

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 06-0855.01 Thomas Morris

SENATE BILL 06-179

SENATE SPONSORSHIP

Isgar,

HOUSE SPONSORSHIP

Penry,

Senate Committees

Agriculture, Natural Resources & Energy
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING ADDITIONAL FINANCIAL SUPPORT FOR WATER PROJECTS.**

Bill Summary

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

Creates the water supply reserve account ("account") in the severance tax trust fund ("fund"). Transfers the unencumbered and unexpended balance of the operational account of the fund at the end of each fiscal year into the account. Continuously appropriates the moneys in the account to the Colorado water conservation board for water activities approved by a basin roundtable, including:

Competitive grants for environmental compliance and feasibility studies;

Technical assistance regarding permitting, feasibility

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.

SENATE
Amended 2nd Reading
March 30, 2006

studies, and environmental compliance;
Studies or analyses of structural and nonstructural water
projects or activities; and
Structural and nonstructural water projects or activities.

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

2 **SECTION 1.** 39-29-109 (1) (a), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

4 **39-29-109. Severance tax trust fund - created - administration**
5 **- use of moneys - definitions - repeal.** (1) (a) There is hereby created
6 in the office of the state treasurer the severance tax trust fund. The fund
7 is to be perpetual and held in trust as a replacement for depleted natural
8 resources and for the development and conservation of the state's water
9 resources pursuant to sections 37-60-106 (1) (j) and (1) (l), 37-60-119,
10 and 37-60-122, C.R.S., and for the use in funding programs that promote
11 and encourage sound natural resource planning, management, and
12 development related to minerals, energy, geology, and water. State
13 severance tax receipts shall be credited to the severance tax trust fund as
14 provided in section 39-29-108. All income derived from the deposit and
15 investment of the moneys in the severance tax trust fund shall be credited
16 to the severance tax trust fund. At the end of any fiscal year, all
17 unexpended and unencumbered moneys in the fund shall remain therein
18 and shall not be credited or transferred to the general fund or any other
19 fund. All moneys in the fund shall be subject to appropriation by the
20 general assembly for the following purposes:

21 (III) THE WATER SUPPLY RESERVE ACCOUNT. SUBJECT TO THE
22 MAINTENANCE OF A TWO-YEAR RESERVE PURSUANT TO
23 SUB-SUBPARAGRAPH (A) OF SUBPARAGRAPH (III) OF PARAGRAPH (c) OF

1 THIS SUBSECTION (1), AT THE END OF EACH FISCAL YEAR, THE STATE
2 TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE
3 OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND TO THE
4 WATER SUPPLY RESERVE ACCOUNT, ALSO REFERRED TO IN THIS
5 SUBPARAGRAPH (III) AS THE "ACCOUNT". THE MONEYS IN THE ACCOUNT
6 ARE HEREBY CONTINUOUSLY APPROPRIATED TO THE COLORADO WATER
7 CONSERVATION BOARD FOR PURPOSES AUTHORIZED BY THIS
8 SUBPARAGRAPH (III). ALL INTEREST DERIVED FROM THE INVESTMENT OF
9 MONEYS IN THE ACCOUNT SHALL BE CREDITED TO THE ACCOUNT. ANY
10 BALANCE REMAINING IN THE ACCOUNT AT THE END OF ANY FISCAL YEAR
11 SHALL REMAIN IN THE ACCOUNT; EXCEPT THAT THE UNENCUMBERED AND
12 UNEXPENDED BALANCE OF THE ACCOUNT SHALL REVERT ON JUNE 30,
13 2010, TO THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST
14 FUND. THE BOARD SHALL ALLOCATE MONEYS BY GRANT OR LOAN FROM
15 THE ACCOUNT ONLY FOR WATER ACTIVITIES APPROVED BY A ROUNDTABLE
16 PURSUANT TO ARTICLE 75 OF TITLE 37, C.R.S. THE APPROVING
17 ROUNDTABLE SHALL BE THE ROUNDTABLE FOR THE BASIN IN WHICH THE
18 PROPOSED ACTIVITY WOULD OCCUR. ELIGIBLE WATER ACTIVITIES
19 INCLUDE, BUT ARE EXPRESSLY NOT LIMITED TO:

20 (A) COMPETITIVE GRANTS FOR ENVIRONMENTAL COMPLIANCE AND
21 FEASIBILITY STUDIES;

22 (B) TECHNICAL ASSISTANCE REGARDING PERMITTING, FEASIBILITY
23 STUDIES, AND ENVIRONMENTAL COMPLIANCE;

24 (C) STUDIES OR ANALYSES OF STRUCTURAL AND NONSTRUCTURAL
25 WATER PROJECTS OR ACTIVITIES; AND

26 (D) STRUCTURAL AND NONSTRUCTURAL WATER PROJECTS OR
27 ACTIVITIES.

1 **SECTION 2. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.