THE EXEMPTIONS AND EXCLUSIONS; AND

## SENATE COMMITTEE OF REFERENCE REPORT

May 3, 2024
Chair of Committee Date
Committee on <u>Finance</u> .
After consideration on the merits, the Committee recommends the following:
HB24-1379 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:
Amend reengrossed bill, page 13, line 26, after "(a)" insert "(I)".
Page 14, strike lines 5 through 8 and substitute "IMPACTS OF DREDGE AND FILL ACTIVITY AND MUST INCORPORATE THE GUIDELINES DEVELOPED PURSUANT TO SECTION 404 (b)(1) OF THE FEDERAL ACT.  (II) THE RULES PROMULGATED PURSUANT TO SUBSECTION (4)(a)(I) OF THIS SECTION MUST INCLUDE:".
Page 14, line 16, strike "AND".
Page 14, strike lines 22 through 27.
Page 15, strike lines 1 through 8 and substitute:  "(E) AN EXEMPTION FOR VOLUNTARY STREAM RESTORATION EFFORTS IN EPHEMERAL STREAMS THAT DO NOT REQUIRE COMPENSATORY MITIGATION AND ARE DESIGNED SOLELY TO PROVIDE ECOLOGICAL LIFT WHERE THE ACTIVITY IS TAKING PLACE. AS USED IN THIS SUBSECTION (4)(a)(I)(E), "EPHEMERAL STREAM" MEANS A STREAM CHANNEL OR A REACH OF A STREAM CHANNEL THAT CARRIES FLOW DURING, AND FOR A SHORT DURATION AS THE DIRECT RESULT OF, PRECIPITATION EVENTS AND THAT HAS A CHANNEL BOTTOM THAT IS ALWAYS ABOVE THE GROUNDWATER TABLE.  (III) THE BULLES PROMINICATED PURSUANT TO SUBSECTION
(III) THE RULES PROMULGATED PURSUANT TO SUBSECTION $(4)(a)(I)$ OF THIS SECTION MAY INCLUDE:
(A) FURTHER MINOR CLARIFICATION OF THE TERMINOLOGY USED
TO DEFINE THE EXEMPTIONS AND EXCLUSIONS IN SUBSECTIONS $(8)(b)$ AND $(8)(d)$ OF THIS SECTION WITHOUT LIMITING OR EXPANDING THE SCOPE OF

- (B) A DEADLINE SHORTER THAN TWO YEARS FOR THE DIVISION TO ACT UPON A COMPLETE APPLICATION FOR AN INDIVIDUAL AUTHORIZATION FOR PROJECTS THAT INVOLVE MINIMAL TO MODERATE COSTS AND HAVE MINIMAL WATER QUALITY IMPACTS OR LIMITED POTENTIAL WATER QUALITY IMPACTS.
- (IV) (A) IN PROMULGATING THE RULES DESCRIBED IN SUBSECTION (4)(a)(I) OF THIS SECTION, THE COMMISSION SHALL ENSURE THAT THE RULES ARE AS PROTECTIVE AS THE GUIDELINES SET FORTH IN SECTION 404 (b)(1) OF THE FEDERAL ACT AND IN EFFECT AS OF THE EFFECTIVE DATE OF THIS SECTION.
- (B) If the commission finds, based on a demonstration at a public rulemaking hearing, that the guidelines set forth in section 404 (b)(1) of the federal act are not protecting state waters, the commission shall amend its rules or adopt new rules to protect state waters. Such a hearing may be initiated by the commission upon its own motion or upon a petition from the division. Any interested person may petition to the commission to initiate a hearing, and the commission may grant or deny such a request.
- 20 (C) THE COMMISSION'S FINDINGS TO SUPPORT ANY CHANGES TO ITS 21 RULES MUST BE BASED ON SOUND SCIENTIFIC OR TECHNICAL EVIDENCE IN 22 THE RECORD DEMONSTRATING THAT RULES MORE PROTECTIVE THAN THE 23 GUIDELINES SET FORTH IN SECTION 404 (b)(1) OF THE FEDERAL ACT ARE 24 NECESSARY TO PROTECT THE CHEMICAL, PHYSICAL, AND BIOLOGICAL 25 INTEGRITY OF STATE WATERS. THE FINDINGS MUST BE ACCOMPANIED BY 26 A STATEMENT OF BASIS AND PURPOSE REFERRING TO AND EVALUATING 27 THE INFORMATION AND STUDIES CONTAINED IN THE RECORD, WHICH FORM 28 THE BASIS FOR THE COMMISSION'S CONCLUSION.".
- 29 Page 16, line 10, strike "ACTIVITY;" and substitute "ACTIVITY ON THE
- 30 CHEMICAL, PHYSICAL, AND BIOLOGICAL INTEGRITY OF STATE WATERS;".
- 31 Page 18, line 20, strike "(A)".

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- Page 19, strike lines 14 and 15.
- Page 25, line 11, strike "UNEXPIRED".
- Page 25, line 15, strike "STATES;" and substitute "STATES UNLESS THERE
- 35 HAS BEEN A SIGNIFICANT HYDROLOGICAL CHANGE SINCE THE
- 36 DETERMINATION WAS ISSUED;".
- Page 25, line 21, strike "STATES;" and substitute "STATES UNDER THE

- 1 SECTION 404 PERMIT AND ARE NOT OTHERWISE EXCLUDED UNDER THIS
- 2 SECTION;".
- 3 Page 26, strike lines 20 through 23 and substitute "A DRAINAGE DITCH,
- 4 ROADSIDE DITCH, OR A DITCH OR CANAL CONVEYING WASTEWATER OR
- 5 WATER. CONSTRUCTION OF NEW WORK OR TO EXTEND, EXPAND, OR
- 6 RELOCATE AN IRRIGATION DITCH OR ACEQUIA FOR MUNICIPAL OR
- 7 INDUSTRIAL PURPOSES IS NOT AN EXEMPT ACTIVITY. AS USED IN THIS
- 8 SUBSECTION (8)(b)(VII):".
- 9 Page 27, strike lines 19 and 20 and substitute "IF A DITCH CARRIES WATER
- 10 THAT IS USED FOR IRRIGATION, IRRIGATION RETURN FLOWS OR RETURN
- 11 FLOW OBLIGATIONS, AQUIFER RECHARGE, AQUIFER OR STREAM
- 12 AUGMENTATION OR REPLACEMENT, OR PRECIPITATION OR SNOWMELT
- 13 THAT".
- Page 28, line 2, after "A" insert "DRAINAGE DITCH, A ROADSIDE DITCH, OR
- 15 A".
- 16 Page 29, line 13, after "RECLAMATION FACILITIES," insert "WATER
- 17 MANAGEMENT FACILITIES,".
- Page 29, strike lines 17 and 18 and substitute "SYSTEMS, WEIRS, GATES,
- 19 CLARIFIERS, SOLIDS HANDLING, FILTERS, SEDIMENTATION BASINS,
- 20 TREATMENT PONDS AND LAGOONS, AND RELATED FEATURES, WHICH
- 21 MAINTENANCE ACTIVITIES KEEP THE".
- Page 36, after line 8 insert:
- "SECTION 7. In Colorado Revised Statutes, 25-8-305, add (5)
- 24 as follows:
- 25 **25-8-305. Annual report repeal.** (5) (a) ON OR BEFORE
- 26 OCTOBER 1, 2026, AND FOR EACH YEAR THEREAFTER, THE REPORT
- 27 DESCRIBED IN SUBSECTION (1) OF THIS SECTION MUST PROVIDE AN
- 28 OVERALL UNDERSTANDING OF THE STATE OF IMPLEMENTATION OF THE
- 29 DREDGE AND FILL DISCHARGE AUTHORIZATION PROGRAM DESCRIBED IN
- 30 SECTION 25-8-205.1. FOR THIS PURPOSE, THE DIVISION SHALL DEVELOP A
- 31 Twelve-month reporting period. At a minimum, the report must
- 32 INCLUDE:
- 33 (I) PROGRAM STAFFING AND BUDGET OVER THE TWELVE-MONTH
- 34 REPORTING PERIOD;
- 35 (II) GENERAL AUTHORIZATION PROGRAM COMPONENTS OVER THE
- 36 TWELVE-MONTH REPORTING PERIOD, INCLUDING:
- 37 (A) THE TOTAL NUMBER OF PRECONSTRUCTION NOTIFICATIONS OR

COVERAGE VERIFICATION REQUESTS RECEIVED DURING THE TWELVE-MONTH REPORTING PERIOD;

- (B) THE TOTAL NUMBER OF PROJECTS AUTHORIZED TO PROCEED DURING THE TWELVE-MONTH REPORTING PERIOD;
- (C) THE TOTAL NUMBER OF PROJECTS AUTHORIZED TO PROCEED DURING THE TWELVE-MONTH REPORTING PERIOD THAT INCLUDED SPECIAL CONDITIONS;
- (D) THE TOTAL NUMBER OF PROJECTS AUTHORIZED TO PROCEED UNDER SECTION 25-8-205.1 (5)(d) DURING THE TWELVE-MONTH REPORTING PERIOD;
- (E) THE TOTAL NUMBER OF PROJECTS DENIED GENERAL AUTHORIZATION COVERAGE DURING THE TWELVE-MONTH REPORTING PERIOD AND A SUMMARY OF THE REASONS FOR DENIALS;
- (F) THE RANGE OF TIME AND AVERAGE TIME REQUIRED TO PROCESS PRECONSTRUCTION NOTIFICATIONS AND COVERAGE VERIFICATION REQUESTS FROM RECEIPT TO FINAL DECISION DURING THE TWELVE-MONTH REPORTING PERIOD; AND
- (G) THE TOTAL NUMBER OF FULL-TIME EMPLOYEES TASKED WITH PROCESSING PRECONSTRUCTION NOTIFICATIONS, COVERAGE VERIFICATION REQUESTS, AND TECHNICAL ASSISTANCE DURING THE TWELVE-MONTH REPORTING PERIOD; AND
- (III) INDIVIDUAL AUTHORIZATION PROGRAM COMPONENTS, INCLUDING:
- (A) THE TOTAL NUMBER OF AUTHORIZATION APPLICATIONS RECEIVED DURING THE TWELVE-MONTH REPORTING PERIOD;
- (B) THE TOTAL NUMBER OF PROJECTS AUTHORIZED TO PROCEED DURING THE TWELVE-MONTH REPORTING PERIOD;
- (C) THE TOTAL NUMBER OF PROJECTS DENIED AUTHORIZATION COVERAGE DURING THE TWELVE-MONTH REPORTING PERIOD AND A SUMMARY OF THE REASONS FOR DENIALS;
- (D) THE TOTAL NUMBER OF APPLICATIONS AWAITING ACTION AT THE END OF THE TWELVE-MONTH REPORTING PERIOD;
- (E) THE RANGE OF TIME AND AVERAGE TIME REQUIRED TO PROCESS INDIVIDUAL AUTHORIZATION APPLICATIONS FROM RECEIPT TO FINAL DECISION DURING THE TWELVE-MONTH REPORTING PERIOD; AND
- (F) THE TOTAL NUMBER OF FULL-TIME EMPLOYEES TASKED WITH PROCESSING INDIVIDUAL AUTHORIZATIONS DURING THE TWELVE-MONTH REPORTING PERIOD.
- (b) On a quarterly basis, the division shall report to the joint budget committee the number of individual dredge and fill authorizations and notices of authorization that the division projects to issue for the fiscal year. The division shall submit these reports so that they coincide with quarterly budget

- 1 FORECASTS.".
- 2 Renumber succeeding sections accordingly.

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