

**37-60-130. Well augmentation loans.**

(1) (Deleted by amendment, L. 2004, p. 884, § 16, effective May 21, 2004.)

(2) The board is hereby authorized to make loans from unreserved cash in the Colorado water conservation board construction fund to organizations or entities for the purchase of augmentation water or the rights to such water to replace out-of-priority depletions to surface water rights and to prevent material depletions of stateline flows that might result in violation of compacts or interstate decrees.

(3) The board shall approve or deny applications for loans based upon criteria including, but not limited to, whether the:

(a) Source of augmentation water is from a reliable, permanent supply;

(b) Applicant has adequate security or collateral to assure repayment;

(c) Applicant has the ability to repay the loan at an interest rate and over a period of time as set by the board;

(d) Applicant is able to collect payments for the augmented water from its members;

(e) Loan will serve the needs of a broad group of users rather than a specific user;

(f) Loan will assist in maintaining the agricultural viability of the area served;

(g) Applicant obtains commitments from its members that any such member who fails to make payments in accordance with the loan agreement shall cease pumping water; and

(h) Applicant obtains commitments from its members to comply with any rules or changes to rules as promulgated or amended by the state engineer that govern the measurement of ground water withdrawals and the use of such ground water.

(4) (a) The state engineer shall promptly and completely curtail the use of a well by the owner of such well if such owner has accepted the benefit of a well augmentation loan and fails to make a payment required pursuant to the terms of subsection (3) of this section.

(b) This section shall apply regardless of whether the well owner accepts the benefit of the well augmentation loan directly or through membership in a participating association or organization.

(c) Curtailment pursuant to this subsection (4) shall remain in effect for as long as any payment remains past due.

**Source: L. 95:** Entire section added, p. 385, § 12, effective May 4. **L. 97:** (1) and (2) amended, p. 830, § 17, effective May 21. **L. 2001:** (1), (2), (4)(a), and (4)(b) amended, p. 695, § 34, effective May 30. **L. 2004:** Entire section amended, p. 884, § 16, effective May 21.