



## Water

During the 2022 legislative session, the General Assembly considered several measures related to water, including water project funding, groundwater sustainability, watershed resiliency, turf replacement, and other water related efforts.

### Water Project Funding

Every year, the General Assembly considers a water projects bill that appropriates funds for a variety of Colorado Water Conservation Board (CWCB) projects. [House Bill 22-1316](#) appropriates about \$17 million from the CWCB Construction Fund to CWCB and the Division of Water Resources for specified water-related projects. This was the first year that sports betting tax revenue was directed to the CWCB Fund. In 2019, voters approved Proposition DD, the Legalize Sports Betting with Tax Revenue for Water Projects Measure. The measure allowed for the taxation of sports betting operations and the use of the revenue to fund state water projects. Funding coming from the new sports betting revenue includes:

- \$8.2 million for the purpose of implementing the state water plan;
- \$2 million to support compact compliance in the Republican River Basin; and
- up to \$13.13 million for loans to the town of Breckenridge to rehabilitate the Goose Pasture Tarn dam.

### Groundwater

[Senate Bill 22-028](#), which was recommended by the Water Resources Review Committee, created the Groundwater Compact Compliance and Sustainability Fund and appropriated the \$60 million in federal American Rescue Plan Act (ARPA) revenue to help finance groundwater use reduction efforts in the Rio Grande and Republican river basins.

### Wildfires & Watersheds

The General Assembly also directed \$20 million in ARPA funds for wildfire mitigation and watershed restoration. [House Bill 22-1379](#) appropriates the following:

- \$3 million to support wildfire risk mitigation and watershed resiliency;
- \$2 million for wildfire mitigation and fuel reduction projects; and
- \$15 million for watershed restoration and flood mitigation grants.

Recipients of the funds include the Colorado State Forest Service and the Department of Natural Resources.

### Turf Replacement

In an effort to reduce water use across the state, [House Bill 22-1151](#) requires CWCB to develop a

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turf replacement program to incentivize voluntary replacement of nonessential irrigated turf on residential, commercial, or industrial properties. CWCB must develop the program before July 1, 2023. The bill creates the Turf Replacement Fund and appropriates \$2 million annually and authorizes local governments, nonprofits, and Native American tribes to apply for funds. CWCB may also contract with third parties to turf replacement programs in areas where local programs do not exist.

### Other Water-Related Bills

There are currently 16 irrigation districts in Colorado that operate to raise money for large irrigation and drainage projects and are controlled by local landowners. [House Bill 22-1092](#) allows an irrigation district board to borrow money, which can then be loaned to landowners. The money from the loans may be used to make improvements to private water delivery systems or towards projects that improve water conservation or efficiencies on landowner property or landowner delivery or drainage systems.

The 2021 interim Water Resources Review Committee recommended a bill that was meant to strengthen Colorado's anti-speculation laws. [Senate Bill 22-029](#) would have allowed for the State Engineer to investigate the sale or transfer of agricultural water rights. The bill did not pass through the Senate Agriculture and Natural Resources Committee.

In an effort to protect water rights in Colorado, [Senate Bill 22-126](#) would have given first priority to projects funded from the CWCB Construction Fund that increase or improve undeveloped compact-entitled water storage in the South Platte River basin. The bill was postponed indefinitely by the House Agriculture, Livestock, and Water Committee.