



Southeastern Colorado Water Conservancy District Board of Directors Meeting

STATE LEGISLATIVE UPDATE Monthly/Quarterly Report

Date: June 16, 2022

Agenda Item: VI.D.

STAFF RECOMMENDATIONS:

Information

BUDGET IMPLICATIONS:

Information

PREVIOUS BOARD ACTION AND/OR ACTIVITY:

Information

ISSUE SUMMARY DESCRIPTION:

The final day of the 2022 legislative session was May 11, 2022. The Governor has until June 11, 2022, to act on bills that were passed later in the session.

Among the bills of interest to the District are:

HB22-1316: HB22-1316 appropriates a total of \$17,080,000 from the Colorado Water Conservation Board (CWCB) Construction Fund in the Department of Natural Resources (DNR) to the CWCB and the Division of Water Resources for specified water-related projects. In addition, the bill transfers \$3.0 million between water-related cash funds and authorizes the CWCB to loan up to \$13,130,000 from the CWCB Construction Fund to the town of Breckenridge to rehabilitate the Goose Pasture Tarn dam. The Governor has signed the bill.

HB22-1151: This bill requires the CWCB to develop a statewide program to provide financial incentives for the voluntary replacement of irrigated turf with water-wise landscaping (turf replacement program). The bill defines water-wise landscaping as a water- and plant-management practice that emphasizes using plants with lower water needs. Local governments, certain districts, Native American tribes, and nonprofit organizations with their own turf replacement programs may apply to the board for money to help finance their turf replacement programs. The CWCB will contract with one or more third parties to administer one or more turf replacement programs in areas where local turf replacement programs do not exist. After amendments in the Senate, the bill has passed both houses and awaits action by the Governor.

SB22-028: This Water Resource Review Committee (WRRRC) approved bill seeks to establish a funding vehicle to receive money which will be applied to the needs in the Republican River and

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Rio Grande areas to further interstate compact compliance requirements. The bill sets forth the structure of the fund and how it will be administered. The priority uses of the funds are identified as retiring certain acreages of irrigated farmland and the shutdown of some wells. Critics have raised questions regarding the disparity between this approach and well-enforcement on the Arkansas and South Platte Rivers. The bill was amended in the House to specify that the funding would come from the American Rescue Plan Act; the amendment was concurred with by the Senate and signed by the Governor.

SB22-114: This is the Colorado Counties, Inc., supported bill to address concerns regarding ponds used for fire suppression that are unpermitted and incapable of augmentation, either because augmentation is infeasible because it is economically prohibitive or water-availability constraints. Following several amendments, many to do with the rights of a potentially-injured water rights holders, the bill passed both the House and Senate and awaits action by the Governor.

The Governor signed **SB22-030**, which was a WRRRC bill to expand the scope of interest of the WRRRC beyond water to include agricultural issues. Thus in 2022 the WRRRC will carry the moniker of “Water Resources and Agriculture Review Committee” (WRARC), members of the WRARC have been announced, with the Committee being chaired by Senator Kerry Donovan. Representative Barbara McLachlan will serve as vice-chair. The remainder of the members include: Senators Jeff Bridges, Cleave Simpson, and Jerry Sonnenberg; Representatives Marc Catlin, Karen McCormick, Hugh McKean, and Dylan Roberts. The WRARC is currently scheduled to meet August 4, 2022, location to be determined; August 24, 2022, at Steamboat Springs in conjunction with the Colorado Water Congress summer conference and September 22, 2022, at the State Capitol.

No agendas have been published for the upcoming WRARC meetings; however, we anticipate Senator Donovan and others will once again move forward on an anti-speculation bill, after failing to produce any consensus legislation. Also, since the effort to amend the Recreational In-Channel Diversion (RICD) program was suspended by the advocates for this past legislative session, we anticipate that this may also be a subject of the upcoming WRARC discussions.

In the last days of the legislature, a non-water-related bill that may impact the District’s tax revenues was passed in two day’s and quickly signed by the Governor. **SB22-238** reduces real property taxation for the 2023 and 2024 property tax years. It is a complex bill; District staff is assessing how it will impact the District and will report on these impacts as we learn more.

Finally, we are evaluating one initiative’s impact on the District’s and employees’ finances. Colorado voters approved Proposition 118 in November of 2020, paving the way for a state-run paid Family and Medical Leave Insurance (FAMLI) program. The FAMLI program is intended to ensure all Colorado workers have access to paid leave to take care of themselves or their family during life circumstances that pull them away from their jobs — like growing their family or taking care of a loved one with a serious health condition. Eligible employees will receive up to twelve weeks of leave. Those who experience pregnancy or childbirth complications will receive

an additional four weeks. FAMLI will start providing benefits to employees beginning January 1, 2024. Both employers and employees will contribute premiums for the program. Employees may start to see a premium contribution on their pay stubs beginning January 1, 2023. District staff is beginning to evaluate options regarding implementation of this new program.

SUGGESTED MOTION:

Information

ATTACHMENTS:

None