

Water Resources Review Committee

Members of the Committee

Representative Jerry Sonnenberg, Chair
Senator Gail Schwartz, Vice-Chair

Senator Greg Brophy
Senator Angela Giron
Senator Mary Hodge
Senator Ellen Roberts

Representative Randy Baumgardner
Representative Keith Swerdfeger
Representative Ed Vigil
Representative Roger Wilson

Legislative Council Staff

David Beaujon, Senior Analyst
Raegan Robb, Senior Researcher
Alex Schatz, Fiscal Analyst

Office of Legislative Legal Services

Tom Morris, Senior Staff Attorney
Jennifer Berman, Staff Attorney

October 2012

Water Resources Review Committee Report to Legislative Council

Committee Charge

The Water Resources Review Committee was created to contribute to and monitor the conservation, use, development, and financing of Colorado's water resources for the general welfare of the state (Section 37-98-102, C.R.S.). The committee is authorized to review and propose legislation in furtherance of its purposes. In conducting its review, the committee is required to consult with experts in the field of water conservation, quality, use, finance, and development. The committee was authorized to meet six times in 2012, including two times outside of the interim period, and to take two field trips in connection with its mandate.

Committee Activities

The committee met five times and took one tour during the 2012 interim. During the 2012 interim, the committee met with a broad range of water users and government officials, including local water providers, state water rights administrators, water quality regulators, state water planners, water project developers, and concerned citizens. The committee received briefings on major water issues affecting the state including planning for future water needs, funding needs for state water agencies and water projects, regulation of ground water use, implementation of new water laws, and other issues, and recommended a number of proposals.

Committee tours. In June, the committee toured for two days in the southern metropolitan area and visited ground water storage and distribution facilities, irrigation projects, wastewater treatment facilities, a proposed subdivision, and other sites. This tour was organized by the Colorado Foundation for Water Education. In August, the committee attended the Colorado Water Congress summer convention in Steamboat Springs, where it held a public meeting to discuss a variety of topics including the regulation of South Platte River water diversions, a proposed water diversion project from the Green River in Wyoming to Colorado front range communities, the Division of Water Resources' budget challenges, and alternatives to protect senior water users in the San Luis Valley from ground water well pumping. The committee also attended presentations about water and energy development, water infrastructure financing, ongoing water supply studies, and other water management issues.

Regulation of water use in designated basins. There are few rivers in eastern Colorado, but there are large ground water resources that are important to agriculture and eastern municipalities. This ground water is largely nonrenewable and isolated from surface streams. Wells are the primary source of water used in this area. To administer these wells, the law allows the formation of designated ground water basins that are regulated according to a modified doctrine of prior appropriation. Ground water basins are designated by the 12-member Ground Water Commission. The committee heard testimony from representatives of the towns of Bennett and Strasburg that are located in a designated basin and are unable to obtain final permits for their wells. For most water wells in designated basins, the state engineer issues a conditional permit and then issues a final permit after the water has been put to beneficial use. But under current law, the requirement for a final permit does not apply to wells permitted on or after July 1, 1991, that

withdraw designated ground water from the Denver basin aquifers. Bill A deletes the requirement for a final permit for all wells withdrawing designated ground water from the Denver basin aquifers.

The amount of water that can be changed to a new type or place of use is limited by the amount of water that was historically consumed by the original type and place of use. Consequently, conserving water may risk devaluation of a water right. Current law encourages the conservation of water in some situations by eliminating from the determination of abandonment the period during which water is conserved under a variety of formal programs. Bill B directs the Ground Water Commission to disregard the decrease in use of water from such programs in its determinations of historical consumptive use, and adds to the list a decrease in water use to provide for compact compliance.

Once a basin has been designated, electors in the basin may create ground water management districts. Each district is empowered to regulate the use, control, and conservation of ground waters within the district. Thirteen ground water management districts have been created within six of Colorado's designated basins. The committee heard testimony from the state engineer and a ground water management district that current law does not allow ground water management districts to enforce their rules and regulations for all types of wells. The committee considered, but did not recommend, a bill that would have authorized a district to enforce permits for all wells located within the district.

Regulation of water use on federal lands. Most ski areas in Colorado are located in national forests, and are subject to special use permits issued by the United States Forest Service. Pursuant to federal law, waters arising on federal lands in the western United States are available for appropriation and use by the public according to the law of the state in which the federal lands are located. Most ski areas in Colorado have appropriated water rights to facilitate ski area operations, including snow making. The source of these water rights includes federal lands and nonfederal lands. The Forest Service has recently changed the terms of its special use permits for ski areas by issuing Interim Directive 2709.11-2012-2 (the 2012 directive) that prohibits ski area operators from transferring certain water rights associated with the ski area to any third parties and requires that, if the special use permits are terminated, the ski area operators must transfer certain water rights associated with the ski area to the United States or succeeding special use permit holders without any further compensation. The committee heard testimony from members of the ski area industry about the potential impact of the 2012 directive on Colorado ski areas. It also heard from members of the livestock and agriculture industry about similar actions by the U.S. Forest Service in other states where water rights are demanded in exchange for federal permits. The committee recommends Resolution A that encourages the U.S. Forest Service to rescind its 2012 directive as applied to ski areas, concerning the transfer of water rights owned by a ski area to third parties, and other policies in which water rights are demanded in exchange for federal permits. The committee also recommends Bill C which specifies that a landowner cannot demand as a condition of granting a right-of-way or special use permit, and a court cannot order as a condition of an eminent domain proceeding, that a water right or conditional water right owner assign to the landowner partial or joint ownership of the water right or limit the alienability of the water right.

Historical records for locations of water diversions structures and irrigated acres. A number of water rights in Colorado are affected by an erroneous location description for the point of diversion. Of these existing erroneous descriptions, many are the result of a clerical error, changes in landmarks or survey methods, and minor inaccuracies. Under current law, if the owner of a water right uses a point of diversion other than that described in the adjudicated decree, the owner must apply to the water court for a change of water right. Bill D creates an expedited process to modify the decreed location of a point of diversion that is erroneously located. An

erroneous point of diversion is established where a diversion has been located in the same location since the original decree, the location does not match the decreed location, and the owner of the water right has been making diversions with the intent of following the decree. Once proven by an applicant, a correction in the decreed point of diversion to reflect existing conditions is subject to a rebuttable presumption that it will not cause injury to other water rights.

Since 1937, all irrigation water rights in Colorado included in their decree a specific maximum amount of acreage to which the water right could be applied. State law governing water rights requires agricultural users to designate acreage to be irrigated by a given water right, but statute does not currently provide a mechanism for determining the amount of acreage available to pre-1937 water rights that lack a decreed amount. In some cases, the courts have interpreted pre-1937 water rights to provide for less irrigated acreage than the amount historically irrigated by that water right. The committee recommends Bill E which establishes a mechanism to determine the amount of irrigated acreage available to a pre-1937 water right. Under the bill, the maximum amount of acreage irrigated during the first 50 years following the original decree is the amount of acreage available to a water right where such acreage has not already been determined in an adjudication.

Water quality and water reuse. The committee considered several issues affecting water quality in the state, including the regulation of water treatment facilities, proposed changes to the arsenic standard, and the regulation of stormwater discharges from construction and mining sites. Water pollution discharges are regulated by the Water Quality Control Division in the Colorado Department of Public Health and Environment (CDPHE). The committee heard testimony from representatives of the concrete and mining industry about recent revisions to the general permit under which CDPHE regulates and permits stormwater discharges by a broad category of industrial dischargers. According to this testimony, changes to the general permit implemented by the CDPHE have increased paperwork and monitoring costs and are not justified by evidence of compliance problems amongst permittees. The department's permit revision process cannot be challenged under the current State Administrative Procedure Act, as revisions at the renewal of a general permit do not constitute rule making or action on a current license. To address this issue, the committee recommends Bill F which provides recourse under the State Administrative Procedure Act for stormwater dischargers subject to new or amended general permit requirements. Under this bill, any new or amended permit requirements are subject to rule-making procedures, including formal hearings, the creation of a record of the basis and purpose for new or amended requirements, and cost-benefit analyses.

Water conservation and water reuse. The committee discussed the experience of water users, particularly agricultural users, whose water rights may be curtailed by practicing conservation measures. Under current law, reduction in the application of water to a beneficial use results in a reduction of the calculated consumptive use. Changes in irrigation technology, for example, have improved the efficiency of cropland applications, but the irrigator often lacks incentives to conserve water. The committee considered, but did not recommend, a bill to provide protection and incentives for water users to participate in conservation programs. Specifically, in the determination of historical consumptive use, the bill would have prohibited a water court from deducting quantities of water foregone by virtue of enrollment in state and federal conservation programs, for water banking, or for the use of the Colorado Water Conservation Board. It would also have created a program in the Office of the State Engineer to administer water conserved by a variety of means.

Most water in Colorado may only be used once. Any water that is not consumed by the beneficial use must be allowed to return to the stream system for use by other water rights. The committee considered, but did not recommend, legislation that would have required the CDPHE to adopt a regulation establishing reuse standards for certain wastewater, called "graywater," that is collected within a residential, commercial, or industrial building. It also would have specified that if the graywater is applied only to uses that are allowed by the water sources' well permits and water rights, the use of the graywater is deemed to be consistent with the well permits and water rights and deemed to not cause injury to other water users.

Funding for water projects and state water agencies. The committee discussed the various transfers that have been made from accounts in the Severance Tax Trust Fund into the General Fund from sources that otherwise would have been available for water infrastructure projects, including transfers from the Perpetual Base Account of the Severance Tax Trust Fund, the Colorado Water Conservation Board Construction Fund, the Operational Account of the Severance Tax Trust Fund, the Local Government Severance Tax Fund, and the Local Government Mineral Impact Fund. The committee discussed the need for funding for water storage and infrastructure projects in order to accommodate Colorado's population, which is projected to nearly double by 2050. The committee recommends Resolution B, which urges the Colorado General Assembly to remain cognizant of the important role that water infrastructure plays in Colorado's economic and social well being when prioritizing its expenditures.

Other issues considered by the committee. The committee heard testimony from public water supply entities concerning proposed water supply projects, including the Southern Delivery System that will provide water to Colorado Springs and the Northern Integrated Supply project that will supply communities in northeastern Colorado. During the course of its interim schedule, the committee was also briefed on other topics concerning the regulation of water use. These additional topics included rising ground water in the lower South Platte Basin and the development of a cooperative agreement between Denver Water and western slope communities concerning future water diversions from the Colorado River Basin to communities served by the water utility.

Committee Recommendations

As a result of committee discussion, the committee recommends six bills and two resolutions for consideration in the 2013 legislative session.

Bill A — Final Well Permit Requirements for Denver Basin Designated Basin Wells. Bill A deletes the requirement for a final permit for all wells withdrawing designated ground water from the Denver Basin aquifers.

Bill B — Promote Water Conservation in Designated Basins. Bill B directs the Ground Water Commission to disregard the decrease in use of water from water conservation programs in its determinations of historical consumptive use.

Bill C — Protect Water Rights Ownership Rights. Bill C prohibits a landowner from demanding as a condition of granting a right-of-way or special use permit that a water right or conditional water right owner assign to the landowner partial or joint ownership of the water right or limit the alienability of the water right. Also, a court may not order as a condition of an eminent domain proceeding that a water right or conditional water right owner assign to the landowner partial or joint ownership of the water right or limit the alienability of the water right. The bill states that any such condition is void and unenforceable as against public policy.

Bill D — Erroneously Located Water Diversion Points. Bill D provides a process for a holder of a decreed water right with an erroneously located point of diversion to apply for a correction in the point of diversion if the point of diversion meets the definition of an "established erroneous point of diversion" as set forth in the bill.

Bill E — Resolution of Ambiguities in Old Water Right Decrees Regarding the Place of Use of Irrigation Water. Bill E creates a mechanism to determine the amount of acreage for an irrigation water right for which the original decree predates 1937 and does not specify the amount of acreage that may be irrigated.

Bill F — Require Rule-making for Changes to General Permits. Bill F requires the Water Quality Control Division to comply with the rule-making procedures set forth in the State Administrative Procedure Act when the division proposes new or amended permit requirements with respect to general permits related to water quality control.

Resolution A — Oppose Forest Service Water Permit Requirements. Resolution A encourages the U.S. Forest Service to rescind its 2012 directive to ski areas concerning the transfer of water rights owned by a ski area to third parties and other policies in which water rights are demanded in exchange for federal permits.

Resolution B — Use Severance Tax Water Infrastructure. Resolution B urges the General Assembly to avoid future diversions of water infrastructure revenues for budget balancing purposes and to remain cognizant of the important role that water infrastructure plays in Colorado's economic and social well being when prioritizing its expenditures.

Bill A

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL A

Temporary storage location: C:\Temp\13-0103_wpd.tmp

LLS NO. 13-0103.01 Thomas Morris x4218

SENATE BILL

SENATE SPONSORSHIP

Hodge, Brophy, Giron, Roberts, Schwartz

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Fischer, Swerdfeger, Wilson

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE DELETION OF THE REQUIREMENT FOR A FINAL**
102 **PERMIT FOR ALL WELLS WITHDRAWING DESIGNATED GROUND**
103 **WATER FROM THE DENVER BASIN AQUIFERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Water Resources Review Committee. For most water wells in designated basins, the state engineer issues a conditional permit and then issues a final permit after the water has been put to beneficial use. But under current law, the requirement for a final permit does not apply to

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

wells permitted on or after July 1, 1991, that withdraw designated ground water from the Denver basin aquifers. The bill deletes the requirement for a final permit for all wells withdrawing designated ground water from the Denver basin aquifers.

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

2 **SECTION 1.** In Colorado Revised Statutes, 37-90-108, **amend**
3 (2) (a), (2) (d), and (3) (a) as follows:

4 **37-90-108. Final permit - evidence of well construction and**
5 **beneficial use - limitations.** (2) (a) If the well or wells described in a
6 conditional permit have been constructed in compliance with subsection
7 (1) of this section, the applicant, within three years after the date of the
8 issuance of said permit, shall furnish by sworn affidavit, in the form
9 prescribed by the commission, evidence that water from such well or
10 wells has been put to beneficial use; except that ~~the requirements of this~~
11 paragraph (a) ~~shall~~ DOES not apply to a well described in a conditional
12 permit ~~issued on or after July 1, 1991,~~ to withdraw designated ground
13 water from the Dawson, Denver, Arapahoe, or Laramie-Fox Hills
14 aquifers.

15 (d) If the well described in a conditional permit issued ~~on or after~~
16 ~~July 1, 1991,~~ to withdraw designated ground water from the Dawson,
17 Denver, Arapahoe, or Laramie-Fox Hills aquifers has been constructed
18 in compliance with subsection (1) of this section, the applicant shall file
19 a notice with the commission of commencement of beneficial use on a
20 form prescribed by the commission within thirty days after the first
21 beneficial use of any water withdrawn from ~~such~~ THE well.

22 (3) (a) (I) To the extent that the commission finds that water has
23 been put to a beneficial use and that the other terms of the conditional

1 permit have been complied with and after publication of the information
2 required in the final permit, as provided in section 37-90-112, the
3 commission shall order the state engineer to issue a final permit to use
4 designated ground water, containing such limitations and conditions as
5 the commission deems necessary to prevent waste and to protect the
6 rights of other appropriators. In determining the extent of beneficial use
7 for the purpose of issuing final permits, the commission may use the same
8 criteria for determining the amount of water used on each acre that has
9 been irrigated that is used in evaluating the amount of water available for
10 appropriation under section 37-90-107. ~~The provisions of This~~
11 ~~subparagraph (I) shall~~ DOES not apply to a well described in a conditional
12 permit issued ~~on or after July 1, 1991~~, to withdraw designated ground
13 water from the Dawson, Denver, Arapahoe, or Laramie-Fox Hills
14 aquifers.

15 (II) A final permit is not required to be issued for a well described
16 in a conditional permit issued ~~on or after July 1, 1991~~, to withdraw
17 designated ground water from the Dawson, Denver, Arapahoe, or
18 Laramie-Fox Hills aquifers. For such a well, a conditional permit, subject
19 to the conditions of issuance of such a permit, shall be considered a final
20 determination of a well's water right if the well is in compliance with all
21 other applicable requirements of this article.

22 **SECTION 2. Act subject to petition - effective date -**
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
24 the expiration of the ninety-day period after final adjournment of the
25 general assembly (August 7, 2013, if adjournment sine die is on May 8,
26 2013); except that, if a referendum petition is filed pursuant to section 1
27 (3) of article V of the state constitution against this act or an item, section,

1 or part of this act within such period, then the act, item, section, or part
2 will not take effect unless approved by the people at the general election
3 to be held in November 2014 and, in such case, will take effect on the
4 date of the official declaration of the vote thereon by the governor.

5 (2) The provisions of this act apply to permits issued for
6 designated ground water from the Dawson, Denver, Arapahoe, or
7 Laramie-Fox Hills aquifers before, on, or after the applicable effective
8 date of this act.

Bill B

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL B

Temporary storage location: C:\Temp\13-0112_wpd.tmp

LLS NO. 13-0112.01 Thomas Morris x4218

SENATE BILL

SENATE SPONSORSHIP

Brophy, Giron, Hodge, Roberts

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Fischer, Swerdfeger, Wilson

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING SAFEGUARDS TO PREVENT THE MODIFICATION OF A**
102 **FINAL DESIGNATED GROUND WATER PERMIT BASED ON**
103 **REDUCTIONS IN THE USE OF DESIGNATED GROUND WATER.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Water Resources Review Committee. The bill specifies that once the state engineer issues a final permit for the withdrawal of designated ground water, a reduction in the amount of water used pursuant to the permit due to the conservation of water is not grounds to reduce the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

maximum annual volume of the appropriation, the maximum pumping rate, or the maximum number of acres that have been irrigated.

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

2 **SECTION 1.** In Colorado Revised Statutes, 37-90-108, **amend**
3 (5) as follows:

4 **37-90-108. Final permit - evidence of well construction and**
5 **beneficial use - limitations.** (5) (a) All final permits ~~shall~~ **MUST** set forth
6 the following information as a minimum:

- 7 (a) (I) The priority date;
- 8 (b) (II) The name of the claimant;
- 9 (c) (III) The quarter-quarter in which the well is located;
- 10 (d) (IV) The maximum annual volume of the appropriation in
11 acre-feet per year;
- 12 (e) (V) The maximum pumping rate in gallons per minute; and
- 13 (f) (VI) The maximum number of acres ~~which~~ **THAT** have been
14 irrigated, if used for irrigation.

15 (b) **NOTWITHSTANDING ANY RULE OF LAW TO THE CONTRARY,**
16 **ONCE THE STATE ENGINEER ISSUES A FINAL PERMIT FOR THE WITHDRAWAL**
17 **OF DESIGNATED GROUND WATER PURSUANT TO THIS SECTION, A**
18 **REDUCTION IN THE AMOUNT OF WATER USED PURSUANT TO THE PERMIT**
19 **DUE TO THE CONSERVATION OF WATER IS NOT GROUNDS TO REDUCE:**

- 20 (I) **THE MAXIMUM ANNUAL VOLUME OF THE APPROPRIATION IN**
21 **ACRE-FEET PER YEAR;**
- 22 (II) **THE MAXIMUM PUMPING RATE IN GALLONS PER MINUTE; OR**
- 23 (III) **THE MAXIMUM NUMBER OF ACRES THAT HAVE BEEN**
24 **IRRIGATED, IF USED FOR IRRIGATION.**

25 **SECTION 2. Act subject to petition - effective date -**

1 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
2 the expiration of the ninety-day period after final adjournment of the
3 general assembly (August 7, 2013, if adjournment sine die is on May 8,
4 2013); except that, if a referendum petition is filed pursuant to section 1
5 (3) of article V of the state constitution against this act or an item, section,
6 or part of this act within such period, then the act, item, section, or part
7 will not take effect unless approved by the people at the general election
8 to be held in November 2014 and, in such case, will take effect on the
9 date of the official declaration of the vote thereon by the governor.

10 (2) The provisions of this act apply to determinations of water
11 volume, water rate, and acreage occurring on or after the applicable
12 effective date of this act.

Bill C

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL C

Temporary storage location: C:\Temp\13-0111_wpd.tmp

LLS NO. 13-0111.01 Thomas Morris x4218

HOUSE BILL

HOUSE SPONSORSHIP

Sonnenberg and Baumgardner, Swerdfeger, Wilson

SENATE SPONSORSHIP

(None), Brophy, Giron, Hodge, Roberts

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING LIMITATIONS ON A LANDOWNER'S ABILITY TO IMPOSE**
102 **CONDITIONS ON A WATER RIGHT OWNER AS A CONDITION OF**
103 **PERMISSION TO USE LAND.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Water Resources Review Committee. The bill specifies, in the contexts of rights-of-way for water rights and the basic tenets of Colorado water law, that:

- A landowner cannot demand as a condition of granting a

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

right-of-way or special use permit, and a court cannot order as a condition of an eminent domain proceeding, that a water right or conditional water right owner assign to the landowner partial or joint ownership of the water right or limit the alienability of the water right; and

- Any such condition is void and unenforceable as against public policy.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 37-86-102 as
3 follows:

4 **37-86-102. Right-of-way through other lands.** (1) Any person
5 owning a water right or conditional water right ~~shall be~~ IS entitled to a
6 right-of-way through the lands ~~which~~ THAT lie between the point of
7 diversion and point of use or proposed use for the purpose of transporting
8 water for beneficial use in accordance with ~~said~~ THE water right or
9 conditional water right.

10 (2) A LANDOWNER SHALL NOT DEMAND AS A CONDITION OF
11 GRANTING A RIGHT-OF-WAY OR SPECIAL USE PERMIT, AND A COURT SHALL
12 NOT ORDER AS A CONDITION OF AN EMINENT DOMAIN PROCEEDING
13 AUTHORIZED PURSUANT TO SECTION 37-86-104 (1), THAT THE OWNER OF
14 A WATER RIGHT OR CONDITIONAL WATER RIGHT ASSIGN TO THE
15 LANDOWNER PARTIAL OR JOINT OWNERSHIP OF THE WATER RIGHT OR LIMIT
16 THE ALIENABILITY OF THE WATER RIGHT. ANY SUCH CONDITION IS VOID
17 AND UNENFORCEABLE AS AGAINST PUBLIC POLICY.

18 **SECTION 2.** In Colorado Revised Statutes, 37-92-102, **add** (7)
19 as follows:

20 **37-92-102. Legislative declaration - basic tenets of Colorado**
21 **water law.** (7) A LANDOWNER SHALL NOT DEMAND AS A CONDITION OF
22 GRANTING A RIGHT-OF-WAY OR SPECIAL USE PERMIT, AND A COURT SHALL

1 NOT ORDER AS A CONDITION OF AN EMINENT DOMAIN PROCEEDING
2 AUTHORIZED PURSUANT TO SECTION 37-86-104 (1), THAT THE OWNER OF
3 A WATER RIGHT OR CONDITIONAL WATER RIGHT ASSIGN TO THE
4 LANDOWNER PARTIAL OR JOINT OWNERSHIP OF THE WATER RIGHT OR LIMIT
5 THE ALIENABILITY OF THE WATER RIGHT. ANY SUCH CONDITION IS VOID
6 AND UNENFORCEABLE AS AGAINST PUBLIC POLICY.

7 **SECTION 3. Act subject to petition - effective date -**
8 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
9 the expiration of the ninety-day period after final adjournment of the
10 general assembly (August 7, 2013, if adjournment sine die is on May 8,
11 2013); except that, if a referendum petition is filed pursuant to section 1
12 (3) of article V of the state constitution against this act or an item, section,
13 or part of this act within such period, then the act, item, section, or part
14 will not take effect unless approved by the people at the general election
15 to be held in November 2014 and, in such case, will take effect on the
16 date of the official declaration of the vote thereon by the governor.

17 (2) The provisions of this act apply to acts occurring on or after
18 the applicable effective date of this act.

Bill D

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL D

*Temporary storage location: S:\PUBLIC\LLS\2013A\Bills\Interim\Water Resources Review
Committee\13-0104.01.wpd*

LLS NO. 13-0104.01 Jennifer Berman x3286

SENATE BILL

SENATE SPONSORSHIP

Giron, Brophy, Hodge, Roberts, Schwartz

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Fischer, Swerdfeger, Wilson

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING POINTS OF DIVERSION THAT ARE NOT LOCATED AT THE**
102 **PHYSICAL LOCATION SPECIFIED IN THE DECREES FOR DIVERTED**
103 **WATER RIGHTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Water Resources Review Committee. For a variety of reasons, some points of diversion are erroneously placed at a location that is different from the decreed location established by a water court. The

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

reasons for these erroneous locations include advances in surveying technology and standards, typographical errors in a water rights decree, references in a decree to landmarks that do not exist any more or have changed, and floods and other natural events affecting the diversion structure. The bill provides a process for a holder of a decreed water right with an erroneously located point of diversion to apply for a correction in the point of diversion if the point of diversion meets the definition of an "established erroneous point of diversion", as set forth in the bill.

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

2 **SECTION 1. Legislative declaration.** It is the purpose of this act
3 to allow the owners and users of water rights to reconcile the actual
4 location of diversion structures with the described locations in the
5 original decrees confirming the water rights when the water rights have
6 continuously diverted at the same location with the intent to divert
7 pursuant to the decreed location. If the erroneous location description in
8 the decrees is due to a clerical error, a difference in locating methods
9 from the time the decrees were established, or a minor inaccuracy, this act
10 will allow the owners and users of the water rights to correct the location
11 description in the decrees without the need to file an application for a
12 change of water right.

13 **SECTION 2.** In Colorado Revised Statutes, 37-92-305, **add** (3.6)
14 as follows:

15 **37-92-305. Standards with respect to rulings of the referee and**
16 **decisions of the water judge. (3.6) Correction to an established**
17 **erroneous point of diversion - definitions. (a) AS USED IN THIS**
18 **SUBSECTION (3.6):**

19 (I) "DIVERTER" MEANS THE OWNER OR USER OF A DECREED WATER
20 RIGHT.

21 (II) "ESTABLISHED ERRONEOUS POINT OF DIVERSION" MEANS A

1 POINT OF DIVERSION OF EITHER SURFACE WATER OR GROUNDWATER:

2 (A) THAT HAS BEEN AT THE SAME PHYSICAL LOCATION SINCE THE
3 APPLICABLE ORIGINAL DECREE OR DECREES CONFIRMED THE WATER RIGHT,
4 UNLESS IT WAS RELOCATED PURSUANT TO SECTION 37-86-111 OR, IN THE
5 CASE OF A WELL, RELOCATED ACCORDING TO A VALID WELL PERMIT;

6 (B) THAT IS NOT LOCATED AT THE LOCATION SPECIFIED IN THE
7 APPLICABLE DECREE OR DECREES CONFIRMING THE WATER RIGHT; AND

8 (C) FROM WHICH THE DIVERTER HAS DIVERTED WATER WITH THE
9 INTENT TO DIVERT PURSUANT TO THE DECREE OR DECREES CONFIRMING
10 THE WATER RIGHT.

11 (b) (I) TO PROCEED WITH A CORRECTION IN POINT OF DIVERSION
12 UNDER THIS SUBSECTION (3.6), A DIVERTER HAS THE BURDEN TO PROVE BY
13 A PREPONDERANCE OF THE EVIDENCE THAT A POINT OF DIVERSION IS AN
14 ESTABLISHED ERRONEOUS POINT OF DIVERSION.

15 (II) EXCEPT AS SPECIFICALLY MODIFIED BY THIS SUBSECTION (3.6),
16 AN APPLICATION FOR A CORRECTION IN POINT OF DIVERSION IS SUBJECT TO
17 ALL PROVISIONS OF THIS ARTICLE, INCLUDING SECTIONS 37-92-302 TO
18 37-92-305.

19 (III) THE PROCEDURES IN THIS SUBSECTION (3.6) APPLY ONLY TO
20 A CORRECTION IN POINT OF DIVERSION AND DO NOT ALTER THE
21 PROCEDURES OR LEGAL STANDARDS APPLICABLE TO A CHANGE OF WATER
22 RIGHT.

23 (IV) A DIVERTER MAY APPLY FOR A CORRECTION IN POINT OF
24 DIVERSION ONLY:

25 (A) FOR A POINT OF DIVERSION THAT IS ALREADY IN PLACE; AND

26 (B) IF ONE OR MORE WATER RIGHTS ARE DIVERTED AT THE
27 CORRECTED POINT OF DIVERSION.

1 (V) THE APPLICATION MUST NOT INCLUDE OR BE CONSOLIDATED
2 OR JOINED WITH AN ACTION BY THE APPLICANT SEEKING ANY TYPE OF
3 CHANGE OF WATER RIGHT OR DILIGENCE PROCEEDING OR APPLICATION TO
4 MAKE ABSOLUTE WITH RESPECT TO THE WATER RIGHT OR RIGHTS
5 INCLUDED IN THE APPLICATION.

6 (c) IF AN APPLICANT PROVES THE MATTERS IN PARAGRAPH (a) OF
7 THIS SUBSECTION (3.6) BY A PREPONDERANCE OF THE EVIDENCE, THEN
8 THERE IS A REBUTTABLE PRESUMPTION THAT A CORRECTION IN POINT OF
9 DIVERSION:

10 (I) WILL NOT CAUSE AN ENLARGEMENT OF THE HISTORICAL USE
11 ASSOCIATED WITH A WATER RIGHT DIVERTED AT THE POINT OF DIVERSION;
12 AND

13 (II) DOES NOT INJURIOUSLY AFFECT THE OWNER OF OR PERSONS
14 ENTITLED TO USE WATER UNDER A VESTED WATER RIGHT OR A DECREED
15 CONDITIONAL WATER RIGHT.

16 (d) IF THE APPLICANT DOES NOT PROVE THE MATTERS IN
17 PARAGRAPH (a) OF THIS SUBSECTION (3.6) OR IF THE PRESUMPTIONS IN
18 PARAGRAPH (c) OF THIS SUBSECTION (3.6) ARE SUCCESSFULLY REBUTTED,
19 THE REFEREE OR WATER JUDGE SHALL DISMISS THE APPLICATION WITHOUT
20 PREJUDICE TO THE APPLICANT'S FILING AN APPLICATION FOR A CHANGE OF
21 WATER RIGHT.

22 (e) THE FOLLOWING STANDARDS APPLY TO A CORRECTION IN POINT
23 OF DIVERSION:

24 (I) THE DECREE MUST NOT REQUANTIFY THE WATER RIGHTS FOR
25 WHICH THE POINT OF DIVERSION IS BEING CORRECTED; AND

26 (II) THE APPLICANT, IN PROSECUTING THE CORRECTION IN POINT
27 OF DIVERSION, IS NOT REQUIRED TO:

1 (A) PROVE THAT THE WATER DIVERTED AT THE CORRECTED POINT
2 OF DIVERSION CAN AND WILL BE DIVERTED AND PUT TO USE WITHIN A
3 REASONABLE PERIOD OF TIME;

4 (B) PROVE COMPLIANCE WITH THE ANTI-SPECULATION DOCTRINE;
5 OR

6 (C) PROVIDE OR MAKE A SHOWING OF FUTURE NEED IMPOSED BY
7 THE CASES OF *PAGOSA AREA WATER AND SANITATION DISTRICT V. TROUT*
8 *UNLIMITED*, 219 P.3d 774 (COLO. 2009) OR *CITY OF THORNTON V. BIJOU*
9 *IRRIGATION CO.*, 926 P.2d 1 (COLO. 1996).

10 **SECTION 3. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2014 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.

Bill E

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL E

*Temporary storage location: S:\PUBLIC\LLS\2013A\Bills\Interim\Water Resources Review
Committee\13-0109.wpd*

LLS NO. 13-0109.01 Jennifer Berman x3286

SENATE BILL

SENATE SPONSORSHIP

Hodge, Brophy, Giron, Roberts

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Fischer, Swerdfeger, Wilson

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE RESOLUTION OF AMBIGUITIES IN OLD WATER RIGHT**
102 **DECREES REGARDING THE PLACE OF USE OF IRRIGATION WATER.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Water Resources Review Committee. Current law requires irrigation water right decrees to specify the acreage on which the water may be used, but some older decrees do not include an acreage limitation. For such decrees, water courts look to the original appropriator's intent in

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

determining the lawful historical consumptive use of a decreed irrigation water right; however, it is often very difficult to determine the original appropriator's intent, which has resulted in cases that substantially decrease the acreage that has historically been irrigated by a water right.

The bill creates a mechanism to determine the amount of acreage for an irrigation water right for which the original decree predates 1937 and is unclear about the amount of acreage that may be irrigated under the water right.

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

2 **SECTION 1.** In Colorado Revised Statutes, 37-92-305, **amend**
3 (4) (a) (I) as follows:

4 **37-92-305. Standards with respect to rulings of the referee and**
5 **decisions of the water judge.** (4) (a) Terms and conditions to prevent
6 injury as specified in subsection (3) of this section may include:

7 (I) (A) A limitation on the use of the water that is subject to the
8 change, taking into consideration the historical use and the flexibility
9 required by annual climatic differences.

10 (B) FOR PURPOSES OF ADMINISTRATION AND DETERMINING
11 LAWFUL HISTORICAL CONSUMPTIVE USE, IF A DECREE ENTERED BEFORE
12 JANUARY 1, 1937, ESTABLISHES AN IRRIGATION WATER RIGHT AND DOES
13 NOT EXPRESSLY LIMIT THE NUMBER OF ACRES THAT THE APPROPRIATOR
14 MAY IRRIGATE UNDER THE WATER RIGHT, THE LAWFUL MAXIMUM AMOUNT
15 OF IRRIGATED ACREAGE EQUALS THE MAXIMUM AMOUNT OF ACREAGE
16 IRRIGATED DURING THE FIRST FIFTY YEARS AFTER ENTRY OF THE ORIGINAL
17 DECREE, UNLESS A COURT OF COMPETENT JURISDICTION HAS ENTERED AN
18 ORDER TO THE CONTRARY.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August

1 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
2 referendum petition is filed pursuant to section 1 (3) of article V of the
3 state constitution against this act or an item, section, or part of this act
4 within such period, then the act, item, section, or part will not take effect
5 unless approved by the people at the general election to be held in
6 November 2014 and, in such case, will take effect on the date of the
7 official declaration of the vote thereon by the governor.

Bill F

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

BILL F

*Temporary storage location: S:\PUBLIC\LLS\2013A\Bills\Interim\Water Resources Review
Committee\13-0108.wpd*

LLS NO. 13-0108.01 Jennifer Berman x3286

SENATE BILL

SENATE SPONSORSHIP

Brophy, Roberts

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Swerdfeger

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE DIVISION OF**
102 **ADMINISTRATION OF THE DEPARTMENT OF PUBLIC HEALTH AND**
103 **ENVIRONMENT FOLLOW RULE-MAKING PROCEDURES WHEN**
104 **PROPOSING CHANGES TO GENERAL PERMITS RELATED TO WATER**
105 **QUALITY CONTROL.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

Water Resources Review Committee. Currently, the division of administration (division) of the department of public health and environment may adopt new and amended permit requirements for general permits related to water quality control without providing any of the following information to existing and potential permit holders:

- A statement of basis and purpose for the changes;
- Evidence and data in support of the changes; and
- A cost-benefit analysis of the effect the changes will have on permit holders.

The bill requires the division to comply with the rule-making procedures set forth in the "State Administrative Procedure Act" when the division proposes new or amended permit requirements with respect to general permits related to water quality control.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25-8-503.5 as
3 follows:

4 **25-8-503.5. General permits - process for changing permit**
5 **requirements.** WITH RESPECT TO A GENERAL PERMIT LISTED IN SECTION
6 25-8-502 (1) (b) (I) (G), WHEN PROPOSING NEW OR AMENDED PERMIT
7 REQUIREMENTS FOR DISCHARGERS TO MEET TO OBTAIN OR MAINTAIN
8 AUTHORIZATION FOR DISCHARGES UNDER THE PERMIT, THE DIVISION
9 SHALL COMPLY WITH THE RULE-MAKING PROCEDURES SET FORTH IN
10 SECTION 24-4-103, C.R.S.

11 **SECTION 2. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly (August
14 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
15 referendum petition is filed pursuant to section 1 (3) of article V of the
16 state constitution against this act or an item, section, or part of this act
17 within such period, then the act, item, section, or part will not take effect
18 unless approved by the people at the general election to be held in

1 November 2014 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor.

Resolution A

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

RESOLUTION A

*Temporary storage location: S:\PUBLIC\LLS\2013A\Bills\Interim\Water Resources Review
Committee\13-0110.wpd*

LLS NO. R13-0110.01 Thomas Morris x4218

HOUSE Joint Resolution

HOUSE SPONSORSHIP

Sonnenberg and Baumgardner, Swerdfeger, Wilson

SENATE SPONSORSHIP

(None), Brophy, Giron, Hodge, Roberts

House Committees

Senate Committees

HOUSE JOINT RESOLUTION

101 **CONCERNING OPPOSITION TO NEW SPECIAL USE PERMIT WATER**
102 **REQUIREMENTS.**

1 WHEREAS, Most ski areas in Colorado are located in national
2 forests, and consequently are subject to special use permits issued by the
3 United States Forest Service; and

4 WHEREAS, Pursuant to federal law, waters arising on federal
5 lands in the western United States are available for appropriation and use
6 by the public according to the law of the state in which the federal lands
7 are located; and

8 WHEREAS, Most ski areas in Colorado have appropriated water
9 rights to facilitate ski area operations, and while some of this water arises
10 on federal lands, including national forest lands that may or may not be
11 subject to the ski area special use permit, some of the water arises on
12 nonfederal lands; and

*Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

1 WHEREAS, The Forest Service has recently changed the terms of
2 its special use permits for ski areas by issuing Interim Directive
3 2709.11-2012-2 (the 2012 Directive); and

4 WHEREAS, The 2012 Directive prohibits ski area operators from
5 transferring certain water rights associated with the ski area to any third
6 parties and requires that, if the special use permits are terminated, the ski
7 area operators must transfer certain water rights associated with the ski
8 area to the United States or succeeding special use permit holders without
9 any further compensation; and

10 WHEREAS, Pursuant to federal law, the United States can acquire
11 water rights, other than by purchase or a similar transaction, in one of
12 only two ways: By impliedly reserving rights to supply water for the
13 primary purposes of a withdrawal of federal lands from the public
14 domain, or by complying with applicable state law to supply water for any
15 other federal purpose; and

16 WHEREAS, Colorado's constitution provides that water rights are
17 acquired according to the doctrine of prior appropriation, pursuant to
18 which the first person to put water to a beneficial use acquires the right
19 to continue to use the water; and

20 WHEREAS, To effectuate the appropriation of federal water rights
21 pursuant to state law, the McCarran amendment, 43 U.S.C. § 666, waives
22 the United States' sovereign immunity for the purpose of adjudicating and
23 administering water rights pursuant to the applicable state's water laws;
24 and

25 WHEREAS, A Federal Water Rights Task Force was created by
26 federal law in response to a controversy in Colorado regarding the Forest
27 Service's attempt to use its permitting authority to require water users to
28 relinquish a part of their water supply or to provide water for the
29 secondary purposes of the national forests; and

30 WHEREAS, In the task force's final report, the task force
31 concluded that "Congress has not delegated to the Forest Service the
32 authority necessary to allow it to require that water users relinquish a part
33 of their existing water supply or transfer their water rights to the United
34 States as a condition of the grant or renewal of federal permits"; and

35 WHEREAS, No federal law explicitly gives the Forest Service the
36 authority to prohibit the transfer of water rights owned by the holders of
37 special use permits or to require the holders of special use permits to
38 transfer to the United States water rights used on federal lands but arising
39 off the federal lands; and

40 WHEREAS, The National Ski Areas Association, on behalf of its
41 ski area members, including 22 ski areas on National Forest Service lands
42 in Colorado, has sued the Forest Service in federal district court, alleging
43 that the 2012 Directive amounts to a taking of private property without
44 due compensation and asking for a declaration that the Forest Service
45 cannot "condition the issuance of a ski area special use permit on the
46 assignment of, or restriction of alienability or severance of, water rights";

1 and

2 WHEREAS, Roughly 40% of the nation's cow herd and 50% of
3 the sheep herd spend some time on federal lands, and there has been an
4 increasing number of examples, not only with the ski industry, but also
5 with water districts, and, recently, with permitted ranching activities, in
6 which the Forest Service has tried to acquire ownership of water rights in
7 return for the continuance of permitted activities on National Forest
8 System lands; and

9 WHEREAS, While the Forest Service has not formally rejected
10 use permits in Colorado, it has delayed issuing those permits in order to
11 pursue its policy of obtaining stockwater rights in other states, which has
12 prevented the full use of the range by wildlife as well as livestock; and

13 WHEREAS, The Forest Service's policy of withholding water
14 improvement permits in exchange for stockwater rights flies in the face
15 of the prior appropriation doctrine for water rights that exists in much of
16 the West, including Colorado, is a threat to federal lands grazing
17 throughout the West, and must be addressed; and

18 WHEREAS, The Water Resources Review Committee has
19 reviewed the issues raised by this joint resolution and strongly urges the
20 General Assembly to adopt it; now, therefore,

21 *Be It Resolved by the House of Representatives of the Sixty-ninth*
22 *General Assembly of the State of Colorado, the Senate concurring herein:*

23 (1) That the General Assembly encourages the Forest Service to
24 immediately rescind the 2012 Directive and settle the pending litigation
25 over the 2012 Directive;

26 (2) That, for the benefit of the range resource and our economy,
27 the General Assembly urges the Forest Service to immediately reevaluate
28 and discard its policy and actions whereby water rights are demanded in
29 exchange for permitted uses; and

30 (3) That the General Assembly urges the Forest Service to utilize
31 state laws and procedures to appropriate water rights if it wishes to ensure
32 that water is available for fish and aquatic habitat protection purposes on
33 the national forests rather than impose exactions in special use permits.

34 *Be It Further Resolved,* That a copy of this Joint Resolution be
35 provided to Harris Sherman, Under Secretary for Natural Resources and
36 Environment of the United States Department of Agriculture; the
37 members of Colorado's congressional delegation; Glenn E. Porzak;
38 Geraldine Link, Director of Public Policy for the National Ski Areas
39 Association; Terry R. Fankhauser, Executive Vice President of the
40 Colorado Cattlemen's Association; and Melanie Mills, CEO of Colorado
41 Ski Country USA.

Resolution B

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

RESOLUTION B

*Temporary storage location: S:\PUBLIC\LLS\2013A\Bills\Interim\Water Resources Review
Committee\13-0107.wpd*

LLS NO. R13-0107.01 Jennifer Berman x3286

SENATE Joint Resolution

SENATE SPONSORSHIP

Roberts and Hodge, Giron, Schwartz

HOUSE SPONSORSHIP

Sonnenberg, Baumgardner, Fischer, Swerdfeger, Wilson

Senate Committees

House Committees

SENATE JOINT RESOLUTION

101 **CONCERNING THE ADVERSE EFFECTS THAT THE DIVERSION OF**
102 **REVENUES HAS HAD ON WATER INFRASTRUCTURE IN COLORADO.**

1 WHEREAS, Colorado is a semi-arid state, and much of our water
2 supply is located far from where it can be beneficially used; and

3 WHEREAS, Colorado is therefore heavily dependent upon water
4 infrastructure to move water to where it can serve the needs of our
5 agricultural, municipal, and industrial water users; and

6 WHEREAS, Our constitutional prior appropriation doctrine has
7 always promoted and protected the initiative and economic investments
8 of water users in building the water diversion, storage, and conveyance
9 infrastructure needed to put water to beneficial use; and

10 WHEREAS, Federal and state mandates have required the ongoing
11 construction, improvement, and replacement of treatment facilities for
12 drinking water and wastewater; and

*Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

1 WHEREAS, The approval process for these different types of
2 water facilities and infrastructure has become increasingly expensive,
3 time-consuming, and uncertain; and

4 WHEREAS, Colorado has long supported the private sector's and
5 local governments' initiative in building water infrastructure with state
6 financial incentives, primarily in the form of loans from revolving funds
7 but also with grants to local governments; and

8 WHEREAS, Due to recent difficult economic conditions and
9 consequent state budget shortfalls, the General Assembly has had to make
10 difficult choices in prioritizing its expenditures; and

11 WHEREAS, Since 2009, the General Assembly has authorized the
12 transfer of almost \$449.05 million into the general fund from sources that
13 would otherwise have been available for water infrastructure, including:
14 \$181.1 million from the perpetual base account of the severance tax trust
15 fund and \$10.25 million from the Colorado water conservation board
16 construction fund, all of which would otherwise have been available for
17 raw water infrastructure loans; and \$18.9 million from the operational
18 account of the severance tax trust fund, \$168.8 million from the local
19 government severance tax fund, \$19.1 million from the local government
20 permanent fund, and \$46 million from the local government mineral
21 impact fund, significant portions of which would otherwise have been
22 available for water infrastructure loans and grants; and

23 WHEREAS, In 2011, energy impact assistance grants were
24 suspended; and

25 WHEREAS, The diversion of such significant sums from their
26 originally intended purposes has had a devastating effect on the
27 maintenance and development of water infrastructure in Colorado; and

28 WHEREAS, To the extent that the diversion of sums intended for
29 use on water infrastructure projects has caused existing projects to be
30 delayed, that delay has been costly to Colorado. For example, the
31 Northern Integrated Supply Project has faced a five-year delay. It is
32 estimated that the delay has cost the Northern Colorado Water
33 Conservancy District between \$70 million and \$90 million, based on an
34 estimated 3.5% increase in the annual rate of construction costs, as
35 determined in accordance with the construction cost index published by
36 the *Engineering News-Record*; and

37 WHEREAS, The president and president-elect of the National
38 Conference of State Legislatures sent a letter to congressional leadership
39 that listed infrastructure as the third-highest priority that should be
40 protected during deficit reduction efforts, behind only imposing no new
41 unfunded federal mandates and improving the Medicaid program; and

42 WHEREAS, The Western States Water Council (WSWC), an
43 organization created by resolution of the Western Governors' Association,
44 noted that a recent American Society of Civil Engineers Report Card
45 gives the nation's drinking and wastewater infrastructure a "D-" grade, its

1 dams a "D," and its levees and inland waterways a "D-." The WSWC
2 concludes: "The current deplorable grade for our infrastructure impacts
3 our lives and the economy, raising public health and safety issues, as well
4 as the looming specter of future repair, rehabilitation and replacement
5 costs."; and

6 WHEREAS, Further diversions of revenues to the general fund
7 from water infrastructure will have serious, long-term, adverse effects on
8 Colorado's economic and social well-being; and

9 WHEREAS, The Water Resources Review Committee has
10 reviewed the issues raised by this Joint Resolution and strongly urges the
11 General Assembly to adopt it; now, therefore,

12 *Be It Resolved by the Senate of the Sixty-ninth General Assembly*
13 *of the State of Colorado, the House of Representatives concurring herein:*

14 That the General Assembly should remain cognizant of the
15 important role our water infrastructure plays in Colorado's economic and
16 social well-being when prioritizing its expenditures.

Water Resources
Review Committee
Charge

1 of 3 DOCUMENTS

COLORADO REVISED STATUTES

*** This document reflects changes passed at the Second Regular Session and First Extraordinary Session of the Sixty-Eighth General Assembly of the State of Colorado (2012) ***

TITLE 37. WATER AND IRRIGATION
WATER CONSERVATION
ARTICLE 98. WATER RESOURCES REVIEW COMMITTEE

GO TO COLORADO STATUTES ARCHIVE DIRECTORY

C.R.S. 37-98-101 (2012)

37-98-101. Legislative declaration

(1) The general assembly finds, determines, and declares that the purpose of this article is to provide an interim committee as a forum through which the general assembly shall review the administration and monitoring of Colorado's water resources. The general assembly recognizes its mandate to vigorously protect and defend Colorado's finite supply of water. The general assembly further recognizes the need to ensure that water issues receive sufficient legislative scrutiny and public input:

- (a) To maximize the benefit derived from Colorado's surface water and groundwater resources;
- (b) To evaluate the present and future water needs of the state;
- (c) To ensure effective water rights administration;
- (d) To protect water quality and water quantity;
- (e) To ensure that Colorado's interstate water compact agreements are met and, in relation thereto, that Colorado's water resources are protected against unwarranted claims; and
- (f) To continue the studies of the special water committee pursuant to Senate Bill 96-074.

HISTORY: Source: L. 2001: Entire article added, p. 725, § 1, effective July 1.

2 of 3 DOCUMENTS

COLORADO REVISED STATUTES

*** This document reflects changes passed at the Second Regular Session and First Extraordinary Session of the Sixty-Eighth General Assembly of the State of Colorado (2012) ***

TITLE 37. WATER AND IRRIGATION
WATER CONSERVATION
ARTICLE 98. WATER RESOURCES REVIEW COMMITTEE

GO TO COLORADO STATUTES ARCHIVE DIRECTORY

C.R.S. 37-98-102 (2012)

37-98-102. Water resources review committee - creation

(1) (a) For the purposes of contributing to and monitoring the conservation, use, development, and financing of the water resources of Colorado for the general welfare of its inhabitants and to review and propose water resources legislation, there is hereby created the water resources review committee, referred to in this article as the committee. The committee shall meet at the call of the chair as often as six times during even-numbered years and eight times during odd-numbered years to review and to propose water resources legislation and matters relating thereto. No more than two of such meetings may occur during periods other than the interim period; except that the committee shall not meet during the 2010 interim period. In connection with such review, except during the 2010 interim period, the committee may take up to two field trips per year in connection with its mandate and shall consult with experts in the field of water conservation, quality, use, finance, and development. The department of natural resources, the state engineer, and the attorney general, together with the members and staff of the Colorado water conservation board, the Colorado water resources and power development authority, the Colorado water quality control commission, the department of public health and environment, the department of agriculture, and the great outdoors Colorado program, shall cooperate with the committee and with any persons assisting the committee in pursuing its responsibilities pursuant to this section. Further, the committee may utilize the legislative council staff to assist its members in researching any matters.

(b) (Deleted by amendment, L. 2003, p. 718, § 2, effective March 20, 2003.)

(2) (a) The committee shall consist of ten members of the general assembly to be selected as follows:

(I) Five members of the committee shall be from the senate, three appointed by the president of the senate and two appointed by the minority party leader; and

(II) Five members of the committee shall be from the house of representatives, appointed by the speaker of the house of representatives after consultation with the minority leader of the house of representatives.

(b) At least four members of the committee shall either:

(I) Reside in that portion of the state that is west of the continental divide; or

(II) Represent a legislative district the majority of the population of which lies west of the continental divide.

(c) To the extent possible, the members shall be selected so as to achieve representation from each water division as defined in section 37-92-201.

(d) (I) Except as provided in subparagraph (II) of this paragraph (d), members' terms shall extend from January 1 of an odd-numbered year to December 31 of the following even-numbered year.

(II) The terms of the members appointed by the speaker of the house of representatives, the president of the senate, and the minority leader of the senate and who are serving on March 22, 2007, shall be extended to and expire on or shall terminate on the convening date of the first regular session of the sixty-seventh general assembly. As soon as practicable after such convening date, the speaker, the president, and the minority leader of the senate shall appoint or reappoint members in the same manner as provided in paragraph (a) of this subsection (2). Thereafter, the terms of members appointed or reappointed by the speaker, the president, and the minority leader of the senate shall expire on the convening date of the first regular session of each general assembly, and all subsequent appointments and

reappointments by the speaker, the president, and the minority leader of the senate shall be made as soon as practicable after such convening date. The person making the original appointment or reappointment shall fill any vacancy by appointment for the remainder of an unexpired term. Members shall serve at the pleasure of the appointing authority and shall continue in office until the member's successor is appointed.

(3) The president of the senate and the speaker of the house of representatives shall coordinate their appointments to the extent practicable.

(4) Members of the committee shall serve without compensation; except that each member shall receive the sums specified in section 2-2-307 (3) (a) and (3) (b), C.R.S., for attendance at meetings of the committee when the general assembly is in recess for more than three days or is not in session.

(5) During odd-numbered years, the president of the senate shall appoint the chair and the speaker of the house of representatives shall appoint the vice-chair, and during even-numbered years, the speaker of the house of representatives shall appoint the chair and the president of the senate shall appoint the vice-chair.

(6) (Deleted by amendment, L. 2002, p. 1099, § 1, effective June 3, 2002.)

HISTORY: Source: L. 2001: Entire article added, p. 726, § 1, effective July 1. L. 2002: (1), (2)(b), and (6) amended, p. 1099, § 1, effective June 3. L. 2003: (1) and (5) amended, p. 718, § 2, effective March 20. L. 2004: (2)(d) added, p. 162, § 1, effective March 17. L. 2007: (2)(d) amended, p. 190, § 28, effective March 22. L. 2010: (1)(a) amended, (SB 10-213), ch. 375, p. 1764, § 11, effective June 7.

3 of 3 DOCUMENTS

COLORADO REVISED STATUTES

*** This document reflects changes passed at the Second Regular Session and First Extraordinary Session of the Sixty-Eighth General Assembly of the State of Colorado (2012) ***

TITLE 37. WATER AND IRRIGATION
WATER CONSERVATION
ARTICLE 98. WATER RESOURCES REVIEW COMMITTEE
GO TO COLORADO STATUTES ARCHIVE DIRECTORY

C.R.S. 37-98-103 (2012)

37-98-103. Annual recommendations - bill limitation - deadlines for introduction - repeal

(1) The committee may report no more than three bills or other measures to the legislative council created in section 2-3-301, C.R.S., unless a two-thirds majority of the members of the committee vote to report a greater number; except that the committee shall not report any bills to the legislative council in 2010. No bill shall be reported to the legislative council unless a two-thirds majority of the appointed members of the committee vote to report such bill to the legislative council. Such greater number shall not exceed one bill or other measure per member. These bills shall be exempt from any applicable bill limit imposed on the individual committee members sponsoring such bills if the bills have been approved by the legislative council no later than October 15 in even-numbered years and November 15 in odd-numbered years.

(2) to (4) Repealed.

HISTORY: Source: L. 2001: Entire article added, p. 727, § 1, effective July 1. L. 2002: Entire section amended, p. 1100, § 2, effective June 3. L. 2003: (2) repealed, p. 718, § 1, effective March 20. L. 2008: (4) added, p. 1638, § 1, effective May 29; (3) added, p. 1038, § 1, effective August 5. L. 2010: (1) amended, (SB 10-213), ch. 375, p. 1764, § 12, effective June 7.