

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

**March 13, 2017 Water Legislation Report #10 (2017 Legislative Session)**

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The State Affairs Committee met on Monday, March 13 to review proposed bills. Legislation that has been introduced since the last meeting include: **HB 1233** (Exempt Water Historical Consumptive Use Analysis) and **HB 1248** (CWCB Construction Fund “Projects Bill”). The next meeting of the State Affairs Committee is scheduled for Monday, March 20.

The subcommittee to address issues behind **SB 117** (Recognize Industrial Hemp Ag Product for Ag Water Right) met for the second time on Monday morning, and is co-chaired by Bruce Whitehead and Representative Valdez from the San Luis Valley. The State Affairs Committee has acted to oppose the bill, but acknowledge the conflicts between state and federal law regarding federal facilities. The subcommittee will likely recommend a multiple approaches to try to address the irrigation of hemp with irrigation water delivered through federal facilities. These include the possibility of a Senate Memorial addressed to the Colorado delegation, engagement of the CWC Federal Affairs Committee, and possible coordination with the Governor’s office and the Western Governors Association.

Discussions continue regarding **SB 40** (Public Access to Electronic Files), and recent amendments that have been introduced. The Secretary of State is supportive of the legislation, but the Water Congress has taken a position of opposition to the bill with concerns about impacts to small Districts and the possibility of data-mining for profit by outside interests. If the bill moves forward, the Water Congress staff will continue to push for amendments that address those concerns as well as project security related issues.

Legislation is to be introduced soon allowing seaplanes to land on lakes and reservoirs in Colorado. The proponents are now proposing a “pilot program” for two lakes to be identified by the Wildlife Commission, and the bill could include a training component for pilots and self-regulation. There was general concern expressed by the State Affairs Committee this year as well. Past attempts at similar legislation did not pass due to concerns about Aquatic Nuisance Species (ANS).

Other possible legislation that may be introduced in the near future include a bill concerning a Dedication of Reservoir Releases for Instream Flow purposes, being discussed by the Northern District related to NISP operations.

The format of each bill includes five columns and a following **Summary** cell. The 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, & 5<sup>th</sup> column each contain two information items as follows: 1<sup>st</sup> column has both the **Bill No.** and the **Short Title**. The 2<sup>nd</sup> column has both the **Sponsors** and the assigned **Committee**. The 3<sup>rd</sup> column contains only the **Concerning** statement, copied directly from the bill. The 4<sup>th</sup> column will show important **Amendments** and **Comments**. The 5<sup>th</sup> column shows both **When Introduced**, **CWC Action**, and **SWCD Position**. 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 **Status table**, where its' progress can be more easily monitored.

If you are aware of other entities or individuals 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 [www.leg.state.co.us](http://www.leg.state.co.us).

Additional info is available at the CWC web site: <http://www.cowatercongress.org/stateaffairs/>

FYI: Legislator Contact Information

Senator Don Coram (SD 6):	303-866-4884	<a href="mailto:don.coram.senate@state.co.us">don.coram.senate@state.co.us</a>
Representative Barbara McLachlan (HD 59):	303-866-2914	<a href="mailto:barbara.mclachlan.house@state.co.us">barbara.mclachlan.house@state.co.us</a>
Representative Marc Catlin (HD 58):	303-866-2955	<a href="mailto:marc.catlin.house@state.co.us">marc.catlin.house@state.co.us</a>

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
<b>SJR 013</b>  <b>Public Input and                      General Assembly                      Review Before New                      Nutrient                      Requirements</b>	<b>S Coram                      H N/A</b>  <b>Ag, Natural                      Resources &amp;                      Energy</b>	<b>CONCERNING THE ENCOURAGEMENT OF                      STAKEHOLDER INPUT WITH SUBSEQUENT                      LEGISLATIVE REVIEW PRIOR TO THE                      IMPLEMENTATION OF ADDITIONAL                      NUTRIENT DISCHARGE CONTROLS.</b>		<b>02/14//17</b>  <b>SUPPORT</b>  <b>SWCD Position: DISCUSSION</b>
<p><b>SUMMARY:</b> Be It Resolved by the Senate of the Seventy-first General Assembly of the State of Colorado, the House of Representatives concurring herein: That we, the members of the General Assembly:</p> <p>(1) Encourage interested stakeholders, including the Division, members of the regulated community, drinking water providers, the agricultural community, the conservation community, and the general public, beginning as soon as possible and prior to the Commission's scheduled triennial review of Regulation #85 in October 2017, to participate through the established Water Quality Forum workgroup process to evaluate holistic regulatory alternatives and cooperative strategies to ensure that additional statewide nutrient reduction approaches:</p> <ul style="list-style-type: none"> <li>(a) Focus spending where it will have the most environmental benefit;</li> <li>(b) Take into consideration the technical and economic feasibility of treatment;</li> <li>(c) Are environmentally sustainable;</li> <li>(d) Do not unnecessarily burden small, rural, or disadvantaged communities;</li> <li>(e) Are consistent with the goals of Colorado's State Water Plan;</li> <li>(f) Include strategies for measuring nutrient reductions achieved over time; and</li> <li>(g) Reflect input from participating stakeholders; and</li> </ul> <p>(2) Encourage the Division and other participating stakeholders, prior to the Commission's October 2017 triennial review of Regulation #85, to present strategies identified during the Water Quality Forum workgroup process to a joint meeting of the Senate Agriculture, Natural Resources, and Energy Committee and the House Agriculture, Livestock, and Natural Resources Committee no later than February 28, 2017.</p> <p>Be It Further Resolved, that copies of this Joint Resolution be sent to Governor John Hickenlooper, each member of Colorado's congressional delegation, and Dr. Larry Wolk, the executive director of the department of public health and environment.</p>				

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
<b>SB-117</b>  Recognize Industrial Hemp Ag Product for Ag Water Right	S Coram H Catlin/Valdez  Ag, Natural Resources & Energy	CONCERNING CONFIRMATION THAT INDUSTRIAL HEMP IS A RECOGNIZED AGRICULTURAL PRODUCT FOR WHICH A PERSON WITH A WATER RIGHT DECREED FOR AGRICULTURAL USE MAY USE THE WATER SUBJECT TO THE WATER RIGHT FOR INDUSTRIAL HEMP CULTIVATION	<i>Scheduled for                      possible                      reconsideration on                      3/13, but postponed as                      sponsor considers                      possible memorial in                      place of bill.</i>	01/27/17  OPPOSE  SWCD Position: DISCUSSION
<p><b>SUMMARY:</b> In Colorado, water subject to a water right may be used for the purpose for which the water is decreed. The bill <b>confirms</b> that a person with an absolute or conditional water right decreed for agricultural use may use the water subject to the water right for the growth or cultivation of industrial hemp if the person is registered by the department of agriculture to grow industrial hemp for commercial or research and development purposes.</p>				

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
<b>HB 1008</b>  Graywater Regulations Exemption for Scientific Research	H Arndt S Sonnenberg  Ag, Livestock & Natural Resources	CONCERNING AN EXEMPTION FROM THE WATER QUALITY CONTROL COMMISSION'S GRAYWATER CONTROL REGULATIONS FOR GRAYWATER USED FOR THE PURPOSE OF SCIENTIFIC RESEARCH INVOLVING HUMAN SUBJECTS.		01/11/17  SUPPORT  SWCD Position: DISCUSSION
<p><b>SUMMARY: Water Resources Review Committee.</b> The water quality control commission in the department of public health and environment (commission) is responsible for developing requirements, prohibitions, and standards that protect public health and water quality for the use of graywater for nondrinking purposes. Scientific research on graywater that might involve graywater uses and systems that do not strictly comply with the requirements, prohibitions, and standards developed by the commission would not be permitted under the control regulations.</p> <p>To facilitate scientific research related to graywater uses and systems, the bill <b>creates an exemption</b> from the commission's graywater control regulations for scientific research involving human subjects whereby a person may collect and use graywater for purposes of scientific research involving human subjects if the person:</p> <ul style="list-style-type: none"> <li>• Seeks to conduct the scientific research on behalf of an institution of higher education;</li> <li>• Utilizes a graywater treatment works system that incorporates a secondary water supply to provide an alternative source of water if any portion of the system does not function properly; and</li> <li>• Collects and uses graywater in accordance with the terms and conditions of the decrees, contracts, and well permits applicable to the use of the source water rights or source water and any return flows.</li> </ul> <p>The person is required to report to the water resources review committee on an annual basis the results of periodic monitoring conducted to assess the continued functioning of the graywater treatment works system used in the project and the project's compliance with federal rules concerning the protection of human research subjects.</p>				

Bill No. Title	Sponsors Committee	Concerning	Amendments Comments	When Introduced CWC Action / SWCD Position
<b>HB 1219</b>  Extension of CWCB Ag Water Leasing Pilot Program	<b>H Ardnt and                      McLachlan                      S Crowder and                      Donovan</b>  Ag, Livestock & Natural Resources	CONCERNING AN EXTENSION OF THE AGRICULTURAL WATER LEASING PILOT PROGRAM ADMINISTERED BY THE COLORADO WATER CONSERVATION BOARD.		03/02/17  SUPPORT  SWCD Position: DISCUSSION
<p><b>SUMMARY:</b> The Colorado water conservation board (board) administers a pilot program to demonstrate the practice of fallowing agricultural irrigation land and leasing the associated water rights for temporary municipal, agricultural, environmental, industrial, or recreational use. Under the current pilot program, the board, in consultation with the state engineer, may authorize up to 10 pilot projects, each of duration up to 10 years.</p> <p>Of the 10 pilot projects that the board may authorize, no more than 3 pilot projects may be located in any one of the following major river basins: The South Platte river basin; the Arkansas river basin; the Rio Grande river basin; and the Colorado river basin. An applicant must apply on or before December 31, 2018, to sponsor a pilot project. The pilot program is scheduled to be completed in 2029, at which time the board, in consultation with the state engineer, is required to provide a final report to the water resources review committee, or its successor committee, on the results of the pilot projects authorized.</p> <p>The bill <b>extends the pilot program</b> as follows:</p> <ul style="list-style-type: none"> <li>*The board, in consultation with the state engineer, may authorize up to 15 pilot projects;</li> <li>*No more than 5 pilot projects may be located in any one of the 4 major river basins listed above;</li> <li>*An applicant must apply on or before December 31, 2023, to sponsor a pilot project; and</li> <li>*The pilot program would be completed in 2034, at which time the board, in consultation with the state engineer, would provide a final report to the water resources review committee or its successor committee.</li> </ul>				
<b>HB 1233</b>  Protect Water Historical Consumptive Use Analysis	<b>H Ardnt                      S N/A</b>  Ag, Livestock & Natural Resources	CONCERNING PROTECTION OF THE HISTORICAL CONSUMPTIVE USE ANALYSIS OF A WATER RIGHT INVOLVED IN A WATER CONSERVATION PROGRAM		03/07/17  DISCUSSION  SWCD Position: DISCUSSION
<p><b>SUMMARY:</b> When a water right owner wishes to change a water right, the amount of water that can be changed is limited to the historical consumptive use of the water right. Current law provides that the reduced water usage that results from participation in a government-sponsored water conservation program will not be considered in analyzing the historical consumptive use of the water right, but only in water divisions 4, 5, or 6. The bill <b>applies this rule statewide</b>, includes water conservation pilot programs, and limits state agencies that can approve a water conservation program to only those that have explicit statutory jurisdiction over water conservation or water rights.</p>				

<b>Bill No. Title</b>	<b>Sponsors Committee</b>	<b>Concerning</b>	<b>Amendments Comments</b>	<b>When Introduced CWC Action / SWCD Position</b>
<b>HB 1248</b>  <b>CWCB Construction Fund Projects</b>	<b>H Ardent S Sonnenberg</b>  <b>Ag, Livestock &amp; Natural Resources</b>	<b>CONCERNING THE FUNDING OF COLORADO WATER CONSERVATION BOARD PROJECTS, AND, IN CONNECTION THEREWITH, MAKING APPROPRIATIONS.</b>		<b>03/09/17</b>  <b>DISCUSSION</b>  <b>SWCD Position: DISCUSSION</b>
<p><b>SUMMARY:</b> The bill appropriates the following amounts from the Colorado water conservation board (CWCB) construction fund (fund) to the CWCB or the division of water resources for the following projects:</p> <ul style="list-style-type: none"> <li>- \$380,000 for continuation of the satellite monitoring system maintenance (section 1);</li> <li>- \$500,000 for continuation of the Colorado floodplain map modernization program (section 2);</li> <li>- \$200,000 for continuation of the Colorado decision support system operation and maintenance (section 3);</li> <li>- \$175,000 for continuation of the weather modification program (section 4);</li> <li>- \$154,000 for the support of the Colorado Mesonet, a spatially coherent network of weather stations reporting in near real-time via major data portals (section 5);</li> <li>- \$800,000 for continuation of the water forecasting partnership project (section 6);</li> <li>- \$1,000,000 for continuation of the alternative agricultural transfer methods grant program (section 7);</li> <li>- \$500,000 for continuation of technical assistance for the federal irrigation improvement cost-sharing program (section 8);</li> <li>- \$1,100,000 for implementation of the Colorado water loss control initiative (section 9);</li> <li>- \$10,000,000 for continuation of the Rio Grande cooperative project (section 12);</li> <li>- \$5,000,000 for continuation of the watershed restoration program (section 13); and</li> <li>- \$10,000,000 for implementation of the Colorado water plan (section 14).</li> </ul> <p>Section 10 appropriates \$260,000 from the public and private utilities sector fund to the water quality control division in the Colorado department of public health and environment for updating regulations related to nonpotable water reuse and graywater usage. Section 11 authorizes the CWCB to make loans in the amount of up to \$90,000,000 from the fund for the Windy Gap farming project.</p> <p>The bill directs the state treasurer to transfer the following amounts from the fund:</p> <ul style="list-style-type: none"> <li>- Up to \$500,000 to the flood and drought response fund (section 15);</li> <li>- \$1,300,000 to the litigation fund (section 16);</li> <li>- \$300,000 to the feasibility study small grant fund (section 17);</li> <li>- \$1,500,000 to the fish and wildlife resources fund (section 18); and</li> <li>- \$260,000 to the public and private utilities sector fund (section 19).</li> </ul>				

<b>Bill No.</b> <b>Title</b>	<b>Sponsors</b> <b>Committee</b>	<b>Concerning</b>	<b>Amendments</b> <i>Comments</i>	<b>When Introduced</b> <b>CWC Action / SWCD Position</b>
<p>Section 21 transfers the following amounts from the severance tax perpetual base fund to the fund:</p> <ul style="list-style-type: none"> <li>- On July 1, 2017, \$10,000,000 for the Rio Grande cooperative project;</li> <li>- On July 1, 2017, \$5,000,000 for the watershed restoration program;</li> <li>- On July 1, 2017, and each July 1 thereafter, \$10,000,000 for implementation of the state water plan; and</li> <li>- On July 1, 2017, \$10,000,000 to supplement the water supply reserve fund.</li> </ul> <p>Section 21 also transfers, on July 1, 2017, \$30,000,000 from the severance tax perpetual base fund to the loan guarantee fund, which fund is created in section 20 for use by the CWCB for the purpose of guaranteeing the repayment of loans for water projects with multiple participants; except that, if, on or before June 30, 2017, the CWCB informs the state treasurer that an amount less than \$30,000,000 should be transferred from the severance tax perpetual base fund to the loan guarantee fund, the state treasurer is required to transfer that lesser amount on July 1, 2017.</p>				