID BY THE ASSOCIATION.

16 (c) ON OR BEFORE JULY 15, 2017, AND ON OR BEFORE JULY 15
17 EVERY FIVE YEARS THEREAFTER, THE OFFICE OF THE STATE AUDITOR
18 SHALL DELIVER A REPORT DETAILING THE FINDINGS OF THE STUDY
19 CONDUCTED PURSUANT TO THIS SUBSECTION (9) TO THE OFFICE OF THE
20 GOVERNOR, THE JOINT BUDGET COMMITTEE, THE LEGISLATIVE AUDIT
21 COMMITTEE, AND THE FINANCE COMMITTEES OF THE SENATE AND THE
22 HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES.

23 **SECTION 2. Safety clause.** The general assembly hereby finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.20.16

DRAFT

LLS NO. 16-0920.01 Thomas Morris x4218

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Refinance Water Pollution Control Program"
DEADLINES: Finalize by: FEB 1, 2016 File by: FEB 3, 2016

A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF THE WATER POLLUTION CONTROL
102 PROGRAM.

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. Currently, the water pollution control statute categorizes the various sources that pay fees pursuant to the statute within different sectors, specifies the amount of each fee that the subcategories within each sector pay, and credits all fees from all sectors to the water quality control fund. **Section 1** of the bill repeals this fund, creates a separate cash fund for each of the sectors (commerce and

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industry; construction; pesticides; municipal separate storm sewer system; public and private utilities; and water quality certifications), and allocates the fees from each sector to that sector's cash fund.

Section 2, which becomes effective on July 1, 2017, repeals the fees set in statute and directs the water quality control commission to set the fees by rule so that the following ratios of money from the general fund and the sector cash funds necessary to administer the affected water quality programs apply:

- Commerce and industry sector: 25% general fund, 75% cash funds;
- Construction sector: 25% general fund, 75% cash funds;
- Pesticides sector: 50% general fund, 50% cash funds;
- Municipal separate storm sewer system sector: 75% general fund, 25% cash funds;
- Public and private utilities sector: 75% general fund, 25% cash funds; and
- Water quality certification sector: 2.7% general fund, 97.3% cash funds.

Section 3 directs the state treasurer to transfer \$___ of the excess uncommitted reserve of the water quality improvement fund to the general fund on July 1, 2016.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-8-502, **amend**
 3 (1.1) (e) introductory portion, (1.2) (a) introductory portion, (1.5) (a), and
 4 (1.5) (b); **repeal** (1) (e) (XIII) and (1) (e) (XIV); and **add** (1) (f) as
 5 follows:

6 **25-8-502. Application - definitions - fees - funds created -**
 7 **public participation - repeal.** (1.1) For each regulated activity listed in
 8 this subsection (1.1), the division may assess an annual permit fee and a
 9 nonrefundable permit application fee for new permits that must equal fifty
 10 percent of the annual permit fee. The full amount of the application fee
 11 is credited toward the annual permit fee. All such fees must be in
 12 accordance with the following schedules:

13 (e) The public and private utilities sector includes annual fee

1 schedules for regulated activities associated with the operation of
 2 domestic wastewater treatment works, water treatment facilities,
 3 reclaimed water systems, ~~municipal separate storm sewer systems~~, and
 4 industrial operations that discharge to a domestic wastewater treatment
 5 works as follows:

6 **Facility Categories and Subcategories for**

7 **Permit Fees within the Public and**

8 **Private Utilities Sector**

Annual Fees

9	(XIII) MS4 general permits:	
10	(A) Storm water municipal for a population	
11	of 10,000 or fewer	\$ 355
12	(B) Storm water municipal for a population	
13	from 10,000 up to 49,999	\$ 810
14	(C) Storm water municipal for a population	
15	from 50,000 up to 100,000	\$2,020
16	(D) Storm water municipal for a population	
17	of 100,000 or more	\$4,050
18	(XIV) MS4 individual permits:	
19	(A) Municipalities with a population from	
20	10,000 up to 49,999	\$1,245
21	(B) Municipalities with a population from	
22	50,000 up to 99,999	\$3,110
23	(C) Municipalities with a population from	
24	100,000 up to 249,999	\$6,225
25	(D) Municipalities with a population of	
26	250,000 or more	\$10,580
27	(E) Statewide permit for municipal separate	

1 ~~storm-water systems, owned or~~
2 ~~operated by the department of~~
3 ~~transportation, in municipal areas~~
4 ~~where storm water permits are required~~ \$4,360

5 (f) THE MUNICIPAL SEPARATE STORM SEWER SYSTEMS SECTOR
6 INCLUDES ANNUAL FEES FOR REGULATED ACTIVITIES ASSOCIATED WITH
7 THE OPERATION OF MUNICIPAL SEPARATE STORM SEWER SYSTEMS, AS
8 FOLLOWS:

9 **Facility Categories and Subcategories for**
10 **Permit Fees within the Public and**
11 **Private Utilities Sector** **Annual Fees**

- 12 (I) MS4 GENERAL PERMITS:
- 13 (A) STORM WATER MUNICIPAL FOR A POPULATION
14 OF 10,000 OR FEWER \$ 355
- 15 (B) STORM WATER MUNICIPAL FOR A POPULATION
16 FROM 10,000 UP TO 49,999 \$ 810
- 17 (C) STORM WATER MUNICIPAL FOR A POPULATION
18 FROM 50,000 UP TO 99,999 \$2,020
- 19 (D) STORM WATER MUNICIPAL FOR A POPULATION
20 OF 100,000 OR MORE \$4,050
- 21 (II) MS4 INDIVIDUAL PERMITS:
- 22 (A) MUNICIPALITIES WITH A POPULATION FROM
23 10,000 UP TO 49,999 \$1,245
- 24 (B) MUNICIPALITIES WITH A POPULATION FROM
25 50,000 UP TO 99,999 \$3,110
- 26 (C) MUNICIPALITIES WITH A POPULATION FROM
27 100,000 UP TO 249,999 \$6,225

1 (D) MUNICIPALITIES WITH A POPULATION OF
2 250,000 OR MORE \$10,580

3 (E) STATEWIDE PERMIT FOR MUNICIPAL SEPARATE
4 STORM WATER SYSTEMS, OWNED OR
5 OPERATED BY THE DEPARTMENT OF
6 TRANSPORTATION, IN MUNICIPAL AREAS
7 WHERE STORM WATER PERMITS ARE REQUIRED \$4,360

8 (1.2) (a) For the activities listed in this subsection (1.2) associated
9 with reviewing requests for certifications under section 401 of the federal
10 act and this article, known as "401 certificates", the division may assess
11 a fee for the review. ~~And~~ THERE IS HEREBY CREATED IN THE STATE
12 TREASURY THE WATER QUALITY CERTIFICATION SECTOR FUND, WHICH
13 CONSISTS OF FEES COLLECTED PURSUANT TO THIS SUBSECTION (1.2). THE
14 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
15 SHALL CREDIT THEM TO THE WATER QUALITY CERTIFICATION SECTOR
16 FUND. All such fees must be in accordance with the following schedules:

17 (1.5) (a) (I) There is hereby created in the state treasury the ~~water~~
18 ~~quality control~~ COMMERCE AND INDUSTRY SECTOR fund, which consists
19 of all annual fees ~~collected~~ for regulated activities associated with the
20 commerce and industry sector ~~construction sector, pesticide application~~
21 ~~sector, and public and private utilities sector~~ COLLECTED pursuant to
22 subsection (1.1) of this section; all fees for services performed by the
23 division associated with the commerce and industry sector ~~construction~~
24 ~~sector, pesticide application sector, and public and private utilities sector~~
25 ~~in~~ COLLECTED PURSUANT TO subsection (1.3) of this section; ~~all fees~~
26 ~~collected for activities associated with 401 certificates in subsection (1.2)~~
27 ~~of this section;~~ and all interim fees ~~in~~ ASSOCIATED WITH THE COMMERCE

1 AND INDUSTRY SECTOR COLLECTED PURSUANT TO subsection (1.4) of this
2 section. The division shall transmit the fees to the state treasurer, who
3 shall credit them to the ~~water quality control~~ COMMERCE AND INDUSTRY
4 SECTOR fund.

5 (II) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
6 CONSTRUCTION SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES
7 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE
8 CONSTRUCTION SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION;
9 ALL FEES FOR SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH
10 THE CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3)
11 OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED WITH THE
12 CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF
13 THIS SECTION. THE DIVISION SHALL TRANSMIT THE FEES TO THE STATE
14 TREASURER, WHO SHALL CREDIT THEM TO THE CONSTRUCTION SECTOR
15 FUND.

16 (III) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
17 PESTICIDES SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES
18 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE PESTICIDES
19 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR
20 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE PESTICIDES
21 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION;
22 AND ALL INTERIM FEES ASSOCIATED WITH THE PESTICIDES SECTOR
23 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
24 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
25 SHALL CREDIT THEM TO THE PESTICIDES SECTOR FUND.

26 (IV) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
27 MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR FUND, WHICH

1 CONSISTS OF ALL ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES
2 ASSOCIATED WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM
3 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR
4 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE MUNICIPAL
5 SEPARATE STORM SEWER SYSTEM SECTOR COLLECTED PURSUANT TO
6 SUBSECTION (1.3) OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED
7 WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR
8 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
9 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
10 SHALL CREDIT THEM TO THE MUNICIPAL SEPARATE STORM SEWER SYSTEM
11 SECTOR FUND.

12 (V) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
13 PUBLIC AND PRIVATE UTILITIES SECTOR FUND, WHICH CONSISTS OF ALL
14 ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH
15 THE PUBLIC AND PRIVATE UTILITIES SECTOR PURSUANT TO SUBSECTION
16 (1.1) OF THIS SECTION; ALL FEES FOR SERVICES PERFORMED BY THE
17 DIVISION ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES SECTOR
18 COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION; AND ALL
19 INTERIM FEES ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES
20 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
21 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
22 SHALL CREDIT THEM TO THE PUBLIC AND PRIVATE UTILITIES SECTOR FUND.

23 (b) The general assembly shall annually appropriate the ~~moneys~~
24 MONEY in the ~~water quality control fund~~ FUNDS CREATED IN PARAGRAPH
25 (a) OF THIS SUBSECTION (1.5) AND IN SUBSECTION (1.2) OF THIS SECTION
26 TO the department of public health and environment FOR ITS DIRECT AND
27 INDIRECT COSTS IN ADMINISTERING THE APPROPRIATE SECTOR. ~~which~~ THE

1 DEPARTMENT shall review expenditures of ~~such moneys~~ THE MONEY to
2 ensure that ~~they are~~ IT IS used only to fund the expenses of the discharge
3 permit system and other activities included in subsections (1.1), (1.2),
4 (1.3), and (1.4) of this section, THAT MONEY DERIVED FROM A PARTICULAR
5 SECTOR IS USED ONLY FOR THAT SECTOR, AND THAT MONEY DERIVED
6 FROM SUBSECTION (1.2) OF THIS SECTION IS USED ONLY TO PROVIDE
7 WATER QUALITY CERTIFICATIONS. All interest earned on the investment
8 or deposit of ~~moneys~~ MONEY in ~~the~~ EACH fund and all unencumbered or
9 unappropriated balances in ~~the~~ EACH fund remain in ~~the~~ EACH INDIVIDUAL
10 fund, shall be appropriated only for the expenses of the discharge permit
11 system, and shall not be transferred or revert to the general fund or any
12 other fund at the end of any fiscal year or any other time.

13 <{*Section 2 takes effect 7/1/17*}>

14 **SECTION 2.** In Colorado Revised Statutes, 25-8-502, **amend**
15 (1.1) introductory portion, (1.1) (b), (1.1) (c) introductory portion, (1.1)
16 (c) (II), (1.1) (c) (III), (1.1) (d), (1.1) (e) as (1.1) (e) introductory portion
17 is amended by section 1 of this bill, (1.1) (f) as (1.1) (f) is amended by
18 section 1 of this bill, (1.2) (a) introductory portion as (1.2) (a)
19 introductory portion is amended by section 1 of this bill, (1.2) (a) (I)
20 introductory portion, (1.2) (a) (II) introductory portion, (1.3), (1.5) (c),
21 and (1.5) (d) as follows: <{*as they exist on 7/1/17*}>

22 **25-8-502. Application - definitions - fees - funds created -**
23 **public participation - repeal.** (1.1) For each regulated activity listed in
24 this subsection (1.1), the division may assess an annual permit fee and a
25 nonrefundable permit application fee for new permits that must equal fifty
26 percent of the annual permit fee. The full amount of the application fee
27 is credited toward the annual permit fee. THE COMMISSION SHALL, IN

1 ACCORDANCE WITH PARAGRAPH (C) OF SUBSECTION (1.5) OF THIS SECTION,
2 ESTABLISH BY RULE all such fees ~~must be in accordance with the~~
3 ~~following schedules~~ FOR THE FOLLOWING CATEGORIES AND
4 SUBCATEGORIES:

5 (b) The commerce and industry sector includes annual fee
6 ~~schedules~~ FEES for regulated activities associated with mining,
7 hydrocarbon refining, sugar processing, industrial storm water, utilities
8 not included in the private and public utilities sector, manufacturing
9 activities, commercial activities, and all other industrial activities ~~as~~
10 ~~follows~~ FOR THE FOLLOWING CATEGORIES AND SUBCATEGORIES:

11 **Facility Categories and Subcategories**
12 **for Permit Fees within the**

13 **Commerce and Industry Sector Annual Fees**

14	(I) Sand and gravel and placer mining:	
15	(A) Pit dewatering only;	\$ 500
16	(B) Pit dewatering or wash-water discharge;	\$ 570
17	(C) Mercury use with discharge impact;	\$ 640
18	(D) Storm water discharge only;	\$ 435
19	(II) Coal mining:	
20	(A) Sedimentation ponds, surface runoff only;	\$ 980
21	(B) Mine water, preparation plant discharge;	\$ 1,320
22	(III) Hardrock mining:	
23	(A) Mine dewatering from 0 up to 49,999 gallons	
24	per day;	\$1,140
25	(B) Mine dewatering from 50,000 up to 999,999 gallons	
26	per day;	\$2,150
27	(C) Mine dewatering, 1,000,000 gallons	

1	per day or more;	\$3,280
2	(D) Mine dewatering and milling with no discharge;	\$3,280
3	(E) Mine dewatering and milling with discharge;	\$9,880
4	(F) No discharge;	\$1,140
5	(G) Milling with discharge from 0 up to 49,999 gallons	
6	per day;	\$3,350
7	(H) Milling with discharge, 50,000 gallons	
8	per day or more;	\$6,680
9	(IV) Oil shale:	
10	(A) Sedimentation ponds, surface runoff only;	\$1,990
11	(B) Mine water from 0 up to 49,999 gallons	
12	per day;	\$2,150
13	(C) Mine water from 50,000 up to 999,999	
14	gallons per day;	\$2,670
15	(D) Mine water from 1,000,000 gallons	
16	per day or more;	\$2,600
17	(E) Mine water and process water discharge;	\$9,880
18	(F) No discharge;	\$1,830
19	(V) General permits:	
20	(A) Sand and gravel with process discharge	
21	and storm water;	\$ 270
22	(B) Sand and gravel without process discharge	
23	- storm water only;	\$ 75
24	(C) Placer mining;	\$ 520
25	(D) Coal mining;	\$ 780
26	(E) Industrial - single municipal industrial	
27	- storm water only;	\$ 185

1	(F) Active mineral mines less than ten acres	
2	- storm water only;	\$ 125
3	(G) Active mineral mines - ten acres or more	
4	- storm water only;	\$ 375
5	(H) Inactive mineral mines - storm water only;	\$ 75
6	(I) Department of transportation - sand and	
7	gravel storm-water permit;	\$4,360
8	(J) Coal degasification - process water	
9	from 0 up to 49,999 gallons per day;	\$2,150
10	(K) Coal degasification - process water from	
11	50,000 up to 99,999 gallons per day;	\$3,280
12	(L) Coal degasification - process water,	
13	100,000 gallons per day or more;	\$9,880
14	(M) Minimal discharge of industrial or	
15	commercial waste waters - general permit;	\$ 630
16	(VI) Power plants:	
17	(A) Cooling water only, no discharge;	\$1,140
18	(B) Process water from 0 up to 49,999	
19	gallons per day;	\$2,150
20	(C) Process water from 50,000 up to 999,999	
21	gallons per day;	\$3,280
22	(D) Process water from 1,000,000 up to 4,999,999	
23	gallons per day;	\$9,880
24	(E) Process water, 5,000,000 gallons per day or more;	\$9,880
25	(VII) Sugar processing:	
26	(A) Cooling water only, no discharge;	\$1,210
27	(B) Process water from 0 up to 49,999	

1	gallons per day;	\$1,480
2	(C) Process water from 50,000 up to 999,999	
3	gallons per day;	\$3,700
4	(D) Process water from 1,000,000 up to 4,999,999	
5	gallons per day;	\$9,880
6	(E) Process water, 5,000,000 gallons	
7	per day or more;	\$9,880
8	(VIII) Petroleum refining:	
9	(A) Cooling water only, no discharge;	\$1,140
10	(B) Process water from 0 up to 49,999 gallons	
11	per day;	\$2,560
12	(C) Process water from 50,000 up to 999,999	
13	gallons per day;	\$3,285
14	(D) Process water from 1,000,000 up to 4,999,999	
15	gallons per day;	\$9,880
16	(E) Process water, 5,000,000 gallons per day or more;	\$9,880
17	(IX) Fish hatcheries;	\$ 820
18	(X) Manufacturing and other industry:	
19	(A) Cooling water only;	\$1,140
20	(B) Process water from 0 up to 49,999	
21	gallons per day;	\$2,150
22	(C) Process water from 50,000 up to 999,999	
23	gallons per day;	\$3,280
24	(D) Process water from 1,000,000 up to 4,999,999	
25	gallons per day;	\$9,880
26	(E) Process water from 5,000,000 up to 19,999,999	
27	gallons per day;	\$12,140

1	(F) Process water, 20,000,000 gallons	
2	per day or more;	\$19,760
3	(G) No discharge;	\$1,480
4	(H) Amusement and recreation services;	\$1,480
5	(XI) Individual industrial storm-water permits:	
6	(A) Individual industrial - less than ten acres;	\$ 295
7	(B) Individual industrial - ten acres or more;	\$ 375
8	(C) Individual industrial - storm water only	
9	- international airports;	\$6,220

10 (c) The construction sector includes annual ~~fee schedules~~ FEES for
 11 regulated activities associated with construction activities ~~as follows~~ FOR
 12 THE FOLLOWING CATEGORIES AND SUBCATEGORIES:

13 **Facility Categories and Subcategories**
 14 **for Permit Fees within the**
 15 **Construction Sector** **Annual Fees**

16	(II) General permits:	
17	(A) Repealed.	
18	(B) Repealed.	
19	(C) Repealed.	
20	(D) Repealed.	
21	(E) Department of transportation (DOT) -	
22	storm-water construction discharges from	
23	projects where DOT is the permittee -	
24	statewide permit;	\$9,400
25	(F) Minimal discharge of industrial or	
26	commercial wastewater;	\$ 630
27	(G) Low complexity; effective on and after	

Facility Categories and Subcategories for	Annual Fees
Permit Fees within the Public and	
Private Utilities Sector	
(I) Water treatment plants:	
(A) Intermittent discharge;	\$ 570
(B) Routing discharge;	\$ 820
(II) General permits:	
(A) Water treatment plants - intermittent	
discharge;	\$ 475
(B) Water treatment plants - routine discharge;	\$ 715
(C) Discharges associated with treated water	
distribution systems for a population of	
3,300 or fewer;	\$ 105
(D) Discharges associated with treated	
water distribution systems for	
a population from 3,301 up to 9,999;	\$ 210
(E) Discharges associated with treated	
water distribution systems for a	
population of 10,000 or more;	\$ 315
(III) Domestic wastewater - lagoons:	
(A) Sewage from 0 up to 49,999 gallons per day;	\$ 525
(B) Sewage from 50,000 up to 99,999 gallons	
per day;	\$ 845
(C) Sewage from 100,000 up to 499,999 gallons	
per day;	\$1,230
(D) Sewage from 500,000 up to 999,999 gallons	
per day;	\$2,120

1	(E) Sewage from 1,000,000 up to 1,999,999 gallons	
2	per day;	\$3,170
3	(F) Sewage, 2,000,000 gallons per day or more;	\$6,460
4	(IV) Domestic wastewater - mechanical plants:	
5	(A) Sewage from 0 up to 19,999 gallons per day;	\$ 615
6	(B) Sewage from 20,000 up to 49,999 gallons	
7	per day;	\$ 980
8	(C) Sewage from 50,000 up to 99,999 gallons	
9	per day;	\$1,440
10	(D) Sewage from 100,000 up to 499,999 gallons	
11	per day;	\$2,240
12	(E) Sewage from 500,000 up to 999,999 gallons	
13	per day;	\$3,720
14	(F) Sewage from 1,000,000 up to 2,499,999 gallons	
15	per day;	\$6,090
16	(G) Sewage from 2,500,000 up to 9,999,999 gallons	
17	per day;	\$11,410
18	(H) Sewage from 10,000,000 up to 49,999,999	
19	gallons per day;	\$19,780
20	(I) Sewage from 50,000,000 up to 99,999,999	
21	gallons per day;	\$22,820
22	(J) Sewage, 100,000,000 gallons per day or more;	\$25,100
23	(V) Domestic facilities discharge to unclassified waters - general	
24	permit:	
25	(A) Sewage from 0 up to 49,999 gallons per day;	\$ 455
26	(B) Sewage from 50,000 up to 199,999 gallons	
27	per day;	\$ 800

- 1 (C) Sewage from 200,000 ~~up~~ to 599,999 gallons
2 per day; \$1,170
- 3 (D) Sewage from 600,000 ~~up~~ to 999,999 gallons
4 per day; \$1,860
- 5 (VI) Industrial dischargers subject to categorical effluent
6 standards discharging to publicly owned treatment works with
7 pretreatment programs, not including categorical industries subject to
8 zero-discharge standards:
- 9 (A) Very low flow - less than 100 gallons per day; ~~\$ 292~~
10 (B) 100 ~~up~~ to 9,999 gallons per day; ~~\$ 699~~
11 (C) 10,000 ~~up~~ to 50,000 gallons per day; \$1,047
12 (D) More than 50,000 gallons per day; \$1,397
- 13 (VII) All other significant industrial dischargers discharging to
14 publicly owned treatment works with pretreatment, including categorical
15 industries subject to zero-discharge standards:
- 16 (A) Less than 10,000 gallons per day; ~~\$ 175~~
17 (B) 10,000 ~~up~~ to 50,000 gallons per day; ~~\$ 349~~
18 (C) More than 50,000 gallons per day; ~~\$ 465~~
19 (D) Pit dewatering only; ~~\$ 270~~
- 20 (VIII) Industrial dischargers subject to categorical effluent
21 standards discharging to publicly owned treatment works without
22 pretreatment programs, not including categorical industries subject to
23 zero discharge standards:
- 24 (A) Less than 10,000 gallons per day; ~~\$ 815~~
25 (B) 10,000 ~~up~~ to 50,000 gallons per day; \$1,280
26 (C) More than 50,000 gallons per day; \$1,746
27 (IX) All other significant industrial dischargers discharging to

1 publicly owned treatment works without pretreatment programs,
2 including categorical industries subject to zero-discharge standards:

- | | | |
|----|---|-------------------|
| 3 | (A) Less than 10,000 gallons per day; | \$ 349 |
| 4 | (B) 10,000 up to 50,000 gallons per day; | \$ 524 |
| 5 | (C) More than 50,000 gallons per day; | \$ 699 |
| 6 | (X) Domestic wastewater - lagoons: | |
| 7 | (A) Sewage from 0 up to 49,999 gallons per day; | \$ 75 |
| 8 | (B) Sewage from 50,000 up to 99,999 gallons | |
| 9 | per day; | \$ 75 |
| 10 | (C) Sewage from 100,000 up to 499,999 gallons | |
| 11 | per day; | \$ 75 |
| 12 | (D) Sewage from 500,000 up to 999,999 gallons | |
| 13 | per day; | \$ 75 |
| 14 | (E) Sewage from 1,000,000 up to 2,499,999 gallons | |
| 15 | per day; | \$ 81 |
| 16 | (F) Sewage, 2,500,000 gallons per day or more; | \$ 94 |
| 17 | (XI) Domestic wastewater - mechanical plants: | |
| 18 | (A) Sewage from 0 up to 19,999 gallons per day; | \$ 75 |
| 19 | (B) Sewage from 20,000 up to 49,999 gallons per day; | \$ 75 |
| 20 | (C) Sewage from 50,000 up to 99,999 gallons per day; | \$ 75 |
| 21 | (D) Sewage from 100,000 up to 499,999 gallons | |
| 22 | per day; | \$ 75 |
| 23 | (E) Sewage from 500,000 up to 999,999 gallons | |
| 24 | per day; | \$ 75 |
| 25 | (F) Sewage from 1,000,000 up to 2,499,999 gallons | |
| 26 | per day; | \$ 81 |
| 27 | (G) Sewage from 2,500,000 up to 9,999,999 gallons | |

1	per day;	\$ 94
2	(H) Sewage from 10,000,000 up to 49,999,999	
3	gallons per day;	\$ 105
4	(I) Sewage from 50,000,000 up to 99,999,999	
5	gallons per day;	\$ 117
6	(J) Sewage, 100,000,000 gallons per day or more;	\$ 128
7	(XII) Wastewater reuse authorizations:	
8	(A) Facility capacity of less than 100,000	
9	gallons per day;	\$ 450
10	(B) Facility capacity from 100,000 gallons to	
11	499,999 gallons per day;	\$ 840
12	(C) Facility capacity from 500,000 gallons to	
13	999,999 gallons per day;	\$1,400
14	(D) Facility capacity from 1,000,000 gallons to	
15	2,499,999 gallons per day;	\$2,300
16	(E) Facility capacity from 2,500,000 gallons to	
17	9,999,999 gallons per day;	\$4,300
18	(F) Facility capacity, 10,000,000 gallons per	
19	day or more; AND	\$6,300

20 (XIII) Repealed.

21 (XIV) Repealed.

22 (f) The municipal separate storm sewer systems sector includes
 23 annual fees for regulated activities associated with the operation of
 24 municipal separate storm sewer systems ~~as follows~~ FOR THE FOLLOWING
 25 CATEGORIES AND SUBCATEGORIES:

26 **Facility Categories and Subcategories for**
 27 **Permit Fees within the Public and**

1	Private Utilities Sector	Annual Fees
2	(I) MS4 general permits:	
3	(A) Storm water municipal for a population	
4	of 10,000 or fewer;	\$ 355
5	(B) Storm water municipal for a population	
6	from 10,000 up to 49,999;	\$ 810
7	(C) Storm water municipal for a population	
8	from 50,000 up to 100,000;	\$2,020
9	(D) Storm water municipal for a population	
10	of 100,000 or more;	\$4,050
11	(II) MS4 individual permits:	
12	(A) Municipalities with a population from	
13	10,000 up to 49,999;	\$1,245
14	(B) Municipalities with a population from	
15	50,000 up to 99,999;	\$3,110
16	(C) Municipalities with a population from	
17	100,000 up to 249,999;	\$6,225
18	(D) Municipalities with a population of	
19	250,000 or more; AND	\$10,580
20	(E) Statewide permit for municipal separate	
21	storm-water systems, owned or	
22	operated by the department of	
23	transportation, in municipal areas	
24	where storm water permits are required.	\$4,360
25	(1.2) (a) For the activities listed in this subsection (1.2) associated	
26	with reviewing requests for certifications under section 401 of the federal	
27	act and this article, known as "401 certificates", the division may assess	

1 a fee for the review ~~and all such fees must be in accordance with the~~
2 ~~following schedules~~ AS SPECIFIED IN RULES PROMULGATED BY THE
3 COMMISSION FOR THE FOLLOWING TIERS, WHICH FEE MUST BE SUBMITTED
4 WITH THE CERTIFICATION APPLICATION:

5 (I) ~~The fee for a tier 1 project is one thousand one hundred dollars,~~
6 ~~which must be submitted with the certification application.~~ Tier 1 projects
7 are projects that incur minimal costs and minimal water quality impacts.
8 Tier 1 includes certifications of channel stabilization projects and single
9 drainage improvement projects. Typical characteristics of tier 1 projects
10 may include all or some of the following:

11 (II) ~~The fee for a tier 2 project is three thousand eight hundred~~
12 ~~dollars, which must be submitted with the certification application.~~ Tier
13 2 projects are projects that incur moderate costs and potential water
14 quality impacts. Tier 2 includes certifications of projects that affect
15 multiple drainages. Typical characteristics of tier 2 projects may include
16 all or some of the following:

17 (1.3) For each service listed below, the division may assess a fee
18 for the service ~~and all such fees must be in accordance with the following~~
19 ~~schedules~~ AS SPECIFIED IN RULES PROMULGATED BY THE COMMISSION:

20 (a) Amendments to permits associated with the commerce and
21 industry sector, construction sector, pesticides application, public and
22 private utility sector under subsection (1.1) of this section, and
23 amendments to permits issued through June 30, 2018, associated with
24 regulated activities in subparagraph (IV) of the animal agriculture sector
25 in paragraph (a) of subsection (1.1) of this section:

26 (I) Minor amendment: An amount equal to twenty-five percent of
27 the annual fee for the permit being amended; ~~not to exceed two thousand~~

1 ~~eight hundred ten dollars;~~

2 (II) Major amendment: An amount equal to fifty-five percent of
3 the annual fee for the permit being amended; ~~not to exceed five thousand~~
4 ~~nine hundred fifty dollars;~~

5 (b) FEES FOR preliminary effluent limitations ARE SUBJECT TO THE
6 FOLLOWING, AND THE COMMISSION SHALL PROMULGATE RULES THAT
7 ESTABLISH FEES FOR EACH CATEGORY SPECIFIED IN SUBPARAGRAPHS (V)
8 TO (VIII) OF THIS PARAGRAPH (b):

9 (I) In accordance with section 25-8-702, the division may assess
10 a fee, as set forth in the ~~schedules in this paragraph (b)~~ RULES
11 PROMULGATED BY THE COMMISSION, for the determination of preliminary
12 effluent limitations upon a domestic wastewater treatment works pursuant
13 to the site location approval process. All such fees shall be paid in
14 advance of any work done.

15 (II) At the request of an entity that is not a domestic wastewater
16 treatment works, and upon payment of the appropriate fee as set forth in
17 the ~~schedules in this paragraph (b)~~ RULES PROMULGATED BY THE
18 COMMISSION, the division may determine preliminary effluent limits for
19 a proposed discharge as described by the requestor.

20 (III) Fees set forth in the ~~schedules established in this paragraph~~
21 ~~(b)~~ RULES PROMULGATED BY THE COMMISSION are increased by an amount
22 equal to seventy-five percent of the applicable fee for each set of
23 preliminary effluent limitations requested by domestic wastewater
24 treatment works for discharges to second or additional receiving water
25 bodies.

26 (IV) The division may, where an entity requests modification of
27 existing division-approved preliminary effluent limitations, complete the

1 modification for a fee equal to twenty-five percent of the applicable fee
2 as set forth in the ~~schedules in this paragraph (b)~~ RULES PROMULGATED BY
3 THE COMMISSION.

4 **Facility Categories and**
5 **Subcategories for Preliminary**

6	Effluent Limitations	Fees
7	(V) Preliminary effluent limitations for individual permits:	
8	(A) Less than 100,000 gallons per day;	\$2,100
9	(B) 100,000 to 999,999 gallons per day;	\$4,200
10	(C) 1,000,000 to 9,999,999 gallons per day;	\$6,300
11	(D) 10,000,000 or more gallons per day;	\$8,400
12	(VI) Preliminary effluent limitations for	
13	general permits from 0 up to 1,000,000	
14	gallons per day;	\$1,050
15	(VII) Preliminary effluent limitations for discharges to	
16	groundwater:	
17	(A) Minor facilities, less than 1,000,000 gallons	
18	per day;	\$ 525
19	(B) Major facilities, 1,000,000 gallons	
20	per day or more;	\$ 840
21	(VIII) Review of preliminary effluent limitations for individual	
22	permits professionally prepared by others:	
23	(A) Minor facilities, less than 1,000,000 gallons	
24	per day;	\$1,575
25	(B) Major facilities, 1,000,000 gallons	
26	per day or more;	\$3,150
27	(c) THE COMMISSION SHALL PROMULGATE RULES ESTABLISHING	

1 FEES FOR wastewater site applications and design reviews AND
 2 preliminary effluent limitations FOR EACH OF THE FOLLOWING
 3 CATEGORIES:

4 **Facility Categories and Subcategories**
 5 **for Wastewater Site Applications**
 6 **and Design Reviews** **Fees**

7	(I) Wastewater site applications:	
8	(A) Wastewater treatment plants, less than 100,000 gallons per	
9	day, NEW AND EXPANSION;	
10	New	\$7,738
11	Expansion	\$6,191
12	(B) Wastewater treatment plants from 100,000 to 999,999 gallons	
13	per day, NEW AND EXPANSION;	
14	New	\$15,477
15	Expansion	\$12,381
16	(C) Wastewater treatment plants from 1,000,000 to 9,999,999	
17	gallons per day, NEW AND EXPANSION;	
18	New	\$23,215
19	Expansion	\$18,572
20	(D) Wastewater treatment plants, 10,000,000 gallons per day or	
21	more, NEW AND EXPANSION;	
22	New	\$30,953
23	Expansion	\$24,763
24	(E) Lift stations, less than 100,000 gallons per day, NEW AND	
25	EXPANSION;	
26	New	\$1,935
27	Expansion	\$1,548

1 (F) Lift stations from 100,000 to 999,999 gallons per day, NEW
2 AND EXPANSION;

3 New \$3,869
4 Expansion \$3,095

5 (G) Lift stations from 1,000,000 to 9,999,999 gallons per day,
6 NEW AND EXPANSION;

7 New \$5,804
8 Expansion \$4,643

9 (H) Lift stations, 10,000,000 gallons per day or more, NEW AND
10 EXPANSION;

11 New \$7,738
12 Expansion \$6,191

13 (I) Amendments to site applications concerning
14 a change from gas chlorination to liquid
15 chlorination or from any form of
16 chlorination to ultraviolet light
17 disinfection, less than 100,000
18 gallons per day;

\$-451

19 (J) Amendments to site applications concerning
20 a change from gas chlorination to liquid
21 chlorination or from any form of chlorination
22 to ultraviolet light disinfection from 100,000
23 to 999,999 gallons per day;

\$-903

24 (K) Amendments to site applications concerning a change
25 from gas chlorination to liquid chlorination or from any
26 form of chlorination to ultraviolet light disinfection
27 from 1,000,000 to 9,999,999 gallons per day;

\$1,354

1	(L) Amendments to site applications concerning a change	
2	from gas chlorination to liquid chlorination or from any	
3	form of chlorination to ultraviolet light disinfection,	
4	10,000,000 gallons per day or more;	\$1,806
5	(M) Other amendments to site application, less than	
6	100,000 gallons per day;	\$ 645
7	(N) Other amendments to site applications from	
8	100,000 to 999,999 gallons per day;	\$1,290
9	(O) Other amendments to site applications	
10	from 1,000,000 to 9,999,999 gallons per day;	\$1,935
11	(P) Other amendments to site applications,	
12	10,000,000 gallons per day or more;	\$2,579
13	(Q) On-site wastewater treatment systems;	\$4,500
14	(R) Extension;	\$ 650
15	(S) Interceptor site applications;	\$1,300
16	(T) Interceptor certifications;	\$300
17	(U) Outfall sewers;	\$1,300
18	(II) Wastewater design review:	
19	(A) Wastewater treatment plants, less than 100,000 gallons per	
20	day, NEW AND EXPANSION;	
21	New	\$4,900
22	Expansion	\$3,900
23	(B) Wastewater treatment plants from 100,000 to 999,999 gallons	
24	per day, NEW AND EXPANSION;	
25	New	\$9,900
26	Expansion	\$7,900
27	(C) Wastewater treatment plants from 1,000,000 to 9,999,999	

1	gallons per day, NEW AND EXPANSION;	
2	New	\$14,800
3	Expansion	\$11,800
4	(D) Wastewater treatment plants, 10,000,000 gallons per day or	
5	more, NEW AND EXPANSION;	
6	New	\$19,700
7	Expansion	\$15,800
8	(E) Lift stations, less than 100,000 gallons per day, NEW AND	
9	EXPANSION;	
10	New	\$1,200
11	Expansion	\$1,000
12	(F) Lift stations from 100,000 to 999,999 gallons per day:	
13	New	\$2,500
14	Expansion	\$2,000
15	(G) Lift stations from 1,000,000 to 9,999,999 gallons per day,	
16	NEW AND EXPANSION;	
17	New	\$3,700
18	Expansion	\$3,000
19	(H) Lift stations, 10,000,000 gallons per day or more, NEW AND	
20	EXPANSION;	
21	New	\$4,900
22	Expansion	\$3,900
23	(I) Amendments to site applications concerning a change	
24	from gas chlorination to liquid chlorination or from any	
25	form of chlorination to ultraviolet light disinfection,	
26	less than 100,000 gallons per day;	\$-500
27	(J) Amendments to site applications concerning a change	

- 1 from gas chlorination to liquid chlorination or from any
2 form of chlorination to ultraviolet light disinfection
3 from 100,000 to 999,999 gallons per day; \$1,000
4 (K) Amendments to site applications concerning a change
5 from gas chlorination to liquid chlorination or from any
6 form of chlorination to ultraviolet light disinfection
7 from 1,000,000 to 9,999,999 gallons per day; \$1,500
8 (L) Amendments to site applications concerning a change
9 from gas chlorination to liquid chlorination or from any
10 form of chlorination to ultraviolet light disinfection,
11 10,000,000 gallons per day or more; \$2,000
12 (M) Other amendments to site application,
13 less than 100,000 gallons per day; \$700
14 (N) Other amendments to site applications,
15 from 100,000 to 999,999 gallons per day; \$1,400
16 (O) Other amendments to site applications,
17 from 1,000,000 to 9,999,999 gallons per day; \$2,100
18 (P) Other amendments to site applications,
19 10,000,000 gallons per day or more; \$2,800
20 (Q) On-site wastewater treatment systems; \$3,000
21 (R) Interceptor site applications; AND \$1,400
22 (S) Outfall sewers. \$1,400

23 (1.5) (c) It is the intent of the general assembly that a portion of
24 the expenses of the discharge permit system be funded from the general
25 fund, reflecting the benefit derived by the general public; except that the
26 general assembly may determine, in any given fiscal year, that general
27 fund revenues are inadequate to meet general fund demands and that, as

1 a consequence, it is necessary to forego, subject to future reconsideration,
2 all or some portion of such general fund contribution to the discharge
3 permit program pursuant to this part 5. THE COMMISSION SHALL
4 ESTABLISH BY RULE FEES FOR THE SERVICES AND CATEGORIES SPECIFIED
5 IN SUBSECTIONS (1.1), (1.2), AND (1.3) OF THIS SECTION, UNLESS
6 OTHERWISE PROVIDED IN ONE OR MORE OF THOSE SUBSECTIONS, SO THAT
7 THE RATIO OF MONEY DERIVED FROM FEES ESTABLISHED PURSUANT TO
8 THIS SECTION AND CREDITED TO THE CASH FUNDS CREATED IN SUBSECTION
9 (1.2) OF THIS SECTION OR THIS SUBSECTION (1.5) AND MONEY DERIVED
10 FROM THE GENERAL FUND IS AS FOLLOWS:

11 (I) FOR THE COMMERCE AND INDUSTRY SECTOR: TWENTY-FIVE
12 PERCENT GENERAL FUND AND SEVENTY-FIVE PERCENT CASH FUNDS;

13 (II) FOR THE CONSTRUCTION SECTOR: TWENTY-FIVE PERCENT
14 GENERAL FUND AND SEVENTY-FIVE PERCENT CASH FUNDS;

15 (III) FOR THE PESTICIDES SECTOR: FIFTY PERCENT GENERAL FUND
16 AND FIFTY PERCENT CASH FUNDS;

17 (IV) FOR THE MUNICIPAL SEPARATE STORM SEWER SYSTEM
18 SECTOR: SEVENTY-FIVE PERCENT GENERAL FUND AND TWENTY-FIVE
19 PERCENT CASH FUNDS;

20 (V) FOR THE PUBLIC AND PRIVATE UTILITIES SECTOR: SEVENTY-
21 FIVE PERCENT GENERAL FUND AND TWENTY-FIVE PERCENT CASH FUNDS;

22 AND

23 (VI) FOR THE WATER QUALITY CERTIFICATION SECTOR: TWO AND
24 SEVEN-TENTHS PERCENT GENERAL FUND AND NINETY-SEVEN AND THREE-
25 TENTHS PERCENT CASH FUNDS.

26 (d) Notwithstanding ~~the amount specified for any fee in~~
27 ~~subsection (1.1) or (1.3)~~ ANY OTHER REQUIREMENT of this section, the

1 commission by rule or as otherwise provided by law may reduce the
2 amount of one or more of the fees if necessary pursuant to section
3 24-75-402 (3), C.R.S., to reduce the uncommitted reserves of the fund to
4 which all or any portion of one or more of the fees is credited. After the
5 uncommitted reserves of the fund are sufficiently reduced, the
6 commission by rule or as otherwise provided by law may increase the
7 amount of one or more of the fees as provided in section 24-75-402 (4),
8 C.R.S.

9 **SECTION 3.** In Colorado Revised Statutes, 25-8-608, **add** (4) as
10 follows:

11 **25-8-608. Civil penalties - rules - fund created - temporary**
12 **moratorium on penalties for minor violations - definitions - repeal.**

13 (4) (a) ON JULY 1, 2016, THE STATE TREASURER SHALL TRANSFER ____
14 DOLLARS OF THE EXCESS UNCOMMITTED RESERVE OF THE WATER QUALITY
15 IMPROVEMENT FUND TO THE GENERAL FUND.

16 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE SEPTEMBER 1,
17 2017.

18 **SECTION 4. Effective date.** This act takes effect July 1, 2016;
19 except that section 2 of this act takes effect July 1, 2017.

20 **SECTION 5. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.29.16

DRAFT

LLS NO. 16-0920.02 Thomas Morris x4218

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Refinance Water Pollution Control Program"
DEADLINES: Finalize by: FEB 1, 2016 File by: FEB 3, 2016

A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF THE WATER POLLUTION CONTROL
102 PROGRAM.

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. Currently, the water pollution control statute categorizes the various sources that pay fees pursuant to the statute within different sectors, specifies the amount of each fee that the subcategories within each sector pay, and credits all fees from all sectors to the water quality control fund. **Section 1** of the bill repeals this fund, creates a separate cash fund for each of the sectors (commerce and

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

industry; construction; pesticides; municipal separate storm sewer system; public and private utilities; and water quality certifications), and allocates the fees from each sector to that sector's cash fund.

Section 2, which becomes effective on July 1, 2017, repeals the fees set in statute and directs the water quality control commission to set the fees by rule so that the following ratios of money from the general fund and the sector cash funds necessary to administer the affected water quality programs apply:

- Commerce and industry sector: 25% general fund, 59% cash funds, 16% federal funds;
- Construction sector: 25% general fund, 70% cash funds, 5% federal funds;
- Pesticides sector: 7% general fund, 8% cash funds, 85% federal funds;
- Municipal separate storm sewer system sector: 25% general fund, 68% cash funds, 7% federal funds;
- Public and private utilities sector: 25% general fund, 68% cash funds, 7% federal funds; and
- Water quality certification sector: 2.7% general fund, 97.3% cash funds.

Section 2 also directs the commission to update the committees of reference during the annual "SMART Act" hearings and to submit an annual report to the joint budget committee regarding the fees.

Section 3 directs the state treasurer to transfer \$1,208,007 of the excess uncommitted reserve of the water quality improvement fund to the general fund on July 1, 2016.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-8-502, **amend**
3 (1.1) (e) introductory portion, (1.2) (a) introductory portion, (1.5) (a), and
4 (1.5) (b); **repeal** (1) (e) (XIII) and (1) (e) (XIV); and **add** (1) (f) as
5 follows:

6 **25-8-502. Application - definitions - fees - funds created -**
7 **public participation - repeal.** (1.1) For each regulated activity listed in
8 this subsection (1.1), the division may assess an annual permit fee and a
9 nonrefundable permit application fee for new permits that must equal fifty
10 percent of the annual permit fee. The full amount of the application fee

1 is credited toward the annual permit fee. All such fees must be in
2 accordance with the following schedules:

3 (e) The public and private utilities sector includes annual fee
4 schedules for regulated activities associated with the operation of
5 domestic wastewater treatment works, water treatment facilities,
6 reclaimed water systems, ~~municipal separate storm sewer systems~~, and
7 industrial operations that discharge to a domestic wastewater treatment
8 works as follows:

9 **Facility Categories and Subcategories for**
10 **Permit Fees within the Public and**
11 **Private Utilities Sector Annual Fees**

12	(XIII) MS4 general permits:	
13	(A) Storm water municipal for a population	
14	of 10,000 or fewer	\$ 355
15	(B) Storm water municipal for a population	
16	from 10,000 up to 49,999	\$ 810
17	(C) Storm water municipal for a population	
18	from 50,000 up to 100,000	\$2,020
19	(D) Storm water municipal for a population	
20	of 100,000 or more	\$4,050
21	(XIV) MS4 individual permits:	
22	(A) Municipalities with a population from	
23	10,000 up to 49,999	\$1,245
24	(B) Municipalities with a population from	
25	50,000 up to 99,999	\$3,110
26	(C) Municipalities with a population from	
27	100,000 up to 249,999	\$6,225

1	(D) Municipalities with a population of	
2	250,000 or more	\$10,580
3	(E) Statewide permit for municipal separate	
4	storm-water systems, owned or	
5	operated by the department of	
6	transportation, in municipal areas	
7	where storm water permits are required	\$4,360

8 (f) THE MUNICIPAL SEPARATE STORM SEWER SYSTEMS SECTOR
 9 INCLUDES ANNUAL FEES FOR REGULATED ACTIVITIES ASSOCIATED WITH
 10 THE OPERATION OF MUNICIPAL SEPARATE STORM SEWER SYSTEMS, AS
 11 FOLLOWS:

**Facility Categories and Subcategories for
 Permit Fees within the Public and**

	Private Utilities Sector	Annual Fees
12	Facility Categories and Subcategories for	
13	Permit Fees within the Public and	
14	Private Utilities Sector	
15	Annual Fees	
15	(I) MS4 GENERAL PERMITS:	
16	(A) STORM WATER MUNICIPAL FOR A POPULATION	
17	OF 10,000 OR FEWER	\$ 355
18	(B) STORM WATER MUNICIPAL FOR A POPULATION	
19	FROM 10,000 UP TO 49,999	\$ 810
20	(C) STORM WATER MUNICIPAL FOR A POPULATION	
21	FROM 50,000 UP TO 99,999	\$2,020
22	(D) STORM WATER MUNICIPAL FOR A POPULATION	
23	OF 100,000 OR MORE	\$4,050
24	(II) MS4 INDIVIDUAL PERMITS:	
25	(A) MUNICIPALITIES WITH A POPULATION FROM	
26	10,000 UP TO 49,999	\$1,245
27	(B) MUNICIPALITIES WITH A POPULATION FROM	

1	50,000 UP TO 99,999	\$3,110
2	(C) MUNICIPALITIES WITH A POPULATION FROM	
3	100,000 UP TO 249,999	\$6,225
4	(D) MUNICIPALITIES WITH A POPULATION OF	
5	250,000 OR MORE	\$10,580
6	(E) STATEWIDE PERMIT FOR MUNICIPAL SEPARATE	
7	STORM WATER SYSTEMS, OWNED OR	
8	OPERATED BY THE DEPARTMENT OF	
9	TRANSPORTATION, IN MUNICIPAL AREAS	
10	WHERE STORM WATER PERMITS ARE REQUIRED	\$4,360

11 (1.2) (a) For the activities listed in this subsection (1.2) associated
 12 with reviewing requests for certifications under section 401 of the federal
 13 act and this article, known as "401 certificates", the division may assess
 14 a fee for the review. ~~And~~ THERE IS HEREBY CREATED IN THE STATE
 15 TREASURY THE WATER QUALITY CERTIFICATION SECTOR FUND, WHICH
 16 CONSISTS OF FEES COLLECTED PURSUANT TO THIS SUBSECTION (1.2). THE
 17 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
 18 SHALL CREDIT THEM TO THE WATER QUALITY CERTIFICATION SECTOR
 19 FUND. All such fees must be in accordance with the following schedules:

20 (1.5) (a) (I) There is hereby created in the state treasury the ~~water~~
 21 ~~quality control~~ COMMERCE AND INDUSTRY SECTOR fund, which consists
 22 of all annual fees ~~collected~~ for regulated activities associated with the
 23 commerce and industry sector ~~construction sector, pesticide application~~
 24 ~~sector, and public and private utilities sector~~ COLLECTED pursuant to
 25 subsection (1.1) of this section; all fees for services performed by the
 26 division associated with the commerce and industry sector ~~construction~~
 27 ~~sector, pesticide application sector, and public and private utilities sector~~

1 ~~in~~ COLLECTED PURSUANT TO subsection (1.3) of this section; ~~all fees~~
2 ~~collected for activities associated with 401 certificates in subsection (1.2)~~
3 ~~of this section~~; and all interim fees ~~in~~ ASSOCIATED WITH THE COMMERCE
4 AND INDUSTRY SECTOR COLLECTED PURSUANT TO subsection (1.4) of this
5 section. The division shall transmit the fees to the state treasurer, who
6 shall credit them to the ~~water quality control~~ COMMERCE AND INDUSTRY
7 SECTOR fund.

8 (II) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
9 CONSTRUCTION SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES
10 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE
11 CONSTRUCTION SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION;
12 ALL FEES FOR SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH
13 THE CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3)
14 OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED WITH THE
15 CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF
16 THIS SECTION. THE DIVISION SHALL TRANSMIT THE FEES TO THE STATE
17 TREASURER, WHO SHALL CREDIT THEM TO THE CONSTRUCTION SECTOR
18 FUND.

19 (III) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
20 PESTICIDES SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES
21 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE PESTICIDES
22 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR
23 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE PESTICIDES
24 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION;
25 AND ALL INTERIM FEES ASSOCIATED WITH THE PESTICIDES SECTOR
26 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
27 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO

1 SHALL CREDIT THEM TO THE PESTICIDES SECTOR FUND.

2 (IV) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
3 MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR FUND, WHICH
4 CONSISTS OF ALL ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES
5 ASSOCIATED WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM
6 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR
7 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE MUNICIPAL
8 SEPARATE STORM SEWER SYSTEM SECTOR COLLECTED PURSUANT TO
9 SUBSECTION (1.3) OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED
10 WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR
11 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
12 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
13 SHALL CREDIT THEM TO THE MUNICIPAL SEPARATE STORM SEWER SYSTEM
14 SECTOR FUND.

15 (V) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
16 PUBLIC AND PRIVATE UTILITIES SECTOR FUND, WHICH CONSISTS OF ALL
17 ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH
18 THE PUBLIC AND PRIVATE UTILITIES SECTOR PURSUANT TO SUBSECTION
19 (1.1) OF THIS SECTION; ALL FEES FOR SERVICES PERFORMED BY THE
20 DIVISION ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES SECTOR
21 COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION; AND ALL
22 INTERIM FEES ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES
23 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE
24 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO
25 SHALL CREDIT THEM TO THE PUBLIC AND PRIVATE UTILITIES SECTOR FUND.

26 (b) The general assembly shall annually appropriate the ~~moneys~~
27 MONEY in the ~~water quality control fund~~ FUNDS CREATED IN PARAGRAPH

1 (a) OF THIS SUBSECTION (1.5) AND IN SUBSECTION (1.2) OF THIS SECTION
2 TO the department of public health and environment FOR ITS DIRECT AND
3 INDIRECT COSTS IN ADMINISTERING THE APPROPRIATE SECTOR. ~~which~~ THE
4 DEPARTMENT shall review expenditures of ~~such moneys~~ THE MONEY to
5 ensure that ~~they are~~ IT IS used only to fund the expenses of the discharge
6 permit system and other activities included in subsections (1.1), (1.2),
7 (1.3), and (1.4) of this section, THAT MONEY DERIVED FROM A PARTICULAR
8 SECTOR IS USED ONLY FOR THAT SECTOR, AND THAT MONEY DERIVED
9 FROM SUBSECTION (1.2) OF THIS SECTION IS USED ONLY TO PROVIDE
10 WATER QUALITY CERTIFICATIONS. All interest earned on the investment
11 or deposit of ~~moneys~~ MONEY in ~~the~~ EACH fund and all unencumbered or
12 unappropriated balances in ~~the~~ EACH fund remain in ~~the~~ EACH INDIVIDUAL
13 fund, shall be appropriated only for the expenses of the discharge permit
14 system, and shall not be transferred or revert to the general fund or any
15 other fund at the end of any fiscal year or any other time.

16 <{*Section 2 takes effect 7/1/17*}>

17 **SECTION 2.** In Colorado Revised Statutes, 25-8-502, **amend**
18 (1.1) introductory portion, (1.1) (b), (1.1) (c) introductory portion, (1.1)
19 (c) (II), (1.1) (c) (III), (1.1) (d), (1.1) (e) as (1.1) (e) introductory portion
20 is amended by section 1 of this bill, (1.1) (f) as (1.1) (f) is amended by
21 section 1 of this bill, (1.2) (a) introductory portion as (1.2) (a)
22 introductory portion is amended by section 1 of this bill, (1.2) (a) (I)
23 introductory portion, (1.2) (a) (II) introductory portion, (1.3), (1.5) (c),
24 (1.5) (d), and (1.7) as follows: <{*as they exist on 7/1/17*}>

25 **25-8-502. Application - definitions - fees - funds created -**
26 **public participation - repeal.** (1.1) For each regulated activity listed in
27 this subsection (1.1), the division may assess an annual permit fee and a

1 nonrefundable permit application fee for new permits that must equal fifty
2 percent of the annual permit fee. The full amount of the application fee
3 is credited toward the annual permit fee. THE COMMISSION SHALL, IN
4 ACCORDANCE WITH PARAGRAPH (c) OF SUBSECTION (1.5) OF THIS SECTION,
5 ESTABLISH BY RULE all such fees ~~must be in accordance with the~~
6 ~~following schedules~~ FOR THE FOLLOWING CATEGORIES AND
7 SUBCATEGORIES:

8 (b) The commerce and industry sector includes annual ~~fee~~
9 ~~schedules~~ FEES for regulated activities associated with mining,
10 hydrocarbon refining, sugar processing, industrial storm water, utilities
11 not included in the private and public utilities sector, manufacturing
12 activities, commercial activities, and all other industrial activities ~~as~~
13 ~~follows~~ FOR THE FOLLOWING CATEGORIES AND SUBCATEGORIES:

**Facility Categories and Subcategories
for Permit Fees within the**

Commerce and Industry Sector Annual Fees

17	(I) Sand and gravel and placer mining:	
18	(A) Pit dewatering only;	\$ 500
19	(B) Pit dewatering or wash-water discharge;	\$ 570
20	(C) Mercury use with discharge impact;	\$ 640
21	(D) Storm water discharge only;	\$ 435
22	(II) Coal mining:	
23	(A) Sedimentation ponds, surface runoff only;	\$ 980
24	(B) Mine water, preparation plant discharge;	\$ 1,320
25	(III) Hardrock mining:	
26	(A) Mine dewatering from 0 up to 49,999 gallons	
27	per day;	\$1,140

1	(B) Mine dewatering from 50,000 up to 999,999 gallons	
2	per day;	\$2,150
3	(C) Mine dewatering, 1,000,000 gallons	
4	per day or more;	\$3,280
5	(D) Mine dewatering and milling with no discharge;	\$3,280
6	(E) Mine dewatering and milling with discharge;	\$9,880
7	(F) No discharge;	\$1,140
8	(G) Milling with discharge from 0 up to 49,999 gallons	
9	per day;	\$3,350
10	(H) Milling with discharge, 50,000 gallons	
11	per day or more;	\$6,680
12	(IV) Oil shale:	
13	(A) Sedimentation ponds, surface runoff only;	\$1,990
14	(B) Mine water from 0 up to 49,999 gallons	
15	per day;	\$2,150
16	(C) Mine water from 50,000 up to 999,999	
17	gallons per day;	\$2,670
18	(D) Mine water from 1,000,000 gallons	
19	per day or more;	\$2,600
20	(E) Mine water and process water discharge;	\$9,880
21	(F) No discharge;	\$1,830
22	(V) General permits:	
23	(A) Sand and gravel with process discharge	
24	and storm water;	\$ -270
25	(B) Sand and gravel without process discharge	
26	- storm water only;	\$ -75
27	(C) Placer mining;	\$ -520

1	(D) Coal mining;	\$ 780
2	(E) Industrial - single municipal industrial	
3	- storm water only;	\$ 185
4	(F) Active mineral mines less than ten acres	
5	- storm water only;	\$ 125
6	(G) Active mineral mines - ten acres or more	
7	- storm water only;	\$ 375
8	(H) Inactive mineral mines - storm water only;	\$ 75
9	(I) Department of transportation - sand and	
10	gravel storm-water permit;	\$4,360
11	(J) Coal degasification - process water	
12	from 0 up to 49,999 gallons per day;	\$2,150
13	(K) Coal degasification - process water from	
14	50,000 up to 99,999 gallons per day;	\$3,280
15	(L) Coal degasification - process water,	
16	100,000 gallons per day or more;	\$9,880
17	(M) Minimal discharge of industrial or	
18	commercial waste waters - general permit;	\$ 630
19	(VI) Power plants:	
20	(A) Cooling water only, no discharge;	\$1,140
21	(B) Process water from 0 up to 49,999	
22	gallons per day;	\$2,150
23	(C) Process water from 50,000 up to 999,999	
24	gallons per day;	\$3,280
25	(D) Process water from 1,000,000 up to 4,999,999	
26	gallons per day;	\$9,880
27	(E) Process water, 5,000,000 gallons per day or more;	\$9,880

1	(VII) Sugar processing:	
2	(A) Cooling water only, no discharge;	\$1,210
3	(B) Process water from 0 up to 49,999	
4	gallons per day;	\$1,480
5	(C) Process water from 50,000 up to 999,999	
6	gallons per day;	\$3,700
7	(D) Process water from 1,000,000 up to 4,999,999	
8	gallons per day;	\$9,880
9	(E) Process water, 5,000,000 gallons	
10	per day or more;	\$9,880
11	(VIII) Petroleum refining:	
12	(A) Cooling water only, no discharge;	\$1,140
13	(B) Process water from 0 up to 49,999 gallons	
14	per day;	\$2,560
15	(C) Process water from 50,000 up to 999,999	
16	gallons per day;	\$3,285
17	(D) Process water from 1,000,000 up to 4,999,999	
18	gallons per day;	\$9,880
19	(E) Process water, 5,000,000 gallons per day or more;	\$9,880
20	(IX) Fish hatcheries;	\$ 820
21	(X) Manufacturing and other industry:	
22	(A) Cooling water only;	\$1,140
23	(B) Process water from 0 up to 49,999	
24	gallons per day;	\$2,150
25	(C) Process water from 50,000 up to 999,999	
26	gallons per day;	\$3,280
27	(D) Process water from 1,000,000 up to 4,999,999	

1	gallons per day;	\$9,880
2	(E) Process water from 5,000,000 up to 19,999,999	
3	gallons per day;	\$12,140
4	(F) Process water, 20,000,000 gallons	
5	per day or more;	\$19,760
6	(G) No discharge;	\$1,480
7	(H) Amusement and recreation services;	\$1,480
8	(XI) Individual industrial storm-water permits:	
9	(A) Individual industrial - less than ten acres;	\$ 295
10	(B) Individual industrial - ten acres or more;	\$ 375
11	(C) Individual industrial - storm water only	
12	- international airports;	\$6,220

13 (c) The construction sector includes annual fee schedules FEES for
 14 regulated activities associated with construction activities as follows FOR
 15 THE FOLLOWING CATEGORIES AND SUBCATEGORIES:

16 **Facility Categories and Subcategories**
 17 **for Permit Fees within the**
 18 **Construction Sector Annual Fees**

19	(II) General permits:	
20	(A) Repealed.	
21	(B) Repealed.	
22	(C) Repealed.	
23	(D) Repealed.	
24	(E) Department of transportation (DOT) -	
25	storm-water construction discharges from	
26	projects where DOT is the permittee -	
27	statewide permit;	\$9,400

- 1 (F) Minimal discharge of industrial or
2 commercial wastewater; \$ 630
- 3 (G) Low complexity; ~~effective on and after~~
4 July 1, 2016 \$ 820
- 5 (H) High complexity; ~~effective on~~
6 ~~and after July 1, 2016~~ \$2,000
- 7 (I) Construction - storm water only; less than
8 1 acre of disturbed area;
9 ~~effective on and after July 1, 2016~~ \$ 165
- 10 (J) Construction - storm water only,
11 from 1 acre to less than 30 acres;
12 ~~effective on and after July 1, 2016~~ \$ 350
- 13 (K) Construction - storm water only,
14 30 acres or more of disturbed area;
15 ~~effective on and after July 1, 2016~~ \$ 540

16 (III) ~~Effective on and after July 1, 2016, the fee for An ANNUAL~~
17 ~~FEE FOR AN individual permit for construction activity; is four thousand~~
18 ~~four hundred dollars; and~~

19 (d) The pesticide sector includes annual ~~fee schedules~~ FEES for
20 regulated activities associated with pesticide applications that are
21 regulated under the federal act ~~as follows:~~ for a general permit ~~decision~~
22 ~~makers with~~ FOR pesticide application on or over waters of the state that
23 are subject to annual reporting requirements under the pesticide general
24 permit; ~~an annual fee of two hundred seventy-five dollars~~

25 (e) The public and private utilities sector includes annual ~~fee~~
26 ~~schedules~~ FEES for regulated activities associated with the operation of
27 domestic wastewater treatment works, water treatment facilities,

1 reclaimed water systems, and industrial operations that discharge to a
 2 domestic wastewater treatment works as follows FOR THE FOLLOWING
 3 CATEGORIES AND SUBCATEGORIES:

4 **Facility Categories and Subcategories for**
 5 **Permit Fees within the Public and**

Private Utilities Sector	Annual Fees
(I) Water treatment plants:	
(A) Intermittent discharge;	\$ 570
(B) Routing discharge;	\$ 820
(II) General permits:	
(A) Water treatment plants - intermittent discharge;	\$ 475
(B) Water treatment plants - routine discharge;	\$ 715
(C) Discharges associated with treated water distribution systems for a population of 3,300 or fewer;	\$ 105
(D) Discharges associated with treated water distribution systems for a population from 3,301 up to 9,999;	\$ 210
(E) Discharges associated with treated water distribution systems for a population of 10,000 or more;	\$ 315
(III) Domestic wastewater - lagoons:	
(A) Sewage from 0 up to 49,999 gallons per day;	\$ 525
(B) Sewage from 50,000 up to 99,999 gallons per day;	\$ 845
(C) Sewage from 100,000 up to 499,999 gallons	

1	per day;	\$1,230
2	(D) Sewage from 500,000 up to 999,999 gallons	
3	per day;	\$2,120
4	(E) Sewage from 1,000,000 up to 1,999,999 gallons	
5	per day;	\$3,170
6	(F) Sewage, 2,000,000 gallons per day or more;	\$6,460
7	(IV) Domestic wastewater - mechanical plants:	
8	(A) Sewage from 0 up to 19,999 gallons per day;	\$ 615
9	(B) Sewage from 20,000 up to 49,999 gallons	
10	per day;	\$ 980
11	(C) Sewage from 50,000 up to 99,999 gallons	
12	per day;	\$1,440
13	(D) Sewage from 100,000 up to 499,999 gallons	
14	per day;	\$2,240
15	(E) Sewage from 500,000 up to 999,999 gallons	
16	per day;	\$3,720
17	(F) Sewage from 1,000,000 up to 2,499,999 gallons	
18	per day;	\$6,090
19	(G) Sewage from 2,500,000 up to 9,999,999 gallons	
20	per day;	\$11,410
21	(H) Sewage from 10,000,000 up to 49,999,999	
22	gallons per day;	\$19,780
23	(I) Sewage from 50,000,000 up to 99,999,999	
24	gallons per day;	\$22,820
25	(J) Sewage, 100,000,000 gallons per day or more;	\$25,100
26	(V) Domestic facilities discharge to unclassified waters - general	
27	permit:	

1	(A) Sewage from 0 up to 49,999 gallons per day;	\$ 455
2	(B) Sewage from 50,000 up to 199,999 gallons	
3	per day;	\$ 800
4	(C) Sewage from 200,000 up to 599,999 gallons	
5	per day;	\$1,170
6	(D) Sewage from 600,000 up to 999,999 gallons	
7	per day;	\$1,860
8	(VI) Industrial dischargers subject to categorical effluent	
9	standards discharging to publicly owned treatment works with	
10	pretreatment programs, not including categorical industries subject to	
11	zero-discharge standards:	
12	(A) Very low flow - less than 100 gallons per day;	\$ 292
13	(B) 100 up to 9,999 gallons per day;	\$ 699
14	(C) 10,000 up to 50,000 gallons per day;	\$1,047
15	(D) More than 50,000 gallons per day;	\$1,397
16	(VII) All other significant industrial dischargers discharging to	
17	publicly owned treatment works with pretreatment, including categorical	
18	industries subject to zero-discharge standards:	
19	(A) Less than 10,000 gallons per day;	\$ 175
20	(B) 10,000 up to 50,000 gallons per day;	\$ 349
21	(C) More than 50,000 gallons per day;	\$ 465
22	(D) Pit dewatering only;	\$ 270
23	(VIII) Industrial dischargers subject to categorical effluent	
24	standards discharging to publicly owned treatment works without	
25	pretreatment programs, not including categorical industries subject to	
26	zero discharge standards:	
27	(A) Less than 10,000 gallons per day;	\$ 815

1	(B) 10,000 up to 50,000 gallons per day;	\$1,280
2	(C) More than 50,000 gallons per day;	\$1,746
3	(IX) All other significant industrial dischargers discharging to	
4	publicly owned treatment works without pretreatment programs,	
5	including categorical industries subject to zero-discharge standards:	
6	(A) Less than 10,000 gallons per day;	\$ 349
7	(B) 10,000 up to 50,000 gallons per day;	\$ 524
8	(C) More than 50,000 gallons per day;	\$ 699
9	(X) Domestic wastewater - lagoons:	
10	(A) Sewage from 0 up to 49,999 gallons per day;	\$ 75
11	(B) Sewage from 50,000 up to 99,999 gallons	
12	per day;	\$ 75
13	(C) Sewage from 100,000 up to 499,999 gallons	
14	per day;	\$ 75
15	(D) Sewage from 500,000 up to 999,999 gallons	
16	per day;	\$ 75
17	(E) Sewage from 1,000,000 up to 2,499,999 gallons	
18	per day;	\$ 81
19	(F) Sewage, 2,500,000 gallons per day or more;	\$ 94
20	(XI) Domestic wastewater - mechanical plants:	
21	(A) Sewage from 0 up to 19,999 gallons per day;	\$ 75
22	(B) Sewage from 20,000 up to 49,999 gallons per day;	\$ 75
23	(C) Sewage from 50,000 up to 99,999 gallons per day;	\$ 75
24	(D) Sewage from 100,000 up to 499,999 gallons	
25	per day;	\$ 75
26	(E) Sewage from 500,000 up to 999,999 gallons	
27	per day;	\$ 75

1	(F) Sewage from 1,000,000 up to 2,499,999 gallons	
2	per day;	\$ 81
3	(G) Sewage from 2,500,000 up to 9,999,999 gallons	
4	per day;	\$ 94
5	(H) Sewage from 10,000,000 up to 49,999,999	
6	gallons per day;	\$ 105
7	(I) Sewage from 50,000,000 up to 99,999,999	
8	gallons per day;	\$ 117
9	(J) Sewage, 100,000,000 gallons per day or more;	\$ 128
10	(XII) Wastewater reuse authorizations:	
11	(A) Facility capacity of less than 100,000	
12	gallons per day;	\$ 450
13	(B) Facility capacity from 100,000 gallons to	
14	499,999 gallons per day;	\$ 840
15	(C) Facility capacity from 500,000 gallons to	
16	999,999 gallons per day;	\$1,400
17	(D) Facility capacity from 1,000,000 gallons to	
18	2,499,999 gallons per day;	\$2,300
19	(E) Facility capacity from 2,500,000 gallons to	
20	9,999,999 gallons per day;	\$4,300
21	(F) Facility capacity, 10,000,000 gallons per	
22	day or more; AND	\$6,300
23	(XIII) Repealed.	
24	(XIV) Repealed.	
25	(f) The municipal separate storm sewer systems sector includes	
26	annual fees for regulated activities associated with the operation of	
27	municipal separate storm sewer systems as follows FOR THE FOLLOWING	

1 CATEGORIES AND SUBCATEGORIES:

2 **Facility Categories and Subcategories for**
3 **Permit Fees within the Public and**
4 **Private Utilities Sector** **Annual Fees**

5 (I) MS4 general permits:	
6 (A) Storm water municipal for a population	
7 of 10,000 or fewer;	\$ 355
8 (B) Storm water municipal for a population	
9 from 10,000 up to 49,999;	\$ 810
10 (C) Storm water municipal for a population	
11 from 50,000 up to 100,000;	\$2,020
12 (D) Storm water municipal for a population	
13 of 100,000 or more;	\$4,050
14 (II) MS4 individual permits:	
15 (A) Municipalities with a population from	
16 10,000 up to 49,999;	\$1,245
17 (B) Municipalities with a population from	
18 50,000 up to 99,999;	\$3,110
19 (C) Municipalities with a population from	
20 100,000 up to 249,999;	\$6,225
21 (D) Municipalities with a population of	
22 250,000 or more; AND	\$10,580
23 (E) Statewide permit for municipal separate	
24 storm-water systems, owned or	
25 operated by the department of	
26 transportation, in municipal areas	
27 where storm water permits are required.	\$4,360

1 (1.2) (a) For the activities listed in this subsection (1.2) associated
2 with reviewing requests for certifications under section 401 of the federal
3 act and this article, known as "401 certificates", the division may assess
4 a fee for the review ~~and all such fees must be in accordance with the~~
5 ~~following schedules~~ AS SPECIFIED IN RULES PROMULGATED BY THE
6 COMMISSION FOR THE FOLLOWING TIERS, WHICH FEE MUST BE SUBMITTED
7 WITH THE CERTIFICATION APPLICATION:

8 (I) ~~The fee for a tier 1 project is one thousand one hundred dollars,~~
9 ~~which must be submitted with the certification application.~~ Tier 1 projects
10 are projects that incur minimal costs and minimal water quality impacts.
11 Tier 1 includes certifications of channel stabilization projects and single
12 drainage improvement projects. Typical characteristics of tier 1 projects
13 may include all or some of the following:

14 (II) ~~The fee for a tier 2 project is three thousand eight hundred~~
15 ~~dollars, which must be submitted with the certification application.~~ Tier
16 2 projects are projects that incur moderate costs and potential water
17 quality impacts. Tier 2 includes certifications of projects that affect
18 multiple drainages. Typical characteristics of tier 2 projects may include
19 all or some of the following:

20 (1.3) For each service listed below, the division may assess a fee
21 for the service ~~and all such fees must be in accordance with the following~~
22 ~~schedules~~ AS SPECIFIED IN RULES PROMULGATED BY THE COMMISSION:

23 (a) Amendments to permits associated with the commerce and
24 industry sector, construction sector, pesticides application, public and
25 private utility sector under subsection (1.1) of this section, and
26 amendments to permits issued through June 30, 2018, associated with
27 regulated activities in subparagraph (IV) of the animal agriculture sector

1 in paragraph (a) of subsection (1.1) of this section:

2 (I) Minor amendment: An amount equal to twenty-five percent of
3 the annual fee for the permit being amended; ~~not to exceed two thousand~~
4 ~~eight hundred ten dollars;~~

5 (II) Major amendment: An amount equal to fifty-five percent of
6 the annual fee for the permit being amended; ~~not to exceed five thousand~~
7 ~~nine hundred fifty dollars;~~

8 (b) FEES FOR preliminary effluent limitations ARE SUBJECT TO THE
9 FOLLOWING, AND THE COMMISSION SHALL PROMULGATE RULES THAT
10 ESTABLISH FEES FOR EACH CATEGORY SPECIFIED IN SUBPARAGRAPHS (V)
11 TO (VIII) OF THIS PARAGRAPH (b):

12 (I) In accordance with section 25-8-702, the division may assess
13 a fee, as set forth in the ~~schedules in this paragraph (b)~~ RULES
14 PROMULGATED BY THE COMMISSION, for the determination of preliminary
15 effluent limitations upon a domestic wastewater treatment works pursuant
16 to the site location approval process. All such fees shall be paid in
17 advance of any work done.

18 (II) At the request of an entity that is not a domestic wastewater
19 treatment works, and upon payment of the appropriate fee as set forth in
20 the ~~schedules in this paragraph (b)~~ RULES PROMULGATED BY THE
21 COMMISSION, the division may determine preliminary effluent limits for
22 a proposed discharge as described by the requestor.

23 (III) Fees set forth in the ~~schedules established in this paragraph~~
24 ~~(b)~~ RULES PROMULGATED BY THE COMMISSION are increased by an amount
25 equal to seventy-five percent of the applicable fee for each set of
26 preliminary effluent limitations requested by domestic wastewater
27 treatment works for discharges to second or additional receiving water

1 bodies.

2 (IV) The division may, where an entity requests modification of
 3 existing division-approved preliminary effluent limitations, complete the
 4 modification for a fee equal to twenty-five percent of the applicable fee
 5 as set forth in the ~~schedules in this paragraph (b)~~ RULES PROMULGATED BY
 6 THE COMMISSION.

**Facility Categories and
 Subcategories for Preliminary**

Effluent Limitations Fees

10	(V) Preliminary effluent limitations for individual permits:	
11	(A) Less than 100,000 gallons per day;	\$2,100
12	(B) 100,000 to 999,999 gallons per day;	\$4,200
13	(C) 1,000,000 to 9,999,999 gallons per day;	\$6,300
14	(D) 10,000,000 or more gallons per day;	\$8,400
15	(VI) Preliminary effluent limitations for	
16	general permits from 0 up to 1,000,000	
17	gallons per day;	\$1,050
18	(VII) Preliminary effluent limitations for discharges to	
19	groundwater:	
20	(A) Minor facilities, less than 1,000,000 gallons	
21	per day;	\$ 525
22	(B) Major facilities, 1,000,000 gallons	
23	per day or more;	\$ 840
24	(VIII) Review of preliminary effluent limitations for individual	
25	permits professionally prepared by others:	
26	(A) Minor facilities, less than 1,000,000 gallons	
27	per day;	\$1,575

1 (B) Major facilities, 1,000,000 gallons
2 per day or more; \$3,150

3 (c) THE COMMISSION SHALL PROMULGATE RULES ESTABLISHING
4 FEES FOR wastewater site applications and design reviews AND
5 preliminary effluent limitations FOR EACH OF THE FOLLOWING
6 CATEGORIES:

7 **Facility Categories and Subcategories**
8 **for Wastewater Site Applications**
9 **and Design Reviews Fees**

10 (I) Wastewater site applications:

11 (A) Wastewater treatment plants, less than 100,000 gallons per
12 day, NEW AND EXPANSION;

13	New	\$7,738
14	Expansion	\$6,191

15 (B) Wastewater treatment plants from 100,000 to 999,999 gallons
16 per day, NEW AND EXPANSION;

17	New	\$15,477
18	Expansion	\$12,381

19 (C) Wastewater treatment plants from 1,000,000 to 9,999,999
20 gallons per day, NEW AND EXPANSION;

21	New	\$23,215
22	Expansion	\$18,572

23 (D) Wastewater treatment plants, 10,000,000 gallons per day or
24 more, NEW AND EXPANSION;

25	New	\$30,953
26	Expansion	\$24,763

27 (E) Lift stations, less than 100,000 gallons per day, NEW AND

1	EXPANSION;	
2	New	\$1,935
3	Expansion	\$1,548
4	(F) Lift stations from 100,000 to 999,999 gallons per day, NEW	
5	AND EXPANSION;	
6	New	\$3,869
7	Expansion	\$3,095
8	(G) Lift stations from 1,000,000 to 9,999,999 gallons per day,	
9	NEW AND EXPANSION;	
10	New	\$5,804
11	Expansion	\$4,643
12	(H) Lift stations, 10,000,000 gallons per day or more, NEW AND	
13	EXPANSION;	
14	New	\$7,738
15	Expansion	\$6,191
16	(I) Amendments to site applications concerning	
17	a change from gas chlorination to liquid	
18	chlorination or from any form of	
19	chlorination to ultraviolet light	
20	disinfection, less than 100,000	
21	gallons per day;	\$-451
22	(J) Amendments to site applications concerning	
23	a change from gas chlorination to liquid	
24	chlorination or from any form of chlorination	
25	to ultraviolet light disinfection from 100,000	
26	to 999,999 gallons per day;	\$-903
27	(K) Amendments to site applications concerning a change	

1	from gas chlorination to liquid chlorination or from any	
2	form of chlorination to ultraviolet light disinfection	
3	from 1,000,000 to 9,999,999 gallons per day;	\$1,354
4	(L) Amendments to site applications concerning a change	
5	from gas chlorination to liquid chlorination or from any	
6	form of chlorination to ultraviolet light disinfection,	
7	10,000,000 gallons per day or more;	\$1,806
8	(M) Other amendments to site application, less than	
9	100,000 gallons per day;	\$ 645
10	(N) Other amendments to site applications from	
11	100,000 to 999,999 gallons per day;	\$1,290
12	(O) Other amendments to site applications	
13	from 1,000,000 to 9,999,999 gallons per day;	\$1,935
14	(P) Other amendments to site applications,	
15	10,000,000 gallons per day or more;	\$2,579
16	(Q) On-site wastewater treatment systems;	\$4,500
17	(R) Extension;	\$ 650
18	(S) Interceptor site applications;	\$1,300
19	(T) Interceptor certifications;	\$300
20	(U) Outfall sewers;	\$1,300
21	(II) Wastewater design review:	
22	(A) Wastewater treatment plants, less than 100,000 gallons per	
23	day, NEW AND EXPANSION;	
24	New	\$4,900
25	Expansion	\$3,900
26	(B) Wastewater treatment plants from 100,000 to 999,999 gallons	
27	per day, NEW AND EXPANSION;	

1	New	\$9,900
2	Expansion	\$7,900
3	(C) Wastewater treatment plants from 1,000,000 to 9,999,999	
4	gallons per day, NEW AND EXPANSION;	
5	New	\$14,800
6	Expansion	\$11,800
7	(D) Wastewater treatment plants, 10,000,000 gallons per day or	
8	more, NEW AND EXPANSION;	
9	New	\$19,700
10	Expansion	\$15,800
11	(E) Lift stations, less than 100,000 gallons per day, NEW AND	
12	EXPANSION;	
13	New	\$1,200
14	Expansion	\$1,000
15	(F) Lift stations from 100,000 to 999,999 gallons per day:	
16	New	\$2,500
17	Expansion	\$2,000
18	(G) Lift stations from 1,000,000 to 9,999,999 gallons per day,	
19	NEW AND EXPANSION;	
20	New	\$3,700
21	Expansion	\$3,000
22	(H) Lift stations, 10,000,000 gallons per day or more, NEW AND	
23	EXPANSION;	
24	New	\$4,900
25	Expansion	\$3,900
26	(I) Amendments to site applications concerning a change	
27	from gas chlorination to liquid chlorination or from any	

- 1 form of chlorination to ultraviolet light disinfection,
- 2 less than 100,000 gallons per day; \$ 500
- 3 (J) Amendments to site applications concerning a change
- 4 from gas chlorination to liquid chlorination or from any
- 5 form of chlorination to ultraviolet light disinfection
- 6 from 100,000 to 999,999 gallons per day; \$1,000
- 7 (K) Amendments to site applications concerning a change
- 8 from gas chlorination to liquid chlorination or from any
- 9 form of chlorination to ultraviolet light disinfection
- 10 from 1,000,000 to 9,999,999 gallons per day; \$1,500
- 11 (L) Amendments to site applications concerning a change
- 12 from gas chlorination to liquid chlorination or from any
- 13 form of chlorination to ultraviolet light disinfection,
- 14 10,000,000 gallons per day or more; \$2,000
- 15 (M) Other amendments to site application,
- 16 less than 100,000 gallons per day; \$700
- 17 (N) Other amendments to site applications,
- 18 from 100,000 to 999,999 gallons per day; \$1,400
- 19 (O) Other amendments to site applications,
- 20 from 1,000,000 to 9,999,999 gallons per day; \$2,100
- 21 (P) Other amendments to site applications,
- 22 10,000,000 gallons per day or more; \$2,800
- 23 (Q) On-site wastewater treatment systems; \$3,000
- 24 (R) Interceptor site applications; AND \$1,400
- 25 (S) Outfall sewers. \$1,400
- 26 (1.5) (c) (I) It is the intent of the general assembly that a portion
- 27 of the expenses of the discharge permit system be funded from the

1 general fund, reflecting the benefit derived by the general public; except
2 that the general assembly may determine, in any given fiscal year, that
3 general fund revenues are inadequate to meet general fund demands and
4 that, as a consequence, it is necessary to forego, subject to future
5 reconsideration, all or some portion of such general fund contribution to
6 the discharge permit program pursuant to this part 5. EXCEPT AS
7 SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), THE
8 COMMISSION SHALL ESTABLISH BY RULE FEES FOR THE SERVICES AND
9 CATEGORIES SPECIFIED IN SUBSECTIONS (1.1), (1.2), AND (1.3) OF THIS
10 SECTION, UNLESS OTHERWISE PROVIDED IN ONE OR MORE OF THOSE
11 SUBSECTIONS, SO THAT THE RATIOS OF MONEY DERIVED FROM FEES
12 ESTABLISHED PURSUANT TO THIS SECTION AND CREDITED TO THE CASH
13 FUNDS CREATED IN SUBSECTION (1.2) OF THIS SECTION OR THIS
14 SUBSECTION (1.5), FROM FEDERAL FUNDS, AND FROM THE GENERAL FUND
15 ARE AS FOLLOWS:

16 (A) FOR THE COMMERCE AND INDUSTRY SECTOR: TWENTY-FIVE
17 PERCENT GENERAL FUND, SIXTEEN PERCENT FEDERAL FUNDS, AND
18 FIFTY-NINE PERCENT CASH FUNDS;

19 (B) FOR THE CONSTRUCTION SECTOR: TWENTY-FIVE PERCENT
20 GENERAL FUND, FIVE PERCENT FEDERAL FUNDS, AND SEVENTY PERCENT
21 CASH FUNDS;

22 (C) FOR THE PESTICIDES SECTOR: SEVEN PERCENT GENERAL FUND,
23 EIGHTY-FIVE PERCENT FEDERAL FUNDS, AND EIGHT PERCENT CASH FUNDS;

24 (D) FOR THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR:
25 TWENTY-FIVE PERCENT GENERAL FUND, SEVEN PERCENT FEDERAL FUNDS,
26 AND SIXTY-EIGHT PERCENT CASH FUNDS;

27 (E) FOR THE PUBLIC AND PRIVATE UTILITIES SECTOR:

1 TWENTY-FIVE PERCENT GENERAL FUND, SEVEN PERCENT FEDERAL FUNDS,
2 AND SIXTY-EIGHT PERCENT CASH FUNDS; AND

3 (F) FOR THE WATER QUALITY CERTIFICATION SECTOR: TWO AND
4 SEVEN-TENTHS PERCENT GENERAL FUND AND NINETY-SEVEN AND
5 THREE-TENTHS PERCENT CASH FUNDS.

6 (II) IF THE AMOUNT OF AVAILABLE FEDERAL FUNDS FOR ANY
7 INDIVIDUAL SECTOR DROPS BY MORE THAN TEN PERCENT FOR A GIVEN
8 FISCAL YEAR, THE COMMISSION MAY ADJUST THE FEES TO COMPENSATE
9 FOR THE DEFICIENCY IF THE DEPARTMENT REQUESTS AND THE JOINT
10 BUDGET COMMITTEE GRANTS A WAIVER FROM THE STATUTORY
11 PERCENTAGES FOR THAT FISCAL YEAR.

12 (d) Notwithstanding ~~the amount specified for any fee in~~
13 ~~subsection (1.1) or (1.3)~~ ANY OTHER REQUIREMENT of this section, the
14 commission by rule or as otherwise provided by law may reduce the
15 amount of one or more of the fees if necessary pursuant to section
16 24-75-402 (3), C.R.S., to reduce the uncommitted reserves of the fund to
17 which all or any portion of one or more of the fees is credited. After the
18 uncommitted reserves of the fund are sufficiently reduced, the
19 commission by rule or as otherwise provided by law may increase the
20 amount of one or more of the fees as provided in section 24-75-402 (4),
21 C.R.S.

22 (1.7) (a) Commencing in 2016, the department of public health
23 and environment shall report annually to:

24 (a) (I) The senate agriculture and natural resources committee and
25 the house of representatives agriculture, livestock, and natural resources
26 committee, or their successor committees:

27 (A) On the environmental agriculture program. The report must

1 include the number of permits processed, the number of inspections
2 conducted, the number of enforcement actions taken, and the costs
3 associated with all program activities during the preceding year. The
4 department shall submit the report on or before March 31 of each year.

5 (B) AS PART OF THE DEPARTMENT'S ANNUAL PRESENTATIONS
6 REQUIRED BY SECTION 2-7-203, C.R.S., REGARDING THE JUSTIFICATIONS
7 AND CALCULATIONS THAT WILL BE USED TO SET THE FEES SET BY RULE
8 PURSUANT TO SUBSECTIONS (1.1), (1.2), AND (1.3) OF THIS SECTION IN
9 ACCORDANCE WITH THE DEPARTMENT'S NOVEMBER 1 BUDGET REQUEST
10 TO THE JOINT BUDGET COMMITTEE; and

11 ~~(b)~~ (II) The joint budget committee BY NOVEMBER 1 OF EACH
12 YEAR regarding the fee revenue received from each sector specified in
13 ~~subsection (1.1)~~ SUBSECTIONS (1.1), (1.2), AND (1.3) of this section,
14 INCLUDING EXPENDITURES BY FUND SOURCE, REVENUES BY FUND SOURCE,
15 AND FEE CHANGES FOR EACH SECTOR BASED ON THE NOVEMBER 1
16 REQUEST.

17 (b) THE REPORTING REQUIRED BY THIS SECTION IS EXEMPT FROM
18 SECTION 24-1-136, C.R.S.

19 **SECTION 3.** In Colorado Revised Statutes, 25-8-608, **add** (4) as
20 follows:

21 **25-8-608. Civil penalties - rules - fund created - temporary**
22 **moratorium on penalties for minor violations - definitions - repeal.**

23 (4) (a) ON JULY 1, 2016, THE STATE TREASURER SHALL TRANSFER ONE
24 MILLION TWO HUNDRED EIGHT THOUSAND SEVEN DOLLARS OF THE EXCESS
25 UNCOMMITTED RESERVE OF THE WATER QUALITY IMPROVEMENT FUND TO
26 THE GENERAL FUND.

27 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE SEPTEMBER 1,

1 2017.

2 **SECTION 4. Effective date.** This act takes effect July 1, 2016;
3 except that section 2 of this act takes effect July 1, 2017.

4 **SECTION 5. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REDRAFT

1.28.16

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 16-0923.01 Jennifer Berman x3286

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "High Cost Support Mechanism Funds"

A BILL FOR AN ACT

101 **CONCERNING AN EXCEPTION TO THE APPLICATION OF A STATUTORY**
102 **REDUCTION IN THE AMOUNT OF CONTRIBUTIONS THAT THE**
103 **PUBLIC UTILITIES COMMISSION REQUIRES**
104 **TELECOMMUNICATIONS COMPANIES TO PAY TO FUND THE HIGH**
105 **COST SUPPORT MECHANISM IF THE AMOUNT OF THE**
106 **CONTRIBUTIONS ASSESSED BY THE PUBLIC UTILITIES**
107 **COMMISSION WOULD BE REDUCED BY AN AMOUNT GREATER**
108 **THAN THAT REFLECTED IN THE STATUTORY REDUCTION WHEN**
109 **COMPARED TO THE AMOUNT OF CONTRIBUTIONS FROM THE**
110 **PREVIOUS YEAR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. The public utilities commission provides financial assistance to telecommunications companies that provide basic telephone service or broadband service in areas that lack effective competition by assessing a surcharge on all telecommunications companies in the state and allocating those contributions to the high cost support mechanism (HCSM). A portion of the HCSM is transferred to the broadband fund, which fund is administered by the broadband deployment board (board). The board awards grants for projects aimed at deploying broadband service in unserved areas of the state. From 2016 to 2023, the HCSM surcharge is statutorily reduced by a percentage of the amount of contributions that were allocated to the broadband fund in the previous year.

The bill provides that if, in a given year, the amount of contributions to the HCSM from all telecommunications companies is reduced from the amount of contributions in the previous year by an amount equal to or greater than the statutory reduction percentage, the statutory reduction percentage need not be applied.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-15-208, **add** (2)

3 (a) (IV) as follows:

4 **40-15-208. High cost support mechanism - Colorado high cost**

5 **administration fund - creation - purpose - operation - rules - report**

6 **- repeal.** (2) (a) (IV) IF, BASED ON THE SURCHARGE AND SURCHARGE

7 RATE ESTABLISHED BY THE COMMISSION AT ONE OF ITS REGULARLY

8 SCHEDULED MEETINGS, THE TOTAL AMOUNT OF CONTRIBUTIONS TO THE

9 HIGH COST SUPPORT MECHANISM IN A GIVEN YEAR IS LESS THAN THE

10 TOTAL AMOUNT OF CONTRIBUTIONS IN THE PREVIOUS YEAR BY AN AMOUNT

11 EQUAL TO OR GREATER THAN THE AMOUNT REFLECTED IN THE SCHEDULED

12 PERCENTAGE REDUCTION FOR THAT YEAR, AS SET FORTH IN

13 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a), THE SCHEDULED

1 PERCENTAGE REDUCTION NEED NOT BE APPLIED.

2 **SECTION 2. Applicability.** This act applies to contributions
3 calculated on or after the effective date of this act.

4 **SECTION 3. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.28.16

DRAFT

LLS NO. 16-1010.01 Jennifer Berman x3286

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "HCSM Fund Transfers To Broadband Fund"

A BILL FOR AN ACT

101 **CONCERNING TRANSFERS OF MONEY FROM THE HIGH COST SUPPORT**
102 **MECHANISM TO THE BROADBAND FUND, AND, IN CONNECTION**
103 **THEREWITH, SCHEDULING THE TRANSFERS ON JULY 1 OF EACH**
104 **YEAR AND CONTINUOUSLY APPROPRIATING THE PORTION OF THE**
105 **MONEY IN THE BROADBAND FUND THAT WAS ALLOCATED FROM**
106 **THE HIGH COST SUPPORT MECHANISM.**

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The public utilities commission

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

provides financial assistance to telecommunications companies that provide basic telephone service or broadband service in areas that lack effective competition by assessing a surcharge on all telecommunications companies in the state and allocating those contributions to the high cost support mechanism (HCSM). A portion of the HCSM is transferred to the broadband fund, which fund is administered by the broadband deployment board (board). The board awards grants for projects aimed at deploying broadband service in unserved areas of the state. From 2016 to 2023, the HCSM surcharge is statutorily reduced by a percentage of the amount of contributions that were allocated to the broadband fund in the previous year.

The bill requires that HCSM funds allocated to the broadband fund be transferred on July 1 of each year and that HCSM money in the broadband fund be continuously appropriated.

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

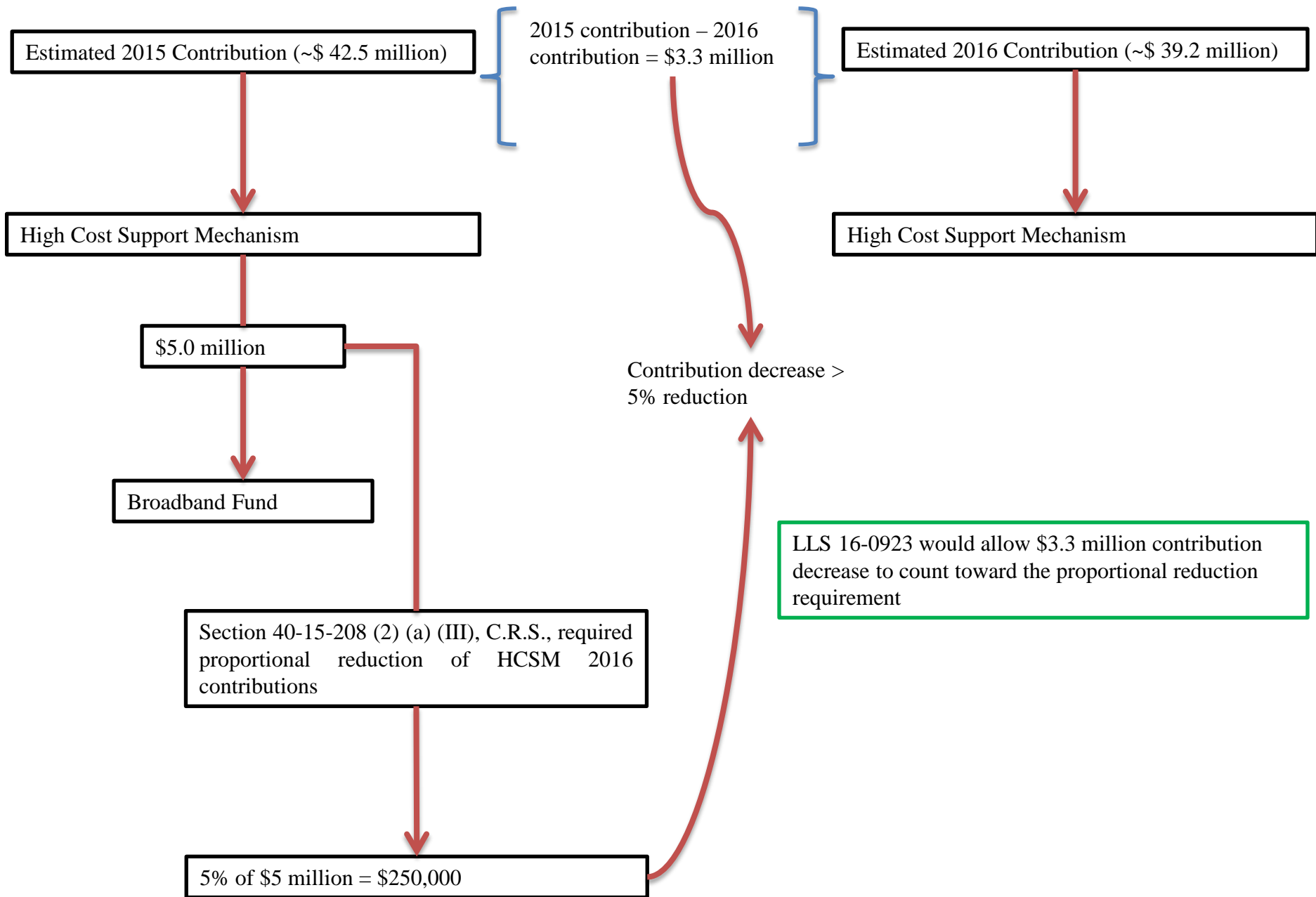
2 **SECTION 1.** In Colorado Revised Statutes, 40-15-509.5, **amend**
3 (4) (a) as follows:

4 **40-15-509.5. Broadband service - report - broadband**
5 **deployment board - broadband fund - creation - repeal.** (4) (a) There
6 is hereby created in the state treasury the broadband fund, referred to in
7 this section as the "fund". The fund consists of all ~~moneys~~ MONEY
8 allocated from the HCSM to provide access to broadband services
9 through broadband networks in unserved areas pursuant to section
10 40-15-208 (2) (a) (I) (B), which ~~moneys~~ MONEY shall be transferred to the
11 fund ~~upon allocation~~ ON JULY 1 OF EACH YEAR, and all ~~moneys~~ MONEY
12 that the general assembly may appropriate to the fund. The ~~moneys~~
13 MONEY in the fund ~~are~~ ALLOCATED FROM THE HCSM IS CONTINUOUSLY
14 appropriated to the broadband deployment board, created in subsection
15 (5) of this section, for the purposes set forth in this section. ANY OTHER
16 MONEY IN THE FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE
17 GENERAL ASSEMBLY FOR THE PURPOSES SET FORTH IN THIS SECTION. All

1 interest earned from the investment of ~~moneys~~ MONEY in the fund is
2 credited to the fund. All ~~moneys~~ MONEY not expended at the end of the
3 fiscal year ~~remain~~ REMAINS in the fund and ~~do~~ DOES not revert to the
4 general fund or any other fund.

5 **SECTION 2. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.

Example: HCSM Transfer to Broadband Fund Flowchart



Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
1.20.16

DRAFT

LLS NO. 16-0924.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Funding For Driver & Motor Vehicle Services"

A BILL FOR AN ACT

101 **CONCERNING THE MANNER IN WHICH THE STATE FUNDS DRIVER AND**
102 **VEHICLE SERVICES BY THE DIVISION OF MOTOR VEHICLES IN**
103 **THE DEPARTMENT OF REVENUE.**

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. Currently, the excess reserve in the licensing services cash fund at the end of a fiscal year is transferred to the highway users tax fund (HUTF). **Section 2** of the bill eliminates this transfer, and **section 1** exempts the licensing services cash fund from the maximum reserve requirement that generally applies to cash funds.

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Dashes through the words indicate deletions from existing statute.*

Section 3 permits the general assembly to appropriate moneys from the HUTF to the department of revenue for use by the division of motor vehicles for expenses incurred in connection with the administration of driver and vehicle services. The 6% limit on HUTF off-the-top appropriations is amended to include these appropriations.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-402, **amend**
3 (5) (hh) and (5) (ii); and **add** (5) (jj) as follows:

4 **24-75-402. Cash funds - limit on uncommitted reserves -**
5 **reduction in amount of fees - exclusions - repeal.** (5) Notwithstanding
6 any provision of this section to the contrary, the following cash funds are
7 excluded from the limitations specified in this section:

8 (hh) The conveyance safety fund created in section 9-5.5-111 (2)
9 (b), C.R.S., until this paragraph (hh) is repealed, effective July 1, 2017;
10 **and**

11 (ii) The oil and gas conservation and environmental response fund
12 created in section 34-60-122 (5), C.R.S.; AND

13 (jj) THE LICENSING SERVICES CASH FUND CREATED IN SECTION
14 42-2-114.5 (1), C.R.S.

15 **SECTION 2.** In Colorado Revised Statutes, 42-2-114.5, **amend**
16 (1) as follows:

17 **42-2-114.5. Licensing services cash fund - fee setting**
18 **procedures - rules.** (1) The licensing services cash fund is hereby
19 created in the state treasury. The general assembly shall appropriate
20 moneys in the fund to the department for the cost of implementing this
21 article. ~~At the end of each fiscal year, the state treasurer shall credit the~~
22 ~~money in the fund, less sixteen and one-half percent of the amount~~
23 ~~appropriated from the fund for such operation in the fiscal year, to the~~

1 ~~highway users tax fund.~~

2 **SECTION 3.** In Colorado Revised Statutes, 43-4-201, **amend** (3)
3 (a) (I) and (3) (a) (III) (C); and **repeal** (3) (a) (I.1) as follows:

4 **43-4-201. Highway users tax fund - created.** (3) (a) (I) The
5 general assembly shall not make any annual appropriation (whether by
6 regular, special, or supplementary appropriation) or any statutory
7 distribution from the highway users tax fund for any purpose or purposes
8 in a total amount that is:

9 (A) More than twenty-three percent of the net revenue of said
10 fund for the prior fiscal year;

11 (B) Commencing in the fiscal year 1995-96, and ending in the
12 fiscal year 2012-13, more than a six percent increase over the
13 appropriation to the department of public safety for the Colorado state
14 patrol and to the department of revenue for the ports of entry division for
15 the prior fiscal year; except in fiscal years 2009-10, 2010-11, and
16 2011-12, more than a six percent increase over the appropriation to the
17 department of public safety for the Colorado state patrol, to the
18 department of revenue for the ports of entry division, and to the
19 department of revenue for the division of motor vehicles pursuant to
20 sub-subparagraph (C) of subparagraph (III) of this paragraph (a) for the
21 prior fiscal year; ~~or~~

22 (C) Commencing in the fiscal year 2013-14, AND ENDING IN
23 FISCAL YEAR 2015-16, more than a six percent increase over the
24 appropriation to the Colorado state patrol for the prior fiscal year;

25 (D) FOR THE FISCAL YEAR 2016-17, MORE THAN A SIX PERCENT
26 INCREASE OVER THE APPROPRIATION TO THE COLORADO STATE PATROL
27 FOR THE FISCAL YEAR 2015-16, PLUS THE AMOUNT APPROPRIATED TO THE

1 DEPARTMENT OF REVENUE FOR USE BY THE DIVISION OF MOTOR VEHICLES
2 PURSUANT TO SUB-SUBPARAGRAPH (C) OF SUBPARAGRAPH (III) OF THIS
3 PARAGRAPH (a) FOR THE FISCAL YEAR 2016-17; OR

4 (E) COMMENCING IN THE FISCAL YEAR 2017-18, MORE THAN A SIX
5 PERCENT INCREASE OVER THE APPROPRIATION TO THE COLORADO STATE
6 PATROL AND TO THE DEPARTMENT OF REVENUE FOR USE BY THE DIVISION
7 OF MOTOR VEHICLES PURSUANT TO SUB-SUBPARAGRAPH (C) OF
8 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a) FOR THE PRIOR FISCAL YEAR.

9 ~~(I.1) Commencing with the fiscal year 1995-96, the general~~
10 ~~assembly shall not make any annual appropriation or statutory distribution~~
11 ~~from the highway users tax fund pursuant to this paragraph (a), except to~~
12 ~~the department of public safety for the Colorado state patrol or, through~~
13 ~~the fiscal year 2011-12 only, to the department of revenue for the ports of~~
14 ~~entry section, that exceeds the annual appropriation or statutory~~
15 ~~distribution for all purposes except the Colorado state patrol and the ports~~
16 ~~of entry division for the fiscal year 1994-95.~~

17 (III) (C) The general assembly shall not make any annual
18 appropriation or statutory distribution from the highway users tax fund for
19 the fiscal year 1997-98 or for any succeeding fiscal year authorized by
20 subparagraph (II) of this paragraph (a), excluding the annual
21 appropriation or statutory distribution to the Colorado state patrol and,
22 through the fiscal year 2011-12 only, the ports of entry section and
23 excluding any appropriation to the department of revenue for the fiscal
24 years 2008-09, 2009-10, 2010-11, and 2011-12, AND FOR ANY FISCAL
25 YEAR AFTER FISCAL YEAR 2015-16, for expenses incurred in connection
26 with the administration of article 2 of title 42, C.R.S., by the division of
27 motor vehicles within the department.

1 **SECTION 4. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REDRAFT

1.27.16

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 16-0929.02 Esther van Mourik x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Evaluation Of The State's Tax Expenditures"
DEADLINES: Finalize by: FEB 1, 2016 File by: FEB 3, 2016

A BILL FOR AN ACT

101 **CONCERNING THE EVALUATION OF STATE TAX EXPENDITURES.**

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The bill specifies that the state auditor is responsible for evaluating the state's tax expenditures _____. The evaluation must include the following:

- The purpose, intent, or goal of the tax expenditure;
- The intended beneficiaries of the tax expenditure;
- Whether the tax expenditure is accomplishing its purpose, intent, or goal;
- The economic impact of the tax expenditure, including past

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- and estimated future impacts;
- The extent to which the design of the tax expenditure is effective to accomplish its purpose, intent, or goal and whether the design of the tax expenditure is consistent with best practices;
- Whether there are other tax expenditures, state spending, or other government programs that have the same purpose, intent, or goal as the tax expenditure, whether those all are appropriately coordinated, and, if not, how coordination could be improved;
- If the evaluation of a particular tax expenditure's economic impact is made difficult because of data constraints, any suggestions for changes in administration or law that would facilitate such data collection; and
- An explanation of the performance measures used to determine the extent to which the tax expenditure is accomplishing its purpose, intent, or goal.

To the extent it can be determined by the state auditor, the tax expenditure evaluation should also include the following:

- The extent to which it is likely that the desired behavior might have occurred without the tax expenditure;
- The extent to which the tax expenditure is a cost-effective use of resources compared to other options for using the same resources or addressing the same purpose, intent, or goal; and
- Whether there are any opportunities to improve the effectiveness of the tax expenditure in meeting its purpose, intent, or goal.

The bill specifies that the state auditor must present the results in the form of an annual evaluation report that the state auditor forwards to the joint budget committee and the finance committees of the house of representatives and the senate.

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

2 **SECTION 1.** In Colorado Revised Statutes, add 39-21-305 as
3 follows:

4 **39-21-305. Tax expenditure - state auditor evaluation. (1)** As
5 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

6 (a) "STATE AUDITOR" MEANS THE STATE AUDITOR DESCRIBED IN
7 SECTION 2-3-102, C.R.S.

1 (b) "TAX EXPENDITURE" HAS THE SAME MEANING AS IN SECTION
2 39-21-302 (2) _____; EXCEPT THAT IT DOES NOT INCLUDE THE SALES AND
3 USE TAX EXEMPTIONS FOUND IN SECTIONS 39-26-102 (20) AND (21),
4 39-26-704 (1) AND (4), 39-26-706 (3), 39-26-707 (1) AND (2), 39-26-708,
5 39-26-709, 39-26-713 (1) (d) AND (2) (e), AND 39-26-724.

6 (2)(a) THE STATE AUDITOR SHALL EVALUATE THE STATE'S TAX
7 EXPENDITURES PURSUANT TO THE REQUIREMENTS IN THIS SECTION. IN
8 EVALUATING EACH TAX EXPENDITURE, THE STATE AUDITOR SHALL
9 CONSULT WITH THE INTENDED BENEFICIARIES OR REPRESENTATIVES OF
10 THE INTENDED BENEFICIARIES OF THE TAX EXPENDITURE.

11 (b) THE STATE AUDITOR'S TAX EXPENDITURE EVALUATION MUST
12 INCLUDE THE FOLLOWING:

13 (I) THE PURPOSE, INTENT, OR GOAL OF THE TAX EXPENDITURE;

14 (II) THE INTENDED BENEFICIARIES OF THE TAX EXPENDITURE;

15 (III) WHETHER THE TAX EXPENDITURE IS ACCOMPLISHING ITS
16 PURPOSE, INTENT, OR GOAL;

17 (IV) THE ECONOMIC IMPACT OF THE TAX EXPENDITURE, INCLUDING
18 PAST AND ESTIMATED FUTURE IMPACTS;

19 (V) THE EXTENT TO WHICH THE DESIGN OF THE TAX EXPENDITURE
20 IS EFFECTIVE TO ACCOMPLISH ITS PURPOSE, INTENT, OR GOAL AND
21 WHETHER THE DESIGN OF THE TAX EXPENDITURE IS CONSISTENT WITH BEST
22 PRACTICES;

23 (VI) WHETHER THERE ARE OTHER TAX EXPENDITURES, STATE
24 SPENDING, OR OTHER GOVERNMENT PROGRAMS THAT HAVE THE SAME
25 PURPOSE, INTENT, OR GOAL AS THE TAX EXPENDITURE, WHETHER THOSE
26 ALL ARE APPROPRIATELY COORDINATED, AND, IF NOT, HOW COORDINATION
27 COULD BE IMPROVED;

1 (VII) IF THE EVALUATION OF A PARTICULAR TAX EXPENDITURE'S
2 ECONOMIC IMPACT IS MADE DIFFICULT BECAUSE OF DATA CONSTRAINTS,
3 ANY SUGGESTIONS FOR CHANGES IN ADMINISTRATION OR LAW THAT
4 WOULD FACILITATE SUCH DATA COLLECTION; AND

5 (VIII) AN EXPLANATION OF THE PERFORMANCE MEASURES USED
6 TO DETERMINE THE EXTENT TO WHICH THE TAX EXPENDITURE IS
7 ACCOMPLISHING ITS PURPOSE, INTENT, OR GOAL. THE PERFORMANCE
8 MEASURES MUST BE CLEAR AND RELEVANT TO THE SPECIFIC TAX
9 EXPENDITURE BEING EVALUATED. THE STATE AUDITOR SHALL CONSIDER
10 THE ORIGINAL LEGISLATIVE INTENT AS WELL AS SUBSEQUENT
11 DEVELOPMENTS IN THE STATE'S ECONOMY, THE NATIONAL ECONOMY, AND
12 ANY CHANGES IN NATIONAL, STATE, OR LOCAL FISCAL POLICIES AND
13 CONDITIONS.

14 (c) TO THE EXTENT IT CAN BE DETERMINED BY THE STATE
15 AUDITOR, THE TAX EXPENDITURE EVALUATION SHOULD ALSO INCLUDE THE
16 FOLLOWING:

17 (I) THE EXTENT TO WHICH IT IS LIKELY THAT THE DESIRED
18 BEHAVIOR MIGHT HAVE OCCURRED WITHOUT THE TAX EXPENDITURE;

19 (II) THE EXTENT TO WHICH THE TAX EXPENDITURE IS A
20 COST-EFFECTIVE USE OF RESOURCES COMPARED TO OTHER OPTIONS FOR
21 USING THE SAME RESOURCES OR ADDRESSING THE SAME PURPOSE, INTENT,
22 OR GOAL; AND

23 (III) WHETHER THERE ARE ANY OPPORTUNITIES TO IMPROVE THE
24 EFFECTIVENESS OF THE TAX EXPENDITURE IN MEETING ITS PURPOSE,
25 INTENT, OR GOAL.

26 (d) NO LATER THAN SEPTEMBER 15, 2017, THE STATE AUDITOR
27 SHALL DEVELOP AND PUBLISH A MULTI-YEAR SCHEDULE THAT LISTS ALL

1 TAX EXPENDITURES IN LAW AS OF JULY 1, 2017, AND INDICATES THE YEAR
2 WHEN THE EVALUATION REPORT WILL BE PUBLISHED FOR EACH TAX
3 EXPENDITURE. IN DEVELOPING THE MULTI-YEAR SCHEDULE THE STATE
4 AUDITOR SHALL ENDEAVOR TO REVIEW THE OLDEST TAX EXPENDITURES
5 FIRST. THE STATE AUDITOR MAY REVISE THE SCHEDULE SO LONG AS THE
6 STATE AUDITOR CONTINUES TO PROVIDE FOR A SYSTEMATIC EVALUATION
7 OF ALL TAX EXPENDITURES, INCLUDING ANY NEW TAX EXPENDITURES
8 ENACTED BY THE GENERAL ASSEMBLY SINCE THE PUBLICATION OF A
9 PREVIOUS EVALUATION REPORT, AND SO LONG AS EACH TAX EXPENDITURE
10 IS REVIEWED AT LEAST ONCE EVERY FIVE YEARS.

11 (e) NOTWITHSTANDING THE REQUIREMENTS IN SECTION 2-3-103
12 (2), C.R.S., AND NOTWITHSTANDING THE REQUIREMENTS IN SECTION
13 24-1-136 (9) AND (10), C.R.S., THE STATE AUDITOR SHALL PRESENT THE
14 RESULTS IN THE FORM OF AN EVALUATION REPORT THAT THE STATE
15 AUDITOR SHALL FORWARD TO THE JOINT BUDGET COMMITTEE AND THE
16 FINANCE COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE
17 SENATE, OR SUCH SUCCESSOR COMMITTEES. _____ THE STATE AUDITOR
18 SHALL ISSUE THE FIRST EVALUATION REPORT NO LATER THAN SEPTEMBER
19 14, 2018, AND SHALL ISSUE EVALUATION REPORTS NO LATER THAN
20 SEPTEMBER 15 OF EACH YEAR THEREAFTER.

21 _____
22 _____

23 (3) THE DEPARTMENT OF REVENUE MUST PROVIDE ANY REQUESTED
24 INFORMATION, ANALYSIS, OR DATA, IF AVAILABLE AND UNDER THE
25 CONTROL OF THE DEPARTMENT, AS REQUESTED BY THE _____ STATE
26 AUDITOR; EXCEPT THAT, IF THE REQUEST INCLUDES CONFIDENTIAL
27 INFORMATION, SUCH INFORMATION MUST REMAIN CONFIDENTIAL IN THE

1 HANDS OF THE STATE AUDITOR, AND THE STATE AUDITOR IS SUBJECT
2 TO THE SAME LIMITATIONS SPECIFIED IN SECTION 39-21-113. OTHER STATE
3 AGENCIES MAY PROVIDE INFORMATION OR DATA AS REQUESTED BY THE =
4 STATE AUDITOR.

5 **SECTION 2. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.