

CHAPTER 275

WATER AND IRRIGATION

HOUSE BILL 24-1435

BY REPRESENTATIVE(S) McCormick and Catlin, Amabile, Bird, Boesenecker, Brown, Daugherty, Duran, Froelich, Hamrick, Jodeh, Joseph, Kipp, Lieder, Lindstedt, Lukens, Lynch, Marshall, Marvin, Mauro, McLachlan, Ortiz, Rutinel, Sirota, Snyder, Story, Taggart, Titone, Velasco, Weissman, Young, McCluskie;
also SENATOR(S) Roberts and Simpson, Baisley, Bridges, Buckner, Cutter, Fields, Gardner, Gonzales, Jaquez Lewis, Kirkmeyer, Liston, Michaelson Jenet, Mullica, Pelton B., Pelton R., Priola, Van Winkle, Will, Winter F., Fenberg.

AN ACT

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

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

SECTION 1. Continuation of the satellite monitoring system - operation and maintenance - appropriation. (1) For the 2024-25 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 2024-25 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 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.

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.

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

SECTION 3. Continuation of the weather modification permitting program - appropriation. (1) For the 2024-25 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 litigation fund cash balance - transfer. On July 1, 2024, 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., 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 5. Continuation of the Colorado Mesonet project - appropriation. (1) For the 2024-25 state fiscal year, \$200,000 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 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 6. Continuation of the water forecasting partnership project - appropriation. (1) For the 2024-25 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 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 7. Continuation of the modeling and data analyses for the upper Colorado river commission - appropriation. (1) For the 2024-25 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 support to the upper Colorado river commission's interstate planning and negotiation efforts, including the following modeling and data analyses: Streamgaging and streamflow, runoff forecasting, consumptive use, reservoir operations and evaporation, and drought contingency planning.

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

SECTION 8. Statewide diversion telemetry project - appropriation. (1) For the 2024-25 state fiscal year, \$1,827,500 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 fund the installation of telemetry equipment at sites across Colorado.

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

SECTION 9. Southern high plains groundwater study update - appropriation. (1) For the 2024-25 state fiscal year, \$250,000 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 update a 2002 study in order to provide scenario analyses and community facilitation to establish groundwater resource goals for residents of the southern high plains of Colorado.

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

SECTION 10. Continuation of the state turf replacement program - transfer - appropriation. (1) On July 1, 2024, the state treasurer shall transfer \$2,000,000 from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to the turf replacement fund created in section 37-60-135 (6)(a)(I), C.R.S., to finance the state turf replacement program created in section 37-60-135, C.R.S.

(2) (a) For the 2024-25 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 turf replacement fund created in section 37-60-135 (6)(a)(I), C.R.S. To implement this section, the Colorado water conservation board may use this appropriation for the state turf replacement program pursuant to section 37-60-135, C.R.S., including to cover the direct and indirect costs of administering one or more turf replacement programs.

(b) The money appropriated in subsection (2)(a) of this section remains available for the designated purposes until June 30, 2028.

SECTION 11. Drought resilience investment - appropriation. (1) For the 2024-25 state fiscal year, \$4,000,000 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:

(a) To advance projects within and complementary to the 2023 state water plan that support drought planning, practical implementation of drought mitigation techniques, education, guidance, and training; and

(b) For projects that focus on the following areas: Drought resilience workshops, state water plan outreach campaign, water loss prevention and validator training, adaptive and critical drought projects, storage analysis opportunities and alternatives, and development of a water conservation handbook.

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

SECTION 12. Increased water project loan authorization - Windy Gap firming project. (1) Pursuant to section 37-60-122 (1)(b), C.R.S., the Colorado water conservation board is authorized to make loans in the amount of up to \$155,650,000 from the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to the Windy Gap firming project water activity enterprise for the completion of the Windy Gap firming project.

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

(3) The Colorado water conservation board may make loans for the project specified in subsection (1) of this section from money that is or may become available to the Colorado water conservation board construction fund. The total amount of the loans will be in the amount listed in subsection (1) of this section plus or minus the amount, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by the engineering cost indices applicable to the types of construction required for the project or as may be justified by reason of changes in the plans for the project due to differing or unforeseen site conditions, errors or omissions in the plans and specifications, changes instituted by regulatory agencies, or changes in material quantities beyond contract limits.

SECTION 13. Northern integrated supply project - loan authorization. (1) Pursuant to section 39-29-109 (2)(a)(I.5), C.R.S., the Colorado water conservation board is authorized to make loans in the amount of up to \$101,000,000 from the severance tax perpetual base fund created in section 39-29-109 (2)(a), C.R.S., to the northern integrated supply project water activity enterprise owned by the northern Colorado water conservancy district to develop a new regional water supply project. The project will provide new water supplies annually for eleven communities and four water districts in the northern front range.

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

(3) The Colorado water conservation board may make loans for the project specified in subsection (1) of this section from money that is or may become available to the severance tax perpetual base fund. The total amount of the loans will be in the amount listed in subsection (1) of this section plus or minus the amount, if any, as may be justified by reason of ordinary fluctuations in construction costs applicable to the types of construction required for the project or as may be justified by reason of changes in the plans for the project due to differing or unforeseen site conditions, errors or omissions in the plans and specifications, changes instituted by regulatory agencies, or changes in material quantities beyond contract limits.

SECTION 14. Colorado river water conservation district - purchase of Shoshone power plant water rights - transfer - appropriation. (1) On July 1, 2024, the state treasurer shall transfer \$20,000,000 from the severance tax perpetual base fund created in section 39-29-109 (2)(a), C.R.S., to the Colorado water conservation board construction fund created in section 37-60-121, C.R.S., to support the purchase and sale agreement between the Colorado river water conservation district and the public service company of Colorado for the purchase of the water rights associated with the Shoshone power plant.

(2) (a) For the 2024-25 state fiscal year, \$20,000,000 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 subsection (2)(a), the Colorado water conservation board may use this appropriation to partner with the Colorado river water conservation district in the purchase of the water rights owned by the public service company of Colorado and currently used for the operation of the Shoshone power plant. The Colorado water conservation board shall vote to release the money to the Colorado river water conservation district after confirming that the closing conditions of the purchase and sale agreement between the Colorado river water conservation district and the public service company of Colorado have been met.

(b) The money appropriated in subsection (2)(a) of this section remains available for the designated purposes until June 30, 2031.

SECTION 15. Grant-making for projects that assist in implementing the state water plan - appropriation. (1) For the 2024-25 state fiscal year, \$23,300,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the water plan implementation cash fund created in section 37-60-123.3 (1)(a), C.R.S. To implement this subsection (1), the Colorado water conservation board may use this appropriation for grant-making for projects that assist in the implementation of the state water plan pursuant to section 37-60-106.3 (6), C.R.S., through the Colorado water conservation board's application and guidelines process.

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

SECTION 16. In Colorado Revised Statutes, 24-75-228, **add** (2.5)(a.5) as follows:

24-75-228. Economic recovery and relief cash fund - creation - allowable uses - interim task force - report - legislative declaration - definitions - repeal. (2.5) (a.5) NOTWITHSTANDING SUBSECTIONS (2.5)(a)(IV) AND (2.5)(a)(V) OF THIS SECTION, ON OR AFTER JULY 1, 2024, ANY MONEY TRANSFERRED BY THE STATE TREASURER TO THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND, CREATED IN SECTION 37-60-121 (1)(a), PURSUANT TO SUBSECTIONS (2.5)(a)(IV) AND (2.5)(a)(V) OF THIS SECTION MAY BE EXPENDED FOR ANY OF THE PURPOSES SPECIFIED IN SECTION 37-60-121 (13) OR (14).

SECTION 17. In Colorado Revised Statutes, 37-60-121, **add** (15) as follows:

37-60-121. Colorado water conservation board construction fund - creation - nature of fund - funds for investigations - contributions - use for augmenting the general fund - funds created - rules - repeal. (15) NOTWITHSTANDING SUBSECTIONS (13) AND (14) OF THIS SECTION, ON OR AFTER JULY 1, 2024, THE BOARD MAY USE THE MONEY TRANSFERRED PURSUANT TO SECTION 24-75-228 (2.5)(a)(IV) AND (2.5)(a)(V) FOR ANY OF THE PURPOSES SPECIFIED IN SUBSECTION (13) OR (14) OF THIS SECTION.

SECTION 18. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 29, 2024