



SB22-028

SHORT TITLE: Groundwater Compact Compliance Fund

LONG TITLE: Concerning the creation of the groundwater compact compliance and sustainability fund

SPONSORS: Senators Simpson and Sonnenberg/Representatives Roberts and Catlin

Purpose of the bill: To incentivize retirement of groundwater wells in the Republican and Rio Grande basins in order to meet compact requirement and to avoid potential basin-wide mandatory reduction in use of groundwater

COMMITTEES: Senate Agriculture & Natural Resources Committee

PROPOSERS OF THE BILL: Water Resources Review Committee

POTENTIAL STAKEHOLDERS: Groundwater users in the Republican and Rio Grande River basins; local economic drivers (implement dealerships, ag processors) in those communities; local producer organizations

BACKGROUND: The retirement of irrigated acreage is the result of compact litigation and a stipulation reached between the States of Colorado, Nebraska, and Kansas. There have been groundwater management districts established and retirement of some acreage in the respective basins, but it is believed that funding incentives will be needed to reach the stipulated reduction in use of groundwater.

Is this bill necessary this year? The state has seven years to retire 27,000 acres in the Rio Grande basin and 22,000 acres in the Republican River basin.

How does the bill change current law? It establishes a fund to support purchase and retirement of irrigated acreage.

Does the bill affect the prior appropriations system? Will the reduction in use of groundwater increase tributary surface water available and what would be the impact?

How is the bill implemented? Each conservation district board together with the CWCB and the State Engineer must develop criteria eligibility for use of the fund. Each board would approve the use and must be approved by the State Engineer before the CWCB can disburse money from the fund. When the stipulated reductions are met, the statute is repealed.

Practical Considerations: The use of taxpayer dollars for purchase and retirement of irrigated acreage involve policy considerations.

Fiscal Impact: Funding may include appropriations or transfers by the General Assembly, federal funds, and gifts, grants, and donations. The Governor’s budget request included \$15 million for this purpose.

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