

The Southwestern Water Conservation District
West Building, 841 E. 2nd Ave.
Durango, CO 81301

NOTICE IS HEREBY GIVEN
A Special Board Meeting of the
Southwestern Water Conservation District
will be held on

Thursday, March 16, 2023
12:00 p.m.

Video: [Click here to join Zoom](#)
Phone Number: (346) 248 7799
Meeting ID: 813 5451 4316
Passcode: 316817

Posted and Noticed Wednesday, March 15th, 2023

Tentative Agenda

Participation in this meeting is available via Zoom only using the connection information above.

*Please text 307-630-1396 if you have difficulty joining the meeting. Please raise your hand to be recognized by the chair. To raise your hand by phone, dial*9. To raise your hand by computer, please use Alt+Y (Windows) or Option+Y (Mac). To mute and unmute by phone, dial *6.*

Except the time indicated for when the meeting is scheduled to begin, the times noted for each agenda item are estimates and subject to change. The Board may address and act on agenda items in any order to accommodate the needs of the Board and the audience. Agenda items can also be added during the meeting at the direction of the Board.

1. **Call to Order - Roll Call (12:00 PM)**
2. **Review and Approve Agenda (12:02 PM)**
3. **Questions & Comments from the Public (12:03 PM)**
4. **State Legislative Update & SWCD Position on Bills (12:05 PM)**
5. **Status Update on the 2023 System Conservation Pilot Program (SCPP), including project proposals submitted by Colorado water users (12:20 PM)**
6. **Executive Session (as needed) (12:30 PM)**
6.1 Colorado River Compact, Interstate and Intrastate matters
7. **Summary and Any Action Items from Executive Session (12:45 PM)**
8. **Adjournment (12:46 PM)**

Upcoming Meetings

March 30, 2023	12:00 PM	Special Board Meeting
March 31, 2023	8:00 AM	Southwestern Water Seminar
April 12-13, 2023		Regular Board Meeting



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

P (303) 866-3441
F (303) 866-4474

Jared Polis, Governor

Dan Gibbs, DNR Executive
Director

Rebecca Mitchell, CWCB Director

TO: Colorado Water Conservation Board Members
FROM: Amy Ostdiek and Michelle Garrison
DATE: March 15, 2023
SUBJECT: Agenda Item 12: System Conservation Pilot Program

Staff Recommendation:

Staff recommends the Board approve the Upper Colorado River Commission's System Conservation Pilot Program Projects as Water Conservation Projects subject to C.R.S. §§ 37-92-103(2) and 37-92-305(3)(c).

In June 2022, the Commissioner of the Bureau of Reclamation called on the Colorado River Basin States to create a plan to conserve an additional 2-4 million acre-feet of water above efforts already underway, in an effort to protect critical infrastructure at Lake Powell and Lake Mead. In July 2022, the Upper Division States responded with a Five-Point Plan, while recognizing that we were not the cause of the crisis and had limited options to respond due to ongoing and deep hydrologic and legal water shortages, coupled with depleted storage.

One component of this plan is reauthorization of the System Conservation Pilot Program (SCPP). This program entails temporary, voluntary, and compensated reductions in consumptive use across the Upper Basin for the purpose of mitigating the impacts of drought in the Upper Colorado River Basin. The SCPP was reauthorized by Congress, and a Request for Proposals was released in December 2022. Applications were accepted through March 1, 2023.

The SCPP will be administered by the Upper Colorado River Commission (UCRC) pursuant to a funding agreement executed on January 6, 2023, between the UCRC and the Department of the Interior through the Bureau of Reclamation. Part of the agreement includes a "Facilitation Exhibit" which describes how the UCRC will implement the funding agreement with Reclamation. The funding agreement requires that the proposed projects are to be selected based on criteria that shall be set by the UCRC. The criteria for the selection of pilot projects are set forth in the Facilitation Exhibit.

The funding agreement also includes a template implementation agreement that will be entered into between the UCRC and each participating water user after approval by the UCRC and Reclamation of a pilot project. The implementation agreement must be consistent with the terms of the funding agreement.

Under these agreements, the UCRC will grant final approval to projects for participation in the SCPP pursuant to criteria set by the UCRC.



Relevant to the concepts that the Pilot Program will explore, C.R.S. § 37-92-305(3)(c) provides that, except in Water Division 7, historical consumptive use in a change of water rights may not be reduced as the result of participation in a water conservation program approved by a state agency.¹

In addition, Section 37-92-103(2) defines abandonment of a water right such that any period of non-use of a water right shall be tolled if that water right is participating in “a water conservation program approved by a state agency...”

Thus, the CWCB Staff seeks to have the CWCB affirm that any projects participating in the SCPP are participating in a state-approved water conservation program.

Applications are currently under review by the UCRC to determine completeness and seek any missing or incomplete information, and to assess proposed conservation activities. Staff anticipates this preliminary review process will conclude by March 13, 2023, at which point CWCB Staff will provide the Board with a summary of the potential projects for CWCB approval pursuant to C.R.S §§ 37-92-103(2) and 305(3)(c) for final decision-making by the UCRC.

¹ C.R.S. § 37-92-305(3)(c):

(c) In determining the amount of historical consumptive use for a water right in division 1, 2, 3, 4, 5, or 6, the water judge shall not consider any decrease in use resulting from the following:

- (I) The land on which the water from the water right has been historically applied is enrolled under a federal land conservation program; or
- (II) The nonuse or decrease in use of the water from the water right by its owner for a maximum of five years in any consecutive ten-year period as a result of participation in:
 - (A) A water conservation program, including a pilot program, approved in advance by a water conservation district, water district, water authority, or water conservancy district for lands that are within the entity's jurisdictional boundaries or by a state agency with explicit statutory jurisdiction over water conservation or water rights;
 - (B) A water conservation program, including a pilot program, established through formal written action or ordinance by a water district, water authority, or municipality or its municipal water supplier for lands that are within the entity's jurisdictional boundaries;
 - (C) An approved land following program as provided by law in order to conserve water or to provide water for compact compliance; or
 - (D) A water banking program as provided by law.



System Conservation Pilot Program - Attachment 1

March 15, 2023 Update

Preliminary and Subject to Change

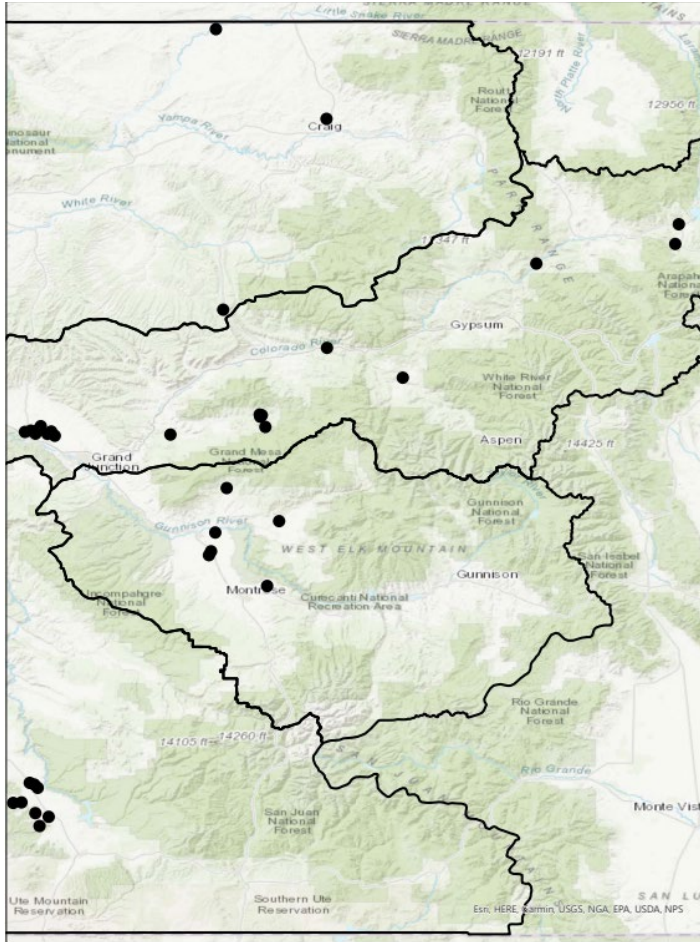
Summary of Proposals Received

For the System Conservation Pilot Program 2023, the UCRC received 36 complete and responsive Colorado project proposals totaling 5,480 acres and 8,334 acre-feet of estimated conserved consumptive use. Below is a table summarizing the project proposals by basin.

Basin	# Projects	Proposed Participating Acreage	Proposed Estimated Conserved Consumptive Use
Yampa	2	208	109
White	1	183	180
Upper Colorado	3	1,381	1,185
Lower Colorado	14	2,457	5,326
Gunnison	8	445	744
San Juan/Dolores	8	807	791
Total¹	36	5,480	8,334

Below is a map showing general locations of these projects.

¹ This table includes only proposals occurring exclusively in Colorado and does not include the Little Snake proposal (CO_WY_01 in the spreadsheet below).



Of these 36 proposals, 19 propose full-season fallowing. Two proposals include foregoing late-season reservoir water. One proponent proposed a large-scale project to administer participation (capped at 1,000 total acres) on a lottery basis. Nine projects include partial season irrigation, which for many would mean only irrigating in the fall to establish lower water use crops for subsequent years. Eight projects would replace alfalfa with lower water use, drought-resistant annual grasses. Of the 36 proposals, 21 include irrigated fields within larger ditch companies. Fifteen have water rights that are not under a formal ditch company.

Saved water in this program becomes “system water” and does not include shepherding downstream of the participant’s point of diversion. Irrigation water will either be diverted at the ditch headgate and then “spilled” at some point down-ditch or will be bypassed at the headgate to ensure it is not available to non-participating ditch users. Proposals provide operating plans and general verification plans. Final verification plans will be included in the project contract. For many projects, verification will simply be ensuring that the land does not receive water - either via site visits or from satellite imagery. UCRC’s consultants will perform any necessary verification.

Updated SCPP Process Timeline

- December 13, 2022: Pre-Solicitation Notice with 02/01/2023 deadline
- January 19, 2023: Deadline extended to March 1, 2023
- March 1, 2023: 88 proposals received across the Upper Basin
- Next Steps:
 - Identify projects for preparation of draft Implementation Agreement with Verification Plan
 - Draft Implementation Agreements
 - Early April target for execution

Proposals Meeting UCRC Criteria based on Preliminary Analysis

Below is a summary of proposals deemed complete and meeting the criteria established by the UCRC based on preliminary review by staff of the Upper Division States. These projects are under further consideration for approval by the UCRC. If additional proposals are completed and/or deemed appropriate for UCRC consideration pursuant to the criteria, staff will return to the Board to seek approval of those projects pursuant to C.R.S. §§ 37-92-103(2) and 37-92-305(3)(c).

Project Name	Location	Type of Project	Timeframe	Crop	Proposed Acreage	Proposed Estimated Conserved Consumptive Use
CO_1 - Plateau Creek - Galloway	Mesa Creek trib to Plateau Creek	Deficit irrigation	April - June	Grass hay	101	96.7
CO_4 - Upper Colorado Granby - Orr	Upper Colorado	Full-Season Fallow	June - October	Grass hay	870	484.53
CO_7 - Upper Colorado Kremmling - Rahne	Upper Colorado	Full-Season Fallow	May - October	Grass hay/ Alfalfa	4.79	5.16
CO_8 - GVIC - Muhr	Colorado River - Grand Valley	Full-Season Fallow	April - October	Alfalfa/Corn/Small Grains	59.16	137.3
CO_12 - Uncompahgre	Uncompahgre - UVWUA	Full-Season Fallow	April 15 - October	Triticale and Corn	33.5	45.6

- Nauyokas						
CO_13 - Cimarron River - Epplesheimer	Cimarron River	Full-Season Fallow	April 15 - October 20	Alfalfa and Hay grass	125.1	274
CO_14 - Grand Valley - GVWUA -	Grand Valley	Combination	April - October	Varies	Max of 1000	Max of 3000
CO_15 - Dolores Project - Ives	Dolores Project	Crop Switching	May - November	Alfalfa to Multi- species forage	93.4	93.4
CO_16 - Dolores Project - Johnson	Dolores Project	Crop Switching	May - November	Alfalfa to Multi- species forage	128.66	149.25
CO_17 - Dolores Project - Mahaffrey	Dolores Project	Crop Switching	May - November	Alfalfa to Multi- species forage	173.05	131.23
CO_18 - Dolores Project - Neely	Dolores Project	Crop Switching	May - November	Alfalfa to Grass forage mix	125.8	144.67
CO_19 - Dolores Project - White	Dolores Project	Crop Switching	May - November	Alfalfa to Multi- species forage mix	46.64	24.25
CO_20 - Dolores Project - Oliver	Dolores Project	Crop Switching	May - November	Alfalfa to Multi- species forage		103

CO_21 - Dolores Project - C Neely	Dolores Project	Crop Switching	May - November	Alfalfa to Grass forage mix		45.3
CO_22 - Dolores Project- White	Dolores Project	Crop Switching	May - November	Alfalfa to Multi-species forage		99.7
CO_23 - GVIC - Tonozzi	Grand Valley Irrigation	Full-Season Fallow	April - October	Alfalfa	15	38.16
CO_26 - GVIC - BernalFarms	Colorado River	Full-Season Fallow	April - October	Corn, Alfalfa rotation	15.84	38.1
CO_30 - Fortification Creek - Weaver	Fortification Creek	Full-Season Fallow	April 15 - August 31	Grass hay	31	66
CO_31 - GVIC - Baleztena	Colorado River	Full-Season Fallow	April through October	Alfalfa and Grass	30.5	71
CO_33 - Surface Creek - Schmalz	Surface and Kiser Creeks	Full-Season Fields and Partial-Season Fields	April 1 - October 15 (Full-Season) and April 1 to June 15 (Partial)	Alfalfa and Grass	133.3	153.2
CO_34 - Piceance Creek - Mtn Water	Piceance Creek	Full-Season Fallow	April 1 - October 31	Grass hay	183	186.9

CO_WY_1 - Little Snake ²	Little Snake	Full-Season Fallow	April 1 - October 31	Grass hay	2631	4230.9
Total					Up to 5,800.74	Up to 9,618.35

The table above reflects preliminary proposal estimates that are still subject to change and to ongoing discussions between UCRC and project proponents to determine if the projects will be selected for final contracting between each of the proponents and the UCRC. Further, the table may include projects that may ultimately be denied by UCRC. Finally, some projects remain under preliminary review by UCRC's consultant and await additional information from project proponents. Summaries of these projects will be provided to the Board in the near future if preliminarily deemed appropriate for further review by UCRC.

² This proposal includes acreage and proposed conserved consumptive use in both Wyoming and Colorado. Roughly 70% of the proposal is within Wyoming.

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0333.01 Jennifer Berman x3286

HOUSE BILL 23-1220

HOUSE SPONSORSHIP

Holtorf and McCormick, Bockenfeld

SENATE SPONSORSHIP

(None),

House Committees

Agriculture, Water & Natural Resources

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A STUDY REGARDING THE ECONOMIC IMPACT OF THE
102 ELIMINATION OF LARGE-CAPACITY GROUNDWATER
103 WITHDRAWAL WITHIN THE REPUBLICAN RIVER BASIN, AND, IN
104 CONNECTION THEREWITH, REQUIRING THE COLORADO WATER
105 CENTER TO CONDUCT THE STUDY AND REPORT ITS FINDINGS AND
106 CONCLUSIONS TO CERTAIN LEGISLATIVE COMMITTEES.

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://leg.colorado.gov>.)

In 1942, Colorado entered into an interstate compact (compact)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

with Nebraska and Kansas regarding the allocation of water from the Republican river basin (basin). Colorado ratified the compact in 1943. In 2016, Colorado, Nebraska, and Kansas signed a resolution (resolution) regarding a dispute about Colorado's compliance with the compact, through which resolution and its amendment Colorado agreed to retire 25,000 acres of irrigated acreage in the basin by 2029.

The bill requires the Colorado water center (center) in the Colorado state university to study the anticipated economic effects of the forced elimination of groundwater withdrawals within and surrounding the Colorado portion of the Republican river basin that could occur if Colorado fails to comply with the resolution. The center is required to prepare a progress report and, on or before January 1, 2026, a final report of the center's findings and conclusions from the study and to post both reports on the center's website. The center must present the progress and final reports to certain legislative committees.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 23-31-804 as
3 follows:

4 **23-31-804. Republican river groundwater economic study -**
5 **reporting - legislative declaration - definitions - repeal.** (1) THE
6 GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7 (a) IN 1942, THE GENERAL ASSEMBLY RATIFIED THE REPUBLICAN
8 RIVER COMPACT, AN INTERSTATE COMPACT BETWEEN COLORADO,
9 NEBRASKA, AND KANSAS REGARDING THE ALLOCATION OF WATER AMONG
10 THE THREE STATES FROM THE REPUBLICAN RIVER;

11 (b) VARIOUS DISAGREEMENTS AND LITIGATION HAVE ARISEN
12 AMONG THE THREE STATES REGARDING THE USE OF WATER AS ALLOCATED
13 BY THE COMPACT;

14 (c) IN 2016, COLORADO, NEBRASKA, AND KANSAS, ACTING
15 THROUGH THE REPUBLICAN RIVER COMPACT ADMINISTRATION, ADOPTED
16 A SERIES OF RESOLUTIONS RESOLVING VARIOUS DISPUTES AMONG THE
17 THREE STATES;

1 (d) UNDER THE TERMS OF ONE OF THE RESOLUTIONS, COLORADO
2 AGREED TO REDUCE THE NUMBER OF ACRES IRRIGATED WITHIN AN AREA
3 OF THE REPUBLICAN RIVER BASIN KNOWN AS THE SOUTH FORK FOCUS
4 ZONE BY TWENTY-FIVE THOUSAND ACRES BY DECEMBER 31, 2029, WHICH
5 ACTION IS A SOLEMN OBLIGATION OF THE STATE;

6 (e) IF COLORADO FAILS TO MEET ITS OBLIGATION UNDER THE
7 TERMS OF THE SOUTH FORK FOCUS ZONE RESOLUTION, THE STATE
8 ENGINEER COULD BE REQUIRED TO CURTAIL ALL GROUNDWATER USE
9 SUBJECT TO THE REPUBLICAN RIVER COMPACT; AND

10 (f) IT IS APPROPRIATE FOR THE COLORADO WATER CENTER TO
11 STUDY THE ECONOMIC IMPACT THAT WILL RESULT IF COLORADO FAILS TO
12 MEET ITS OBLIGATION UNDER THE TERMS OF THE SOUTH FORK FOCUS ZONE
13 RESOLUTION AND THE STATE ENGINEER IS THEN REQUIRED TO CURTAIL ALL
14 LARGE-CAPACITY GROUNDWATER WITHDRAWALS WITHIN THE REPUBLICAN
15 RIVER BASIN.

16 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
17 REQUIRES:

18 (a) "AGRICULTURAL COMMITTEES" MEANS THE HOUSE OF
19 REPRESENTATIVES AGRICULTURE, WATER, AND NATURAL RESOURCES
20 COMMITTEE AND THE SENATE AGRICULTURE AND NATURAL RESOURCES
21 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

22 (b) NOTWITHSTANDING SECTION 23-31-801 (1), "COLORADO
23 WATER CENTER" OR "CENTER" MEANS THE INSTITUTE.

24 (c) "LARGE-CAPACITY GROUNDWATER WITHDRAWAL" MEANS THE
25 LAWFUL ABILITY TO WITHDRAW WATER IN AN AMOUNT OF MORE THAN
26 FIFTY GALLONS PER MINUTE FROM A WELL.

27 (d) "REPUBLICAN RIVER BASIN" HAS THE MEANING SET FORTH IN

1 SECTION 37-50-102 (5).

2 (e) "SOUTH FORK FOCUS ZONE RESOLUTION" OR "RESOLUTION"
3 MEANS THE 2016 REPUBLICAN RIVER COMPACT ADMINISTRATION
4 RESOLUTION SIGNED BY THE COMMISSIONERS OF THE REPUBLICAN RIVER
5 COMPACT ADMINISTRATION ON AUGUST 24, 2016, IN WHICH THE STATE
6 AGREED TO RETIRE TWENTY-FIVE THOUSAND ACRES OF ITS IRRIGATED
7 LANDS WITHIN THE SOUTH FORK FOCUS ZONE OF THE REPUBLICAN RIVER
8 BASIN, AND SUBSEQUENT RESOLUTIONS AMENDING THE TERMS OF THE
9 RESOLUTION.

10 (f) "STATE ENGINEER" MEANS THE STATE ENGINEER APPOINTED BY
11 THE GOVERNOR PURSUANT TO SECTION 37-80-101.

12 (g) "WATER RESOURCES AND AGRICULTURE REVIEW COMMITTEE"
13 MEANS THE WATER RESOURCES AND AGRICULTURE REVIEW COMMITTEE
14 CREATED IN SECTION 37-98-102 (1)(a)(I).

15 (3) ON OR BEFORE JANUARY 1, 2026, THE COLORADO WATER
16 CENTER SHALL COMPLETE A STUDY OF THE ECONOMIC IMPACT THAT WILL
17 RESULT IF COLORADO FAILS TO MEET ITS OBLIGATION UNDER THE TERMS
18 OF THE SOUTH FORK FOCUS ZONE RESOLUTION AND THE STATE ENGINEER
19 IS THEN REQUIRED TO CURTAIL ALL LARGE-CAPACITY GROUNDWATER
20 WITHDRAWALS WITHIN THE REPUBLICAN RIVER BASIN. IN CONDUCTING
21 THE STUDY, THE COLORADO WATER CENTER SHALL EXAMINE THE
22 ECONOMIC IMPACT TO THE AREAS OF COLORADO, NEBRASKA, AND
23 KANSAS AFFECTED BY THE REPUBLICAN RIVER BASIN.

24 (4) THE CENTER SHALL:

25 (a) PREPARE A PROGRESS REPORT OF THE STUDY CONDUCTED
26 PURSUANT TO THIS SECTION AND PRESENT THE PROGRESS REPORT TO A
27 JOINT COMMITTEE OF THE AGRICULTURAL COMMITTEES DURING THE JOINT

1 COMMITTEE'S 2025 HEARING HELD PURSUANT TO SECTION 2-7-203 OF THE
2 "SMART ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE CENTER SHALL
3 SUBMIT A COPY OF THE PROGRESS REPORT TO THE WATER RESOURCES AND
4 AGRICULTURE REVIEW COMMITTEE AND, UPON REQUEST OF THE
5 COMMITTEE, PRESENT THE PROGRESS REPORT TO THE COMMITTEE.

6 (b) ON OR BEFORE JANUARY 1, 2026, PREPARE A FINAL REPORT OF
7 THE FINDINGS AND CONCLUSIONS FROM THE STUDY AND POST THE FINAL
8 REPORT ON THE CENTER'S WEBSITE; AND

9 (c) DURING THE 2026 CALENDAR YEAR, PRESENT THE FINAL
10 REPORT:

11 (I) TO THE WATER RESOURCES AND AGRICULTURE REVIEW
12 COMMITTEE; AND

13 (II) TO THE JOINT COMMITTEE OF THE AGRICULTURAL
14 COMMITTEES.

15 (5) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2027.

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

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 23-0857.01 Christopher McMichael x4775

SENATE BILL 23-177

SENATE SPONSORSHIP

Roberts and Simpson,

HOUSE SPONSORSHIP

(None),

Senate Committees

Agriculture & Natural Resources

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE FUNDING OF COLORADO WATER CONSERVATION**
102 **BOARD PROJECTS, AND, IN CONNECTION THEREWITH, MAKING**
103 **AN APPROPRIATION.**

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://leg.colorado.gov>.)

The bill appropriates the following amounts for the 2023-24 state fiscal year from the Colorado water conservation board (CWCB) construction fund to the CWCB or the division of water resources in the department of natural resources for the following projects:

- Continuation of the satellite monitoring system, \$380,000

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

- (section 1 of the bill);
- Continuation of the floodplain map modernization program, \$500,000 (section 2);
- Continuation of the weather modification permitting program, \$500,000 (section 3);
- Continuation of the watershed restoration program, \$500,000 (section 6);
- Continuation of the Colorado Mesonet project, \$150,000 (section 7);
- Continuation of the weather forecasting partnership project, \$1,000,000 (section 8);
- Support for the division of water resources mobile field data collection application project, \$800,000 (section 9);
- Continuation of the reservoir enlargement assessment project, \$1,000,000 (section 11);
- Support for the central Colorado water conservancy district augmentation efficiency project, \$3,000,000 (section 15); and
- Support for the state water plan action advancement project, \$2,000,000 (section 16).

The bill directs the state treasurer to transfer the following amounts on July 1, 2023, from the severance tax perpetual base fund to the CWCB construction fund, and appropriates those amounts from the CWCB construction fund to the CWCB for the following projects:

- Continuation of the Platte river recovery implementation program, \$19,000,000 (section 12);
- Support for the upper Colorado river endangered fish recovery program and the San Juan river basin recovery implementation program, \$15,000,000 (section 13); and
- Additional and continued support for the Frying Pan - Arkansas project, \$20,000,000 (section 14).

The bill directs the state treasurer to transfer the following amounts from the CWCB construction fund on July 1, 2023:

- \$2,000,000 to restore the fish and wildlife resources fund (section 4);
- Up to \$2,000,000 to the CWCB litigation fund (section 5); and
- \$2,000,000 to the water plan implementation cash fund for continuation of the water plan implementation grant program (section 10).

Section 17 appropriates \$10,600,000 of sports betting revenues from the water plan implementation cash fund and \$2,000,000 from the CWCB construction fund to the CWCB to fund grants that will help implement the state water plan.

Section 18 appropriates \$8,000,000 from the wildlife cash fund to

the division of parks and wildlife to purchase up to 924 acre-feet of orphan shares from the CWCB as part of the Chatfield reservoir reallocation project.

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

2 **SECTION 1. Continuation of the satellite monitoring system**
3 **- operation and maintenance - appropriation.** (1) For the 2023-24
4 state fiscal year, \$380,000 is appropriated to the department of natural
5 resources for use by the division of water resources. This appropriation
6 is from the Colorado water conservation board construction fund created
7 in section 37-60-121, C.R.S. To implement this section, the division of
8 water resources may use this appropriation to install, maintain, and
9 operate satellite monitored stream gauges and lysimeters for water rights
10 administration and data collection pursuant to section 37-80-102 (10),
11 C.R.S.

12 (2) The money appropriated in subsection (1) of this section
13 remains available for the designated purposes until it is fully expended.

14 **SECTION 2. Continuation of the Colorado floodplain map**
15 **modernization program - appropriation.** (1) For the 2023-24 state
16 fiscal year, \$500,000 is appropriated to the department of natural
17 resources for use by the Colorado water conservation board. This
18 appropriation is from the Colorado water conservation board construction
19 fund created in section 37-60-121, C.R.S. To implement this section, the
20 Colorado water conservation board may use this appropriation to continue
21 to assist with the preparation of revised and improved floodplain studies
22 and maps for communities throughout Colorado and participate in
23 federally sponsored floodplain map modernization activities.

24 (2) The money appropriated in subsection (1) of this section

1 remains available for the designated purposes until it is fully expended.

2 **SECTION 3. Continuation of the weather modification**
3 **permitting program - appropriation.** (1) For the 2023-24 state fiscal
4 year, \$500,000 is appropriated to the department of natural resources for
5 use by the Colorado water conservation board. This appropriation is from
6 the Colorado water conservation board construction fund created in
7 section 37-60-121, C.R.S. To implement this section, the Colorado water
8 conservation board may use this appropriation to assist water
9 conservation and conservancy districts with the development of cloud
10 seeding programs to provide benefits to recreation, streams, and
11 reservoirs through snowpack enhancement.

12 (2) The money appropriated in subsection (1) of this section
13 remains available for the designated purposes until it is fully expended.

14 **SECTION 4. Restoration of fish and wildlife resources fund**
15 **balance - transfer.** On July 1, 2023, the state treasurer shall transfer
16 \$2,000,000 from the unreserved cash in the Colorado water conservation
17 board construction fund created in section 37-60-121, C.R.S., to the fish
18 and wildlife resources fund created in section 37-60-121 (6), C.R.S., to
19 continue grant-making to assist with the mitigation of fish and wildlife
20 resources affected by the construction, operation, or maintenance of water
21 diversion, delivery, or storage facilities.

22 **SECTION 5. Restoration of litigation fund cash balance -**
23 **transfer.** On July 1, 2023, the state treasurer shall transfer \$2,000,000, or
24 so much thereof as may be necessary to restore the balance of the
25 litigation fund to \$2,000,000, from the unreserved cash in the Colorado
26 water conservation board construction fund created in section 37-60-121,
27 C.R.S., to the litigation fund created in section 37-60-121 (2.5), C.R.S.,

1 to assist in addressing legal issues associated with compact compliance
2 or any other litigation activities as specified under section 37-60-121,
3 C.R.S.

4 **SECTION 6. Continuation of the watershed restoration**
5 **program - appropriation.** (1) For the 2023-24 state fiscal year,
6 \$500,000 is appropriated to the department of natural resources for use
7 by the Colorado water conservation board. This appropriation is from the
8 Colorado water conservation board construction fund created in section
9 37-60-121, C.R.S. To implement this section, the Colorado water
10 conservation board may use this appropriation to provide planning,
11 engineering, and implementation measures to address technical needs for
12 watershed restoration and flood mitigation projects throughout the state;
13 aquatic habitat protection; flexible operations for multiple uses;
14 restoration work; quantification of environmental flow needs; and
15 monitoring efforts to support healthy stream and watershed goals outlined
16 in the state water plan.

17 (2) The money appropriated in subsection (1) of this section
18 remains available for the designated purposes until it is fully expended.

19 **SECTION 7. Continuation of the Colorado Mesonet project**
20 **- appropriation.** (1) For the 2023-24 state fiscal year, \$150,000 is
21 appropriated to the department of natural resources for use by the
22 Colorado water conservation board. This appropriation is from the
23 Colorado water conservation board construction fund created in section
24 37-60-121, C.R.S. To implement this section, the Colorado water
25 conservation board may use this appropriation to support the Colorado
26 Mesonet, including for the following activities: Operation, maintenance,
27 travel, communications, and database and website management for

1 temperature and precipitation stations.

2 (2) The money appropriated in subsection (1) of this section
3 remains available for the designated purposes until it is fully expended.

4 **SECTION 8. Continuation of the water forecasting**
5 **partnership project - appropriation.** (1) For the 2023-24 state fiscal
6 year, \$1,000,000 is appropriated to the department of natural resources
7 for use by the Colorado water conservation board. This appropriation is
8 from the Colorado water conservation board construction fund created in
9 section 37-60-121, C.R.S. To implement this section, the Colorado water
10 conservation board may use this appropriation to support the development
11 of new ground and aerial remote sensing data, to develop hydrologic
12 modeling practices, to provide reliable volumetric water supply
13 forecasting, and to provide better characterization of snowpack.

14 (2) The money appropriated in subsection (1) of this section
15 remains available for the designated purposes until it is fully expended.

16 **SECTION 9. Division of water resources mobile field data**
17 **collection application project - appropriation.** (1) For the 2023-24
18 state fiscal year, \$800,000 is appropriated to the department of natural
19 resources for use by the division of water resources. This appropriation
20 is from the Colorado water conservation board construction fund created
21 in section 37-60-121, C.R.S. To implement this section, the division of
22 water resources may use this appropriation to develop a mobile
23 application for phone operating systems that will allow division
24 employees to perform work more efficiently and provide updated
25 information in real time.

26 (2) The money appropriated in subsection (1) of this section
27 remains available for the designated purposes until it is fully expended.

1 **SECTION 10. Grant-making for projects that assist in**
2 **implementing the state water plan - transfer.** On July 1, 2023, the state
3 treasurer shall transfer \$2,000,000 from the unreserved cash in the
4 Colorado water conservation board construction fund created in section
5 37-60-121, C.R.S., to the water plan implementation cash fund created in
6 section 37-60-123.3 (1)(a), C.R.S., to provide additional grant funding for
7 projects that assist with the implementation of the state water plan.

8 **SECTION 11. Continuation of the reservoir enlargement**
9 **assessment project - appropriation.** (1) For the 2023-24 state fiscal
10 year, \$1,000,000 is appropriated to the department of natural resources
11 for use by the division of water resources. This appropriation is from the
12 Colorado water conservation board construction fund created in section
13 37-60-121, C.R.S. To implement this section, the division of water
14 resources may use this appropriation to evaluate potential reservoir
15 enlargement plans, spillway adequacy, and protection of nearby life and
16 property.

17 (2) The money appropriated in subsection (1) of this section
18 remains available for the designated purposes until it is fully expended.

19 **SECTION 12. Continuation of the Platte river recovery**
20 **implementation program - transfer - appropriation.** (1) On July 1,
21 2023, the state treasurer shall transfer \$19,000,000 from the severance tax
22 perpetual base fund created in section 39-29-109 (2)(a)(I.5), C.R.S., to the
23 Colorado water conservation board construction fund created in section
24 37-60-121, C.R.S., to support the Platte river recovery implementation
25 program.

26 (2) (a) For the 2023-24 state fiscal year, \$19,000,000 is
27 appropriated to the department of natural resources for use by the

1 Colorado water conservation board. This appropriation is from the
2 Colorado water conservation board construction fund created in section
3 37-60-121, C.R.S. To implement this section, the Colorado water
4 conservation board may use this appropriation to support the Platte river
5 recovery implementation program, which implements certain aspects of
6 the United States fish and wildlife service's recovery plans for the
7 whooping crane, pallid sturgeon, and piping plover and provides
8 compliance with the "Endangered Species Act of 1973", 16 U.S.C. sec.
9 1531, et seq., as amended, for Colorado water projects.

10 (b) The money appropriated in subsection (2)(a) of this section
11 remains available for the designated purposes until it is fully expended.

12 **SECTION 13. Upper Colorado river endangered fish recovery**
13 **program and San Juan river basin recovery implementation program**
14 **- transfer - appropriation.** (1) On July 1, 2023, the state treasurer shall
15 transfer \$15,000,000 from the severance tax perpetual base fund created
16 in section 39-29-109 (2)(a)(I.5), C.R.S., to the Colorado water
17 conservation board construction fund created in section 37-60-121,
18 C.R.S., to support the upper Colorado river endangered fish recovery
19 program and the San Juan river basin recovery implementation program.

20 (2) (a) For the 2023-24 state fiscal year, \$15,000,000 is
21 appropriated to the department of natural resources for use by the
22 Colorado water conservation board. This appropriation is from the
23 Colorado water conservation board construction fund created in section
24 37-60-121, C.R.S. To implement this section, the Colorado water
25 conservation board may use this appropriation to support the upper
26 Colorado river endangered fish recovery program and the San Juan river
27 basin recovery implementation program, which ensures compliance with

1 the "Endangered Species Act of 1973", 16 U.S.C. sec. 1531, et seq., as
2 amended, for Colorado water users, and contributes to the protection of
3 at least four endangered or threatened fish species.

4 (b) The money appropriated in subsection (2)(a) of this section
5 remains available for the designated purposes until it is fully expended.

6 **SECTION 14.** In Session Laws of Colorado 2020, section 17 of
7 chapter 150, (HB 20-1403), **amend** (2) as follows:

8 Section 17. **Frying Pan - Arkansas project loan authorization**
9 **- transfer - appropriation.** (2) (a) On July 1, 2020, the state treasurer
10 shall transfer ~~the sum of~~ \$10,000,000, AND ON JULY 1, 2023, THE STATE
11 TREASURER SHALL TRANSFER \$20,000,000, from the severance tax
12 perpetual base fund created in section 39-29-109 ~~(2)(a)~~ **(2)(a)(I.5)**,
13 C.R.S., to the Colorado water conservation board construction fund
14 created in section 37-60-121, C.R.S., to grant money to EITHER the
15 southeastern Colorado water conservancy district OR OTERO COUNTY to
16 provide nonfederal cost-share funding for the Frying Pan-Arkansas
17 project, which project helps provide quality drinking water to six counties
18 in the lower Arkansas valley.

19 (b) (I) ~~For the 2020-21 state fiscal year \$10,000,000 is~~ THE
20 FOLLOWING AMOUNTS ARE appropriated to the department of natural
21 resources for use by the Colorado water conservation board ~~This~~
22 ~~appropriation is~~ IN THE SPECIFIED STATE FISCAL YEARS:

23 (A) FOR THE 2020-21 STATE FISCAL YEAR, \$10,000,000; AND

24 (B) FOR THE 2023-24 STATE FISCAL YEAR, \$20,000,000.

25 (II) THE APPROPRIATIONS SPECIFIED IN SUBSECTION (2)(b)(I) OF
26 THIS SECTION ARE from the Colorado water conservation board
27 construction fund created in section 37-60-121, C.R.S. To implement this

1 subsection (2), the Colorado water conservation board may use ~~this~~
2 ~~appropriation~~ THESE APPROPRIATIONS to grant money to EITHER the
3 southeastern Colorado water conservancy district OR OTERO COUNTY to
4 provide nonfederal cost-share funding for the Frying Pan-Arkansas
5 project, which project helps provide quality drinking water to six counties
6 in the lower Arkansas valley.

7 ~~(H)~~ (III) The money appropriated in subsection (2)(b)(I) of this
8 section remains available for the designated purposes until it is fully
9 expended.

10 **SECTION 15. Central Colorado water conservancy district**
11 **augmentation efficiency project - appropriation.** (1) For the 2023-24
12 state fiscal year, \$3,000,000 is appropriated to the department of natural
13 resources for use by the Colorado water conservation board. This
14 appropriation is from the Colorado water conservation board construction
15 fund created in section 37-60-121, C.R.S. To implement this section, the
16 Colorado water conservation board may use this appropriation to support
17 the groundwater management subdistrict of the central Colorado water
18 conservancy district with improving the efficiency and effectiveness of
19 its augmentation plans. The augmentation efficiency project includes
20 construction of pipelines, augmentation wells, and groundwater recharge
21 sites.

22 (2) The money appropriated in subsection (1) of this section
23 remains available for the designated purposes until it is fully expended.

24 **SECTION 16. State water plan advancement project -**
25 **appropriation.** (1) For the 2023-24 state fiscal year, \$2,000,000 is
26 appropriated to the department of natural resources for use by the
27 Colorado water conservation board. This appropriation is from the

1 Colorado water conservation board construction fund created in section
2 37-60-121, C.R.S. To implement this section, the Colorado water
3 conservation board may use this appropriation to implement identified
4 actions under the 2023 state water plan, including developing tools,
5 convening stakeholder groups, and conducting research and data analysis.
6 The appropriation will be used for projects that include an evaluation of
7 municipal water conservation standards, an economic analysis of
8 agricultural opportunities, the development of watershed planning
9 platforms, and the establishment of a framework for drought-ready
10 communities.

11 (2) The money appropriated in subsection (1) of this section
12 remains available for the designated purposes until it is fully expended.

13 **SECTION 17. Grant-making for projects that assist in**
14 **implementing the state water plan - appropriation.** (1) (a) For the
15 2023-24 state fiscal year, \$10,600,000 is appropriated to the department
16 of natural resources for use by the Colorado water conservation board.
17 This appropriation is from the water plan implementation cash fund
18 created in section 37-60-123.3 (1)(a), C.R.S. To implement this
19 subsection (1), the Colorado water conservation board may use this
20 appropriation for grant-making for projects that assist in the
21 implementation of the state water plan pursuant to section 37-60-106.3
22 (6), C.R.S., through the Colorado water conservation board's application
23 and guidelines process.

24 (b) The money appropriated in subsection (1)(a) of this section
25 remains available for the designated purposes until it is fully expended.

26 (2) (a) For the 2023-24 state fiscal year, \$2,000,000 is
27 appropriated to the department of natural resources for use by the

1 Colorado water conservation board. This appropriation is from the
2 Colorado water conservation board construction fund created in section
3 37-60-121, C.R.S. To implement this subsection (2), the Colorado water
4 conservation board may use this appropriation for grant-making for
5 projects that assist in the implementation of the state water plan pursuant
6 to section 37-60-106.3 (6), C.R.S., through the Colorado water
7 conservation board's application and guidelines process.

8 (b) The money appropriated in subsection (2)(a) of this section
9 remains available for the designated purposes until it is fully expended.

10 **SECTION 18. Chatfield reservoir reallocation project -**
11 **orphan shares purchase - appropriation.** (1) For the 2023-24 state
12 fiscal year, \$8,000,000 is appropriated to the department of natural
13 resources for use by the division of parks and wildlife. This appropriation
14 is from the wildlife cash fund created in section 33-1-112 (1), C.R.S. To
15 implement this section, the division of parks and wildlife may use this
16 appropriation for the purchase of up to 924 acre-feet of orphan shares
17 owned by the Colorado water conservation board as part of the Chatfield
18 reservoir reallocation project.

19 (2) The money appropriated in subsection (1) of this section
20 remains available for the designated purposes until it is fully expended.

21 **SECTION 19. Safety clause.** The general assembly hereby finds,
22 determines, and declares that this act is necessary for the immediate
23 preservation of the public peace, health, or safety.