CHAPTER 306

WATER AND IRRIGATION

HOUSE BILL 22-1379

BY REPRESENTATIVE(S) McCormick and Catlin, Amabile, Bacon, Bernett, Bird, Boesenecker, Caraveo, Carver, Cutter, Duran, Esgar, Exum, Geitner, Gonzales-Gutierrez, Herod, Hooton, Jodeh, Lindsay, Lontine, Lynch, McCluskie, McKean, McLachlan, Michaelson Jenet, Ortiz, Pico, Ricks, Roberts, Snyder, Soper, Titone, Valdez A., Valdez D., Van Beber, Van Winkle, Weissman, Will;

also SENATOR(S) Donovan and Simpson, Bridges, Buckner, Coram, Ginal, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Kolker, Lee, Lundeen, Moreno, Pettersen, Rankin, Rodriguez, Sonnenberg, Story, Winter, Woodward, Fenberg.

AN ACT

CONCERNING TRANSFERS FROM THE ECONOMIC RECOVERY AND RELIEF CASH FUND TO PROVIDE ADDITIONAL FUNDING FOR THE MANAGEMENT OF CERTAIN NATURAL RESOURCES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 24-75-228, add (2.5) as follows:

24-75-228. Economic recovery and relief cash fund - creation - allowable uses - interim task force - report - legislative declaration - definitions - repeal. (2.5) (a) UPON THE EFFECTIVE DATE OF THIS SUBSECTION (2.5), OR AS SOON AS POSSIBLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER TWENTY MILLION DOLLARS FROM THE ECONOMIC RECOVERY AND RELIEF CASH FUND AS FOLLOWS:

(I) Three million dollars to the healthy forests and vibrant communities fund created in section 23-31-313 (10), which must be expended for the purposes specified in section 23-31-313 (6)(a)(IV);

(II) Two MILLION DOLLARS TO THE WILDFIRE MITIGATION CAPACITY DEVELOPMENT FUND CREATED IN SECTION 24-33-117(1), WHICH MUST BE EXPENDED FOR THE PURPOSES SPECIFIED IN SECTION 24-33-117(3);

(III) TEN MILLION DOLLARS TO THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND CREATED IN SECTION 37-60-121 (1)(a), WHICH MUST BE EXPENDED FOR THE PURPOSES SPECIFIED IN SECTION 37-60-121 (12);

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.

(IV) Two million five hundred thousand dollars to the Colorado water conservation board construction fund created in section 37-60-121 (1)(a), which must be expended for the purposes specified in section 37-60-121 (13); and

(V) Two million five hundred thousand dollars to the Colorado water conservation board construction fund created in section 37-60-121(1)(a), which must be expended for the purposes specified in section 37-60-121(14).

(b) THE WATERSHED RESTORATION PROGRAMS, WILDFIRE MITIGATION PROGRAMS, AND THE PROVISION OF SERVICES TO ASSIST POLITICAL SUBDIVISIONS OF THE STATE AND OTHER ENTITIES IN THE DRAW DOWN OF FEDERAL FUNDS TO WHICH THE STATE TREASURER SHALL TRANSFER MONEY FROM THE FUND PURSUANT TO SUBSECTION (2.5)(a) OF THIS SECTION ARE ESSENTIAL GOVERNMENT SERVICES.

(c) Any department that receives money from the transfer made by the state treasurer pursuant to subsection (2.5)(a) of this section shall comply with the compliance, reporting, record-keeping, and program evaluation requirements established by the office of state planning and budgeting and the state controller in accordance with section 24-75-226 (5).

SECTION 2. In Colorado Revised Statutes, 37-60-121, **add** (12), (13), and (14) as follows:

37-60-121. Colorado water conservation board construction fund - creation - nature of fund - funds for investigations - contributions - use for augmenting the general fund - funds created - rules - repeal. (12) (a) EXCEPT AS SPECIFIED IN SUBSECTION (12)(b) OF THIS SECTION, THE BOARD SHALL USE THE MONEY TRANSFERRED PURSUANT TO SECTION 24-75-228 (2.5)(a)(III) FOR WATERSHED RESTORATION AND FLOOD MITIGATION GRANTS TO RESTORE, MITIGATE, AND PROTECT STREAM CHANNELS AND RIPARIAN AREAS SUSCEPTIBLE TO FLOOD HAZARDS AND SEDIMENT EROSION AND DEPOSITION AFTER WILDFIRE, INCLUDING EXPENDITURES FOR THE DESIGN AND IMPLEMENTATION OF PROJECTS INTENDED TO MITIGATE INCREASED FLOWS, SEDIMENT, AND DEBRIS, WITH FEDERAL AND LOCAL MATCHING REQUIREMENTS.

(b) The board may use up to five percent of the money to administer the grant program as specified in subsection (12)(a) of this section and may use up to ten percent for the costs associated with providing necessary technical engineering services to assist grantees with design review, engineering analysis, fire and flood support, construction oversight, fluvial hazard zone program implementation, project monitoring and adaptive management, and overall program management.

(c) The department of natural resources shall include updates regarding the board's activities undertaken pursuant to this subsection (12) in its departmental presentation to legislative committees of reference pursuant to section 2-7-203.

(d) This subsection (12) is repealed, effective July 1, 2027.

(13) THE BOARD SHALL USE THE MONEY TRANSFERRED PURSUANT TO SECTION 24-75-228 (2.5)(a)(IV) FOR THE DIRECT AND INDIRECT COSTS OF PROVIDING ASSISTANCE TO POLITICAL SUBDIVISIONS OF THE STATE AND OTHER ENTITIES IN APPLYING FOR FEDERAL "INFRASTRUCTURE INVESTMENT AND JOBS ACT", PUB.L. 117-58, MONEY AND OTHER FEDERALLY AVAILABLE MONEY RELATED TO WATER FUNDING OPPORTUNITIES.

(14) (a) The board shall use the money transferred pursuant to section 24-75-228 (2.5)(a)(V) for both:

(I) ISSUING GRANTS TO POLITICAL SUBDIVISIONS OF THE STATE OR OTHER ENTITIES FOR THE HIRING OF TERM-LIMITED EMPLOYEES, CONTRACTORS, OR BOTH THAT WILL ASSIST THOSE POLITICAL SUBDIVISIONS AND OTHER ENTITIES IN APPLYING FOR FEDERAL "INFRASTRUCTURE INVESTMENT AND JOBS ACT", PUB.L. 117-58, MONEY AND OTHER FEDERALLY AVAILABLE MONEY RELATED TO NATURAL RESOURCE MANAGEMENT; AND

(II) Covering the direct and indirect costs associated with issuing the grants described in subsection (14)(a)(I) of this section.

(b) The board may adopt policies and procedures as necessary for implementing a grant program necessary to award the grants described in subsection (14)(a) of this section.

SECTION 3. Appropriation. For the 2022-23 state fiscal year, \$15,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the Colorado water conservation board construction fund created in section 37-60-121 (1)(a), C.R.S. To implement this act, the board may use this appropriation for watershed restoration and flood mitigation project grants. Any money appropriated in this section not expended prior to July 1, 2023, is further appropriated to the board from July 1, 2023, through December 30, 2024, for the same purpose.

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

Approved: June 2, 2022