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

February 5, 2018 Water Legislation Report #3 (2018 Legislative Session)

The State Affairs Committee met on February 5 to discuss proposed water legislation for consideration in the 2018 legislative session. Since the last meeting, **SB 134** (Public Utilities Commission Deregulate Nonprofit Water Utilities), **SB 143** (Parks and Wildlife Measure to Increase Funding), and **HB 1151** (CWCB Approve Deficit Irrigation Pilot Projects) were introduced. The Committee discussed the draft bill brought forward by Northern Water Conservancy District to protect mitigation flow requirements for the Northern Integrated System Project (NISP). Several remaining issues were raised, and Northern's legal counsel, Peggy Montano, has organized a follow up meeting for February 7.

The following table 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 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 <u>Bill No.</u> and the <u>Short Title</u>. The 2<sup>nd</sup> column has both the <u>Sponsors</u> and the assigned <u>Committee</u>. The 3<sup>rd</sup> column contains only the <u>Concerning</u> statement, copied directly from the bill. The 4<sup>th</sup> column will show important <u>Amendments</u> and <u>Comments</u> provided by SWCD staff. The 5<sup>th</sup> column shows both <u>When Introduced</u>, <u>CWC Action</u>, and <u>SWCD 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, <u>highlight in yellow</u> 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 <a href="www.leg.state.co.us">www.leg.state.co.us</a>. Additional info is available at the CWC web site: <a href="http://www.cowatercongress.org/stateaffairs/">http://www.cowatercongress.org/stateaffairs/</a>

FYI: Legislator Contact Information

Senator Don Coram (SD 6): 303-866-4884 <u>don.coram.senate@state.co.us</u>

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Representative Marc Catlin (HD 58): 303-866-2955 marc.catlin.house@state.co.us

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Bill No.	Sponsors	Concerning	Amendments	When Introduced
Title	Committee		Comments	CWC Action / SWCD Position
SB 134  Public Utilities Commission Deregulate Nonprofit Water Utilities	S Cooke H Arndt  Ag, Natural Resources & Energy	CONCERNING THE EXEMPTION OF NONPROFIT WATER COMPANIES FROM REGULATION BY THE PUBLIC UTILITIES COMMISSION.		01/29/2018  DISCUSSION  SWCD Position: DISCUSSION

**SUMMARY:** Under current law, the public utilities commission is directed to grant simplified regulatory treatment to water companies that serve fewer than 1,500 customers. The bill expands on this concept by **deregulating water companies that are registered as nonprofits**, so long as their rates, charges, and terms and conditions of service are just and reasonable. The commission retains the right to entertain a complaint of unjust or to take remedial action, if the complaint is authorized by specified public officials or other persons.

Bill No.	Sponsors	Concerning	Amendments	When Introduced
Title	Committee		Comments	CWC Action / SWCD Position
SB 143  Parks And Wildlife  Measures To Increase Revenue	S Fenberg/Coram H Arndt/Wilson Finance	CONCERNING MEASURES TO INCREASE REVENUE FOR THE PARKS AND WILDLIFE DIVISION, AND, IN CONNECTION THEREWITH, SETTING CERTAIN HUNTING, FISHING, PARKS, AND RECREATION FEES		01/29/2018  DISCUSSION  SWCD Position: DISCUSSION

## **SUMMARY:**

Section 1 adds a nonstatutory short title.

Section 2 of the bill makes legislative findings.

Section 3 adds "preference point" to the documents listed under the definition of "license".

Sections 4 and 12 add "sponsorships", "contributions", and "donations" to the list of money transfers that the parks and wildlife commission (commission) is authorized to receive and expend. Sections 5 and 9 change the name of the wildlife management public education advisory council to the wildlife council.

Section 6 raises the amount of residential and nonresidential license fees, stamp fees, and surcharges for certain hunting and fishing activities. Section 6 also: Authorizes the commission to apply a consumer price index adjustment to hunting and fishing fees; establishes an annual residential youth fishing fee; and, together with section 7, moves a reference to the state migratory waterfowl stamp fee amount.

Section 7 also allows the division of parks and wildlife (division) to grant up to 25% of the money derived from sales of the state migratory waterfowl stamp to nonprofit organizations implementing the North American waterfowl management plan.

Section 8 authorizes the commission to establish by rule a special licensing program for young adult hunters and anglers.

Section 10 requires the division to prepare reports on increased licensing fees and to present the reports to the agricultural committees in the house of representatives and the senate.

Section 11 removes the restriction on the commission's ability to raise or lower park fees and charges only if the commission reasonably anticipates that the annual revenues from the fees and charges will not increase by more than 20% above the annual amount earned from fees and charges as they existed on July 1, 2011. Section 11 also establishes a maximum fee increase that the commission may impose by rule for park passes in any one year as a one-dollar increase for a daily park pass and a \$10 increase for an annual park pass.

Section 13 removes the \$200,000 limitation on the amount that may be held in the stores revolving fund, which fund is maintained for acquiring stock for warehousing and distributing supplies for retail sales to visitors, and requires that the fund be continuously appropriated.

Section 14 removes the \$5 cap on the fee that the division may charge a person to replace a lost or destroyed pass or registration. The fee may be set by the commission by rule in an amount up to 50% of the cost of the original pass or registration.

Section 15 removes a requirement that an aspen leaf annual park pass be affixed to the vehicle for which the pass was issued.

Section 16 directs the commission to determine, by rule, how the columbine annual park pass will be displayed to enter a state park or recreation area.

Bill No.	Sponsors	Concerning	Amendments	When Introduced
Title	Committee		Comments	CWC Action / SWCD Position
HB 1073	H Gray	CONCERNING WATER DISTRICTS'	Support conditioned upon	01/16/18
	S Gardner	ABILITY TO ENTER INTO CONTRACTS REGARDING THEIR WATER-RELATED	inclusion of amendments.	
Water District		ASSETS		SUPPORT
Ability Contract	Ag, Livestock & Natural			
Water Assets	Resources			<b>SWCD Position: DISCUSSION</b>

**SUMMARY:** The bill authorizes water districts, including water activity enterprises, **to enter into contracts for water and the capacity** in works and allows the contracts to be based on municipalities' authority to contract for water and sewer facilities. It also specifies that water conservancy districts' contracts can be for **municipal and industrial** use by the recipient of the water.

HB 1093	H Arndt S Coram	CONCERNING THE ALLOWABLE USES OF RECLAIMED DOMESTIC	01/18/18
Reclaimed Water Use For Edible	Ag, Livestock & Natural	WASTEWATER, AND, IN CONNECTION THEREWITH, ALLOWING RECLAIMED DOMESTIC WASTEWATER TO BE USER	SUPPORT
Crops	Resources	DOMESTIC WASTEWATER TO BE USED FOR FOOD CROPS.	SWCD Position: DISCUSSION

**SUMMARY:** The bill codifies rules promulgated by the water quality control commission (commission) of the Colorado department of public health and environment concerning allowable uses of reclaimed domestic wastewater, which is wastewater that has been treated for subsequent reuses other than drinking water.

Section 3 of the bill defines 3 categories of water quality standards for reclaimed domestic wastewater, sets forth the allowable uses for each water quality standard category, and adds food crop irrigation as an allowable use for reclaimed domestic wastewater. Section 3 also authorizes the commission to establish new categories of water quality standards and to recategorize any use of reclaimed domestic wastewater to a less stringent category of water quality standard. Section 3 also authorizes the division of administration in the department of public health and environment to grant variances for uses of reclaimed domestic wastewater.

Sections 1, 2, and 4 make conforming amendments.

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Bill No.	Sponsors	Concerning	Amendments	When Introduced
Title	Committee		Comments	CWC Action / SWCD Position
HB 1151  CWCB Approve Deficit Irrigation Pilot Projects	H Arndt/Catlin S Crowder Ag, Livestock & Natura Resources	CONCERNING THE AUTHORIZATION OF DEFICIT IRRIGATION PILOT PROJECTS APPROVED BY THE COLORADO WATER CONSERVATION BOARD.		01/31/18  DISCUSSION  SWCD Position: DISCUSSION

**SUMMARY:** Current law allows the Colorado water conservation board to approve up to 15 pilot projects for agricultural water leasing or fallowing projects. The bill **expands the types of projects that may be approved to include deficit irrigation projects**, which use less than the optimal amount of water on a particular crop. The bill also excludes from the determination of historical consumptive use decreases in use resulting from deficit irrigation projects to conserve or lease water.