

CHAPTER 84

WATER AND IRRIGATION

HOUSE BILL 22-1092

BY REPRESENTATIVE(S) Soper and Roberts, Boesenecker, Duran, Hooton, Jodeh, Kennedy, Lontine, Lynch, McCluskie, McCormick, McLachlan, Ricks, Titone, Valdez D., Bennett, Catlin, Cutter, Esgar, Gray, Holtorf, Lindsay, Pelton, Will; also SENATOR(S) Bridges and Coram, Donovan, Lee, Simpson, Sonnenberg.

AN ACT**CONCERNING THE ISSUANCE OF LOANS BY IRRIGATION DISTRICTS TO LANDOWNERS FOR CERTAIN PURPOSES.**

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

SECTION 1. In Colorado Revised Statutes, 37-42-113, **add (5)** as follows:

37-42-113. Powers of district - loans for improvements. (5) (a) THE BOARD OF DIRECTORS MAY ENTER INTO ANY OBLIGATION OR CONTRACT TO BORROW MONEY, WHICH THE IRRIGATION DISTRICT MAY USE TO ISSUE LOANS TO LANDOWNERS:

- (I) TO MAKE IMPROVEMENTS TO PRIVATE WATER DELIVERY SYSTEMS; OR
- (II) FOR OTHER TYPES OF PROJECTS THAT IMPROVE:
 - (A) WATER CONSERVATION OR EFFICIENCIES ON LANDOWNER PROPERTY; OR
 - (B) LANDOWNER DELIVERY OR DRAINAGE SYSTEMS.

(b) AN OBLIGATION OR CONTRACT TO BORROW MONEY DESCRIBED IN SUBSECTION (5)(a) OF THIS SECTION IS NOT SUBJECT TO THE REQUIREMENTS OF SUBSECTION (1)(c) OF THIS SECTION.

(c) THE BOARD SHALL NOT ASSESS DISTRICT LAND IN ORDER TO RAISE MONEY TO ISSUE LOANS PURSUANT TO THIS SUBSECTION (5). HOWEVER, THE BOARD, IN ITS DISCRETION, MAY USE OTHER SOURCES OF MONEY FOR THE PURPOSE OF ISSUING LOANS AS DESCRIBED IN THIS SUBSECTION (5).

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(d) IN CASE OF DEFAULT IN THE PAYMENT OF ANY INSTALLMENT OF PRINCIPAL OR INTEREST WHEN DUE, THE COUNTY TREASURER MAY ASSESS UPON THE ELIGIBLE REAL PROPERTY A TAX LIEN FOR THE PAYMENT OF THE WHOLE OF THE UNPAID INSTALLMENT OF PRINCIPAL AND INTEREST; EXCEPT THAT THE COUNTY TREASURER SHALL NOT ASSESS A TAX LIEN FOR THE ENTIRE VALUE OF THE LANDOWNER'S PORTION OF THE IRRIGATION LOAN ISSUED BY THE WATER DISTRICT.

(e) THE BOARD MAY ADOPT RULES CONCERNING THE ISSUANCE OF LOANS TO LANDOWNERS PURSUANT TO THIS SUBSECTION (5).

SECTION 2. In Colorado Revised Statutes, 37-42-125, **add** (3) as follows:

37-42-125. Fiscal year - appropriation resolution. (3) THE ANNUAL APPROPRIATION RESOLUTION DESCRIBED IN SUBSECTION (2) OF THIS SECTION MUST INCLUDE THE AMOUNT OF MONEY NEEDED TO MEET LOAN OBLIGATIONS AND ALL AMOUNTS PAYABLE BY LANDOWNERS TO THE IRRIGATION DISTRICT IN ACCORDANCE WITH LOANS ISSUED TO THE LANDOWNERS PURSUANT TO SECTION 37-42-113 (5) AND SHALL INDICATE THE AMOUNT PAYABLE BY EACH TRACT WITHIN THE IRRIGATION DISTRICT FOR WHICH A LANDOWNER HAS RECEIVED A LOAN.

SECTION 3. In Colorado Revised Statutes, 37-42-128, **amend** (7) as follows:

37-42-128. Collection of assessments. (7) THE COUNTY TREASURER SHALL RECEIVE IN THE COUNTY TREASURER'S OFFICIAL CAPACITY ~~all such district assessments collected and paid to the county treasurer, shall be received by said treasurer in his official capacity, and he shall be~~ THE COUNTY TREASURER IS responsible for the safekeeping, disbursement, and payment ~~thereof the same~~ OF SUCH ASSESSMENTS ~~as for well as other moneys~~ MONEY collected by ~~him as such~~ THE COUNTY treasurer. The county treasurer shall receive for the collection of such assessments such amount as the board of directors may allow, as provided in section 30-1-102; ~~C.R.S.~~ EXCEPT THAT THE TREASURER SHALL RECEIVE FIVE DOLLARS PER TRACT ASSESSED PURSUANT TO SECTION 37-42-125 (3) FOR LOANS ISSUED TO LANDOWNERS PURSUANT TO SECTION 37-42-113 (5), AND THIS FIVE DOLLARS SHALL BE ASSESSED AGAINST EACH PARTICIPATING TRACT. Any assessment collected and paid to the county treasurer for districts that are defunct or have not been in operation for five or more years shall be transferred by the county treasurer to the county general fund.

SECTION 4. In Colorado Revised Statutes, 37-41-113, **add** (9) as follows:

37-41-113. Board of directors - duties - contracts - rules. (9) (a) THE BOARD OF DIRECTORS MAY ENTER INTO ANY OBLIGATION OR CONTRACT TO BORROW MONEY, WHICH THE IRRIGATION DISTRICT MAY USE TO ISSUE LOANS TO LANDOWNERS:

- (I) TO MAKE IMPROVEMENTS TO PRIVATE WATER DELIVERY SYSTEMS; OR
- (II) FOR OTHER TYPES OF PROJECTS THAT IMPROVE:
 - (A) WATER CONSERVATION OR EFFICIENCIES ON LANDOWNER PROPERTY; OR
 - (B) LANDOWNER DELIVERY OR DRAINAGE SYSTEMS.

(b) AN OBLIGATION OR CONTRACT TO BORROW MONEY DESCRIBED IN SUBSECTION (9)(a) OF THIS SECTION IS NOT SUBJECT TO THE REQUIREMENTS OF SUBSECTION (4) OF THIS SECTION.

(c) THE BOARD OF DIRECTORS SHALL NOT ASSESS DISTRICT LAND IN ORDER TO RAISE MONEY TO ISSUE LOANS PURSUANT TO THIS SUBSECTION (9). HOWEVER, THE BOARD OF DIRECTORS, IN ITS DISCRETION, MAY USE OTHER SOURCES OF MONEY FOR THE PURPOSE OF ISSUING LOANS AS DESCRIBED IN THIS SUBSECTION (9).

(d) IN CASE OF DEFAULT IN THE PAYMENT OF ANY INSTALLMENT OF PRINCIPAL OR INTEREST WHEN DUE, THE COUNTY TREASURER MAY ASSESS UPON THE ELIGIBLE REAL PROPERTY A TAX LIEN FOR THE PAYMENT OF THE WHOLE OF THE UNPAID INSTALLMENT OF PRINCIPAL AND INTEREST; EXCEPT THAT THE COUNTY TREASURER SHALL NOT ASSESS A TAX LIEN FOR THE ENTIRE VALUE OF THE LANDOWNER'S PORTION OF THE IRRIGATION LOAN ISSUED BY THE WATER DISTRICT.

(e) THE BOARD OF DIRECTORS MAY ADOPT RULES CONCERNING THE ISSUANCE OF LOANS TO LANDOWNERS PURSUANT TO THIS SUBSECTION (9).

SECTION 5. In Colorado Revised Statutes, **amend** 37-41-120 as follows:

37-41-120. Fiscal year - directors to fix levy. (1) The fiscal year of each irrigation district in this state shall commence on January 1 in each year. It is the duty of the board of directors on or before October 15 in each year to determine the amount of money required to meet the maintenance, operating, and current expenses for the ensuing fiscal year and to certify by resolution to the board of county commissioners of the county in which the office of the district is located said amount, together with any additional amount which may be necessary to meet any deficiency in the payment of said expenses theretofore incurred. The board of directors may fix the amount payable for any tract containing one acre or less and, if so, similarly shall certify this amount to the board of county commissioners. The board of directors shall also fix the amount payable by each tract within any district with which the United States has made a contract and shall certify the same to the board of county commissioners, and the amount so fixed shall be in accordance with the federal reclamation laws and the public notices, orders, and regulations issued thereunder and shall be in compliance with any contracts made by the United States with any owners of said lands and in compliance further with the contracts between the district and the United States. The obligation of every irrigation district contracting with the United States shall be deemed a district debt. Said resolution shall be termed the annual appropriation resolution for the next fiscal year, and no expenditure to be paid out of such fund shall exceed in any one year the amounts fixed for such expenses in the annual appropriation resolution, except as provided in section 37-41-129.

(2) THE ANNUAL APPROPRIATION RESOLUTION DESCRIBED IN SUBSECTION (1) OF THIS SECTION MUST INCLUDE THE AMOUNT OF MONEY NEEDED TO MEET LOAN OBLIGATIONS AND ALL AMOUNTS PAYABLE BY LANDOWNERS TO THE IRRIGATION DISTRICT IN ACCORDANCE WITH LOANS ISSUED TO THE LANDOWNERS PURSUANT TO SECTION 37-41-113(9) AND SHALL INDICATE THE AMOUNT PAYABLE BY EACH TRACT WITHIN THE IRRIGATION DISTRICT FOR WHICH A LANDOWNER HAS RECEIVED A LOAN.

SECTION 6. In Colorado Revised Statutes, 37-41-121, **add** (4) as follows:

37-41-121. Assessor - assessment. (4) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 41 TO THE CONTRARY, IN ADDITION TO THE AMOUNT DESCRIBED IN SECTION 30-1-102 (1)(p), THE COUNTY TREASURER SHALL RECEIVE FIVE DOLLARS PER TRACT ASSESSED PURSUANT TO SECTION 37-41-120 FOR LOANS ISSUED TO LANDOWNERS PURSUANT TO SECTION 37-41-113 (9), AND THIS FIVE DOLLARS SHALL BE ASSESSED AGAINST EACH PARTICIPATING TRACT.

SECTION 7. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 12, 2022