

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 07-0085.01 Thomas Morris

SENATE BILL 07-008

SENATE SPONSORSHIP

Taylor, Fitz-Gerald, and Isgar

HOUSE SPONSORSHIP

Curry, Butcher, Hodge, and White

Senate Committees

Agriculture, Natural Resources & Energy
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING EXPANSION OF THE WATER EFFICIENCY GRANT**
102 **PROGRAM.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Water Resources Review Committee. Allows any state or local governmental entity that provides water at retail to customers to participate in the water efficiency grant program administered by the Colorado water conservation board. Extends the repeal of the program to July 1, 2012.

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

2 **SECTION 1.** 37-60-126 (1) (a), (2) (a), (5), (7), and (12),
3 Colorado Revised Statutes, are amended to read:

4 **37-60-126. Water conservation and drought mitigation**
5 **planning - programs - relationship to state assistance for water**
6 **facilities - guidelines - water efficiency grant program - repeal.**

7 (1) As used in this section and section 37-60-126.5, unless the context
8 otherwise requires:

9 (a) "Agency" means a public or private agency ENTITY whose
10 primary purpose is INCLUDES the promotion of water resource
11 conservation.

12 (2) (a) Within five years after June 4, 1991, Each covered entity
13 that does not have a water use efficiency plan satisfying the provisions of
14 subsection (4) of this section shall, subject to section 37-60-127, develop,
15 adopt, make publicly available, and implement a plan pursuant to which
16 such covered entity shall encourage its domestic, commercial, industrial,
17 and public facility customers to use water more efficiently. Any covered
18 entity that makes an initial determination that it has satisfied subsection
19 (4) of this section shall, within five years after June 4, 1991, give public
20 notice of such determination at an official meeting of the appropriate
21 governing body of the covered entity. ANY STATE OR LOCAL
22 GOVERNMENTAL ENTITY THAT IS NOT A COVERED ENTITY MAY DEVELOP,
23 ADOPT, MAKE PUBLICLY AVAILABLE, AND IMPLEMENT SUCH A PLAN.

24 (5) Each covered entity AND OTHER STATE OR LOCAL
25 GOVERNMENTAL ENTITY THAT ADOPTS A PLAN shall follow the covered
26 entity's rules, codes, or ordinances to make the draft plan available for
27 public review and comment. If there are no rules, codes, or ordinances

1 governing the ~~covered~~ entity's public planning process, then each ~~covered~~
2 entity shall publish a draft plan, give public notice of the plan, make such
3 plan publicly available, and solicit comments from the public for a period
4 of not less than sixty days after the date on which the draft plan is made
5 publicly available. Reference shall be made in the public notice to the
6 elements of a plan that ~~has~~ HAVE already been implemented.

7 (7) (a) ~~By July 1, 2005,~~ The board shall adopt guidelines for the
8 office to review water conservation plans submitted by covered entities
9 AND OTHER STATE OR LOCAL GOVERNMENTAL ENTITIES. The guidelines
10 shall define the method for submitting plans to the office, ~~how the office~~
11 ~~will prioritize the distribution of moneys, including any additional~~
12 ~~moneys made available through the grant program,~~ THE METHODS FOR
13 OFFICE REVIEW AND APPROVAL OF THE PLANS, and the interest rate
14 surcharge provided for in paragraph (a) of subsection (9) of this section.

15 (b) If no other applicable guidelines exist as of ~~June 7, 2005,~~ THE
16 EFFECTIVE DATE OF THIS PARAGRAPH (b), AS AMENDED, the board shall
17 adopt guidelines by ~~August 14, 2005,~~ JULY 31, 2007, for the office to use
18 in reviewing applications submitted by covered entities, OTHER STATE OR
19 LOCAL GOVERNMENTAL ENTITIES, and agencies for grants from the grant
20 program AND FROM THE GRANT PROGRAM ESTABLISHED IN SECTION
21 37-60-126.5 (3). The guidelines shall establish deadlines and procedures
22 for covered entities, OTHER STATE OR LOCAL GOVERNMENTAL ENTITIES,
23 and agencies to follow in applying for grants and the criteria to be used
24 by the office and the board in prioritizing and awarding grants.

25 (12) (a) There is hereby created the water efficiency grant
26 program for purposes of providing state funding ~~over a three-year period~~
27 to aid in ~~achieving the water efficiency goals outlined in locally adopted~~

1 THE PLANNING AND IMPLEMENTATION OF water conservation plans
2 DEVELOPED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION
3 and to promote the benefits of water efficiency. The board is authorized
4 to distribute grants ~~in accordance with this subsection (12)~~ to covered
5 entities, OTHER STATE OR LOCAL GOVERNMENTAL ENTITIES, and agencies
6 IN ACCORDANCE WITH ITS GUIDELINES from the moneys transferred to and
7 appropriated from the water efficiency grant program cash fund, which
8 is hereby created in the state treasury. For the 2005-06 ~~2006-07, and~~
9 ~~2007-08~~ THROUGH 2010-11 fiscal years, the general assembly shall
10 appropriate from the fund to the board up to five hundred thousand
11 dollars annually for the purpose of providing grants to covered entities,
12 OTHER STATE AND LOCAL GOVERNMENTAL ENTITIES, and agencies in
13 accordance with this subsection (12). COMMENCING JULY 1, 2008, the
14 general assembly shall also appropriate to the board ~~an amount necessary~~
15 FIFTY THOUSAND DOLLARS EACH FISCAL YEAR THROUGH 2011-12 to cover
16 the costs associated with the administration of the grant program ~~but such~~
17 ~~appropriations shall not exceed an aggregate amount of eighty thousand~~
18 ~~dollars for the three fiscal years of the grant program~~ AND THE
19 REQUIREMENTS OF SECTION 37-60-124. However, if less than five
20 hundred thousand dollars is appropriated or expended in ~~the 2005-06 or~~
21 ~~2006-07~~ ANY SUCH fiscal year, an amount equal to the difference between
22 five hundred thousand dollars and the amount actually appropriated or
23 expended in that fiscal year shall be available for appropriation and
24 expenditure TO THE GRANT PROGRAM in the next fiscal year in addition to
25 the five hundred thousand dollars available for appropriation in that fiscal
26 year. Any moneys remaining in the fund on June 30, ~~2008~~ 2012, shall be
27 transferred to the reserve in the operational account of the severance tax

1 trust fund described in section 39-29-109 (1) (c) (III) (A), C.R.S.

2 (b) Any covered entity OR STATE OR LOCAL GOVERNMENTAL
3 ENTITY that has adopted a water conservation plan and that supplies,
4 distributes, or otherwise provides water at retail to customers may apply
5 for a grant to aid in the implementation of the water efficiency goals of
6 the plan. Any agency may apply for a grant to fund outreach or education
7 programs aimed at demonstrating the benefits of water efficiency. The
8 office shall review the applications and make recommendations to the
9 board regarding the awarding and distribution of grants to applicants who
10 satisfy the criteria outlined in this subsection (12) and the guidelines
11 developed pursuant to subsection (7) of this section.

12 (c) This subsection (12) is repealed, effective July 1, ~~2008~~ 2012.

13 **SECTION 2.** 37-60-126.5 (3) and (4), Colorado Revised Statutes,
14 are amended to read:

15 **37-60-126.5. Drought mitigation planning - programs -**
16 **relationship to state assistance.** (3) The board is hereby authorized to
17 EXPEND REVENUES FROM THE WATER EFFICIENCY GRANT PROGRAM CASH
18 FUND AND TO recommend the appropriation and expenditure of such
19 revenues as is necessary from the unobligated balance of the five-percent
20 share of the operational account of the severance tax trust fund designated
21 for use by the board for the purpose of assisting covered entities and other
22 state ~~and~~ OR local governmental entities to develop drought mitigation
23 plans identified as sufficient by the office.

24 (4) ~~By July 1, 2005,~~ The board shall adopt guidelines for the
25 office to use in reviewing, ~~and~~ evaluating, AND APPROVING drought
26 mitigation plans submitted by covered entities OR OTHER STATE OR LOCAL
27 GOVERNMENTAL ENTITIES in accordance with this section. ~~The guidelines~~

1 shall define the method for submitting plans to the office and shall specify
2 how the office will prioritize the distribution of moneys.

3 **SECTION 3.** 39-29-109 (1) (c) (III) (B), Colorado Revised
4 Statutes, is amended, and the said 39-29-109 (1) (c) (III) is further
5 amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH,
6 to read:

7 **39-29-109. Severance tax trust fund - created - administration**
8 **- use of moneys - definitions - repeal.** (1) (c) (III) (B) Notwithstanding
9 any provision of sub-subparagraph (A) of this subparagraph (III) to the
10 contrary, on July 1, 2005, the state treasurer shall transfer one million five
11 hundred eighty thousand dollars from the reserve to the water efficiency
12 grant program cash fund created in section ~~37-60-126 (13)~~; 37-60-126
13 (12), C.R.S., for use in funding grants in accordance with said section.
14 The moneys transferred pursuant to this sub-subparagraph (B) shall be in
15 addition to and shall not replace any moneys appropriated to the Colorado
16 water conservation board pursuant to sub-subparagraph (D) of
17 subparagraph (I) of this paragraph (c). This sub-subparagraph (B) is
18 repealed, effective July 1, ~~2008~~ 2012.

19 (C) NOTWITHSTANDING ANY PROVISION OF SUB-SUBPARAGRAPH
20 (A) OF THIS SUBPARAGRAPH (III) TO THE CONTRARY, ON JULY 1, 2007, THE
21 STATE TREASURER SHALL TRANSFER ONE MILLION SEVEN HUNDRED
22 THOUSAND DOLLARS FROM THE OPERATIONAL ACCOUNT TO THE WATER
23 EFFICIENCY GRANT PROGRAM CASH FUND CREATED IN SECTION 37-60-126
24 (12), C.R.S., FOR USE IN FUNDING GRANTS IN ACCORDANCE WITH SAID
25 SECTION. THE MONEYS TRANSFERRED PURSUANT TO THIS
26 SUB-SUBPARAGRAPH (C) SHALL BE IN ADDITION TO AND SHALL NOT
27 REPLACE ANY MONEYS APPROPRIATED TO THE COLORADO WATER

1 CONSERVATION BOARD PURSUANT TO SUB-SUBPARAGRAPH (D) OF
2 SUBPARAGRAPH (I) OF THIS PARAGRAPH (C). THIS SUB-SUBPARAGRAPH
3 (C) IS REPEALED, EFFECTIVE JULY 1, 2012.

4 **SECTION 4. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.