

# Water

---

A number of bills were introduced and debated relating to water. These bills addressed several general categories including: water administration; water use; water development; compensating basins of origin; and financing water programs in the state budget.

**Water administration.** **HB 03-1001** requires the Colorado Water and Resources Power Development Authority (CWRPDA) to subsidize certain bond issuances; requires state agencies to cooperate with people desiring a right of way or storage structure for water projects; prohibits future restrictive covenants from prohibiting drought tolerant landscapes; allows the State Engineer to approve substitute water supply plans for change of water rights; and allows the State Engineer to approve the use of newly created storage capacity from dam rehabilitation as a substitute water supply plan. **HB 03-1318** allows the state engineer to promulgate rules extending the water bank pilot program to all parts of the state.

Beginning January 1, 2003, **SB 03-073** states that the State Engineer does not have the authority to approve substitute supply plans in the South Platte river basin unless done pursuant to the requirements of the bill. Requires wells without a court approved augmentation plan to file plans for augmentation within three years at which point wells without such plans will be curtailed. The State Engineer will hold public hearings on the request for a substitute supply plan and plans will be required to meet certain standards including presumed depletion rates.

**HB 03-1146** would have allowed a water judge to include in a decree for a change of water right, terms to prohibit the change from adversely affecting the quality of water to meet the normal requirements of use for downstream appropriators.

**HB 03-1320** authorizes water right owners to loan water to the Colorado Water Conservation Board (CWCB) for instream flow use when a drought emergency has been declared and after the State Engineer determines such a transfer will not injure existing users. **SB 03-085** allows loans of agricultural water rights to other agricultural irrigators provided such loans do not injure other water rights and authorizes owners of water rights to loan all or part of the right to the CWCB for in-stream flows limited to 180 days each year and no more than three loans in any ten year period.

**HB 03-1334** grants the State Engineer the authority to approve interruptible water supply agreements between agricultural water users and municipal, domestic or industrial users that would allow agricultural users to stop irrigating and allow the other user to divert the agricultural right subject to the priority system.

**Water use. SB 03-087** would have required larger, municipal water suppliers to develop and implement plans to encourage its customers to use water more efficiently and update such plans every five years. It placed limits on the percentage of turf in new landscape development, and required subsurface irrigation on all new public medians and prohibited any new covenant or other land use regulation or policy that prohibits or limits the installation or use of drought-tolerant landscapes.

**HB 03-1120** would have invalidated restrictive covenants requiring turf grass; lowered sales and use taxes for water saving devices; and created an exception to what constitutes abandonment of a water right. **HB 03-1233** would have created water basin planning councils in each of the seven water divisions with assistance from the Division of Water Resources. **HB 03-1324** directed the Office of Water Conservation to deliver conservation information to local governments and requires new loans or grants made by the CWRPDA or CWCB to include agreements to update conservation plans. The bill was postponed indefinitely. **SB 03-090** also would have prohibited water courts from denying diligence applications for conditional water rights based on certain factors and when reviewing applications for other water rights, required water courts to consider conservation and public interest criteria.

**Budget. SB 03-045** expands the regulation of water well construction contractors and pump installers by creating a well inspection program to be administered by the State Board of Examiners of Water Well Construction and Pump Installation Contractors and increases well inspection fees. **SB 03-181** changes the revenue source for the Division of Water Resource's Groundwater Management Program (well permitting) by increasing well permit fees and reducing by the same amount General Fund appropriations.

**SB 03-276** increases fees for water quality control discharge permits and establishes a drinking water fee to offset General Fund reductions. To off set General Fund reductions, **SB 03-278** requires the owners of water rights for direct flows of at least one cubic foot per second or storage structures of at least one hundred acre-feet to pay to the State Engineer an annual water administration fee.

**Basin of origin compensation. SB03-115** requires applicants for water transfers of over one thousand acre-feet to notify affected local governments, school districts, and water districts and prohibits such transfers without an agreement or decree mitigating the transfer's impacts. **HB 03-1090** would have prohibited water courts from decreeing a water right from one basin to another that overlays the Denver Basin Aquifer unless the applicant can show it is using its maximum entitlement. **HB 03-1113** would have required a water judge to include in a water right decree for a transfer from one water division to another conditions addressing the economic impact to be paid to the county from which water is transferred.

**SB 03-318** would have created a process for water right applicants for a transbasin diversion involving either a new water diversion, conveyance, or storage infrastructure or an

increase in the yield or an improvement in the operational efficiency of existing infrastructure during a drought emergency.

**Water development.** **SB 03-110** authorizes loans of \$20.8 million from the CWCB Construction Fund for the construction of water projects and purchase of water rights; authorizes loans of \$13.4 million from the Severance Tax Trust Fund Perpetual Base Account; changes amounts authorized for projects in previous years; appropriates money from the construction fund for data collection and water supply and flood studies including the Statewide Water Supply Initiative and Colorado River Return Study; and expands the board's authority to expend money from the litigation fund.

**SB 03-126** would have allowed the CWRPDA, the CWCB, and other entities to enter into water-development agreements; creates repayment obligations for certain water project feasibility studies; and repeals the requirement that the General Assembly provide authorization prior to the CWRPDA funding certain water projects.

**SB 03-236** requires the submission of a ballot question to the voters in November 2003, to allow the CWCB to issue up to \$2 billion of water infrastructure revenue bonds that have been reviewed by CWCB and approved by the Governor. (The provisions of **SB 03-126** relating to the CWRPDA were included in the final version of this bill.)

Comments to: [lcs.ga@state.co.us](mailto:lcs.ga@state.co.us)