# First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

# REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 23-0857.01 Christopher McMichael x4775

**SENATE BILL 23-177** 

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# A BILL FOR AN ACT

101	CONCERNING THE FUNDING OF COLORADO WATER CONSERVATION
102	BOARD PROJECTS, AND, IN CONNECTION THEREWITH, MAKING
103	AN APPROPRIATION.

# **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill appropriates the following amounts for the 2023-24 state fiscal year from the Colorado water conservation board (CWCB) construction fund to the CWCB or the division of water resources in the department of natural resources for the following projects:

• Continuation of the satellite monitoring system, \$380,000

HOUSE Amended 2nd Reading

SENATE rd Reading Unamended April 10, 2023

SENATE Amended 2nd Reading April 6, 2023

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

- (**section 1** of the bill);
- Continuation of the floodplain map modernization program, \$500,000 (section 2);
- Continuation of the weather modification permitting program, \$500,000 (section 3);
- Continuation of the watershed restoration program, \$500,000 (section 6);
- Continuation of the Colorado Mesonet project, \$150,000 (section 7);
- Continuation of the weather forecasting partnership project, \$1,000,000 (section 8);
- Support for the division of water resources mobile field data collection application project, \$800,000 (section 9);
- Continuation of the reservoir enlargement assessment project, \$1,000,000 (section 11);
- Support for the central Colorado water conservancy district augmentation efficiency project, \$3,000,000 (section 15);
   and
- Support for the state water plan action advancement project, \$2,000,000 (section 16).

The bill directs the state treasurer to transfer the following amounts on July 1, 2023, from the severance tax perpetual base fund to the CWCB construction fund, and appropriates those amounts from the CWCB construction fund to the CWCB for the following projects:

- Continuation of the Platte river recovery implementation program, \$19,000,000 (section 12);
- Support for the upper Colorado river endangered fish recovery program and the San Juan river basin recovery implementation program, \$15,000,000 (section 13); and
- Additional and continued support for the Frying Pan Arkansas project, \$20,000,000 (section 14).

The bill directs the state treasurer to transfer the following amounts from the CWCB construction fund on July 1, 2023:

- \$2,000,000 to restore the fish and wildlife resources fund (section 4);
- Up to \$2,000,000 to the CWCB litigation fund (**section 5**); and
- \$2,000,000 to the water plan implementation cash fund for continuation of the water plan implementation grant program (section 10).

**Section 17** appropriates \$10,600,000 of sports betting revenues from the water plan implementation cash fund and \$2,000,000 from the CWCB construction fund to the CWCB to fund grants that will help implement the state water plan.

Section 18 appropriates \$8,000,000 from the wildlife cash fund to

-2-

the division of parks and wildlife to purchase up to 924 acre-feet of orphan shares from the CWCB as part of the Chatfield reservoir reallocation project.

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

• operation and maintenance - appropriation. (1) For the 2023-24 state fiscal year, \$380,000 is appropriated to the department of natural resources for use by the division of water resources. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the division of water resources may use this appropriation to install, maintain, and operate satellite monitored stream gauges and lysimeters for water rights administration and data collection pursuant to section 37-80-102 (10), C.R.S.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

**SECTION 2.** Continuation of the Colorado floodplain map modernization program - appropriation. (1) For the 2023-24 state fiscal year, \$500,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to continue to assist with the preparation of revised and improved floodplain studies and maps for communities throughout Colorado and participate in federally sponsored floodplain map modernization activities.

(2) The money appropriated in subsection (1) of this section

-3-

remains available for the designated purposes until it is fully expended.

**SECTION 3.** Continuation of the weather modification permitting program - appropriation. (1) For the 2023-24 state fiscal year, \$500,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to assist water conservation and conservancy districts with the development of cloud seeding programs to provide benefits to recreation, streams, and reservoirs through snowpack enhancement.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

**SECTION 4.** Restoration of fish and wildlife resources fund balance - transfer. On July 1, 2023, the state treasurer shall transfer \$2,000,000 from the unreserved cash in the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to the fish and wildlife resources fund created in section 37-60-121 (6), C.R.S., to continue grant-making to assist with the mitigation of fish and wildlife resources affected by the construction, operation, or maintenance of water diversion, delivery, or storage facilities.

**SECTION 5.** Restoration of litigation fund cash balance - transfer. On July 1, 2023, the state treasurer shall transfer \$2,000,000, or so much thereof as may be necessary to restore the balance of the litigation fund to \$2,000,000, from the unreserved cash in the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to the litigation fund created in section 37-60-121 (2.5), C.R.S.,

-4- 177

to assist in addressing legal issues associated with compact compliance or any other litigation activities as specified under section 37-60-121, C.R.S.

**SECTION 6.** Continuation of the watershed restoration program - appropriation. (1) For the 2023-24 state fiscal year, \$500,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to provide planning, engineering, and implementation measures to address technical needs for watershed restoration and flood mitigation projects throughout the state; aquatic habitat protection; flexible operations for multiple uses; restoration work; quantification of environmental flow needs; and monitoring efforts to support healthy stream and watershed goals outlined in the state water plan.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

**SECTION 7. Continuation of the Colorado Mesonet project** - **appropriation.** (1) For the 2023-24 state fiscal year, \$150,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to support the Colorado Mesonet, including for the following activities: Operation, maintenance, travel, communications, and database and website management for

-5- 177

temperature and precipitation stations.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

**SECTION 8.** Continuation of the water forecasting partnership project - appropriation. (1) For the 2023-24 state fiscal year, \$1,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to support the development of new ground and aerial remote sensing data, to develop hydrologic modeling practices, to provide reliable volumetric water supply forecasting, and to provide better characterization of snowpack.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

SECTION 9. Division of water resources mobile field data collection application project - appropriation. (1) For the 2023-24 state fiscal year, \$800,000 is appropriated to the department of natural resources for use by the division of water resources. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the division of water resources may use this appropriation to develop a mobile application for phone operating systems that will allow division employees to perform work more efficiently and provide updated information in real time.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

-6- 177

1	SECTION 10. Grant-making for projects that assist in
2	implementing the state water plan - transfer. On July 1, 2023, the state
3	treasurer shall transfer \$2,000,000 from the unreserved cash in the
4	Colorado water conservation board construction fund created in section
5	37-60-121, C.R.S., to the water plan implementation cash fund created in
6	section 37-60-123.3 (1)(a), C.R.S., to provide additional grant funding for
7	projects that assist with the implementation of the state water plan.
8	SECTION 11. Continuation of the reservoir enlargement
9	assessment project - appropriation. (1) For the 2023-24 state fiscal
10	year, \$1,000,000 is appropriated to the department of natural resources
11	for use by the division of water resources. This appropriation is from the
12	Colorado water conservation board construction fund created in section
13	37-60-121, C.R.S. To implement this section, the division of water
14	resources may use this appropriation to conduct comprehensive dam
15	safety evaluations on existing dams that are under potential consideration
16	for enlargement.
17	(2) The money appropriated in subsection (1) of this section
18	remains available for the designated purposes until it is fully expended.
19	SECTION 12. Continuation of the Platte river recovery
20	implementation program - transfer - appropriation. (1) On July 1,
21	2023, the state treasurer shall transfer \$19,000,000 from the severance tax
22	perpetual base fund created in section 39-29-109 (2)(a)(I.5), C.R.S., to the
23	Colorado water conservation board construction fund created in section
24	37-60-121, C.R.S., to support the Platte river recovery implementation
25	program.
26	(2) (a) For the 2023-24 state fiscal year, \$19,000,000 is
27	appropriated to the department of natural resources for use by the

-7- 177

Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to support the Platte river recovery implementation program, which implements certain aspects of the United States fish and wildlife service's recovery plans for the whooping crane, pallid sturgeon, and piping plover and provides compliance with the "Endangered Species Act of 1973", 16 U.S.C. sec. 1531, et seq., as amended, for Colorado water projects. 

(b) The money appropriated in subsection (2)(a) of this section remains available for the designated purposes until it is fully expended.

**SECTION 13.** Upper Colorado river endangered fish recovery program and San Juan river basin recovery implementation program - transfer - appropriation. (1) On July 1, 2023, the state treasurer shall transfer \$15,000,000 from the severance tax perpetual base fund created in section 39-29-109 (2)(a)(I.5), C.R.S., to the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to support the upper Colorado river endangered fish recovery program and the San Juan river basin recovery implementation program.

(2) (a) For the 2023-24 state fiscal year, \$15,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to support the upper Colorado river endangered fish recovery program and the San Juan river basin recovery implementation program, which ensures compliance with

-8-

1	the "Endangered Species Act of 1973", 16 U.S.C. sec. 1531, et seq., as
2	amended, for Colorado water users, and contributes to the protection of
3	at least four endangered or threatened fish species.
4	(b) The money appropriated in subsection (2)(a) of this section
5	remains available for the designated purposes until it is fully expended.
6	SECTION 14. In Session Laws of Colorado 2020, section 17 of
7	chapter 150, (HB 20-1403), amend (2) as follows:
8	Section 17. Frying Pan - Arkansas project loan authorization
9	- transfer - appropriation. (2) (a) On July 1, 2020, the state treasurer
10	shall transfer the sum of \$10,000,000, and on July 1, 2023, the state
11	TREASURER SHALL TRANSFER \$20,000,000, from the severance tax
12	perpetual base fund created in section 39-29-109 (2)(a) (2)(a) (1.5),
13	C.R.S., to the Colorado water conservation board construction fund
14	created in section 37-60-121, C.R.S., to grant money to EITHER the
15	southeastern Colorado water conservancy district OR OTERO COUNTY to
16	provide nonfederal cost-share funding for the Frying Pan-Arkansas
17	project, which project helps provide quality drinking water to six counties
18	in the lower Arkansas valley.
19	(b) (I) For the 2020-21 state fiscal year \$10,000,000 is THE
20	FOLLOWING AMOUNTS ARE appropriated to the department of natural
21	resources for use by the Colorado water conservation board This
22	appropriation is IN THE SPECIFIED STATE FISCAL YEARS:
23	(A) For the 2020-21 state fiscal year, $$10,000,000$ ; and
24	(B) For the 2023-24 state fiscal year, $$20,000,000$ .
25	(II) The appropriations specified in subsection $(2)(b)(I)$ of
26	THIS SECTION ARE from the Colorado water conservation board
27	construction fund created in section 37-60-121, C.R.S. To implement this

-9-

subsection (2), the Colorado water conservation board may use this appropriation THESE APPROPRIATIONS to grant money to EITHER the southeastern Colorado water conservancy district OR OTERO COUNTY to provide nonfederal cost-share funding for the Frying Pan-Arkansas project, which project helps provide quality drinking water to six counties in the lower Arkansas valley.

(II) (III) The money appropriated in subsection (2)(b)(I) of this section remains available for the designated purposes until it is fully expended.

SECTION 15. Central Colorado water conservancy district augmentation efficiency project - appropriation. (1) For the 2023-24 state fiscal year, \$3,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S. To implement this section, the Colorado water conservation board may use this appropriation to support the groundwater management subdistrict of the central Colorado water conservancy district with improving the efficiency and effectiveness of its augmentation plans. The augmentation efficiency project includes construction of pipelines, augmentation wells, and groundwater recharge sites.

(2) The money appropriated in subsection (1) of this section remains available for the designated purposes until it is fully expended.

**SECTION 16.** State water plan advancement project - appropriation. (1) For the 2023-24 state fiscal year, \$2,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the

-10-

1	Colorado water conservation board construction fund created in section
2	37-60-121, C.R.S. To implement this section, the Colorado water
3	conservation board may use this appropriation to implement identified
4	actions under the 2023 state water plan, including developing tools,
5	convening stakeholder groups, and conducting research and data analysis.
6	The appropriation will be used for projects that include an evaluation of
7	municipal water conservation standards, an economic analysis of
8	agricultural opportunities, the development of watershed planning
9	platforms, and the establishment of a framework for drought-ready
10	communities.
11	(2) The money appropriated in subsection (1) of this section
12	remains available for the designated purposes until it is fully expended.
13	SECTION 17. Grant-making for projects that assist in
14	implementing the state water plan - appropriation. (1) For the
15	2023-24 state fiscal year, \$25,200,000 is appropriated to the department
16	of natural resources for use by the Colorado water conservation board.
17	This appropriation is from the water plan implementation cash fund
18	created in section 37-60-123.3 (1)(a), C.R.S. To implement this
19	subsection (1), the Colorado water conservation board may use this
20	appropriation for grant-making for projects that assist in the
21	implementation of the state water plan pursuant to section 37-60-106.3
22	(6), C.R.S., through the Colorado water conservation board's application
23	and guidelines process.
24	(2) The money appropriated in subsection (1) of this section
25	remains available for the designated purposes until it is fully expended.
26	
27	SECTION 18. Chatfield reservoir reallocation project -

-11-

1	orphan shares purchase - appropriation. (1) For the 2023-24 state
2	fiscal year, \$8,000,000 is appropriated to the department of natural
3	resources for use by the division of parks and wildlife. This appropriation
4	is from the wildlife cash fund created in section 33-1-112 (1), C.R.S. To
5	implement this section, the division of parks and wildlife may use this
6	appropriation for the purchase of up to 924 acre-feet of orphan shares
7	owned by the Colorado water conservation board as part of the Chatfield
8	reservoir reallocation project.
9	(2) The money appropriated in subsection (1) of this section
10	remains available for the designated purposes until it is fully expended.
11	SECTION 19. Safety clause. The general assembly hereby finds,
12	determines, and declares that this act is necessary for the immediate
13	preservation of the public peace, health, or safety.

-12-