

NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



SENATE BILL 06-179

BY SENATOR(S) Isgar, Brophy, Dyer, Entz, Fitz-Gerald, Kester, Owen, Taylor, Teck, Wiens, Evans, and Tochtrop;
also REPRESENTATIVE(S) Penry, Berens, Butcher, Crane, Gardner, Harvey, Hefley, Hoppe, Knoedler, Merrifield, Paccione, Schultheis, Stafford, and Witwer.

CONCERNING ADDITIONAL FINANCIAL SUPPORT FOR WATER PROJECTS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 39-29-109 (1) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

39-29-109. Severance tax trust fund - created - administration - use of moneys - definitions - repeal. (1) (a) There is hereby created in the office of the state treasurer the severance tax trust fund. The fund is to be perpetual and held in trust as a replacement for depleted natural resources and for the development and conservation of the state's water resources pursuant to sections 37-60-106 (1) (j) and (1) (l), 37-60-119, and 37-60-122, C.R.S., and for the use in funding programs that promote and encourage sound natural resource planning, management, and development related to minerals, energy, geology, and water. State severance tax receipts shall be credited to the severance tax trust fund as provided in section

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

39-29-108. All income derived from the deposit and investment of the moneys in the severance tax trust fund shall be credited to the severance tax trust fund. At the end of any fiscal year, all unexpended and unencumbered moneys in the fund shall remain therein and shall not be credited or transferred to the general fund or any other fund. All moneys in the fund shall be subject to appropriation by the general assembly for the following purposes:

(III) THE WATER SUPPLY RESERVE ACCOUNT. SUBJECT TO THE MAINTENANCE OF A TWO-YEAR RESERVE PURSUANT TO SUB-SUBPARAGRAPH (A) OF SUBPARAGRAPH (III) OF PARAGRAPH (c) OF THIS SUBSECTION (1), ON OR AFTER JULY 1 OF EACH FISCAL YEAR, THE STATE TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND TO THE WATER SUPPLY RESERVE ACCOUNT, ALSO REFERRED TO IN THIS SUBPARAGRAPH (III) AS THE "ACCOUNT". THE MONEYS IN THE ACCOUNT ARE HEREBY CONTINUOUSLY APPROPRIATED TO THE COLORADO WATER CONSERVATION BOARD FOR PURPOSES AUTHORIZED BY THIS SUBPARAGRAPH (III). ALL INTEREST DERIVED FROM THE INVESTMENT OF MONEYS IN THE ACCOUNT SHALL BE CREDITED TO THE ACCOUNT. ANY BALANCE REMAINING IN THE ACCOUNT AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE ACCOUNT; EXCEPT THAT THE UNENCUMBERED AND UNEXPENDED BALANCE OF THE ACCOUNT SHALL REVERT ON JUNE 30, 2010, TO THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND. THE BOARD SHALL ALLOCATE MONEYS BY GRANT OR LOAN FROM THE ACCOUNT ONLY FOR WATER ACTIVITIES APPROVED BY A ROUNDTABLE PURSUANT TO ARTICLE 75 OF TITLE 37, C.R.S. THE APPROVING ROUNDTABLE SHALL BE THE ROUNDTABLE FOR THE BASIN IN WHICH THE PROPOSED WATER DIVERSION OR NONSTRUCTURAL ACTIVITY WOULD OCCUR. THE BOARD, IN CONSULTATION WITH THE INTERBASIN COMPACT COMMITTEE CREATED IN SECTION 37-75-105, C.R.S., SHALL JOINTLY ESTABLISH CRITERIA AND GUIDELINES FOR ALLOCATING MONEYS FROM THE ACCOUNT. ELIGIBLE WATER ACTIVITIES INCLUDE, BUT ARE EXPRESSLY NOT LIMITED TO, THE CATEGORIES LISTED IN THIS SUBPARAGRAPH (III). THE CRITERIA SHALL ENSURE THAT THE ALLOCATIONS WILL ASSIST IN MEETING THOSE WATER SUPPLY NEEDS IDENTIFIED UNDER SECTION 37-75-104 (2) (c), C.R.S., IN A MANNER CONSISTENT WITH SECTION 37-75-102, C.R.S., AND SHALL FACILITATE BOTH STRUCTURAL AND NONSTRUCTURAL PROJECTS OR METHODS. ELIGIBLE WATER ACTIVITIES INCLUDE THE FOLLOWING:

(A) COMPETITIVE GRANTS FOR ENVIRONMENTAL COMPLIANCE AND FEASIBILITY STUDIES;

(B) TECHNICAL ASSISTANCE REGARDING PERMITTING, FEASIBILITY STUDIES, AND ENVIRONMENTAL COMPLIANCE;

(C) STUDIES OR ANALYSES OF STRUCTURAL, NONSTRUCTURAL, CONSUMPTIVE, AND NONCONSUMPTIVE WATER NEEDS, PROJECTS, OR ACTIVITIES; AND

(D) STRUCTURAL AND NONSTRUCTURAL WATER PROJECTS OR ACTIVITIES.

SECTION 2. Effective date. This act shall be effective July 1, 2006.

SECTION 3. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Joan Fitz-Gerald
PRESIDENT OF
THE SENATE

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

Bill Owens
GOVERNOR OF THE STATE OF COLORADO