Colorado Water Congress State Affairs Committee Meeting Report prepared by the Southwestern Water Conservation District

January 14, 2019 Water Legislation Report #2 (2019 Legislative Session)

The State Affairs Committee met on January 14 to discuss proposed water legislation for consideration in the 2019 legislative session, which convened on January 4. State Affairs took action to support several water bills in advance of their committee hearings this week. Please see those positions in the table below.

Since the last meeting, the following new bills have been introduced: <u>HJR19-1005 (Water Projects Eligibility List)</u>, which is the Colorado Water Resources & Power Development Authority's (CWRPDA) annual list of additions, modifications and deletions to their eligibility list. Projects for the Towns of Rico and Silverton have been added in southwestern Colorado. The State Affairs Committee took action after unanimous consent on January 14 to support this bill. While not included on the agenda for action or discussion, <u>HB19-1082 (Water Rights Easements)</u> was introduced on January 11.

The table below provides a detailed summary of water-related legislation introduced during the current session. The format of each bill includes five columns and a following <u>Summary</u> cell. The 1st, 2nd, 4th, & 5th column each contain two information items as follows: 1st column has both the <u>Bill No.</u> and the <u>Short Title</u>. The 2nd column has both the <u>Sponsors</u> and the assigned <u>Committee</u>. The 3rd column contains only the <u>Concerning</u> statement, copied directly from the bill. The 4th column will show important <u>Amendments</u> and <u>Comments</u> provided by SWCD staff. The 5th column shows both <u>When Introduced</u>, <u>CWC Action</u>, and <u>SWCD</u> <u>Position</u>. Once a bill no longer requires SA Comm action I will include it in a summary table, which will also show its progress. Until CWC takes action, the bill will remain in this format. I will however, highlight in yellow changes in any of the cells, compared to the prior report. Once, CWC has acted on a bill, I will move it to the <u>Status table</u>, where its progress can be more easily monitored.

If you are aware of other entities that would like to receive these reports, please contact the Southwestern Water Conservation District office at 970-247-1302 with e-mail contact information. Once introduced, copies of bills are available at <u>www.leg.state.co.us</u>. Additional info is available at the CWC web site: <u>http://www.cowatercongress.org/stateaffairs/</u>

FYI: Legislator Contact Information		
Senator Don Coram (SD 6):	303-866-4884	don.coram.senate@state.co.us
Representative Barbara McLachlan (HD 59):	303-866-2914	<u>barbara.mclachlan.house@state.co.us</u>
Representative Marc Catlin (HD 58):	303-866-2955	marc.catlin.house@state.co.us

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Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
SB19 016	S Donovan,Coram	CONCERNING THE METHODOLOGY TO		01/04/2019
	H Esgar, Saine	DISTRIBUTE MONEY IN THE SEVERANCE TAX OPERATIONAL FUND AFTER CORE		
Severance Tax		DEPARTMENTAL PROGRAMS ARE FUNDED		SUPPORT
Operational Fund	Ag & Natural	WITHOUT CHANGING THE TRANSFERS TO		
Distribution	Resources	THE NATURAL RESOURCES AND ENERGY		SWCD Position:
Methodology		GRANT PROGRAMS		DISCUSSION

SUMMARY: Water Resources Review Committee. Money in the severance tax operational fund (operational fund) is primarily used for 2 purposes. The general assembly annually appropriates money from the operational fund for several **core departmental programs**, which were previously described as "tier-one programs". If money remains after these appropriations and after a reserve requirement for the core departmental programs is satisfied, then the state treasurer transfers money to an array of funds that support **natural resources and energy grant programs**, which were previously described as "tier-two programs". There is also a requirement that the reserve include an amount equal to 15% of the maximum transfers to natural resources and energy grant programs required by law, and this reserve is used for the transfers, if necessary.

The bill **changes the distribution of the money** in the operational fund as follows:

- Separates the reserve into the core reserve and the grant program reserve, while maintaining the overall purpose of each reserve;
- Increases the maximum grant program reserve to 100% of the maximum transfers to the natural resources and energy grant programs required by law, which currently is equal to \$36,378,072;
- Requires the state treasurer to make the transfers to the natural resources and energy grant programs on August 15 after a fiscal year and to base the transfers on **actual revenue** as opposed to estimated revenue. Money from the grant program reserve may be used for these transfers; and
- If all of the appropriations and transfers have been made and both reserves are full, then the state treasurer is required to transfer any money remaining in the operational fund to the severance tax perpetual base fund.

SB19 020 Wildland Fire <u>Airspace Patrol</u> <u>System</u>	S Coram, Fields H McLachlan State, Veterans & Military Affairs	CONCERNING DEVELOPMENT OF A SYSTEM TO PATROL THE AIRSPACE ABOVE WILDLAND FIRES.	This bill did not have a clear water- fire nexus, and so was removed from the agenda and consideration by SA committee leadership.	01/04/2019 REMOVED FROM AGENDA
				SWCD Position: DISCUSSION

SUMMARY: Wildfire Matters Review Committee. The bill **requires** the center of excellence for advanced technology aerial firefighting, subject to available appropriations, to **study and, if feasible, implement a system** to patrol the airspace above a wildland fire.

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Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
SB19 037 <u>Wildfire Mitigation</u>	S Woodward State, Veterans & Military Affairs	CONCERNING MEASURES TO MITIGATE WILDFIRES, AND, IN CONNECTION THEREWITH, PERMITTING COUNTY PERSONNEL TO ENTER LAND OWNED BY THE FEDERAL OR STATE GOVERNMENT TO REMOVE WILDFIRE FUEL SOURCES AND APPROPRIATING MONEY FOR THE USE OF THE FOREST RESTORATION AND WILDFIRE RISK MITIGATION GRANT PROGRAM.	Amendments are forthcoming, there was consensus to reconsider action at the 1/22 meeting.	01/04/2019 POSTPONED SWCD Position: DISCUSSION
outside of but within 5 posing a substantial the land to reduce the pote by the county or to cor of removing such fuel damages caused by any or bad faith. Section 2	miles of the territorial b reat of causing or aggrav ential for damage from a ntract with for-profit or n a materials or creating s y conduct he or she under appropriates \$10 million	a that is owned by the federal or state governmen oundaries of a county, where a supply of wildfire rating a wildfire in such area, or where the federal wildfire, section 1 of the bill permits the board not-for-profit organizations or entities to supply p such defensible space . Under the bill, a person e ertakes in accordance with this authority unless the for the 2019-20 state fiscal year, from the gener the forest restoration and wildfire mitigation gra	e fuel materials exists on the land that is su al or state government has failed to create a of county commissioners of any county to bersons able to enter the federal or state la employed by or contracting with the county he person's conduct was due to willful misc ral fund to the department of higher education	fficiently concentrated defensible space on such o use persons employed and for the sole purpose is not liable for any onduct, gross negligence,
SB19 040 Establish Colorado Fire Commission	S Hisey Ag & Natural Resources	CONCERNING THE ESTABLISHMENT OF THE COLORADO FIRE COMMISSION.	There was SA committee consensus that this bill did not have a clear water-fire nexus, so the bill was removed from the SA agenda and consideration. Could be added for consideration at a later date.	01/04/2019 REMOVE FROM AGENDA
				SWCD Position: DISCUSSION

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Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
	H Esgar Ag & Natural Resources Resources Review Comm rring herein: That Congres	MEMORIALIZING THE UNITED STATES CONGRESS TO FULFILL THE COMMITMENT OF THE FEDERAL GOVERNMENT TO PROVIDE FUNDING FOR THE ARKANSAS VALLEY CONDUIT PROJECT.		
of Representatives con	curring herein: That Cong	CONCERNING MEMORIALIZING THE UNITED STATES CONGRESS TO ENACT LEGISLATION DIRECTING THE UNITED STATES ARMY CORPS OF ENGINEERS, IN CONJUNCTION AND COOPERATION WITH THE LOWER ARKANSAS VALLEY WATER CONSERVANCY DISTRICT, TO DREDGE A PORTION OF THE ARKANSAS RIVER. nittee Be It Resolved by the Senate of the Seve gress should immediately enact legislation that y Water Conservancy District, to dredge a porti-	at directs the United States Army Corps of	Engineers, in conjunction
diversion to the John M				

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
HB19 1006 Wildfire Mitigation Wildland-urban Interface Areas	H McLachlan, Carver S Fields Rural Affairs & Ag	CONCERNING MEASURES TO MITIGATE THE EFFECTS OF WILDFIRES WITHIN WILDLAND-URBAN INTERFACE AREAS, AND, IN CONNECTION THEREWITH, CREATING A STATE GRANT PROGRAM TO PROMOTE FOREST MANAGEMENT FUELS REDUCTION PROJECTS IN SUCH AREAS		01/04/2019 DISCUSSION SWCD Position: DISCUSSION

SUMMARY: Wildfire Matters Review Committee. The bill **creates a state grant program** to be administered by the Colorado state forest service (forest service) to fund proactive forest management fuels reduction projects to reduce the impacts to life, property, and critical infrastructure caused by wildfires. To be eligible for a grant award, a grant recipient must be any one of a group of individual landowners as specified in the bill whose real property that is the subject of a grant application is located within a land area that is covered by a community wildfire protection plan. The bill specifies requirements pertaining to the evaluation of grant proposals. The forest service is to select the proposals that will receive funding, administer the grant program, and develop procedures by which applicants are to apply for grants. The bill imposes a monetary limit on the amount of a grant to be awarded and also requires a grant applicant to demonstrate an available amount of matching funds to be awarded a grant. The bill creates the forest management fuels reduction projects grant program cash fund in the state treasury. The bill requires the forest service to report annually to the general assembly on the number, location, and benefits of all projects for which a grant award is made.

HB19 1015	H Arndt	CONCERNING THE RECREATION OF THE COLORADO WATER INSTITUTE		01/04/2019
<u>Recreation of the</u> Colorado Water	Rural Affairs & Ag			SUPPORT
<u>Institute</u>				SWCD Position: DISCUSSION
SUMMARY: The Co	olorado water institute was cre	ated in 1981 and automatically repealed in	2017. The bill recreates t he institute.	

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
HB19 1026 <u>Parks & Wildlife</u> <u>Violations of Law</u>	H Catlin, McCluskie S Coram, Donovan Rural Affairs & Ag	CONCERNING FINES ASSESSED FOR VIOLATIONS OF LAWS ADMINISTERED BY THE DIVISION OF PARKS AND WILDLIFE.	Support limited to Section 15 of the bill, related to aquatic nuisance species rules.	01/04/2019 SUPPORT FOR SECTION 15 SWCD Position: DISCUSSION

SUMMARY: With regard to fines imposed for violations of laws enforced by the division of parks and wildlife in the department of natural resources (division), the **bill changes the amount of certain fines and modifies the disposition of money collected from fines**. Section 1 of the bill adds a nonstatutory short title. Section 2 makes legislative findings.

Under current law, the state treasurer is required to credit half of the money collected from a fine imposed for a violation of laws enforced by the division to the general fund and half of the money to either the fund administered by the division that is relevant to the type of violation committed, if a parks and wildlife officer issued the citation, or to the local government or other state agency whose law enforcement officer issued the citation. Sections 4, 23, 31, and 35 modify the disposition of fines collected as follows:

- If a parks and wildlife officer issues a citation for a fine, the state treasurer is required to credit all of the money collected from the associated fine to the fund administered by the division that is relevant to the type of violation committed; or
- If any other Colorado peace officer issues a citation for a fine, the state treasurer is required to credit half of the money collected from the associated fine to the fund administered by the division that is relevant to the type of violation committed and half of the money to the local government or other state agency whose law enforcement officer issued the citation.

The remaining sections change the amounts of fines for violations of laws enforced by the division as follows (see the <u>full bill</u> for those fee changes). We'll call out **Section 15** in this summary, which authorizes the commission, by rule, to allow for the possession, importation, exportation, shipment, or transportation of an aquatic nuisance species.

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
HB19 1029 <u>Republican River</u> <u>Water</u> <u>Conservation</u> <u>District</u>	H Arndt S Crowder Rural Affairs & Ag	CONCERNING THE REPUBLICAN RIVER WATER CONSERVATION DISTRICT, AND, IN CONNECTION THEREWITH, EXPANDING THE BOUNDARIES OF THE DISTRICT AND ADJUSTING THE MEETING SCHEDULE OF THE DISTRICT'S BOARD OF DIRECTORS.	The sponsor will introduce an amendment in committee to create flexibility in the board representation requirements for groundwater management districts. The RRWCD has also agreed to work with individual well owners to ensure no double accounting or fee assessment.	01/04/2019 SUPPORT SWCD Position: DISCUSSION

SUMMARY: Water Resources Review Committee The boundaries of the Republican river water conservation district are currently established by statute as certain counties and portions of counties that are within the Republican river basin. The **bill expands the boundaries** by including the district areas where groundwater pumping depletes the flow of the Republican river as contemplated by applicable United States supreme court case law. The composition of the district's board of directors is adjusted accordingly.

Current law requires the Republican river water conservation district board of directors to conduct regular quarterly meetings in January, April, July, and October. The bill changes these months to February, May, August, and November.

HB19 1050	H Titone	CONCERNING THE PROMOTION OF WATER-EFFICIENT LANDSCAPING ON PRODERTY SUBJECT TO MANA CEMENT	There was consensus to monitor the bill, and seek information on the	01/04/2019
Encourage Use Xeriscape in		PROPERTY SUBJECT TO MANAGEMENT BY LOCAL SUPERVISORY ENTITIES.	Special District Association's position, as they have been working directly	POSTPONED SWCD Position:
Common Area	1		with the sponsor and the bill addresses Special Districts.	DISCUSSION

SUMMARY: Section 1 of the bill augments an existing law that establishes the right of unit owners in common interest communities to use water-efficient landscaping, subject to reasonable aesthetic standards, by specifically **extending the same policy** to common areas under the control of the community's governing board. Sections 2 and 3 **extend existing water conservation** requirements, currently applicable only to certain public entities that supply water at retail and their customers, to **property management districts and other special districts** that manage areas of parkland and open space.

HB19 1082	H Catlin, Valdez S Coram	CONCERNING THE RIGHTS OF A WATER RIGHTS EASEMENT HOLDER.		01/11/2019
Water Rights	Dunal Affairs & Ag			DISCUSSION
Easements	Rural Affairs & Ag			SWCD Position: DISCUSSION
SUMMARY: The bil	ll clarifies that water rights ea	sement holders may maintain, repair, and in	nprove their easement.	

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Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
HJR19 1005	H Roberts S Donovan	CONCERNING WATER PROJECTS ELIGIBILITY LISTS.		01/10/2019
<u>Water Projects</u> <u>Eligibility List</u>	Rural Affairs & Ag			SUPPORT
				SWCD Position: DISCUSSION
Commission has made	changes to the list, and the	water projects revolving fund is set forth in legislature must approve them before funding overnor by April 1 of each year.		