

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0613.01 Sarah Lozano x3858

HOUSE BILL 26-1112

HOUSE SPONSORSHIP

Paschal and Smith,

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Hinrichsen and Simpson,

House Committees
Energy & Environment

Senate Committees

A BILL FOR AN ACT

101 CONCERNING STATE REGULATION OF UNDERGROUND INJECTION
102 CONTROL WELLS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill grants the energy and carbon management commission (commission) authority over class I, class IV, and class V injection wells and allows the commission to seek and adopt rules related to primacy from the United States environmental protection agency (EPA) for these classes of injection wells. The commission may assess and collect fees related to the regulation of class I, class IV, and class V injection wells.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

A person that willfully violates a rule, permit, authorization, or order of the commission related to these classes of injection wells commits a misdemeanor and is subject to certain penalties.

The bill also grants the mined land reclamation board (board) authority over class III injection wells and allows the board to seek and adopt rules related to primacy from the EPA for class III injection wells. The board may assess and collect fees related to the regulation of class III injection wells. A person that violates a rule, permit, authorization, or order of the board related to class III injection wells or that operates a class III injection well without a permit from the board is subject to certain penalties. The bill also provides that a class III injection well is not eligible for an exemption from designated mining operation status, which status subjects the operator to certain rules adopted by the board.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Underground injection control wells, referred to in this section
5 as "UIC wells", are used to place fluid underground into geologic
6 formations;

7 (b) The United States environmental protection agency, referred
8 to in this section as the "EPA", regulates the construction and operation
9 of 6 classes of UIC wells, which are classified based on the type of fluid
10 injected and the depth of the injection in relation to underground sources
11 of drinking water;

12 (c) The federal "Safe Drinking Water Act" requires the EPA to
13 develop UIC well program requirements that protect underground sources
14 of drinking water from endangerment;

15 (d) The EPA may grant primacy enforcement and regulatory
16 authority, referred to in this section as "primacy", to a state;

17 (e) Colorado, specifically the Colorado energy and carbon
18 management commission, has primacy over class II UIC wells and

1 anticipates gaining primacy over class VI UIC wells in 2026; all other
2 classes of UIC wells are still regulated by the EPA; and

3 (f) As of July 2025, over half of the states in the United States
4 have been granted primacy by the EPA for at least class I, II, III, IV, and
5 V UIC wells, and 5 states have been granted full primacy for all UIC well
6 classes.

7 (2) The general assembly therefore declares that:

8 (a) It is in the public interest for Colorado state agencies to
9 regulate all UIC well classes;

10 (b) Primacy over all UIC well classes will enable Colorado to
11 have a tailored approach to UIC well regulation that:

12 (I) Considers all relevant factors;

13 (II) Attracts and supports emerging industries with technologies
14 to help achieve climate goals, including carbon management, geothermal,
15 and hydrogen operations;

16 (III) Facilitates innovative water management strategies, including
17 aquifer recharge, storage, and recovery necessary to meet the state's water
18 challenges;

19 (IV) Provides a more straightforward approach to permitting,
20 authorizing, and regulating several industries where state and federal
21 authorities currently overlap; and

22 (V) Provides reliability in resource commitment and expectations
23 amidst fluctuating federal priorities;

24 (c) Colorado will regulate UIC wells in a manner that protects
25 public health, safety, and welfare; the environment; wildlife resources;
26 and underground sources of drinking water; and

27 (d) The Colorado energy and carbon management commission

1 should lead the state's primacy application process and collaborate with
2 the division of reclamation, mining, and safety and the division of water
3 resources in the Colorado department of natural resources, the Colorado
4 department of public health and environment, and the Colorado
5 department of labor and employment.

6 **SECTION 2.** In Colorado Revised Statutes, 34-60-106, **add** (23)
7 and (24) as follows:

8 **34-60-106. Additional powers of commission - fees - rules -**
9 **definitions - repeal.**

10 (23) (a) (I) NOTWITHSTANDING SECTION 34-60-120 OR ANY OTHER
11 PROVISION OF LAW OTHER THAN SECTION 34-60-105 (4), AS TO CLASS I,
12 CLASS IV, AND CLASS V INJECTION WELLS CLASSIFIED IN 40 CFR 144.6,
13 THE COMMISSION MAY PERFORM ALL ACTS FOR THE PURPOSE OF
14 PROTECTING UNDERGROUND SOURCES OF DRINKING WATER IN
15 ACCORDANCE WITH STATE PROGRAMS AUTHORIZED BY THE FEDERAL
16 "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., AND
17 REGULATIONS UNDER THOSE SECTIONS, AS AMENDED.

18 (II) THE COMMISSION MAY SEEK AND ADOPT RULES RELATED TO
19 CLASS I, CLASS IV, AND CLASS V INJECTION WELL PRIMACY UNDER THE
20 FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET SEQ.,
21 AND REGULATIONS UNDER THOSE SECTIONS, AS AMENDED. UPON
22 RECEIVING PRIMACY, THE COMMISSION MAY ENFORCE RULES FOR THE
23 PERMITTING, AUTHORIZATION, AND REGULATION OF CLASS I, CLASS IV,
24 AND CLASS V INJECTION WELLS IN ACCORDANCE WITH THIS SUBSECTION
25 (23).

26 (b) A PERSON THAT WILLFULLY VIOLATES A CLASS I, CLASS IV, OR
27 CLASS V INJECTION WELL RULE, PERMIT, AUTHORIZATION, OR ORDER OF

1 THE COMMISSION ISSUED PURSUANT TO THIS SUBSECTION (23) COMMITS A
2 MISDEMEANOR AND, UPON CONVICTION BY A COURT OF COMPETENT
3 JURISDICTION, IS SUBJECT TO A FINE OF AT LEAST FIVE THOUSAND DOLLARS
4 AND NO MORE THAN SEVEN THOUSAND FIVE HUNDRED DOLLARS FOR EACH
5 ACT OF VIOLATION AND FOR EACH DAY THAT THE PERSON REMAINS IN
6 VIOLATION.

7 (c) (I) FOR THE PURPOSES OF IMPLEMENTING AND ADMINISTERING
8 THIS SUBSECTION (23), THE COMMISSION MAY ASSESS AND COLLECT FEES,
9 INCLUDING, BUT NOT LIMITED TO, PERMITTING AND REGULATORY FEES FOR
10 CLASS I, CLASS IV, AND CLASS V INJECTION WELLS, IN AN AMOUNT AND
11 FREQUENCY DETERMINED BY THE COMMISSION BY RULE. THE COMMISSION
12 SHALL SET THE FEES IN AN AMOUNT TO COVER THE COMMISSION'S DIRECT
13 AND INDIRECT COSTS OF IMPLEMENTING AND ADMINISTERING THIS
14 SUBSECTION (23).

15 (II) THE STATE TREASURER SHALL CREDIT THE FEES ASSESSED AND
16 COLLECTED PURSUANT TO SUBSECTION (23)(c)(I) OF THIS SECTION TO THE
17 ENERGY AND CARBON MANAGEMENT CASH FUND CREATED IN SECTION
18 34-60-122 (5).

19 (d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
20 CONTRARY, NOTHING IN THIS SECTION ESTABLISHES, ALTERS, IMPAIRS, OR
21 NEGATES THE ABILITY OF A LOCAL GOVERNMENT TO REGULATE LAND USE
22 RELATED TO CLASS I, CLASS IV, OR CLASS V INJECTION WELLS.

23 (24) NOTWITHSTANDING SECTION 34-60-115, ANY ACTION
24 UNDERTAKEN PURSUANT TO SUBSECTION (9)(c)(II)(B) OF THIS SECTION OR
25 SUBSECTION (23)(b) OF THIS SECTION MUST COMMENCE WITHIN FIVE
26 YEARS AFTER THE DATE THAT THE COMMISSION DISCOVERS THE ALLEGED
27 VIOLATION.

1 **SECTION 3.** In Colorado Revised Statutes, 34-60-124, **amend**
2 (1)(g) as follows:

3 **34-60-124. Energy and carbon management cash fund -**
4 **definitions.**

5 (1) The state treasurer shall credit the following money to the
6 fund:

7 (g) Money credited to the fund pursuant to sections **34-60-106**,
8 34-64-108 (4), and 37-90.5-106 (4).

9 **SECTION 4.** In Colorado Revised Statutes, 34-32-103, **amend**
10 (3.5)(a)(II), (3.5)(a)(III), (5.7), and (8); and **add** (2.7) and (3.5)(a)(IV) as
11 follows:

12 **34-32-103. Definitions - rules.**

13 As used in this article 32, unless the context otherwise requires:

14 (2.7) (a) "CLASS III INJECTION WELL" MEANS A WELL AS
15 CLASSIFIED IN 40 CFR 144.6 THAT IS USED TO INJECT FLUIDS AND EXTRACT
16 MINERALS AND IS DRILLED PURSUANT TO AUTHORIZATION FOR A CLASS III
17 INJECTION WELL ISSUED UNDER THE FEDERAL "SAFE DRINKING WATER
18 ACT", 42 U.S.C. SEC. 300f ET SEQ., AND REGULATIONS UNDER THOSE
19 SECTIONS, AS AMENDED.

20 (b) "CLASS III INJECTION WELL" DOES NOT INCLUDE A PRODUCTION
21 WELL THAT BRINGS MINING FLUIDS TO THE SURFACE.

22 (3.5) (a) "Designated mining operation" means a mining operation
23 at which:

24 (II) Acid- or toxic-forming materials will be exposed or disturbed
25 as a result of mining operations; ~~or~~

26 (III) Uranium is developed or extracted, either by in situ leach
27 mining or by conventional underground or open mining techniques. A

1 uranium mining operation OTHER THAN IN SITU LEACH MINING may seek
2 an exemption from designated mining operation status in accordance with
3 section 34-32-112.5 (2); OR

4 (IV) A CLASS III INJECTION WELL IS OPERATED, WHICH OPERATION
5 IS NOT ELIGIBLE FOR AN EXEMPTION FROM DESIGNATED MINING
6 OPERATION STATUS IN ACCORDANCE WITH SECTION 34-32-112.5 (2).

7 (5.7) "In situ leach mining" means in situ mining ~~for uranium~~
8 through the in-place dissolution of mineral components of an ore deposit
9 by causing a chemical leaching solution, usually aqueous, to penetrate or
10 to be pumped down wells through the ore body and then removing the
11 mineral-containing solution for development or extraction of the mineral
12 values.

13 (8) "Mining operation" means the development or extraction of a
14 mineral from its natural occurrences or within refuse on affected land.
15 "Mining operation" includes, but is not limited to, open mining, in situ
16 mining, in situ leach mining, surface operations, OPERATIONS RELATED TO
17 CLASS III INJECTION WELLS, and the disposal of refuse from underground
18 mining, in situ mining, and in situ leach mining. "Mining operation" also
19 includes the following operations on affected lands: Transportation,
20 concentrating, milling, evaporation, removal of waste piles and refuse,
21 and other processing. "Mining operation" does not include: The
22 exploration and extraction of natural petroleum in a liquid or gaseous
23 state by means of wells or pipe; the development or extraction of coal; the
24 extraction of geothermal resources; smelting, refining, cleaning,
25 preparation, transportation, and other off-site operations not conducted on
26 affected land; or the extraction of construction material where there is no
27 development or extraction of any mineral.

1 **SECTION 5.** In Colorado Revised Statutes, 34-32-107, **add** (3)
2 as follows:

3 **34-32-107. Powers of board - authority to regulate class III**
4 **injection wells - misdemeanor - fees - rules.**

5 (3) (a) (I) THE BOARD, AS TO CLASS III INJECTION WELLS, MAY
6 PERFORM ALL ACTS FOR THE PURPOSES OF PROTECTING UNDERGROUND
7 SOURCES OF DRINKING WATER IN ACCORDANCE WITH STATE PROGRAMS
8 AUTHORIZED BY THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C.
9 SEC. 300f ET SEQ., AND REGULATIONS UNDER THOSE SECTIONS, AS
10 AMENDED.

11 (II) THE BOARD MAY SEEK AND ADOPT RULES RELATED TO CLASS
12 III INJECTION WELL PRIMACY UNDER THE FEDERAL "SAFE DRINKING
13 WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., AND REGULATIONS UNDER
14 THOSE SECTIONS, AS AMENDED. UPON RECEIVING PRIMACY, THE BOARD
15 MAY ENFORCE RULES FOR THE PERMITTING, AUTHORIZATION, AND
16 REGULATION OF CLASS III INJECTION WELLS IN ACCORDANCE WITH THIS
17 SUBSECTION (3).

18 (b) (I) A PERSON THAT WILLFULLY VIOLATES A CLASS III INJECTION
19 WELL RULE, PERMIT, AUTHORIZATION, OR ORDER OF THE BOARD ISSUED
20 PURSUANT TO THIS SUBSECTION (3) COMMITS A MISDEMEANOR AND, UPON
21 CONVICTION BY A COURT OF COMPETENT JURISDICTION, IS SUBJECT TO A
22 FINE OF AT LEAST FIVE THOUSAND DOLLARS AND NO MORE THAN SEVEN
23 THOUSAND FIVE HUNDRED DOLLARS FOR EACH ACT OF VIOLATION AND FOR
24 EACH DAY THAT THE PERSON REMAINS IN VIOLATION.

25 (II) ANY ACTION UNDERTAKEN PURSUANT TO SUBSECTION (3)(b)(I)
26 OF THIS SECTION MUST COMMENCE WITHIN FIVE YEARS AFTER THE DATE
27 THAT THE BOARD DISCOVERS THE ALLEGED VIOLATION.

1 (c) (I) FOR THE PURPOSES OF IMPLEMENTING AND ADMINISTERING
2 THIS SUBSECTION (3), THE BOARD MAY ASSESS AND COLLECT FEES,
3 INCLUDING, BUT NOT LIMITED TO, PERMITTING AND REGULATORY FEES FOR
4 CLASS III INJECTION WELLS, IN AN AMOUNT AND FREQUENCY DETERMINED
5 BY THE BOARD BY RULE. THE BOARD SHALL SET THE FEES IN AN AMOUNT
6 TO COVER THE BOARD'S DIRECT AND INDIRECT COSTS OF IMPLEMENTING
7 AND ADMINISTERING THIS SUBSECTION (3).

8 (II) THE STATE TREASURER SHALL CREDIT THE FEES ASSESSED AND
9 COLLECTED PURSUANT TO SUBSECTION (3)(c)(I) OF THIS SECTION TO THE
10 MINED LAND RECLAMATION FUND CREATED IN SECTION 34-32-127 (1)(a).

11 **SECTION 6.** In Colorado Revised Statutes, 34-32-112.5, **amend**
12 (2) as follows:

13 **34-32-112.5. Designated mining operation - rules.**

14 (2) If an operator demonstrates to the board at the time of applying
15 for a permit or at a subsequent hearing that toxic or acidic chemicals are
16 not stored or used on-site and that acid- or toxic-producing materials will
17 not be used, stored, or disturbed in quantities sufficient to adversely affect
18 ~~any~~ A person, ~~any~~ property, or the environment, UNLESS THE PERMIT IS
19 FOR A CLASS III INJECTION WELL, the board shall exempt such operations
20 whether conducted pursuant to section 34-32-110 or otherwise. The board
21 may ~~promulgate~~ ADOPT rules governing the conduct of mining operations
22 ~~which~~ THAT are exempted pursuant to this subsection (2).

23 **SECTION 7.** In Colorado Revised Statutes, 34-32-122, **add** (6)
24 as follows:

25 **34-32-122. Fees, civil penalties, and forfeitures - deposit -**
26 **emergency response cash fund - created - definition.**

27 (6) AN OPERATOR THAT VIOLATES A CLASS III INJECTION WELL

1 RULE, PERMIT, AUTHORIZATION, OR ORDER ISSUED BY THE BOARD
2 PURSUANT TO SECTION 34-32-107 (3) IS SUBJECT TO A CIVIL PENALTY OF
3 AT LEAST TWO THOUSAND FIVE HUNDRED DOLLARS PER DAY BUT NO MORE
4 THAN FIVE THOUSAND DOLLARS PER DAY FOR EACH ACT OF VIOLATION PER
5 DAY THAT THE VIOLATION CONTINUES.

6 **SECTION 8.** In Colorado Revised Statutes, 34-32-123, **add** (4)
7 as follows:

8 **34-32-123. Operating without a permit - penalty.**

9 (4) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION AND
10 UPON THE BOARD OBTAINING REGULATORY PRIMACY PURSUANT TO
11 SECTION 32-34-107 (3), AN OPERATOR THAT OPERATES A CLASS III
12 INJECTION WELL WITHOUT A PERMIT ISSUED BY THE BOARD IS SUBJECT TO
13 A CIVIL PENALTY AS DESCRIBED IN SECTION 34-32-122 (6).

14 **SECTION 9.** In Colorado Revised Statutes, 34-32-124, **amend**
15 (7) as follows:

16 **34-32-124. Failure to comply with conditions of order, permit,**
17 **or regulation.**

18 (7) ~~Any~~ A person ~~who~~ THAT violates any provision of any permit
19 issued under this ~~article shall be~~ ARTICLE 32, OTHER THAN A CLASS III
20 INJECTION WELL PERMIT, IS subject to a civil penalty of not less than one
21 hundred dollars per day nor more than one thousand dollars per day for
22 each day during which such violation occurs; except that ~~any~~ AN operator
23 ~~who~~ THAT operates under a permit issued under section 34-32-110 ~~shall~~
24 ~~be~~ IS subject to a civil penalty of not less than fifty dollars nor more than
25 two hundred dollars per day for each day during which ~~such~~ THE violation
26 occurs.

27 **SECTION 10.** In Colorado Revised Statutes, 34-32-127, **amend**

1 (2)(a) introductory portion and (2)(a)(IV) introductory portion; and **add**
2 (2)(a)(I)(P) and (2)(a)(IV)(H) as follows:

3 **34-32-127. Mined land reclamation fund - created - fees - fee**
4 **adjustments - rules.**

5 (2) (a) The office shall collect fees for STATE fiscal year 2014-15
6 and for each subsequent year of operation for operations according to the
7 following schedule:

8 (I) Applications pursuant to:

9 (P) SECTION 34-32-107 (3) RELATING TO CLASS III INJECTION
10 WELLS.

11 (IV) Annual fees for STATE fiscal year 2014-15 and for each
12 subsequent year for operations pursuant to:

13 (H) SECTION 34-32-107 (3) RELATING TO CLASS III INJECTION
14 WELLS.

15 **SECTION 11.** In Colorado Revised Statutes, 16-5-401, **amend**
16 (4.5)(z) and (4.5)(aa); and **add** (4.5)(bb) as follows:

17 **16-5-401. Limitation for commencing criminal proceedings,**
18 **civil infraction proceedings, and juvenile delinquency proceedings -**
19 **definitions.**

20 (4.5) The period within which a prosecution must be commenced
21 begins to run upon discovery of the criminal act or the delinquent act for:

22 (z) Abuse of a corpse, pursuant to section 18-13-101; ~~and~~

23 (aa) Criminal offenses relating to misuse of gametes, pursuant to
24 section 18-13-131; AND

25 (bb) OFFENSES RELATED TO A WILLFUL VIOLATION OF RULES,
26 PERMITS, AUTHORIZATIONS, OR ORDERS RELATED TO UNDERGROUND
27 INJECTION WELLS ADOPTED BY THE ENERGY AND CARBON MANAGEMENT

1 COMMISSION PURSUANT TO SECTION 34-60-106 (9) AND (23) OR ADOPTED
2 BY THE MINED LAND RECLAMATION BOARD PURSUANT TO SECTION
3 34-32-107 (3).

4 **SECTION 12. Act subject to petition - effective date -**
5 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
6 the expiration of the ninety-day period after final adjournment of the
7 general assembly (August 12, 2026, if adjournment sine die is on May 13,
8 2026); except that, if a referendum petition is filed pursuant to section 1
9 (3) of article V of the state constitution against this act or an item, section,
10 or part of this act within such period, then the act, item, section, or part
11 will not take effect unless approved by the people at the general election
12 to be held in November 2026 and, in such case, will take effect on the
13 date of the official declaration of the vote thereon by the governor.

14 (2) This act applies to conduct occurring on or after the applicable
15 effective date of this act.