

NOTE: The governor signed this measure on 2/27/2014.

An Act

SENATE BILL 14-025

BY SENATOR(S) Hodge, Brophy, Jones, Roberts, Schwartz, Guzman, Heath, Kefalas, Newell, Tochtrop, Todd, Zenzinger;
also REPRESENTATIVE(S) Fischer, Coram, Mitsch Bush, Sonnenberg, Vigil, Becker, Fields, Ginal, Hamner, Hullinghorst, Lebsack, Salazar, Schafer, Scott, Young.

CONCERNING GRANTS FOR DOMESTIC WASTEWATER TREATMENT WORKS FOR SMALL COMMUNITIES.

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

SECTION 1. In Colorado Revised Statutes, 25-1.5-208, **amend** (1) (a) and (2); and **add** (1) (a.5) as follows:

25-1.5-208. Grant program for public water systems and domestic wastewater treatment works - small communities water and wastewater grant fund - rules. (1) The department has, in addition to all other powers and duties imposed upon it by law, the powers and duties provided in this section as follows:

(a) To assist suppliers of water ~~in the state~~ THAT SERVE A POPULATION OF NOT MORE THAN FIVE THOUSAND PEOPLE with meeting their responsibilities with respect to protection of public health, the department,

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

in the name of the state and to the extent that state funds are appropriated therefor, may enter into contracts with both governmental AGENCIES and not-for-profit public water systems, as defined in section 25-1.5-201 (1), or with counties representing unincorporated areas that serve a population of not more than five thousand people, to grant moneys for the planning, design, and construction of ~~drinking~~ PUBLIC water ~~or water treatment~~ systems.

(a.5) TO ASSIST DOMESTIC WASTEWATER TREATMENT WORKS, AS DEFINED IN SECTION 25-8-103 (5), THAT SERVE A POPULATION OF NOT MORE THAN FIVE THOUSAND PEOPLE WITH MEETING THEIR RESPONSIBILITIES WITH RESPECT TO THE PROTECTION OF PUBLIC HEALTH AND WATER QUALITY, THE DEPARTMENT, IN THE NAME OF THE STATE AND TO THE EXTENT THAT STATE FUNDS ARE APPROPRIATED THEREFOR, MAY ENTER INTO CONTRACTS WITH GOVERNMENTAL AGENCIES, OR WITH COUNTIES REPRESENTING UNINCORPORATED AREAS THAT SERVE A POPULATION OF NOT MORE THAN FIVE THOUSAND PEOPLE, TO GRANT MONEYS FOR ELIGIBLE PROJECTS AS DEFINED IN SECTION 25-8-701 (2).

(2) The water quality control commission shall promulgate rules for the administration of any appropriated grant moneys pursuant to this section and for prioritizing proposed ~~drinking~~ PUBLIC water SYSTEMS and ~~water~~ DOMESTIC WASTEWATER treatment ~~system projects~~ WORKS based upon public health ~~impact~~ IMPACTS AND WATER QUALITY PROTECTION. THE DEPARTMENT SHALL AUTHORIZE GRANTS BASED ON WATER QUALITY NEEDS AND PUBLIC HEALTH-RELATED PROBLEMS. THE COMMISSION SHALL PROMULGATE A PROJECT CATEGORIZATION SYSTEM FOR USE IN DETERMINING THE RELATIVE PRIORITY OF PROPOSED PROJECTS. THE DEPARTMENT SHALL REVIEW APPLICATIONS FOR STATE FUNDS AND MAY APPROVE ONLY THOSE APPLICATIONS THAT ARE CONSISTENT WITH THE PROJECT CATEGORIZATION SYSTEM.

SECTION 2. In Colorado Revised Statutes, 25-8-701, **amend** (2); and **repeal** (3) as follows:

25-8-701. Definitions. As used in this part 7, unless the context otherwise requires:

(2) "Eligible project" means a project for the planning, design, or construction of domestic wastewater treatment works or of facilities for the

discharge of wastewater or backwash water from public water treatment plants ~~which~~ THAT is, in the judgment of the division, necessary for the accomplishment of the state water quality control program ~~which~~ AND THAT conforms with applicable rules ~~and regulations~~ of the commission. ~~and which is eligible for federal assistance under provisions of the federal act.~~

(3) "Federal assistance" means funds ~~available to a municipality, either directly or through allocation by the state, from the federal government as grants for planning, design, or construction of domestic wastewater treatment works, or funds which are used for such planning, design, or construction, under provisions of the federal act.~~

SECTION 3. In Colorado Revised Statutes, **repeal** 25-8-703 as follows:

25-8-703. State contracts for construction of domestic wastewater treatment works. (1) (a) ~~To meet the responsibility of the state with respect to the protection of public health and to assist municipalities and counties, the division, in the name of the state and to the extent of state funds appropriated therefor, may enter into contracts with municipalities with populations of not more than five thousand persons concerning the planning, design, or construction of domestic wastewater treatment works.~~

~~(b) Repealed.~~

(2) ~~The division shall be the state agency for the administration of funds appropriated for such project grants and shall contract for grant projects only to the extent state general funds have been appropriated. The division may use not more than five percent of the funds appropriated for such project grants for the administration and management thereof.~~

(3) ~~Domestic wastewater treatment grants shall be authorized based upon water quality needs and public health related problems. The commission shall promulgate a project categorization system for use in determining the relative priority of proposed domestic wastewater projects. The division shall review applications for state funds and may approve only those applications that are consistent with the project categorization system.~~

~~(4) During the review process the division shall seek from the~~

~~division of local government in the department of local affairs a fiscal analysis of the applicant to determine financial need. Based upon its fiscal analysis, the division of local government shall issue or deny a certificate of financial need. If a certificate of financial need is issued, the division may authorize a state grant percentage contribution to the project in accordance with the recommendation of the division of local government and with the project categorization adopted by the commission.~~

~~(5) Any contract entered into pursuant to this section shall include an estimate of the reasonable cost of the project as determined by the division and shall also include, but not be limited to, provisions which set forth that the municipality shall:~~

~~(a) Proceed expeditiously and complete the project in accordance with design documents reviewed by the division;~~

~~(b) Provide a plan of operation to the division for approval and shall commence operation of the domestic wastewater treatment works on completion of the project;~~

~~(c) Not discontinue operation of the domestic wastewater treatment works without prior approval of the division;~~

~~(d) Operate and maintain the domestic wastewater treatment works in accordance with the plan of operation;~~

~~(e) Provide for the payment of its share of the project.~~

~~(6) In connection with each contract concerning an eligible project, the division shall keep accurate records on the project, including, but not limited to, records of the amount of payment by the state and the amount of federal assistance received by the applicant. Such records may establish the basis for application for federal reimbursement of such payments made by the state, and the division is authorized to make such application in appropriate cases.~~

SECTION 4. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a

referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Morgan Carroll
PRESIDENT OF
THE SENATE

Mark Ferrandino
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
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APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO