



SB18-218

SHORT TITLE: Colorado Water Conservation Board Construction Fund Project

LONG TITLE: Concerning the funding of Colorado Water Conservation Board projects, and, in connection therewith, making appropriations

SPONSORS: Sen. Coram/Rep. Arndt

COMMITTEES: Senate Committee – Agriculture, Natural Resources, & Energy

PURPOSE OF THE BILL: To appropriate money from the Colorado Water Conservation Board construction fund to the CWCB or water resources division for various approved projects.

PROPOSERS OF THE BILL: Colorado Water Conservation Board, various water users and project owners

POTENTIAL STAKEHOLDERS: Colorado Water Conservation Board, owners of water projects awaiting funding

BACKGROUND: Revenues for the Construction Fund are from interest earnings, transfers from the Severance Tax Operational and Perpetual Base Funds, and Federal Mineral Lease revenues. Each year the CWCB provides loans and grants for projects that will increase the beneficial consumptive use of Colorado's waters, limiting participation to projects that can repay the CWCB's investment, unless specifically authorized by the legislature, and authorizes the CWCB to approve loans of less than \$10.0 million without legislative approval.

Is this bill necessary this year? Yes, this is an annual bill and the money must be appropriated by the legislature in order for funding to move forward

How does the bill change current law? The bill does not change current law, it merely adds projects to the list which may receive funding during the upcoming fiscal year.

Does the bill affect the prior appropriations system? No

How is the bill implemented? The legislature will debate and vote on the bill, with approved projects receiving funding when such funding is available. As introduced, the following amounts are appropriated:

- Continuation of the satellite monitoring system maintenance, \$380,000 (**section 1** of the bill);
- Continuation of the Colorado floodplain map modernization program, \$100,000 (**section 2**);
- Continuation of the Arkansas river decision support system, \$500,000 (**section 3**);
- Continuation of the weather modification program, \$175,000 (**section 4**);
- Continuation of the Colorado Mesonet, \$150,000 (**section 5**);
- Continuation of the water forecasting partnership project, \$800,000 (**section 6**);
- Acquisition of lidar data, \$200,000 (**section 7**);
- Continuation of technical assistance for federal irrigation improvement cost-sharing program, \$200,000 (**section 8**);
- Continuation of the Chatfield Reservoir channel improvements program, \$200,000 (**section 9**);

- South Platte river basin groundwater level data collection, analysis, and remediation, \$500,000 (**section 10**);
- Central Colorado water conservancy district - Chatfield reservoir reallocation project, \$511,894.20 (**section 11**); and
- Continuation of the watershed restoration program, \$2,000,000 (**section 12**).

Section 13 directs the state treasurer to transfer \$30,000,000 from the loan guarantee fund to the severance tax perpetual base fund on June 30, 2018. **Section 14** authorizes the CWCB to loan up to \$17,170,000 from the severance tax perpetual base fund to the Pueblo conservancy district to repair the levees within the City of Pueblo to bring the levees up to federal emergency management agency standards. **Section 15** transfers \$4 million on June 30, 2018, from the severance tax perpetual base fund to the fund for the Chatfield reservoir reallocation project; **section 16** appropriates this money to the board for this purpose. **Section 17** increases loan authorizations from the severance tax perpetual base fund for the Chatfield reservoir reallocation project in the following amounts:

- Centennial water and sanitation district, an increase of \$9,046,267 for a total of \$53,486,267;
- Central Colorado water conservancy district, an increase of \$1,548,229 for a total of \$29,999,929; and
- Castle Pines north metro district, an increase of \$1,319,464 for a total of \$7,773,364.

Section 18 appropriates \$8,000,000 to the department of natural resources from the fund for Republican river matters.

The state treasurer will make the following transfers from the fund: Up to \$500,000 on July 1, 2018, to the flood and drought response fund (**section 19**);

- Up to \$2,000,000 on July 1, 2018, to the litigation fund (**section 20**);
- \$500,000 on July 1, 2018, to the feasibility study small grant fund (**section 21**); and
- \$2,000,000 on June 30, 2018, to the water supply reserve fund (**section 22**).

Section 23 appropriates \$7,000,000 from the fund to the CWCB for continuing implementation of the Colorado water plan as follows:

- Up to \$3,000,000 to facilitate the development of additional storage, artificial recharge into aquifers, and dredging existing reservoirs;
- Up to \$1,000,000 for agricultural projects;
- Up to \$1,000,000 for grant funding to implement long-term strategies for conservation, land use, and drought planning;
- Up to \$500,000 for grants for water education, outreach, and innovation efforts; and
- Up to \$1,500,000 for environmental and recreational projects.

Current law:

- Prohibits the CWCB from using the fund for 'domestic water treatment and distribution systems'; **section 24** harmonizes this with other laws by excluding 'water treatment facilities';
- Continuously appropriates money in the emergency dam repair cash fund to the CWCB and authorizes the CWCB to transfer up to \$50,000 from the fund to the emergency dam repair cash

fund; **section 25** adds the division of water resources to the continuous appropriation and increases the transfer cap to \$500,000;

- Repeals the natural hazard mapping fund on July 1, 2018; **section 26** extends this to July 1, 2019; and
- Authorizes taxpayers to contribute money to the Colorado healthy rivers fund, the department of revenue to deduct its administrative costs from that fund, and the annual transfer of the remaining balance to the fund; **section 27** specifies that the transferred money is continuously appropriated to the CWCB.

Practical considerations: The bill assumes adequate money is received into the construction fund

Fiscal Impact: Money is moved among various funds. Total impact difficult to discern.

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