QQ Legislative Summary

Northwest Colorado

COUNCIL OF GOVERNMENTS

WATER QUALITY / QUANTITY COMMITTEE

June 9, 2022

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This is the final Legislative Summary for the 73rd General Assembly, which adjourned on Wed., May 11, 2022. The summary includes all relevant bills that passed the House and Senate and have been signed into law by Governor Polis.

QQ provides summaries of introduced legislation in this detailed form and in a tabular form for ease of tracking through the legislature. QQ took official positions on bills at its March 3rd meeting. Any bills introduced after March 3rd have "recommended" positions. Recommendations are based on consistency with QQ policies, available here.

There were two noteworthy bills QQ supported that passed this session:

- <u>HB22-1151</u> creates a voluntary **Turf Replacement Program** within the Colorado Water Conservation Board (CWCB) that supports existing or new locally-run turf replacement programs that provide cash payments for turf replacement. The CWCB program would match payments from either existing or new programs 50/50.
 - The CWCB already has a website up and running to explain the program: <u>cwcb.colorado.gov/turf</u>
- HB22-1345 limits the sale of consumer products containing perfluoroalkyl and polyfluoroalkyl chemicals (PFAS), a significant water quality concern. PFAS are found in a number of consumer products such as juvenile products, home furnishings, makeup, cookwares, and food packaging that are already regulated in other states.

No bill QQ opposed passed during this session. Most notably, QQ worked to stop a well-intentioned bill that included language about prioritizing South Platte water storage projects over other parts of the basin (SB22-126).

QQ also worked extensively on a bill concept to facilitate either a water right or a method of contracting water for a recreational beneficial use (the concept was called RIVR or recreational instream values reach this session). QQ anticipates ongoing discussion of this bill concept for the next legislative session, and the concept is the subject of the next QQ Meeting panel (June 15, 2022).

House Bills

<u>HB22-1011</u>. Wildfire Mitigation Incentives Grants. Reps. Cutter & Snyder; Sens. Story & Lee. From the Wildfire Matters Review Committee.

- Establishes a wildfire mitigation incentives grant program for local government through the Colorado State Forest Service. Grants would match locally-raised funds from a revenue source intended to be used for forest management or wildfire mitigation efforts at the local level.
- Rationale for QQ Support: This grant program provides funding to protect water quality by mitigating wildfires, in line with QQ policies.
- QQ Position: Support.

HB22-1012. Wildfire Mitigation and Recovery Grants. *Reps. Valdez & Cutter; Sens. Ginal & Lee. From the Wildfire Matters Review Committee.*

- Creates a wildfire mitigation and recovery grant program through the Colorado State Forest
 Service to provide grants to help "counties with forested areas" prevent and recover from
 wildfire incidents by removing deadwood and other potential wildfire fuel and debris resulting
 from a wildfire incident. The grant can also fund reforestation efforts.
 - The grant requires evidence that such efforts are undertaken in a manner that reduces the amount of carbon emitted from such actions.
- **Rationale for QQ Support:** This grant program provides funding to protect water quality by mitigating wildfires, in line with QQ policies.
- QQ Position: Support.

<u>HB22-1092</u>. **Loans from Irrigation Districts to Landowners**. *Reps. Soper & Roberts; Sens. Bridges & Coram.*

- Allows irrigation districts to borrow money and issue loans to landowners for private water delivery system improvements and other projects that improve water conservation or drainage systems. Loans are repaid by the landowners to the district via the typical property assessment process.
- Orchard Mesa Irrigation District is the project proponent. We understand the bill is needed because entities like the CWCB do not currently make loans to large groups of private landowners.
- QQ Position: Monitor.

HB22-1151. Turf Replacement Program. Reps. Catlin & Roberts; Sens. Bridges & Simpson.

- Directs CWCB to develop a voluntary turf replacement program that supports existing or new locally-run turf replacement programs that provide cash payments for turf replacement. The CWCB program would match payments from either existing or new programs 50/50. If a local government is not operating a program, a third-party contractor may also administer a local turf replacement program (e.g., nonprofit or HOA).
- Rationale for QQ Position: This bill encourages local jurisdictions to establish or expand
 programs that reduce the use of nonessential turf in favor of water-wise landscaping, in line
 with QQ policies.
- QQ Position: Support.

<u>HB22-1316.</u> **CWCB Construction Fund Project**. *Reps. McCormick & Catlin; Sens. Donovan & Simpson.*

- This is the annual list of projects eligible for the Colorado Water Conservation Board (CWCB) construction fund for statewide water project needs.
- QQ Position: Monitor.

HB22-1322. Water Quality Regulation. Reps. Benavidez & Valdez.

Authorizes the Water Quality Control Commission (WQCC) to designate waters as use-protected only if specific criteria are met. See existing regulatory criteria at 5 CCR 1002-31.8(2)(b)(i) and (ii). This portion, Section 2, essentially tells the Commission to "follow your own rules," which is already required of administrative rulemaking bodies in Colorado consistent with their statutory delegation of authority.

- Directs the WQCC to engage disproportionately impacted communities regarding proposed state actions as required and defined under <u>CRS 24-4-109</u>. The requirements for the WQCC are effective July 1, 2023 and apply to any South Platte Basin Rulemakings immediately.
- This bill is a response to a 2020 WQCC hearing that resulted in a segment of the South Platte through North Denver being designated as "use protected." Advocacy groups requested a new hearing to review that decision, which is currently scheduled for September 2022. These groups are likely to allege that the WQCC didn't follow its own criteria, and Section 2 of this bill is aligning with that sentiment. You can read more about this rulemaking back-and-forth in this Colorado Sun story.
- **Rationale for QQ Position:** While QQ supports outreach to disproportionately impacted communities, this bill is more aimed at critiquing the WQCC's past decision-making. This is not a policy reason for a bill that QQ generally supports.
- QQ Recommended Position: Monitor

<u>HB22-1323.</u> Improvements to State Forest Service Tree Nursery for Wildfire Recovery. *Reps. Snyder and Froelich.*

- Requires the Colorado state forest service to make certain upgrades and improvements to its seedling tree nursery in order to expand its capacity and its ability to contribute to reforestation efforts in the state. A fact sheet from bill proponents is <u>available at this link</u>. Bill is primarily a funding/ appropriations effort.
- Rationale for QQ Position: This bill provides critical funding for reforestation post-wildfire, which is an important aspect water quality protection from recent wildfires in the QQ region (Lake Christine, Grizzly Creek, East Troublesome, etc.)
- QQ Recommended Position: Support.

<u>HB22-1345.</u> Limiting Sale of Consumer Products Containing Perfluoroalkyl and Polyfluoroalkyl Chemicals (PFAS). *Reps. Cutter & Bradfield.*

- Restricts the sale of PFAS in Colorado, which appear in some waterways and groundwater and are linked to serious health impacts like cancer, organ damage, and suppression of the immune system. PFAS are found in a number of consumer products such as juvenile products, home furnishings, makeup, cookwares, and food packaging that are already regulated in other states.
- <u>Linked here</u> is a fact sheet from bill proponent Conservation Colorado for more information.
- Rationale for QQ position: PFAS are a significant water quality concern, and this bill eliminates
 the sale of many consumer products that contribute to water quality degradation, consistent
 with QQ policies.
- QQ Recommended Position: Support.

HB22-1358. Clean Water in Schools and Child Care Centers. Reps. Sirota, Fields, & Winter.

- This bill would require all schools, child care centers, and family child care homes to test drinking water sources for lead and particulates, and.
- Creates the School and Child Care Clean Drinking Water Fund within CDPHE, which can fund infrastructure upgrades to address relatively high levels of lead.
- Rational for Position: QQ initially took a position to "amend" the bill, which included
 provisions to require filters for all drinking water systems regardless of the presence of lead or
 other contaminant and label water as unsafe for drinking. Once amended, QQ no longer

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identified concerns and recommended support consistent with QQ policies for overall improvements to water quality.

QQ Recommended Position: Support

<u>HB22-1379</u>. **Wildfire Prevention Watershed Restoration Funding.** *Reps. McCormick & Catlin; Sens. Donovan & Simpson.*

- Transfers \$20 million from the economic recovery and relief cash fund to various funds for projects that support wildfire mitigation, flood mitigation, and watershed restoration and resilience, as well as to the CWCB fund to assist with applications for federal "Infrastructure Investment and Jobs Act" money related to water funding opportunities and natural resource management.
- Appropriates \$15 million for use by CWCB for watershed restoration and flood mitigation project grants.
- No position. Passed House & Senate guickly at end of session.

Senate Bills

<u>SB22-028</u>. **Groundwater Compact Compliance Fund**. Sens. Simpson & Sonnenberg; Reps. Roberts & Catlin. From the Water Resources Review Committee.

- Creates a groundwater compact compliance and sustainability fund to help finance groundwater use reduction efforts in the Rio Grande and the Republican river basins.
- QQ Position: Monitor.

<u>SB22-030</u>. Water Resources Review Committee to Include Agriculture. Sens. Donovan & Sonnenberg; Reps. McLachlan & Catlin. From the Water Resources Review Committee.

- The bill expands the scope of the water resources review committee to include agriculture issues.
- QQ Position: Monitor.

SB22-114. Fire Suppression Ponds Water Rights. Sens. Hisey & Story; Reps. Catlin & Roberts.

- Establishes a process for designating ponds that are critical for fire suppression in rural areas of the state lacking firefighting resources and/or infrastructure but does not establish such ponds and associated water as a water right. Any pond designated for fire suppression must existed prior to January 1, 1975. To designate a pond for fire suppression, the county first conducts a needs assessment, then files an application to the State Engineer, in consultation with the fire protection district.
- The State Engineer would be limited in taking action to drain or backfill an existing pond used for fire suppression.
- **Rational for QQ Position**: Fire suppression and response is one important element to preventing or minimizing water quality impacts from wildfires, and thus this bill is in line with QQ Policies. Some hurdles related to water rights and water court concerns remained through most of the session but were outside of QQ concerns, thus QQ chose to support in concept.
- QQ Position: Support in Concept.

SB22-158. Species Conservation Trust Fund Projects. Sen. Donovan; Reps. McCormick & Will.

- This is the annual list of programs eligible for the Species Conservation Trust Fund for native species conservation.
- QQ Position: Monitor.

SB22-195. Modifications to Conservation District Grant Fund. Sens. Donovan & Sonnenberg.

- This bill would repeal the repeal date of December 31, 2022, for funding soil and water conservation.
- QQ Recommended Position: Monitor

SB22-198. Orphaned Oil and Gas Wells Enterprise. Sens. Fenber & Scott; Reps. Weissman & Will.

- This bill would create the orphaned wells mitigation enterprise to impose and collect fees on oil and gas operators to fund plugging, reclaiming, and remediating orphaned wells.
- Rational for Position: This bill would help ensure oil and gas development remediates its
 presence and adequately closes wells to protect the environment and future growth and
 development, consistent with QQ policies.
- QQ Recommended Position: Support

<u>SIR22-002</u>. Water Projects Eligibility Lists. Sen. Donovan; Rep. McCormick.

- Annual list of projects eligible for the water project revolving fund administered by the Colorado Water Resources and Power Development Authority.
- QQ Position: Monitor.

SUMMARY OF BILLS OF INTEREST FOR 2022

Note: This is the final report for the Second Regular Session of the 73^{rd} General Assembly, which adjourned on Wed., May 11, 2022. QQ took official positions at its QQ meeting on Thurs., March 3, 2022. Any bills introduced after March 3^{rd} have a recommended position.

June 6, 2022

Bill No. House Bills	Bill Description	Sponsors	Status	Notes	Position
HB22-1011	Wildfire Mitigation Incentives for Local Governments	Reps. Cutter & Snyder; Sens. Story & Lee	Signed by Governor	Wildfire Matters Review Com'te	Support
HB22-1012	Wildfire Mitigation and Recovery	Reps. Valdez & Cutter; Sens. Ginal & Lee	Signed by Governor	Wildfire Matters Review Com'te	Support
HB22-1092	Loans from Irrigation Districts to Landowners	Reps. Soper & Roberts; Sens. Bridges & Coram	Governor Signed		Monitor
HB22-1151	Turf Replacement Program	Reps. Catlin & Roberts; Sens. Bridges & Simpson	Signed by Governor		Support
HB22-1316	CWCB Construction Fund Project	Reps. McCormick & Catlin; Sens. Donovan & Simpson	Signed by Governor		Monitor (recommended)
HB22-1322	Water Quality Regulation	Reps. Benavidez & Valdez; Sens. Moreno & Gonzales	Signed by Governor		Monitor (recommended)

Bill No.	Bill Description	Sponsors	Status	Notes	Position
HB22-1323	Improvements to State Forest Service Tree Nursery for Wildfire Recovery	Reps. Snyder & Froelich; Sens. Rankin & Ginal	Signed by Governor		Support (recommended)
HB22-1345	Limiting Sale of Consumer Products Containing PFAS	Reps. Cutter & Bradfield; Sens. Gonzales & Lee	Signed by Governor		Support (recommended)
HB22-1358	Clean Water in Schools and Child Care Centers	Rep. Sirota; Sens. Fields & Winter	Signed by Governor	Addresses lead infrastructure	Amend (recommended)
HB22-1379	Wildfire Prevention Watershed Restoration Funding	Reps. McCormick & Catlin; Sens. Donovan & Simpson	Signed by Governor		None (passed quickly)
Senate Bills					
SB22-028	Groundwater Compact Compliance Fund	Sens. Simpson & Sonnenberg; Reps. Roberts & Catlin	Signed by Governor	Water Resources Review Com'te	Monitor
SB22-030	Expand Water Resources Review Committee to Include Agriculture	Sens. Donovan & Sonnenberg; Reps. McLachlan & Catlin	Signed by Governor	Water Resources Review Com'te	Monitor
SB22-114	Fire Suppression Ponds Water Rights	Sens. Hisey & Story; Reps. Catlin & Roberts	Signed by Governor		Support in Concept
SB22-158	Species Conservation Trust Fund Projects	Sen. Donovan; Reps. McCormick & Will	Signed by Governor		Monitor (recommended)
SB22-195	Modifications to Conservation District Grant Fund	Sens. Donovan & Sonnenberg; Reps. Catlin & Valdez	Signed by Governor		Monitor (recommended)

Bill No.	Bill Description	Sponsors	Status	Notes	Position
SB22-198	Orphaned Oil and Gas Wells Enterprise	Sens. Fenber & Scott; Reps. Weissman & Will	Signed by Governor		Support (recommended)
SJR22-002	Water Projects Eligibility Lists	Sen. Donovan; Rep. McCormick	Signed by Governor		Monitor