

## CHAPTER 216

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**HEALTH AND ENVIRONMENT**

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SENATE BILL 03-276

BY SENATOR(S) Reeves, Owen, Teck, and Tapia;  
also REPRESENTATIVE(S) Plant, Witwer, and Young.

**AN ACT**

**CONCERNING CASH FUNDING OF WATER QUALITY PROGRAMS, AND, IN CONNECTION THEREWITH,  
MAKING APPROPRIATIONS.**

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

**SECTION 1.** 25-8-502 (1) (c), Colorado Revised Statutes, is amended, and the said 25-8-502 (1) is further amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

**25-8-502. Application - definitions - fees - water quality control fund - public participation - repeal.** (1) (c) All fees collected pursuant to paragraphs (b) and (b.6) of this subsection (1) shall be transmitted to the state treasurer, who shall credit the same to the water quality control fund, which fund is hereby created. The moneys in such fund that are collected pursuant to paragraph (b) of this subsection (1) shall be appropriated annually to the department of public health and environment by the general assembly, which shall review expenditures of such moneys to assure that they are used only to fund the expenses of the discharge permit system. ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEYS IN THE FUND AND ALL UNENCUMBERED OR UNAPPROPRIATED BALANCES IN THE FUND SHALL REMAIN IN THE FUND, SHALL BE APPROPRIATED ONLY FOR THE EXPENSES OF THE DISCHARGE PERMIT SYSTEM, AND SHALL NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR OR ANY OTHER TIME. It is the intent of the general assembly that a portion of the expenses of the discharge permit system be funded from the general fund, reflecting the benefit derived by the general public; EXCEPT THAT THE GENERAL ASSEMBLY MAY DETERMINE, IN ANY GIVEN FISCAL YEAR, THAT GENERAL FUND REVENUES ARE INADEQUATE TO MEET GENERAL FUND DEMANDS AND THAT, AS A CONSEQUENCE, IT SHALL BE NECESSARY TO FOREGO, SUBJECT TO FUTURE RECONSIDERATION, ALL OR SOME PORTION OF SUCH GENERAL FUND CONTRIBUTION TO THE DISCHARGE PERMIT PROGRAM PURSUANT TO THIS PART 5.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(e) (I) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE FEES ESTABLISHED IN PARAGRAPHS (b), (b.5), AND (b.6) OF THIS SUBSECTION (1), ON AND AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH (e), AS AMENDED, SUCH FEES SHALL BE INCREASED BY SIXTY-SIX AND TWO-TENTHS PERCENT.

(II) THIS PARAGRAPH (e) AND PARAGRAPH (f) OF THIS SUBSECTION (1) ARE REPEALED, EFFECTIVE JULY 1, 2005.

(f) THE DIVISION, IN CONSULTATION WITH THE COMMISSION AND INTERESTED PARTIES, SHALL REEXAMINE THE SYSTEM OF PERMIT FEES ESTABLISHED IN THIS SECTION AND SUBMIT A REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE DECEMBER 1, 2004, THAT IDENTIFIES THE FOLLOWING:

(I) THE TOTAL AMOUNT OF MONEYS RECEIVED UNDER THE FEE SCHEDULE ESTABLISHED IN THIS SECTION AND THE DISPOSITION, WITHIN THE DIVISION, OF SUCH MONEYS;

(II) THE SERVICES PROVIDED BY THE DIVISION IN THE FULFILLMENT OF ITS RESPONSIBILITIES UNDER THIS ARTICLE THAT CANNOT BE DIRECTLY CORRELATED TO THE ACTIVITIES OF PERMITTEES REGULATED UNDER THIS ARTICLE;

(III) ALL BENEFICIARIES OF THE WATER QUALITY PROGRAM ESTABLISHED UNDER THIS ARTICLE;

(IV) SOURCES OF POLLUTION OR POLLUTANTS THAT DO NOT PAY FEES UNDER THIS ARTICLE;

(V) ALTERNATIVE FUNDING OPTIONS FOR DIVISION ACTIVITIES PERFORMED UNDER THIS ARTICLE;

(VI) MORE COST-EFFECTIVE APPROACHES TO ACHIEVING THE WATER QUALITY OBJECTIVES IDENTIFIED IN THIS ARTICLE, CONSIDERING THE ACTIVITIES OF BOTH THE DIVISION AND AFFECTED ENTITIES; AND

(VII) ALL SERVICES AND PROGRAMS PROVIDED BY THE DIVISION THAT ARE NOT REQUIRED BY EITHER STATE OR FEDERAL STATUTE AND THE JUSTIFICATION FOR SUCH ACTIVITIES.

**SECTION 2.** Part 2 of article 1.5 of title 25, Colorado Revised Statutes, as enacted by Senate Bill 03-002, enacted at the First Regular Session of the Sixty-fourth General Assembly, is amended BY THE ADDITION OF A NEW SECTION, to read:

**25-1.5-209. Drinking water fee - cash fund - repeal.** (1) RECOGNIZING THE BENEFIT DERIVED BY THE GENERAL PUBLIC FROM THE IMPLEMENTATION OF THE DRINKING WATER PROGRAM ESTABLISHED IN THIS PART 2, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT A PORTION OF THE EXPENSES ASSOCIATED WITH SUCH PROGRAM BE PROVIDED FROM THE GENERAL FUND. HOWEVER, THE GENERAL ASSEMBLY HEREBY DETERMINES THAT GENERAL FUND REVENUES ARE INADEQUATE TO FUND ALL OR A PORTION OF SUCH PROGRAM REQUIREMENTS AND THEREFORE ESTABLISHES THE FOLLOWING FEE SCHEDULE TO REIMBURSE THE DEPARTMENT FOR

THOSE EXPENSES INCURRED IN THE RENDITION OF SERVICES NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS PART 2:

**FACILITY CATEGORIES AND  
SUBCATEGORIES FOR  
DRINKING WATER FEES** **ANNUAL FEES**

**(a) CATEGORY 01**

**COMMUNITY SURFACE  
WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 100
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 500
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 750
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 1,400
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 3,000
SUBCATEGORY 7	POPULATION FROM 30,001 - 100,000	\$ 8,000
SUBCATEGORY 8	POPULATION FROM 100,001 - 200,000	\$15,000
SUBCATEGORY 9	POPULATION FROM 200,001 - 500,000	\$25,000
SUBCATEGORY 10	POPULATION GREATER THAN 500,000	\$35,000

**(b) CATEGORY 02**

**COMMUNITY GROUND  
WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 100
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 350
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 500
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 1,100
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 2,500
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 7,200

**(c) CATEGORY 03**

**COMMUNITY PURCHASED SURFACE WATER  
OR GROUND WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 250
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 400
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 800
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 1,400
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 4,000

**(d) CATEGORY 04**

**NON-TRANSIENT, NON-COMMUNITY  
SURFACE WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 100
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 450
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 650
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 1,000
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 2,700
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 7,200

**(e) CATEGORY 05****NON-TRANSIENT, NON-COMMUNITY  
GROUND WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 250
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 400
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 800
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 2,200
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 5,900

**(f) CATEGORY 06****NON-TRANSIENT, NON-COMMUNITY  
PURCHASED SURFACE WATER OR  
GROUND WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 200
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 300
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 525
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 1,300
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 3,200

**(g) CATEGORY 07****TRANSIENT, NON-COMMUNITY  
SURFACE WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 400
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 500
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 1,000
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 900
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 6,400

**(h) CATEGORY 08****TRANSIENT, NON-COMMUNITY  
GROUND WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 200
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 300
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 865
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 800
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 4,800

**(i) CATEGORY 09****TRANSIENT, NON-COMMUNITY  
PURCHASED SURFACE WATER OR  
GROUND WATER TREATMENT SYSTEMS**

SUBCATEGORY 1	POPULATION FROM 25 - 250	\$ 75
SUBCATEGORY 2	POPULATION FROM 251 - 500	\$ 150
SUBCATEGORY 3	POPULATION FROM 501 - 1,000	\$ 175
SUBCATEGORY 4	POPULATION FROM 1,001 - 3,300	\$ 200
SUBCATEGORY 5	POPULATION FROM 3,301 - 10,000	\$ 500
SUBCATEGORY 6	POPULATION FROM 10,001 - 30,000	\$ 700
SUBCATEGORY 7	POPULATION GREATER THAN 30,001	\$ 2,400

(2) 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 TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT 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 TO ASSURE THAT THEY ARE USED ONLY FOR SUCH PURPOSES. ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEYS IN THE FUND AND ALL UNAPPROPRIATED OR UNENCUMBERED MONEYS IN THE FUND SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR OR ANY OTHER TIME.

(3) THE DIVISION, IN CONSULTATION WITH THE BOARD OF HEALTH AND INTERESTED PARTIES, SHALL REEXAMINE THE SYSTEM OF FEES ESTABLISHED IN THIS SECTION AND SUBMIT A REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE DECEMBER 1, 2004, THAT IDENTIFIES THE FOLLOWING:

(a) THE TOTAL AMOUNT OF MONEYS RECEIVED UNDER THE FEE SCHEDULE ESTABLISHED IN THIS SECTION AND THE DISPOSITION, WITHIN THE DIVISION, OF SUCH FUNDS;

(b) THE SERVICES PROVIDED BY THE DIVISION RELATIVE TO ITS RESPONSIBILITIES AS ESTABLISHED IN THIS PART 2 THAT CANNOT BE DIRECTLY CORRELATED TO THE ACTIVITIES OF THE PUBLIC WATER SYSTEMS REGULATED BY THIS PART 2;

(c) ALL BENEFICIARIES OF THE DRINKING WATER PROGRAM ESTABLISHED IN THIS PART 2;

(d) SOURCES OF POLLUTION OR POLLUTANTS AFFECTING DRINKING WATER SUPPLIES;

(e) ALTERNATIVE FUNDING OPTIONS FOR DIVISION ACTIVITIES PERFORMED UNDER THIS PART 2; AND

(f) MORE COST-EFFECTIVE APPROACHES TO ACHIEVING THE SAFE DRINKING WATER OBJECTIVES IDENTIFIED IN THIS SECTION AND THE FEDERAL SAFE DRINKING WATER ACT, CONSIDERING THE ACTIVITIES OF BOTH THE DIVISION AND AFFECTED ENTITIES.

(4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2005.

**SECTION 3. Appropriation - adjustments in long bill.** (1) For the implementation of this act, appropriations made in the annual general appropriation act for the department of public health and environment, water quality control division, for the fiscal year beginning July 1, 2003, shall be adjusted as follows:

(a) The appropriation is decreased by one million nine hundred ninety-six thousand four hundred twenty-four dollars (\$1,996,424) and 26.8 FTE. Of said sum, one million nine hundred ninety-six thousand four hundred twenty-four dollars (\$1,996,424) shall be from the general fund.

(b) The appropriation is increased by two million four hundred eight thousand eight hundred sixty-nine dollars (\$2,408,869) cash funds and 26.8 FTE. Of said sum, one million seven hundred fifty-four thousand two hundred fifty-nine dollars (\$1,754,259) shall be from the water quality control fund created in section 25-8-503 (1) (c), Colorado Revised Statutes and six hundred fifty-four thousand six hundred ten dollars (\$654,610) shall be from the drinking water cash fund created in section 25-1-107 (1) (x.7) (II), Colorado Revised Statutes.

**SECTION 4. 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.

Approved: May 1, 2003