

An Act

SENATE BILL 23-274

BY SENATOR(S) Winter F., Jaquez Lewis, Priola;
also REPRESENTATIVE(S) Dickson and Lindstedt, Amabile,
Boesenecker, Brown, Herod, Joseph, Kipp, Lindsay, Mabrey, Marshall,
McCormick, Michaelson Jenet, Ricks, Sharbini, Sirota, Snyder, Valdez,
Vigil, Woodrow, McCluskie.

CONCERNING WATER QUALITY REGULATION IN THE STATE, AND, IN
CONNECTION THEREWITH, TRANSFERRING FEE-SETTING AUTHORITY
TO THE WATER QUALITY CONTROL COMMISSION AND MODIFYING THE
MEMBERSHIP OF THE COMMISSION.

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

SECTION 1. In Colorado Revised Statutes, 25-1.5-208, **amend**
(1)(b) as follows:

**25-1.5-208. Grant program for public water systems and
domestic wastewater treatment works - small communities water and
wastewater grant fund - rules.** (1) The department has, in addition to all
other powers and duties imposed upon it by law, the powers and duties
provided in this section as follows:

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes
through words or numbers indicate deletions from existing law and such material is not part of
the act.*

(b) The department may use up to ~~five~~ TEN percent of the appropriated funds for the administration and management of such project grants.

SECTION 2. In Colorado Revised Statutes, 25-1.5-209, **amend** (2); and **add** (3) as follows:

25-1.5-209. Drinking water fee - drinking water cash fund - repeal. (2) (a) ~~All fees collected pursuant to this section shall be transmitted to the state treasurer, who shall credit them to The drinking water cash fund which fund is hereby created in the state treasury. Moneys so collected shall be annually appropriated by the general assembly~~ THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE MONEY IN THE CASH FUND to the department for allocation to the division of administration to operate the drinking water program established in this part 2. The general assembly shall review expenditures of ~~such moneys~~ THE MONEY to assure that ~~they are~~ THE MONEY IS used only for such purposes. All interest earned on the investment or deposit of ~~moneys~~ MONEY in the cash fund and all unappropriated or unencumbered ~~moneys~~ MONEY in the cash fund ~~shall remain~~ REMAINS in the cash fund and ~~shall~~ DOES not revert to the general fund or any other fund at the end of any fiscal year or any other time. ~~Any funds remaining from fees collected prior to the repeal of former section 25-1.5-209, as it existed prior to July 1, 2005, shall be transmitted to the state treasurer, who shall credit the same to the cash fund.~~

(b) ALL FEES COLLECTED PURSUANT TO THIS SECTION BEFORE JULY 1, 2026, OR BEFORE THE DATE THE RULES ADOPTED UNDER SECTION 25-8-210 (1)(a)(I) BECOME EFFECTIVE SHALL BE CREDITED TO THE DRINKING WATER CASH FUND.

(c) ON AND AFTER JULY 1, 2026, ALL FEES COLLECTED PURSUANT TO RULES ADOPTED UNDER SECTION 25-8-210 (1)(a)(I) SHALL BE CREDITED TO THE DRINKING WATER CASH FUND.

(3) SUBSECTIONS (1) AND (2)(b) OF THIS SECTION AND THIS SUBSECTION (3) ARE REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 3. In Colorado Revised Statutes, 25-8-201, **amend** (1)(a) as follows:

25-8-201. Water quality control commission created.

(1) (a) (I) There is created in the department of public health and environment a water quality control commission, which is a **type 1** entity, as defined in section 24-1-105, and which exercises its powers and performs its duties and functions under the department of public health and environment.

(II) The commission consists of nine citizens of the state appointed by the governor, with the consent of the senate, for terms of three years; except that the terms ~~shall~~ **MUST** be staggered so that no more than five members' terms expire in the same year. Members of the commission must be appointed so as to achieve geographical representation and to reflect the various interests in water in the state. At least two members must reside in that portion of the state that is west of the continental divide. **NO MORE THAN FIVE MEMBERS OF THE COMMISSION MAY BE AFFILIATED WITH THE SAME POLITICAL PARTY.**

(III) **AT LEAST ONE MEMBER OF THE COMMISSION MUST HAVE AGRICULTURAL EXPERIENCE, PREFERABLY A MEMBER WITH AGRICULTURAL EXPERIENCE WHO IS ALSO REGULATED BY THE DIVISION. AT LEAST THREE OTHER MEMBERS OF THE COMMISSION MUST BE FROM THE COMMUNITY REGULATED BY THE DIVISION, EMPLOYED BY AN ENTITY THAT IS SUBJECT TO FEES SET PURSUANT TO THIS ARTICLE 8, AND, TO THE EXTENT PRACTICABLE, EACH IS EMPLOYED BY AN ENTITY THAT IS SUBJECT TO A DIFFERENT TYPE OF FEE PURSUANT TO THIS ARTICLE 8 THAN THE TYPE OF FEE THAT THE EMPLOYERS OF THE OTHER TWO MEMBERS ARE SUBJECT.**

(IV) **A MEMBER OF THE COMMISSION MUST HAVE EXPERIENCE OR TRAINING IN ONE OR MORE OF THE FOLLOWING AREAS:**

- (A) SCIENCE;
- (B) ENGINEERING;
- (C) TECHNOLOGY;
- (D) INDUSTRY;
- (E) CONSTRUCTION;

- (F) LABOR;
- (G) AGRICULTURE;
- (H) ENVIRONMENTAL LAW;
- (I) ENVIRONMENTAL POLICY;
- (J) ENVIRONMENTAL JUSTICE;
- (K) MUNICIPAL WATER TREATMENT;
- (L) MUNICIPAL WASTEWATER TREATMENT;
- (M) MUNICIPAL GOVERNMENT; OR
- (N) COUNTY GOVERNMENT.

SECTION 4. In Colorado Revised Statutes, **add** 25-8-210 as follows:

25-8-210. Fees established administratively - rules - stakeholding requirement - phase-in period - clean water cash fund - creation - repeal. (1) (a) ON OR BEFORE OCTOBER 31, 2025, THE COMMISSION SHALL ESTABLISH THE FOLLOWING FEES BY RULE:

(I) DRINKING WATER FEES ASSESSED ON PUBLIC WATER SYSTEMS PURSUANT TO SECTION 25-1.5-209 (1), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(II) COMMERCE AND INDUSTRY SECTOR PERMITTING FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.1)(b), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(III) CONSTRUCTION SECTOR PERMITTING FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.1)(c), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(IV) PESTICIDE SECTOR PERMITTING FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.1)(d), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL

ON JULY 1, 2026;

(V) PUBLIC AND PRIVATE UTILITIES SECTOR PERMITTING FEES PURSUANT TO SECTION 25-8-502 (1.1)(e), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(VI) MUNICIPAL SEPARATE STORM SEWERS SYSTEM SECTOR PERMITTING FEES PURSUANT TO SECTION 25-8-502 (1.1)(f), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(VII) REVIEW FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.2) FOR REQUESTS FOR CERTIFICATION UNDER SECTION 401 OF THE FEDERAL ACT, AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(VIII) PRELIMINARY EFFLUENT LIMITATION DETERMINATION FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.3)(b), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(IX) WASTEWATER SITE APPLICATION AND DESIGN REVIEW FEES ASSESSED PURSUANT TO SECTION 25-8-502 (1.3)(c), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026;

(X) ON-SITE WASTEWATER TREATMENT SYSTEM FEES ASSESSED PURSUANT TO SECTION 25-10-107 (3), INCLUDING RULES ESTABLISHING THE PERCENTAGE OF THE ON-SITE WASTEWATER TREATMENT SYSTEM FEES COLLECTED THAT A COUNTY MAY RETAIN TO COVER THE COUNTY'S ADMINISTRATIVE COSTS, AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026; AND

(XI) BIOSOLIDS MANAGEMENT PROGRAM FEES ASSESSED PURSUANT TO SECTION 30-20-110.5 (1), AS THAT SECTION EXISTED PRIOR TO ITS REPEAL ON JULY 1, 2026.

(b) THE COMMISSION SHALL SET THE FEES AND PERIODICALLY ADJUST THE FEES, AND THE GENERAL ASSEMBLY MAY, BY BILL, ANNUALLY ADJUST THE FEES, IN AN AMOUNT SUFFICIENT TO COVER THE DIVISION'S DIRECT AND INDIRECT COSTS ASSOCIATED WITH ADMINISTERING AND IMPLEMENTING THE FEDERAL ACT, THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., SECTION 25-1-114.1, PART 2 OF ARTICLE 1.5 OF THIS TITLE 25, THIS ARTICLE 8, AND THE "ON-SITE WASTEWATER

TREATMENT SYSTEMS ACT", ARTICLE 10 OF THIS TITLE 25.

(c) (I) THE FEE-SETTING RULES ADOPTED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION MUST BECOME EFFECTIVE ON OR BEFORE JANUARY 1, 2026. IF THE COMMISSION ADOPTS RULES AUTHORIZING THE DIVISION TO PHASE IN THE FEE-SETTING RULES, THE DIVISION MAY REQUIRE PERMIT APPLICANTS, PERMIT HOLDERS, AND PUBLIC WATER SYSTEMS TO PAY FEES AS SET BY THE FEE-SETTING RULES INSTEAD OF THE FEES SET FORTH IN STATUTE BEFORE JULY 1, 2026.

(II) IF THE COMMISSION ESTABLISHES A PROCESS FOR THE DIVISION'S PHASE IN OF THE FEE-SETTING RULES PURSUANT TO SUBSECTION (1)(c)(I) OF THIS SECTION, THE COMMISSION'S RULES MUST ESTABLISH A PROCESS FOR THE DIVISION'S PHASE IN OF THE FEE-SETTING RULES. THE PROCESS ESTABLISHED BY RULE MUST INCLUDE NOTICE TO PERMIT APPLICANTS, PERMIT HOLDERS, AND PUBLIC WATER SYSTEMS REGARDING THE PROCESS, INCLUDING REQUIREMENTS TO POST THE PROCESS ON THE DIVISION'S WEBSITE AND ENGAGE IN COMMUNITY OUTREACH REGARDING THE PROCESS.

(III) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027.

(2) (a) BEFORE THE COMMISSION ADOPTS THE FEE-SETTING RULES PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, OR ADOPTS ANY SUBSEQUENT ADJUSTMENTS TO THE FEES, AND IN ACCORDANCE WITH SECTION 25-8-502 (1.5)(c)(I)(B), THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL CONDUCT OUTREACH TO OBTAIN STAKEHOLDER INPUT REGARDING THE TOTAL FUNDING FOR THE DIVISION, INCLUDING FEDERAL MONEY, MONEY FROM THE GENERAL FUND, AND ALL CASH FEES.

(b) THROUGH THE STAKEHOLDER PROCESS, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL IDENTIFY THE FEE REVENUE NEEDED FOR EVALUATION OF THE FEASIBILITY OF TREATMENT METHODS REQUIRED TO MEET WATER QUALITY STANDARDS AND OTHER REGULATIONS ADOPTED OR PROPOSED FOR ADOPTION, INCLUDING THE FUNDING NEEDED:

(I) TO SUPPORT THE DEVELOPMENT OF VARIANCES;

(II) TO IMPROVE PERMIT ISSUANCE PROCESSES TO INCREASE EFFICIENCY AND FACILITATE THE TIMELY ISSUANCE OF NEW PERMITS;

(III) FOR RENEWAL PERMITS, PERMIT MODIFICATIONS, AND REDUCING PERMIT BACKLOG; AND

(IV) FOR THE PREPARATION OF COST-BENEFIT ANALYSES AND REGULATORY ANALYSES WHEN REQUIRED PURSUANT TO SECTION 24-4-103 (2.5) OR (4.5) OF THE "STATE ADMINISTRATIVE PROCEDURE ACT".

(c) IN CONDUCTING STAKEHOLDER OUTREACH, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL DISCUSS WITH STAKEHOLDERS THE OPTIONS FOR SETTING A CAP ON THE AMOUNT OF FEE INCREASES.

(d) THROUGH THE STAKEHOLDER PROCESS, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL SEEK INPUT FROM:

(I) OWNERS AND OPERATORS OF REGULATED DRINKING WATER SYSTEMS;

(II) PERMIT HOLDERS;

(III) COUNTY REPRESENTATIVES;

(IV) REPRESENTATIVES OF OTHER LOCAL GOVERNMENTS;

(V) CONSERVATION GROUPS;

(VI) ENVIRONMENTAL JUSTICE GROUPS; AND

(VII) COMMUNITY MEMBERS, INCLUDING MEMBERS OF DISPROPORTIONATELY IMPACTED COMMUNITIES AS DEFINED IN SECTION 24-4-109 (2)(b)(II).

(e) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL CONDUCT OUTREACH TO AND ENGAGEMENT OF DISPROPORTIONATELY IMPACTED COMMUNITIES PURSUANT TO THIS SUBSECTION (2) IN ACCORDANCE WITH SECTION 24-4-109 (3).

(3) (a) (I) UPON THE EFFECTIVE DATE OF THE RULES ADOPTED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION AND UNTIL JUNE 30, 2026, THE DIVISION SHALL TRANSMIT:

(A) THE FEES COLLECTED PURSUANT TO THE COMMISSION'S FEE-SETTING RULES ADOPTED UNDER SUBSECTIONS (1)(a)(II) TO (1)(a)(XI) OF THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES AS DIRECTED BY THE DIVISION, EITHER TO THE CLEAN WATER CASH FUND CREATED IN SUBSECTION (4) OF THIS SECTION OR TO THE STATUTORY FUND INTO WHICH SUCH FEES WERE TRANSMITTED BEFORE THE EFFECTIVE DATE OF THIS SECTION; AND

(B) THE FEES COLLECTED PURSUANT TO THE COMMISSION'S FEE-SETTING RULES ADOPTED UNDER SUBSECTION (1)(a)(I) OF THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE DRINKING WATER CASH FUND CREATED IN SECTION 25-1.5-209 (2).

(II) THIS SUBSECTION (3)(a) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2026.

(b) ON AND AFTER JULY 1, 2026, THE DIVISION SHALL TRANSMIT:

(I) THE FEES COLLECTED PURSUANT TO THE COMMISSION'S FEE-SETTING RULES ADOPTED UNDER SUBSECTIONS (1)(a)(II) TO (1)(a)(XI) OF THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE CLEAN WATER CASH FUND CREATED IN SUBSECTION (4) OF THIS SECTION; AND

(II) THE FEES COLLECTED PURSUANT TO THE COMMISSION'S FEE-SETTING RULES ADOPTED UNDER SUBSECTION (1)(a)(I) OF THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE DRINKING WATER CASH FUND CREATED IN SECTION 25-1.5-209 (2).

(4) (a) THE CLEAN WATER CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF:

(I) FEES COLLECTED PURSUANT TO THE COMMISSION'S FEE-SETTING RULES ADOPTED PURSUANT TO SUBSECTIONS (1)(a)(II) TO (1)(a)(XI) OF THIS SECTION;

(II) ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND; AND

(III) ANY FEDERAL FUNDS CREDITED TO THE FUND.

(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE CLEAN WATER CASH FUND TO THE FUND.

(c) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE MONEY FROM THE SOURCES SPECIFIED IN SUBSECTIONS (1)(a)(I) AND (1)(a)(II) OF THIS SECTION IN THE CLEAN WATER CASH FUND TO THE DEPARTMENT FOR USE BY THE DIVISION FOR THE DIVISION'S ADMINISTRATION AND IMPLEMENTATION OF THE FEDERAL ACT AND THIS ARTICLE 8.

SECTION 5. In Colorado Revised Statutes, 25-8-502, **amend** (1.1)(c)(IV) introductory portion, (1.7)(a)(I) introductory portion, and (1.7)(a)(II); **repeal** (1.7)(a)(I)(B); and **add** (1.8) as follows:

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

(c) The construction sector includes annual fee schedules for regulated activities associated with construction activities as follows:

(IV) The division shall use the CONSTRUCTION SECTOR FEE revenue ~~generated by the fees set forth in subsections (1.1)(c)(H)(G) to (1.1)(c)(H)(K) and (1.1)(c)(II) of this section~~ COLLECTED PURSUANT TO THIS SECTION OR, ON AND AFTER JULY 1, 2026, PURSUANT TO COMMISSION RULES ADOPTED UNDER SECTION 25-8-210 (1)(a)(III), to continue to fund the administration and oversight of the construction sector, ~~and shall use the increased revenue, when compared with the revenue generated by the corresponding fees as they existed on June 30, 2015, to fund new~~ INCLUDING services provided under the alternative compliance assurance model. The division shall not use the ~~increased~~ revenue to fund additional enforcement staff ~~The division may use the increased revenue for the following purposes~~ UNLESS SUCH FUNDING IS INCLUDED IN A COMMISSION FEE-SETTING RULE. AN ALTERNATIVE COMPLIANCE ASSURANCE MODEL INCLUDES:

(1.7) (a) The department of public health and environment shall report annually to:

(I) The senate agriculture and natural resources committee and the house of representatives agriculture, ~~livestock~~ WATER, and natural resources committee, or their successor committees, on:

~~(B) The clean water program. The report must include the number of permits processed, the number of applications pending for new and amended permits, the length of time the permits remain in the system prior to issuance, the number of inspections conducted, the number of site application and design reviews completed, the number of enforcement actions taken, the costs associated with each sector specified in subsections (1.1), (1.2), and (1.3) of this section, the number of full-time equivalents assigned to and actively processing permits, the number of full-time equivalents assigned to and actively conducting inspections, the number of full-time equivalents assigned to and actively conducting site application and design reviews, the number of full-time equivalents assigned to and actively conducting enforcement actions, and the number of full-time equivalents assigned to and actively developing rules and standards. The department shall inform the committees regarding all new standards and rules to be proposed within the subsequent year. The department shall submit the report on or before March 31 of each year. Commencing in 2017, the department shall develop baseline information for reporting. Commencing in 2018, the department shall provide information on improvements that have been made in comparison to the baseline information and information on the barriers to making improvements.~~

(II) The joint budget committee by November 1 of each year regarding the fee revenue received from each sector specified in ~~subsections (1.1), (1.2), and (1.3)~~ SUBSECTION (1.1)(a) of this section, including expenditures by fund source and revenues by fund and sector ~~source~~ based on the November 1 request.

(1.8) (a) ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FOLLOWING CASH FUNDS TO THE CLEAN WATER CASH FUND CREATED IN SECTION 25-8-210 (4)(a):

(I) THE COMMERCE AND INDUSTRY SECTOR FUND CREATED IN

SUBSECTION (1.5)(a)(I) OF THIS SECTION;

(II) THE CONSTRUCTION SECTOR FUND CREATED IN SUBSECTION (1.5)(a)(II) OF THIS SECTION;

(III) THE PESTICIDES SECTOR FUND CREATED IN SUBSECTION (1.5)(a)(III) OF THIS SECTION;

(IV) THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR FUND CREATED IN SUBSECTION (1.5)(a)(IV) OF THIS SECTION; AND

(V) THE PUBLIC AND PRIVATE UTILITIES SECTOR FUND CREATED IN SUBSECTION (1.5)(a)(V) OF THIS SECTION.

(b) SUBSECTIONS (1.1)(b), (1.1)(c), (1.1)(d), (1.1)(e), (1.1)(f), (1.2), (1.3), AND (1.5) OF THIS SECTION AND THIS SUBSECTION (1.8) ARE REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 6. In Colorado Revised Statutes, 30-20-110.5, **add** (4) as follows:

30-20-110.5. Beneficial use of biosolids - water quality control commission to set fees - fund created - repeal. (4) (a) ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE BIOSOLIDS MANAGEMENT PROGRAM FUND CREATED IN SUBSECTION (3) OF THIS SECTION TO THE CLEAN WATER CASH FUND CREATED IN SECTION 25-8-210 (4)(a).

(b) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 7. In Colorado Revised Statutes, **repeal** 25-8-506 as follows:

25-8-506. Nuclear and radioactive wastes. ~~(1) It is unlawful for any person to discharge, deposit, or dispose of any radioactive waste underground in liquid, solid, or explosive form unless the division, upon application of the person desiring to undertake such activity and after investigation and hearing, has first found, based upon a preponderance of the evidence, that there will be no significant pollution resulting therefrom or that the pollution, if any, will be limited to waters in a specified limited~~

~~area from which there is no significant migration.~~

~~(2)(a) In such case the division shall issue a permit for the proposed activity, upon the payment of a fee of one thousand dollars. The division may include in such permit issued under this subsection (2) such reasonable terms and conditions as it may from time to time require to implement this section in a manner consistent with the purposes of this article. The terms or conditions which may be imposed shall include, without limitation, those with respect to duration of use or operation; monitoring; reporting; volume of discharge or disposal; treatment of wastes; and the deposit with the state treasurer of a bond, with or without surety as the division may in its discretion require, or other security, to assure that the permitted activities will be conducted in compliance with the terms and conditions of the permit, and that upon abandonment, cessation, or interruption of the permitted activities or facilities, appropriate measures will be taken to protect the waters of the state. Other than relief from provisions of this article to the extent specified in this subsection (2), no permit issued pursuant to this subsection (2) shall relieve any person of any duty or liability to the state or to any other person existing or arising under any statute or under common law.~~

~~(b) Notwithstanding the amount specified for the fee in paragraph (a) of this subsection (2), the commission by rule or as otherwise provided by law may reduce the amount of the fee if necessary pursuant to section 24-75-402 (3), C.R.S., to reduce the uncommitted reserves of the fund to which all or any portion of the fee is credited. After the uncommitted reserves of the fund are sufficiently reduced, the commission by rule or as otherwise provided by law may increase the amount of the fee as provided in section 24-75-402 (4), C.R.S.~~

~~(3) No permit for the discharge, deposit, or disposal of nuclear or radioactive waste underground shall be required in any case where groundwater quality regulation is conducted under article 11 of this title, or under the "Uranium Mill Tailings Radiation Control Act of 1978", Pub.L. 95-604, or a successor statute, where such regulation is determined by the division to comply with the standard set forth in subsection (1) of this section.~~

~~(4)(a) The provisions of this section revise and replace, in part, section 25-8-505 of this article, the "Colorado Water Quality Control Act";~~

~~as said article existed prior to July 1, 1981. All permits issued pursuant to said section 25-8-505 prior to July 1, 1981, shall be deemed a permit issued pursuant to this section and subject to the standards of subsection (1) of this section unless or until:~~

~~(I) Such permitted activities are exempted by the provisions of subsection (3) of this section. In such case, all permits issued pursuant to said section 25-8-505 shall terminate and have no effect whatsoever; or~~

~~(II) Such permitted activities are the subject of a new permit issued pursuant to this section.~~

~~(b) Repealed.~~

SECTION 8. In Colorado Revised Statutes, 25-10-107, **add** (4) as follows:

25-10-107. Fees - repeal. (4) SUBSECTION (3) OF THIS SECTION AND THIS SUBSECTION (4) ARE REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 9. In Colorado Revised Statutes, **amend** 25-8-305 as follows:

25-8-305. Annual report - repeal. (1) (a) ~~Notwithstanding section 24-1-136 (11)(a)(I),~~ On or before October 1 of each year, the division through the executive director shall report to the commission on the effectiveness of this ~~article~~ ARTICLE 8 and shall include in such report any recommendations ~~it~~ THE DIVISION may have with respect to any regulatory or legislative changes that may be needed or desired. The report must include the then-current MONITORING information that has been obtained pursuant to section 25-8-303. ~~and information concerning the status of the division's implementation of the discharge permit program established in part 5 of this article.~~

(b) The EXECUTIVE DIRECTOR SHALL ALSO SUBMIT THE report ~~shall be filed with~~ TO the house OF REPRESENTATIVES agriculture, livestock WATER, and natural resources committee and the senate agriculture AND natural resources ~~and energy~~ committee, or ~~any~~ THEIR successor committees. NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THIS REPORTING REQUIREMENT CONTINUES INDEFINITELY.

(2) THE ANNUAL REPORT DESCRIBED IN SUBSECTION (1) OF THIS SECTION MUST INCLUDE INFORMATION ON THE DIVISION'S:

(a) IMPLEMENTATION OF THE DISCHARGE PERMITTING PROGRAM ESTABLISHED IN PART 5 OF THIS ARTICLE 8;

(b) INSPECTIONS PERFORMED;

(c) ENFORCEMENT ACTIONS UNDER THIS ARTICLE 8;

(d) ESTABLISHMENT OF ANY NEW RULES AND STANDARDS;

(e) ASSESSMENT OF ANY EMERGING TRENDS THAT THE DIVISION PERCEIVES IN ISSUES PERTAINING TO WATER QUALITY;

(f) THE RATIO OF GENERAL FUND APPROPRIATIONS TO CASH FUND APPROPRIATIONS THAT WERE AUTHORIZED FOR THE STATE FISCAL YEAR IMMEDIATELY PRECEDING THE DATE OF THE REPORT; AND

(g) REVENUE AND EXPENDITURES, INCLUDING FOR THE DIVISION'S GENERAL ADMINISTRATION NEEDS, THE DIVISION'S ADMINISTRATION OF THE CLEAN WATER AND DRINKING WATER PROGRAMS, AND THE DIVISION'S ALLOCATION OF ANY INCREASED FEES ESTABLISHED THROUGH SECTION 25-8-210 FOR SERVICES THAT THE DIVISION PROVIDES. THE DEPARTMENT SHALL PRESENT THIS INFORMATION AS PART OF THE DEPARTMENT'S ANNUAL "SMART ACT" PRESENTATION PURSUANT TO SECTION 2-7-203.

(3) (a) FOR A REPORT THAT THE DIVISION SUBMITS ON OR BEFORE OCTOBER 1, 2025, THE REPORT MUST INCLUDE THE TOTAL PERMIT FEE REVENUE RECEIVED IN THE PREVIOUS TWELVE MONTHS, AND THE DIVISION'S DIRECT AND INDIRECT COSTS TO ADMINISTER THE PERMITS, FOR THE FOLLOWING SECTOR-SPECIFIC PERMITS, REVIEWS, OR DETERMINATIONS:

(I) THE COMMERCE AND INDUSTRY SECTOR PURSUANT TO SECTION 25-8-502 (1.1)(b);

(II) THE CONSTRUCTION SECTOR PURSUANT TO SECTION 25-8-502 (1.1)(c);

(III) THE PESTICIDE SECTOR PURSUANT TO SECTION 25-8-502

(1.1)(d);

(IV) THE PUBLIC AND PRIVATE UTILITIES SECTOR PURSUANT TO SECTION 25-8-502 (1.1)(e);

(V) THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR PURSUANT TO SECTION 25-8-502 (1.1)(f);

(VI) THE REVIEWS PERFORMED PURSUANT TO SECTION 25-8-502 (1.2) FOR REQUESTS FOR CERTIFICATION UNDER SECTION 401 OF THE FEDERAL ACT;

(VII) THE PRELIMINARY EFFLUENT LIMITATION DETERMINATIONS PERFORMED PURSUANT TO SECTION 25-8-502 (1.3)(b); AND

(VIII) THE WASTEWATER SITE APPLICATIONS AND DESIGN REVIEWS PERFORMED PURSUANT TO SECTION 25-8-502 (1.3)(c).

(b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2026.

(4) (a) FOR THE REPORT THAT THE DIVISION SUBMITS IN 2025, THE REPORT MUST INCLUDE:

(I) A DESCRIPTION OF THE FEE STRUCTURE PROPOSED OR INCLUDED IN RULES THAT THE COMMISSION HAS PROPOSED OR ADOPTED PURSUANT TO SECTION 25-8-210 (1)(a);

(II) IF THE RULES PROPOSED OR ADOPTED PURSUANT TO SECTION 25-8-210 (1)(a) MODIFY A FEE STRUCTURE SET FORTH IN STATUTE, THE REASONS FOR THE CHANGE IN THE FEE STRUCTURE; AND

(III) A SUMMARY OF OPTIONS FOR SETTING A CAP ON THE AMOUNT OF FEE INCREASES AND THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT'S RECOMMENDATIONS ON SETTING A CAP BASED ON STAKEHOLDER FEEDBACK.

(b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 10. In Colorado Revised Statutes, 25-8-205, **amend** (1)(e) as follows:

25-8-205. Control regulations. (1) The commission may promulgate control regulations for the following purposes:

(e) To describe requirements, prohibitions, standards, and concentration limitations on the use and disposal of biosolids to protect public health and to prevent the discharge of pollutants into state waters, except as authorized by permit. The commission requirements described pursuant to this ~~paragraph (e) shall be no~~ SUBSECTION (1)(e) MUST NOT BE more restrictive than the requirements adopted for solid wastes disposal sites and facilities pursuant to part 1 of article 20 of title 30, ~~C.R.S.~~, except as necessary to be consistent with section 405 of the federal act. Fees ~~shall~~ MUST be established as set forth in ~~section 30-20-110.5, C.R.S., and the~~ commission shall have no authority to levy additional or duplicative fees RULES ADOPTED BY THE COMMISSION PURSUANT TO SECTION 25-8-210.

SECTION 11. In Colorado Revised Statutes, 30-20-113, **amend** (9) as follows:

30-20-113. Inspection - enforcement - nuisances - violations - civil penalty. (9) Notwithstanding any other provision of this part 1 or part 10 of this ~~article other than section 30-20-110.5~~ ARTICLE 20, the processing, application, storage, or composting of biosolids or other materials under rules promulgated pursuant to section 25-8-205 (1)(e) ~~C.R.S., shall be~~ ARE excluded from this part 1 and part 10 of this ~~article~~ ARTICLE 20.

SECTION 12. Effective date. (1) Except as provided in subsection (2) of this section, this act takes effect upon passage.

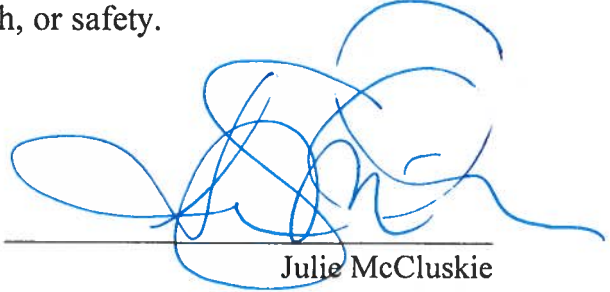
(2) Section 25-8-205, as amended in section 10 of this act, and section 30-20-113, as amended in section 11 of this act, take effect July 1, 2026.

SECTION 13. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.




Steve Fenberg
PRESIDENT OF
THE SENATE



Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

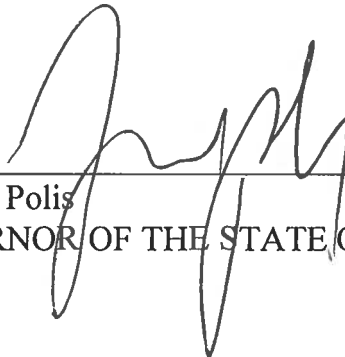


Cindi L. Markwell
SECRETARY OF
THE SENATE



Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED Wednesday May 17th 2023 at 2:00 pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO