

## **Water Resources Review Committee**

### **Members of the Committee**

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Senator Jerry Sonnenberg, Vice-Chair

Senator Don Coram  
Senator Larry W. Crowder  
Senator Kerry Donovan  
Senator Matt Jones

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### **Legislative Council Staff**

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# Water Resources Review Committee

## Committee Charge

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The Water Resources Review Committee (WRRC) was created to contribute to and monitor the conservation, use, development, and financing of Colorado's water resources for the general welfare of the state (Section 37-98-102, C.R.S.). It is also required to review statewide planning for water resources. The WRRC reviews and proposes legislation to further its purpose. In conducting its review, the WRRC consults with experts in the field of water conservation, quality, use, finance, and development. The WRRC was authorized to meet six times in 2018 and to take two field trips.

## Committee Activities

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During the 2018 interim, the WRRC held six meetings and took two field trips. The WRRC met with a broad range of water users and government officials, including local water providers, state water rights administrators, water quality regulators, state water planners, and concerned citizens. The committee received briefings on major water issues affecting the state on topics including: planning for future water needs; funding needs for state water agencies and water projects; regulation of groundwater use; implementation of new water laws; implementation of the Colorado Water Plan; wastewater treatment; and other issues.

**Field trips.** In June, the committee made a two-day field trip in the Rio Grande River Basin, where it visited water diversion and storage facilities, agricultural operations, and restoration projects. This tour was organized by Water Education Colorado. In August, the committee attended the Colorado Water Congress summer conference in Vail, where it held a public meeting and attended presentations about water infrastructure, financing, water planning, ongoing water supply studies, and other water management issues.

**Republican River Water Conservation District.** The committee heard presentations from the State Engineer and a representative from the Republican River Water Conservation District (RRWCD) regarding on-going issues in the district. The RRWCD is a statutory public entity created by the Colorado General Assembly in 2004. The district was established for the conservation, use, and development of the water resources of the Republican River, its tributaries, and the portion of the Ogallala aquifer underlying the district. The district collects assessment fees from irrigation and other water users. The fees are used to support the cost of the Republican River Compact Compliance Pipeline and to fund the local cost share for local and federal conservation programs that support compact compliance. The district currently includes Philips and Yuma Counties and the portions of Kit Carson, Lincoln, Logan, Sedgwick, and Washington Counties within the Republican River basin. A board of 15 directors manages the RRWCD, 7 of whom are appointed by county commissioners from the counties within the district, 7 of whom are appointed by the boards of the Marks Butte, Frenchman, W-Y, Sand Hills, Central Yuma, Arikaree, and Plains Groundwater Management Districts, and one of whom is a member of the Colorado Ground Water Commission.

**Severance Tax.** The committee heard presentations regarding state severance taxes from the Department of Natural Resources, Colorado Water Congress, and Legislative Council Staff. Each panel discussed how severance tax is currently calculated and how those funds are used under current law. The Severance Tax Operational Fund receives 25 percent of severance tax receipts, and is used for Tier 1 and Tier 2 programs in the Department of Natural Resources. Tier 1 programs are prioritized in the fund and include operations for the Colorado Oil and Gas Conservation Commission; the Colorado Geological Survey; the Colorado Avalanche Information Center; the Division of Reclamation, Mining, and Safety; the Colorado Water Conservation Board; the Division of Parks and Wildlife; and the fund's statutory reserve. Tier 2 programs include water-related programs, agriculture-related programs, clean and renewable energy development, soil conservation, the control of invasive species, the Species Conservation Trust Fund, and low-income energy assistance programs. Current law provides a mechanism for balancing spending from the fund by making proportional reductions to Tier 2 programs when insufficient funds exist to fully fund those programs and still meet the fund's statutory reserve requirement. This includes providing three transfers each year based on the forecasted severance tax revenue, prior transfers, and the statutory reserve.

**Lower Arkansas River Basin.** The committee heard from several presenters regarding issues in the Lower Arkansas River Basin, including the need for the Arkansas Valley Conduit project, as well as sedimentation problems near La Junta. Representatives from the Southeastern Colorado Water Conservancy District and the Pueblo Board of Water Works discussed the Arkansas Valley Conduit project, which envisions a water supply pipeline from Pueblo to several communities along the Lower Arkansas River. The project was originally part of the federal Fryingpan-Arkansas project in 1962; however, it has not yet been completed due to the local costs associated with the project. Representatives from the Lower Arkansas Valley Water Conservancy District discussed recent flood events near La Junta and the need to dredge certain areas of the river basin in order to increase the flow capacity of the river.

## **Committee Recommendations**

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As a result of committee discussion and deliberation, the WRRC recommends the following two bills and two memorials for consideration in the 2019 legislative session.

**Bill A — Republican River Water Conservation District.** Bill A expands the boundaries of the RRWCD to include most areas where groundwater pumping depletes the flow of the Republican River, as defined by the Republican River Compact Administration groundwater model. The size of the district's board of directors is increased from 15 to 17 to include representatives from Cheyenne County and the East Cheyenne Groundwater Management District. The bill also changes the months in which the district board holds its quarterly meetings.

**Bill B — Severance Tax Operational Fund Distribution Methodology.** Bill B renames the Tier 1 severance tax programs as Core Departmental Programs and the Tier 2 programs as Natural Resources and Energy Grant Programs and changes the timing and number of payments made to the Natural Resources and Energy Grant Programs. The bill also consolidates three transfers made to Natural Resources and Energy Grant Programs on July 1, January 4, and April 1 of each fiscal year into a single transfer made annually on August 15 in the year following the severance tax collection.

*Memorial A — Memorial for Arkansas Valley Conduit.* Memorial A requests Congress to provide sufficient funding for the construction of the Arkansas Valley Conduit project.

*Memorial B — Corps of Engineers to Dredge Lower Arkansas River.* Memorial B requests Congress to direct the U.S. Army Corps of Engineers, in conjunction and cooperation with the Lower Arkansas Valley Water Conservancy District, to dredge the Lower Arkansas River from the Fort Lyons diversion to John Martin Reservoir.