

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 23-0333.01 Jennifer Berman x3286

HOUSE BILL 23-1220

HOUSE SPONSORSHIP

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SENATE SPONSORSHIP

Pelton B. and Pelton R.,

House Committees

Agriculture, Water & Natural Resources
Appropriations

Senate Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING A STUDY REGARDING THE ECONOMIC IMPACT OF THE**
102 **ELIMINATION OF LARGE-CAPACITY GROUNDWATER**
103 **WITHDRAWAL WITHIN THE REPUBLICAN RIVER BASIN, AND, IN**
104 **CONNECTION THEREWITH, REQUIRING THE COLORADO WATER**
105 **CENTER TO CONDUCT THE STUDY AND REPORT ITS FINDINGS AND**
106 **CONCLUSIONS TO CERTAIN LEGISLATIVE COMMITTEES AND**
107 **MAKING AN APPROPRIATION.**

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>.)

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.

SENATE
2nd Reading Unamended
May 6, 2023

HOUSE
3rd Reading Unamended
May 5, 2023

HOUSE
Amended 2nd Reading
May 3, 2023

In 1942, Colorado entered into an interstate compact (compact) with Nebraska and Kansas regarding the allocation of water from the Republican river basin (basin). Colorado ratified the compact in 1943. In 2016, Colorado, Nebraska, and Kansas signed a resolution (resolution) regarding a dispute about Colorado's compliance with the compact, through which resolution and its amendment Colorado agreed to retire 25,000 acres of irrigated acreage in the basin by 2029.

The bill requires the Colorado water center (center) in the Colorado state university to study the anticipated economic effects of the forced elimination of groundwater withdrawals within and surrounding the Colorado portion of the Republican river basin that could occur if Colorado fails to comply with the resolution. The center is required to prepare a progress report and, on or before January 1, 2026, a final report of the center's findings and conclusions from the study and to post both reports on the center's website. The center must present the progress and final reports to certain legislative committees.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 23-31-804 as
3 follows:

4 **23-31-804. Republican river groundwater economic study -**
5 **reporting - legislative declaration - definitions - repeal.** (1) THE
6 GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7 (a) IN 1942, THE GENERAL ASSEMBLY RATIFIED THE REPUBLICAN
8 RIVER COMPACT, AN INTERSTATE COMPACT BETWEEN COLORADO,
9 NEBRASKA, AND KANSAS REGARDING THE ALLOCATION OF WATER AMONG
10 THE THREE STATES FROM THE REPUBLICAN RIVER;

11 (b) VARIOUS DISAGREEMENTS AND LITIGATION HAVE ARISEN
12 AMONG THE THREE STATES REGARDING THE USE OF WATER AS ALLOCATED
13 BY THE COMPACT;

14 (c) IN 2016, COLORADO, NEBRASKA, AND KANSAS, ACTING
15 THROUGH THE REPUBLICAN RIVER COMPACT ADMINISTRATION, ADOPTED
16 A SERIES OF RESOLUTIONS RESOLVING VARIOUS DISPUTES AMONG THE

1 THREE STATES;

2 (d) UNDER THE TERMS OF ONE OF THE RESOLUTIONS, COLORADO
3 AGREED TO REDUCE THE NUMBER OF ACRES IRRIGATED WITHIN AN AREA
4 OF THE REPUBLICAN RIVER BASIN KNOWN AS THE SOUTH FORK FOCUS
5 ZONE BY TWENTY-FIVE THOUSAND ACRES BY DECEMBER 31, 2029, WHICH
6 ACTION IS A SOLEMN OBLIGATION OF THE STATE;

7 (e) IF COLORADO FAILS TO MEET ITS OBLIGATION UNDER THE
8 TERMS OF THE SOUTH FORK FOCUS ZONE RESOLUTION, THE STATE
9 ENGINEER COULD BE REQUIRED TO CURTAIL ALL GROUNDWATER USE
10 SUBJECT TO THE REPUBLICAN RIVER COMPACT; AND

11 (f) IT IS APPROPRIATE FOR THE COLORADO WATER CENTER TO
12 STUDY THE ECONOMIC IMPACT THAT WILL RESULT IF COLORADO FAILS TO
13 MEET ITS OBLIGATION UNDER THE TERMS OF THE SOUTH FORK FOCUS ZONE
14 RESOLUTION AND THE STATE ENGINEER IS THEN REQUIRED TO CURTAIL ALL
15 LARGE-CAPACITY GROUNDWATER WITHDRAWALS WITHIN THE REPUBLICAN
16 RIVER BASIN.

17 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
18 REQUIRES:

19 (a) "AGRICULTURAL COMMITTEES" MEANS THE HOUSE OF
20 REPRESENTATIVES AGRICULTURE, WATER, AND NATURAL RESOURCES
21 COMMITTEE AND THE SENATE AGRICULTURE AND NATURAL RESOURCES
22 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

23 (b) NOTWITHSTANDING SECTION 23-31-801 (1), "COLORADO
24 WATER CENTER" OR "CENTER" MEANS THE INSTITUTE.

25 (c) "LARGE-CAPACITY GROUNDWATER WITHDRAWAL" MEANS THE
26 LAWFUL ABILITY TO WITHDRAW WATER IN AN AMOUNT OF MORE THAN
27 FIFTY GALLONS PER MINUTE FROM A WELL.

1 (d) "REPUBLICAN RIVER BASIN" HAS THE MEANING SET FORTH IN
2 SECTION 37-50-102 (5).

3 (e) "SOUTH FORK FOCUS ZONE RESOLUTION" OR "RESOLUTION"
4 MEANS THE 2016 REPUBLICAN RIVER COMPACT ADMINISTRATION
5 RESOLUTION SIGNED BY THE COMMISSIONERS OF THE REPUBLICAN RIVER
6 COMPACT ADMINISTRATION ON AUGUST 24, 2016, IN WHICH THE STATE
7 AGREED TO RETIRE TWENTY-FIVE THOUSAND ACRES OF ITS IRRIGATED
8 LANDS WITHIN THE SOUTH FORK FOCUS ZONE OF THE REPUBLICAN RIVER
9 BASIN, AND SUBSEQUENT RESOLUTIONS AMENDING THE TERMS OF THE
10 RESOLUTION.

11 (f) "STATE ENGINEER" MEANS THE STATE ENGINEER APPOINTED BY
12 THE GOVERNOR PURSUANT TO SECTION 37-80-101.

13 (g) "WATER RESOURCES AND AGRICULTURE REVIEW COMMITTEE"
14 MEANS THE WATER RESOURCES AND AGRICULTURE REVIEW COMMITTEE
15 CREATED IN SECTION 37-98-102 (1)(a)(I).

16 (3) ON OR BEFORE JANUARY 1, 2026, THE COLORADO WATER
17 CENTER SHALL COMPLETE A STUDY OF THE ECONOMIC IMPACT THAT WILL
18 RESULT IF COLORADO FAILS TO MEET ITS OBLIGATION UNDER THE TERMS
19 OF THE SOUTH FORK FOCUS ZONE RESOLUTION AND THE STATE ENGINEER
20 IS THEN REQUIRED TO CURTAIL ALL LARGE-CAPACITY GROUNDWATER
21 WITHDRAWALS WITHIN THE REPUBLICAN RIVER BASIN. IN CONDUCTING
22 THE STUDY, THE COLORADO WATER CENTER SHALL EXAMINE THE
23 ECONOMIC IMPACT TO THE AREAS OF COLORADO, NEBRASKA, AND
24 KANSAS AFFECTED BY THE REPUBLICAN RIVER BASIN.

25 (4) THE CENTER SHALL:

26 (a) PREPARE A PROGRESS REPORT OF THE STUDY CONDUCTED
27 PURSUANT TO THIS SECTION AND PRESENT THE PROGRESS REPORT TO A

1 JOINT COMMITTEE OF THE AGRICULTURAL COMMITTEES DURING THE JOINT
2 COMMITTEE'S 2025 HEARING HELD PURSUANT TO SECTION 2-7-203 OF THE
3 "SMART ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE CENTER SHALL
4 SUBMIT A COPY OF THE PROGRESS REPORT TO THE WATER RESOURCES AND
5 AGRICULTURE REVIEW COMMITTEE AND, UPON REQUEST OF THE
6 COMMITTEE, PRESENT THE PROGRESS REPORT TO THE COMMITTEE.

7 (b) ON OR BEFORE JANUARY 1, 2026, PREPARE A FINAL REPORT OF
8 THE FINDINGS AND CONCLUSIONS FROM THE STUDY AND POST THE FINAL
9 REPORT ON THE CENTER'S WEBSITE; AND

10 (c) DURING THE 2026 CALENDAR YEAR, PRESENT THE FINAL
11 REPORT:

12 (I) TO THE WATER RESOURCES AND AGRICULTURE REVIEW
13 COMMITTEE; AND

14 (II) TO THE JOINT COMMITTEE OF THE AGRICULTURAL
15 COMMITTEES.

16 (5) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2027.

17 **SECTION 2.** In Colorado Revised Statutes, 23-3.3-103, **add** (12)
18 as follows:

19 **23-3.3-103. Annual appropriations - repeal.** (12) (a) THE
20 PROVISIONS OF SUBSECTION (1) OF THIS SECTION CONCERNING
21 APPROPRIATIONS FOR STUDENT FINANCIAL ASSISTANCE UNDER THIS
22 ARTICLE 3.3 DO NOT APPLY TO APPROPRIATIONS MADE FOR THE PURPOSE
23 OF CONDUCTING A REPUBLICAN RIVER GROUNDWATER ECONOMIC IMPACT
24 STUDY PURSUANT TO SECTION 23-31-804.

25 (b) THIS SUBSECTION (12) IS REPEALED, EFFECTIVE JULY 1, 2027.

26 **SECTION 3. Appropriation.** (1) For the 2023-24 state fiscal
27 year, \$146,286 is appropriated to the department of higher education. This

1 appropriation is from the general fund. To implement this act, the
2 department may use this appropriation for the board of governors of the
3 Colorado state university system for allocation to the Colorado water
4 center.

5 **SECTION 4. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, or safety.