A BILL FOR AN ACT

CONCERNING A STUDY REGARDING THE CREATION OF ADDITIONAL WATER STORAGE IN THE SOUTH PLATTE RIVER BASIN.

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.)

Section 1 of the bill requires the Colorado water conservation board (board), in collaboration with the state engineer, to conduct or commission a hydrology study of the South Platte river basin to determine, for each of the previous 20 years, the amount of water that has been delivered to Nebraska from the river in excess of the amount required under the South Platte river compact. The study must also
include a list of locations that have been identified as possible sites for the
collection of a reservoir along the mainstem and tributaries of the
South Platte river between Greeley, Colorado, and Julesburg, Colorado.
For each listed location, the study must include information on the
amount of water that could have been stored in a reservoir at the site, a
list of any property that the federal bureau of reclamation or another
government agency has purchased for construction of the site, an estimate
of the cost to construct a reservoir at the site, and a cost-benefit analysis
for constructing a reservoir at the site. The board, in collaboration with
the state engineer, is required to provide a report summarizing the study
to the committees of reference in the house of representatives and the
senate that have jurisdiction over natural resources matters.

Section 2 transfers $250,000 from the severance tax perpetual base
fund to the Colorado water conservation board construction fund on July
1, 2016.

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

SECTION 1. In Colorado Revised Statutes, 37-60-115, add (11)
as follows:

river storage study - report - repeal. (a) Legislative declaration.
(I) The general assembly hereby finds that:
(A) Colorado's water plan identifies increased water
storage as an important goal and sets forth an objective to
attain an additional four hundred thousand acre feet of water
storage in Colorado by 2050; and
(B) In 2015, more than two million acre feet of water that
were delivered to Nebraska by the South Platte river could
have been stored and used in Colorado.
(II) The general assembly further determines that water
storage provides numerous benefits, including:
(A) An increased ability to address Colorado's predicted
future water supply-demand gap;
(B) Providing storage water rights that allow for aquifer recharge;

(C) Reducing present and future needs to import water from one water basin to another water basin through a transbasin diversion;

(D) Reducing reliance on the practice of buying agricultural water and drying up the agricultural land served by the water;

(E) Recreational benefits;

(F) Flood control;

(G) Improving instream flow;

(H) Improving water compact compliance;

(I) Enhancing compliance with endangered species habitat regulations;

(J) Enhancing migratory bird habitats;

(K) Improving wildlife habitats;

(L) Increased municipal, industrial, environmental, and agricultural water supply; and

(M) Increased agricultural production.

(III) Therefore, the general assembly declares that a study should be conducted to identify all water storage possibilities along the South Platte river basin, including the construction of a reservoir and aquifer recharge.

(b) If the South Platte basin and metro roundtables first approve of a water storage study pursuant to guidelines established for grant award determinations made in accordance with section 39-29-109 (2) (c) (I), C.R.S., the board, in
COLLABORATION WITH THE STATE ENGINEER, THE SOUTH PLATTE BASIN ROUNDTABLE, AND THE METRO ROUNDTABLE, SHALL DEVELOP A SCOPE OF WORK TO CONDUCT OR COMMISSION A STORAGE STUDY OF THE SOUTH PLATTE RIVER BASIN THAT:

(I) EVALUATES THE AMOUNT OF WATER DELIVERED IN EACH OF THE PREVIOUS TWENTY YEARS TO NEBRASKA IN EXCESS OF THE AMOUNT REQUIRED TO BE DELIVERED BY THE SOUTH PLATTE RIVER COMPACT, ARTICLE 65 OF THIS TITLE;

(II) EVALUATES THE AMOUNT OF WATER THAT COULD HAVE OTHERWISE BEEN STORED THROUGH CONSTRUCTION OF A RESERVOIR OR OTHER STORAGE MECHANISM IN THE LOWER SOUTH PLATTE RIVER BASIN;

(III) REVIEWS AND EVALUATES ALL PREVIOUSLY DEVELOPED AND CURRENTLY AVAILABLE STORAGE STUDIES, INCLUDING THE COLORADO DECISION SUPPORT SYSTEM'S DATA AND MODEL RUNS, AND ANY OTHER APPLICABLE DATA AVAILABLE ON THE SOUTH PLATTE RIVER BASIN; AND

(IV) DEVELOPS A LIST OF POSSIBLE SITES ALONG THE MAIN STEM AND TRIBUTARIES OF THE SOUTH PLATTE RIVER BASIN, FROM GREELEY, COLORADO, TO JULESBURG, COLORADO;

(A) FOR CONSTRUCTING A NEW RESERVOIR;

(B) OF EXISTING RESERVOIR SITES THAT COULD BE ENLARGED;

AND

(C) FOR IMPLEMENTING AN ALTERNATIVE STORAGE MECHANISM.

(c) FOR EACH POSSIBLE SITE IDENTIFIED PURSUANT TO SUBPARAGRAPH (IV) OF PARAGRAPH (b) OF THIS SUBSECTION (11), THE STUDY MUST INCLUDE:

(I) AN ESTIMATE OF THE VOLUME OF WATER THAT COULD HAVE BEEN STORED ANNUALLY; HOWEVER, THE ESTIMATE MUST INCLUDE ONLY
MEASURED FLOW IN THE SOUTH PLATTE RIVER EXISTING AT THE TIME OF THE STUDY AND NOT ANY FUTURE, NEWLY CREATED TRANSMOUNTAIN DIVERSIONS FROM THE SOUTHWEST, GUNNISON, COLORADO, OR YAMPA BASINS;

(II) A PRELIMINARY ESTIMATE OF THE COST, INCLUDING THE ESTIMATED COSTS OF OBTAINING NECESSARY PERMITS AND ACQUIRING PROPERTY, FOR THE:

(A) CONSTRUCTION OF A NEW RESERVOIR AT THE SITE; OR
(B) REHABILITATION OF AN EXISTING RESERVOIR; AND

(III) A COST-BENEFIT ANALYSIS FOR CONSTRUCTING A RESERVOIR OR IMPLEMENTING AN ALTERNATIVE STORAGE MECHANISM, INCLUDING CONSIDERATION OF POTENTIAL ENVIRONMENTAL, FINANCIAL, AND LEGAL CONSTRAINTS AND POTENTIAL BENEFITS, INCLUDING:

(A) ADDRESSING COLORADO'S PREDICTED FUTURE WATER SUPPLY GAPS;
(B) PROVIDING STORAGE WATER RIGHTS THAT ALLOW FOR AQUIFER RECHARGE;
(C) REDUCING PRESENT AND FUTURE NEEDS TO IMPORT WATER FROM ONE WATER BASIN TO ANOTHER WATER BASIN THROUGH A TRANSBASIN DIVERSION;
(D) REDUCING RELIANCE ON THE PRACTICE OF BUYING AGRICULTURAL WATER AND DRYING UP THE AGRICULTURAL LAND SERVED BY THE WATER;
(E) RECREATIONAL BENEFITS;
(F) FLOOD CONTROL;
(G) IMPROVING INSTREAM FLOW;
(H) IMPROVING WATER COMPACT COMPLIANCE;
(I) Enhancing compliance with endangered species habitat regulations;

(J) Enhancing migratory bird habitats;

(K) Improving wildlife habitats;

(L) Increased municipal, industrial, environmental, and agricultural water supply;

(M) Increased agricultural production; and

(N) Any other benefit.

(d) On or before September 30, 2016, the board, pursuant to the procedures set forth in section 39-29-109 (2) (c), C.R.S., shall determine whether to approve or deny the commission of a water storage study pursuant to this subsection (11).

(e) If a study is authorized pursuant to paragraph (d) of this subsection (11), the board, in collaboration with the state engineer, shall:

(I) Complete a scope of work for the study as expeditiously as practicable, but not later than November 30, 2016;

(II) Complete the study no later than October 31, 2017;

(III) On or before December 31, 2017, provide a report summarizing the study to the committees of reference in the house of representatives and the senate with jurisdiction over natural resources.

(f) If a study is authorized pursuant to paragraph (d) of this subsection (11), the board shall immediately notify the state treasurer of the authorization.

(g) The board may accept and expend gifts, grants, and
DONATIONS FOR THE PURPOSES OF THIS SUBSECTION (11), BUT THE
IMPLEMENTATION OF THIS SUBSECTION (11) IS NOT DEPENDENT ON THE
RECEIPT OF GIFTS, GRANTS, AND DONATIONS. THE BOARD SHALL TRANSMIT
ALL MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE
STATE TREASURER, WHO SHALL CREDIT THEM TO THE COLORADO WATER
CONSERVATION BOARD CONSTRUCTION FUND CREATED IN SECTION
37-60-121.

(h) THIS SUBSECTION (11) IS REPEALED, EFFECTIVE JULY 1, 2018.

SECTION 2. In Colorado Revised Statutes, 39-29-109, amend
(2) introductory portion; and add (2) (c) (III) as follows:

39-29-109. Severance tax trust fund - created - administration
- distribution of money - repeal. (2) State severance tax receipts shall
be credited to the severance tax trust fund as provided in section
39-29-108. Except as otherwise set forth in section 39-29-109.5, all
income derived from the deposit and investment of the moneys in the fund shall be credited to the fund. At the end of any fiscal year, all
unexpended and unencumbered moneys in the fund remain therein REMAINS IN THE FUND and shall not be credited or transferred to
the general fund or any other fund. All moneys in the fund are subject to appropriation by the general assembly for the following
purposes:

(c) The water supply reserve fund. (III) IF THE BOARD NOTIFIES
THE STATE TREASURER THAT A WATER STORAGE STUDY HAS BEEN
AUTHORIZED PURSUANT TO SECTION 37-60-115 (11), C.R.S., ON OCTOBER
15, 2016, THE STATE TREASURER SHALL TRANSFER TWO HUNDRED FIFTY
THOUSAND DOLLARS FROM THE FUND TO THE COLORADO WATER
CONSERVATION BOARD CONSTRUCTION FUND, CREATED IN SECTION
SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.