



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

P (303) 866-3441
F (303) 866-4474

Jared Polis, Governor

Dan Gibbs, DNR Executive Director

Lauren Ris, CWCB Director

TO: Colorado Water Conservation Board Members

FROM: Jenna Battson, Outdoor Water Conservation Coordinator
Water Supply Planning Section

DATE: November 15-16, 2023 Board Meeting

AGENDA ITEM: 17b. 2024 Projects Bill - Non-Reimbursable Project Investments - Presentations
(4) Turf Replacement Funding

Staff Recommendation

Staff recommends the Board approve \$2,000,000 in funding for Turf Replacement Funding from the Construction Fund for inclusion in the 2024 Projects Bill.

Description/Scope of Work

The State's Turf Replacement Program (TRP) created by HB22-1151 leveraged \$2 million in statewide investments from the General Fund to implement transformative landscape change and support municipal outdoor water conservation efforts. The CWCB-run TRP proliferated the amount of turf removal efforts across the State, generated increased community interest in water savings, and supported the goals of the Colorado Water Plan (Action 1.7). Since the TRP launch in January 2023, the available funding has been earmarked for allocation to 50 eligible entities to advance water conservation efforts through the removal and replacement of nonfunctional turf. Colorado interest is not geographically isolated; around 25-30% of funding recipients are expected to be from the Western Slope when contracting is completed.

Eligible entities (i.e., local governments, districts, water utilities, 501(c)(3) Nonprofits, and Colorado's Federally Recognized Tribes) applied for TRP funding through two CWCB-run application cycles in 2023. CWCB set a \$50k annual limit for funding allocation to qualifying applicants and required a dollar-for-dollar cash or in-kind match at the directive of the legislation. As communities across Colorado are at different places of transformative landscape change, awarded applicants could choose to create or advance local turf rebate programs or target high water use areas to remove and replace nonfunctional turf. A CWCB team reviewed the applications to ensure the proposed rebate programs and projects adhered to the criteria outlined in HB22-1151 and required the submission of contracting documents describing the projects, budget schedule, and confirming the availability of matching funds.

As of November 1, 2023, thirty TRP applicants have completed contracting and have been issued a Purchase Order allowing them to commence expending the awarded TRP funding. Contracting is expected to continue into 2024, and project implementation and reimbursement requests are expected to continue until the program sunsets on June 20, 2025.



The \$2 million allocated from the General Fund to create and implement the State's Turf Replacement Program sunsets on June 30, 2025, along with the outdoor water conservation coordinator position created to manage and implement the program. Creating a new funding source through Non-Reimbursable Project Investment Grants (NRI) would allow the TRP to continue providing financial support for local turf removal and replacement efforts across Colorado. Creating a new revenue stream for the TRP after it expires in June 2025 would support the proven and growing interest in turf replacement efforts, promote municipal water security, and facilitate interest in community water conservation participation. Given contracting is a lengthy process and the time-sensitive limitations of Colorado's planting seasons, available funds that match the original \$2 million from the General fund should be made available for a minimum of three years to allow for implementation flexibility as momentum continues to build.

In addition to supplemental funding allowing for the continuation of the TRP, a new funding source would provide CWCB with the flexibility to incorporate improvements to the HB22-1151 criteria and guidelines of the TRP to help protect State and local investments. For example, more funding could be available for applicants who have mechanisms in place to prevent the installation of nonfunctional turf and for those who require irrigation system updates to reduce outdoor water use.

[attach HB22-1151]

Funding and support of meaningful, transformational landscape change is critical to Colorado's water security, as noted in the 2023 Colorado Water Plan. The State's Turf Replacement Program (TRP) created by HB22-1151 allocated \$2 million in statewide investments to implement transformative landscape change and support municipal outdoor water conservation efforts. On June 30, 2025, the TRP will sunset and eliminate financial support from the General Fund for continued landscape transformation through local turf removal and replacement efforts. A Non-Reimbursable Investment (NRI) of \$2 million will allow the TRP to continue providing a vital funding source for local communities, build on the momentum created from HB22-1151, and help advance and create turf removal and replacement projects across Colorado.

P R O J E C T D E T A I L S	
Project Cost:	\$2,000,000
NRI Funding Request:	\$2,000,000
Funding Source:	Construction Fund
Project Type:	Water Plan Implementation
Type of Grantee:	State Agency

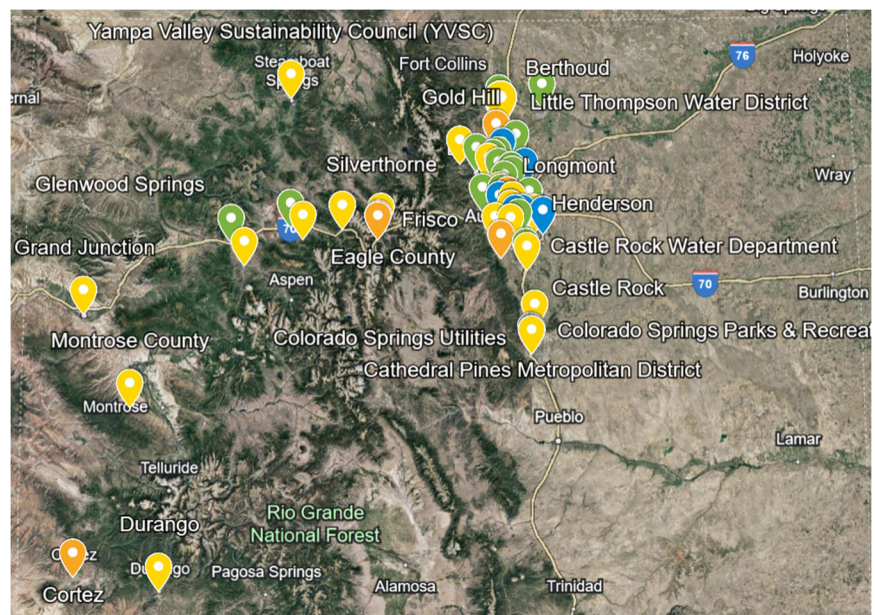
L O C A T I O N	
Benefits:	Statewide
Water Source:	N/A
Drainage Basin:	All Basins

Focus areas include:

Focus Areas/Timeline	Description	Est. Cost
Turf Replacement Program Funding 2025-2028	Continuing the State's Turf Replacement Program created from HB22-1151 with additional funding to support and promote transformative landscape change on the local and State level.	\$2,000,000

Total \$2,000,000

Interest in turf replacement across Colorado has been widespread, and the projects CWCB has funded are not geographically isolated; around 25-30% of funding recipients from the initial funding in HB22-1151 are expected to be from the Western Slope when contracting is completed. Though contracting is still ongoing, CWCB anticipates that the full amount of allocated funding from HB22-1151 will be expended by the time the funding sunsets in 2025. The anticipated map of funding recipients is shown here:



An Act

HOUSE BILL 22-1151

BY REPRESENTATIVE(S) Catlin and Roberts, Amabile, Bacon, Benavidez, Bernett, Bird, Boesenecker, Caraveo, Cutter, Esgar, Froelich, Holtorf, Hooton, Jodeh, Kipp, Lindsay, Lontine, McCluskie, McCormick, McKean, Michaelson Jenet, Pico, Sirota, Snyder, Soper, Tipper, Titone, Valdez A., Valdez D., Weissman, Will, Woodrow, Young, Garnett, McLachlan, Ricks;
also SENATOR(S) Bridges and Simpson, Buckner, Hansen, Hinrichsen, Jaquez Lewis, Lee, Moreno, Pettersen, Winter, Fenberg.

CONCERNING MEASURES TO INCENTIVIZE WATER-WISE LANDSCAPES, AND,
IN CONNECTION THEREWITH, CREATING A STATE PROGRAM TO
FINANCE THE VOLUNTARY REPLACEMENT OF IRRIGATED TURF AND
MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **add** 37-60-135 as follows:

37-60-135. State turf replacement program - creation - administration - turf replacement fund - creation - legislative declaration - definitions - repeal. (1) THE GENERAL ASSEMBLY FINDS AND

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.

DECLARES THAT:

(a) PROMOTING THE EFFICIENT AND MAXIMUM UTILIZATION OF COLORADO'S WATER RESOURCES BY DECREASING THE AMOUNT OF IRRIGATED TURF CAN:

(I) INCREASE COMMUNITIES' RESILIENCE REGARDING DROUGHT AND CLIMATE CHANGE;

(II) REDUCE THE SALE OF AGRICULTURAL WATER RIGHTS IN RESPONSE TO INCREASED DEMAND FOR MUNICIPAL WATER USE; AND

(III) PROTECT RIVER FLOWS;

(b) IRRIGATION OF OUTDOOR LANDSCAPING ACCOUNTS FOR NEARLY HALF OF WATER USE WITHIN THE MUNICIPAL AND INDUSTRIAL SECTORS OF THE STATE AND IS MOSTLY USED FOR IRRIGATION OF NONNATIVE TURF GRASS;

(c) WHILE THERE ARE APPROPRIATE AND IMPORTANT USES FOR IRRIGATED TURF, INCLUDING FOR PARKS, SPORTS FIELDS, PLAYGROUNDS, AND PORTIONS OF RESIDENTIAL YARDS, MUCH OF THE TURF IN THE STATE IS NONESSENTIAL AND IS LOCATED IN AREAS THAT RECEIVE LITTLE, IF ANY, USE. SUCH IRRIGATED TURF COULD BE REPLACED WITH WATER-WISE LANDSCAPING WITHOUT IMPACTING QUALITY OF LIFE OR LANDSCAPE FUNCTIONALITY.

(d) EXAMPLES OF NONESSENTIAL TURF INCLUDE TURF USED FOR:

(I) MEDIANS;

(II) AREAS ADJACENT TO OPEN SPACES OR TRANSPORTATION CORRIDORS;

(III) AREAS SLOPED WITH MORE THAN A TWENTY-FIVE PERCENT GRADE;

(IV) STORM WATER DRAINAGE AND DETENTION BASINS;

(V) COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL PROPERTIES;

(VI) COMMON ELEMENTS IN A COMMON INTEREST COMMUNITY, AS THOSE TERMS ARE DEFINED IN SECTION 38-33.3-103; AND

(VII) PORTIONS OF RESIDENTIAL YARDS;

(e) WATER-WISE LANDSCAPING MUST PLAY A CRITICAL ROLE IN PROVIDING SUBSTANTIAL AND PERMANENT WATER SAVINGS AND IN MINIMIZING WATER WASTE IN COLORADO COMMUNITIES;

(f) LOCAL JURISDICTIONS SHOULD ESTABLISH POLICIES THAT REDUCE NONESSENTIAL TURF USED FOR NEW DEVELOPMENTS OR REDEVELOPED AREAS AND INCREASE THE USE OF WATER-WISE LANDSCAPING;

(g) THE STATE MUST PRIORITIZE THE USE OF WATER-WISE LANDSCAPING FOR EXISTING AND NEW STATE GOVERNMENT PROPERTIES;

(h) TURF REPLACEMENT PROGRAMS PROVIDE A PROVEN AND EFFECTIVE STRATEGY FOR REDUCING OUTDOOR WATER DEMAND SIGNIFICANTLY, AND EVIDENCE FROM EXISTING PROGRAMS DEMONSTRATES THAT, FOR EACH ACRE OF TURF REMOVED, ONE TO TWO ACRE-FEET PER YEAR OF WATER SAVINGS CAN BE REALIZED, MEANING THAT FOR EVERY ONE HUNDRED ACRES OF TURF CONVERTED TO WATER-WISE LANDSCAPES, UP TO TWO HUNDRED ACRE-FEET PER YEAR OF WATER MAY BE CONSERVED; AND

(i) THE BOARD SHOULD DEVELOP A STATE TURF REPLACEMENT PROGRAM TO INCENTIVIZE THE VOLUNTARY REPLACEMENT OF IRRIGATED TURF ON RESIDENTIAL PROPERTIES AND COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL PROPERTIES AS A MEANS OF RESPONDING TO INCREASED WATER DEMAND THROUGHOUT THE STATE.

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

(a) "CAMPUS" MEANS A COLLECTION OF TWO OR MORE BUILDINGS THAT ARE OWNED AND OPERATED BY THE SAME PERSON AND HAVE A SHARED PURPOSE AND FUNCTION AS A SINGLE PROPERTY.

(b) "COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL" OR "CII":

(I) MEANS THE COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL

SECTOR IN THE STATE; AND

(II) INCLUDES LOCAL GOVERNMENTS, SCHOOLS, AND BUSINESSES.

(c) "DISTRICT" MEANS:

(I) A DISTRICT OR SPECIAL DISTRICT FORMED PURSUANT TO TITLE 32, INCLUDING A METROPOLITAN DISTRICT, AS DEFINED IN SECTION 32-1-103 (10); A WATER AND SANITATION DISTRICT, AS DEFINED IN SECTION 32-1-103 (24); AND A WATER DISTRICT, AS DEFINED IN SECTION 32-1-103 (25);

(II) A WATER CONSERVANCY DISTRICT ESTABLISHED UNDER ARTICLE 45 OF THIS TITLE 37; OR

(III) A WATER CONSERVATION DISTRICT ESTABLISHED UNDER ARTICLE 46, 47, 48, OR 50 OF THIS TITLE 37.

(d) "ELIGIBLE ENTITY" MEANS ANY OF THE FOLLOWING ENTITIES THAT ALREADY ADMINISTER OR PLAN TO ADMINISTER A TURF REPLACEMENT PROGRAM IN THE STATE:

(I) A LOCAL GOVERNMENT;

(II) A DISTRICT;

(III) A NATIVE AMERICAN TRIBE; OR

(IV) A NONPROFIT ORGANIZATION.

(e) "INVASIVE PLANT SPECIES" MEANS PLANTS THAT ARE NOT NATIVE TO THE STATE AND THAT:

(I) ARE INTRODUCED INTO THE STATE ACCIDENTALLY OR INTENTIONALLY;

(II) HAVE NO NATURAL COMPETITORS OR PREDATORS IN THE STATE BECAUSE THE STATE IS OUTSIDE OF THEIR COMPETITORS' OR PREDATORS' RANGE; AND

(III) HAVE HARMFUL EFFECTS ON THE STATE'S ENVIRONMENT OR

ECONOMY OR BOTH.

(f) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE MUNICIPALITY, COUNTY, OR CITY AND COUNTY.

(g) (I) "RESIDENTIAL PROPERTY" MEANS ANY REAL PROPERTY UPON WHICH A DWELLING IS CONSTRUCTED.

(II) "RESIDENTIAL PROPERTY" INCLUDES:

(A) BOTH UNITS AND COMMON ELEMENTS IN A COMMON INTEREST COMMUNITY, AS THOSE TERMS ARE DEFINED IN SECTION 38-33.3-103; AND

(B) SINGLE-FAMILY DETACHED PROPERTIES AND SINGLE-FAMILY ATTACHED PROPERTIES THAT ARE NOT IN A COMMON INTEREST COMMUNITY.

(h) "SCHOOL" MEANS:

(I) A PUBLIC SCHOOL MAINTAINED AND OPERATED BY A SCHOOL DISTRICT CREATED PURSUANT TO ARTICLE 30 OF TITLE 22;

(II) A DISTRICT CHARTER SCHOOL AS DEFINED IN SECTION 22-11-103 (12);

(III) AN INSTITUTE CHARTER SCHOOL AS DEFINED IN SECTION 22-11-103 (17);

(IV) A PRIVATE SCHOOL AS DEFINED IN SECTION 22-30.5-103 (6.5);

(V) A STATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-1-108 (7)(g)(II); OR

(VI) A PRIVATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-18-102 (9).

(i) "TURF" MEANS CONTINUOUS PLANT COVERAGE CONSISTING OF NONNATIVE GRASSES OR GRASSES THAT HAVE NOT BEEN HYBRIDIZED FOR ARID CONDITIONS AND WHICH, WHEN REGULARLY MOWED, FORM A DENSE GROWTH OF LEAF BLADES AND ROOTS.

(j) "TURF REPLACEMENT FUND" OR "FUND" MEANS THE TURF REPLACEMENT FUND CREATED IN SUBSECTION (6) OF THIS SECTION.

(k) "TURF REPLACEMENT PROGRAM" OR "PROGRAM" MEANS A PROGRAM THROUGH WHICH FINANCIAL COMPENSATION OR IN-KIND OR SUBSIDIZED GOODS OR SERVICES ARE PROVIDED TO ASSIST WITH THE VOLUNTARY REPLACEMENT OF IRRIGATED TURF FOR:

(I) RESIDENTIAL PROPERTIES; AND

(II) CII PROPERTIES, INCLUDING INDUSTRIAL AND BUSINESS CAMPUSES.

(l) "WATER-WISE LANDSCAPE" OR "WATER-WISE LANDSCAPING":

(I) MEANS A WATER- AND PLANT- MANAGEMENT PRACTICE THAT:

(A) IS INTENDED TO BE FUNCTIONAL AND ATTRACTIVE;

(B) EMPHASIZES THE USE OF PLANTS THAT REQUIRE LOWER SUPPLEMENTAL WATER, SUCH AS NATIVE AND DROUGHT-TOLERANT PLANTS; AND

(II) PRIORITIZES THE FOLLOWING SEVEN KEY PRINCIPLES:

(A) PLANNING AND DESIGN FOR WATER CONSERVATION, BEAUTY, AND UTILITY;

(B) IMPROVING SOIL;

(C) APPLYING EFFICIENT IRRIGATION;

(D) LIMITING TURF TO HIGH TRAFFIC, ESSENTIAL AREAS;

(E) SELECTING PLANTS THAT HAVE LOW WATER DEMAND;

(F) APPLYING MULCH; AND

(G) MAINTAINING THE LANDSCAPE.

(3) ON OR BEFORE JULY 1, 2023, THE BOARD SHALL DEVELOP A STATE TURF REPLACEMENT PROGRAM:

(a) TO PROVIDE MONEY TO AN ELIGIBLE ENTITY THAT ITSELF PROVIDES MATCHING MONEY IN AN AMOUNT UP TO FIFTY PERCENT OF THE DIRECT AND INDIRECT COSTS THAT THE ELIGIBLE ENTITY AND ANY THIRD PARTY IT CONTRACTS WITH IN DEVELOPING OR IMPLEMENTING A TURF REPLACEMENT PROGRAM WILL INCUR;

(b) THROUGH ONE OR MORE THIRD-PARTY CONTRACTORS CHOSEN IN ACCORDANCE WITH SUBSECTION (5) OF THIS SECTION, TO ADMINISTER ONE OR MORE TURF REPLACEMENT PROGRAMS IN AREAS THROUGHOUT THE STATE IN WHICH NO ELIGIBLE ENTITY HAS DEVELOPED OR IS PLANNING TO IMPLEMENT A TURF REPLACEMENT PROGRAM DURING A SPECIFIED IRRIGATION SEASON. TURF REPLACEMENT PROGRAMS DEVELOPED PURSUANT TO THIS SUBSECTION (3)(b) MAY SERVE RESIDENTIAL PROPERTIES; COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL PROPERTIES; OR BOTH.

(c) THROUGH WHICH MONEY APPROPRIATED OR TRANSFERRED TO THE TURF REPLACEMENT FUND MAY BE PROVIDED TO AN ELIGIBLE ENTITY THAT UTILIZES FEDERAL FUNDS TO SERVE AS A PORTION OF THE NONFEDERAL MATCH MONEY THAT A FEDERAL GRANT OR LOAN PROGRAM REQUIRES OF THE ELIGIBLE ENTITY.

(4) (a) WITH REGARD TO AN ELIGIBLE ENTITY APPLICANT SEEKING MONEY FOR A TURF REPLACEMENT PROGRAM THAT IT ADMINISTERS OR PLANS TO ADMINISTER, THE ELIGIBLE ENTITY MAY APPLY TO THE BOARD IN THE FORM AND MANNER DETERMINED BY THE BOARD FOR MONEY TO ASSIST THE ELIGIBLE ENTITY IN PROVIDING TURF REPLACEMENT FOR:

(I) ITS OWN PROPERTY;

(II) RESIDENTIAL PROPERTY WITHIN THE ELIGIBLE ENTITY'S BOUNDARIES OR SERVICE AREA; OR

(III) COMMERCIAL, INSTITUTIONAL, OR INDUSTRIAL PROPERTY LOCATED WITHIN THE ELIGIBLE ENTITY'S BOUNDARIES OR SERVICE AREA.

(b) AN ELIGIBLE ENTITY AWARDED MONEY:

(I) MAY USE A PORTION OF THE MONEY TO COVER ITS DIRECT AND INDIRECT COSTS, INCLUDING THE DIRECT AND INDIRECT COSTS INCURRED BY ANY THIRD-PARTY CONTRACTOR, IN DEVELOPING AND ADMINISTERING A TURF REPLACEMENT PROGRAM;

(II) IS ENCOURAGED TO REQUIRE THAT ITS PROGRAM PARTICIPANTS UPDATE IRRIGATION SYSTEMS TO EFFICIENTLY IRRIGATE WATER-WISE LANDSCAPING AS A CONDITION OF PARTICIPATING IN THE ELIGIBLE ENTITY'S TURF REPLACEMENT PROGRAM; AND

(III) IS ENCOURAGED TO REQUIRE THAT ITS PROGRAM PARTICIPANTS MAINTAIN OR CREATE DEFENSIBLE SPACE TO REDUCE WILDFIRE RISK.

(c) THE BOARD'S APPLICATION REQUIREMENTS FOR APPLICATIONS RECEIVED PURSUANT TO THIS SUBSECTION (4) MUST INCLUDE A REQUIREMENT THAT THE ELIGIBLE ENTITY DEMONSTRATE TO THE SATISFACTION OF THE BOARD THAT:

(I) THE ELIGIBLE ENTITY HAS MATCHING MONEY AS REQUIRED UNDER SUBSECTION (3)(a) OF THIS SECTION;

(II) THE ELIGIBLE ENTITY WILL START USING ANY MONEY AWARDED FOR IMPLEMENTATION OF A TURF REPLACEMENT PROGRAM WITHIN TWELVE MONTHS AFTER BEING AWARDED THE MONEY;

(III) IF THE ELIGIBLE ENTITY HAS AN EXISTING TURF REPLACEMENT PROGRAM, THE ELIGIBLE ENTITY WILL USE THE MONEY AWARDED IN A MANNER THAT EXPANDS ITS TURF REPLACEMENT PROGRAM, EITHER BY INCREASING THE FINANCIAL INCENTIVES OFFERED PER PROPERTY OR BY EXPANDING THE ANNUAL TOTAL ACREAGE OF TURF REPLACED UNDER THE PROGRAM; AND

(IV) THE ELIGIBLE ENTITY WILL NOT ALLOW THE USE OF MONEY FOR THE REPLACEMENT OF TURF WITH ANY OF THE FOLLOWING:

(A) IMPERMEABLE CONCRETE;

(B) ARTIFICIAL TURF;

(C) WATER FEATURES SUCH AS FOUNTAINS;

(D) INVASIVE PLANT SPECIES; OR

(E) TURF.

(5) (a) THE BOARD SHALL CONTRACT WITH ONE OR MORE THIRD PARTIES, SELECTED IN COMPLIANCE WITH THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24, TO ADMINISTER ONE OR MORE TURF REPLACEMENT PROGRAMS IN ACCORDANCE WITH SUBSECTION (3)(b) OF THIS SECTION. THE BOARD AND THIRD-PARTY CONTRACTOR OR CONTRACTORS MAY USE MONEY FROM THE TURF REPLACEMENT FUND TO COVER THEIR DIRECT AND INDIRECT COSTS IN DEVELOPING AND ADMINISTERING ONE OR MORE TURF REPLACEMENT PROGRAMS UNDER THIS SUBSECTION (5). THE BOARD AND THIRD-PARTY CONTRACTOR OR CONTRACTORS SHALL COLLABORATE TO DEVELOP ONE OR MORE TURF REPLACEMENT PROGRAMS THAT:

(I) ARE BASED ON INDUSTRY BEST PRACTICES AND THAT MAY THEN SERVE AS A MODEL FOR TURF REPLACEMENT PROGRAMS THAT ELIGIBLE ENTITIES ADMINISTER;

(II) ARE DESIGNED TO REQUIRE THAT:

(A) REMOVED TURF BE REPLACED WITH A MINIMUM PERCENTAGE OF LIVING PLANT SPECIES;

(B) LOW OR MEDIUM WATER-USE PLANT SPECIES OR BOTH ARE USED INSTEAD OF HIGH WATER-USE PLANT SPECIES IN REPLACING THE TURF;

(C) THERE IS AN EMPHASIS ON USING NATIVE AND POLLINATOR-FRIENDLY PLANT SPECIES; AND

(D) THERE IS AN EMPHASIS ON CREATING AND MAINTAINING DEFENSIBLE SPACE TO REDUCE WILDFIRE RISK.

(III) OFFER REBATES OR IN-KIND OR SUBSIDIZED GOODS OR SERVICES TO PROPERTY OWNERS IN AN AMOUNT THAT BALANCES INCENTIVIZING PROPERTY OWNERS TO VOLUNTARILY PARTICIPATE IN THE PROGRAM WHILE NOT DISCOURAGING ELIGIBLE ENTITIES IN THE AREA FROM DEVELOPING AND ADMINISTERING A LOCAL PROGRAM TO SERVE THE AREA.

(b) THE BOARD SHALL ESTABLISH THE RESPONSIBILITIES AND THE ACCOUNTABILITY OF THE THIRD-PARTY CONTRACTOR OR CONTRACTORS IN MANAGING THE PROGRAM PURSUANT TO THIS SUBSECTION (5), WHICH RESPONSIBILITIES AND ACCOUNTABILITY MUST INCLUDE:

(I) ENSURING ALL PROJECT WORK IS BEING COMPLETED IN AN EFFICIENT MANNER AND WITHIN THE PROJECT BUDGET;

(II) DEVELOPING AND SUBMITTING PROGRAM INVOICES TO THE BOARD; AND

(III) PROVIDING THE BOARD WITH PROGRESS REPORTS ABOUT THE PROGRAM AND A FINAL REPORT REGARDING USE OF THE MONEY AWARDED FOR THE PROGRAM, INCLUDING ADMINISTRATIVE COSTS.

(c) A RESIDENTIAL PROPERTY OWNER OR CII PROPERTY OWNER OR MANAGER MAY APPLY TO A THIRD-PARTY CONTRACTOR, IN A FORM AND MANNER DETERMINED BY THE BOARD AND THE THIRD-PARTY CONTRACTOR, FOR MONEY FOR TURF REPLACEMENT ON THE APPLICANT'S PROPERTY AS PART OF A TURF REPLACEMENT PROGRAM ESTABLISHED PURSUANT TO THIS SUBSECTION (5). THE APPLICATION DEVELOPED BY THE BOARD AND THIRD-PARTY CONTRACTOR MUST INFORM AN APPLICANT THAT APPLICANTS RECEIVING MONEY UNDER THIS SUBSECTION (5):

(I) MAY USE THE MONEY TO COVER THE COST OF ALL DESIGN, MATERIALS, PLANTINGS, AND LABOR REQUIRED TO COMPLETE LANDSCAPING AND IRRIGATION SYSTEM MODIFICATIONS TO REMOVE TURF AND REPLACE IT WITH WATER-WISE LANDSCAPING;

(II) ARE ENCOURAGED TO UPDATE IRRIGATION SYSTEMS TO EFFICIENTLY IRRIGATE WATER-WISE LANDSCAPING AS PART OF THE APPLICANTS' PARTICIPATION IN THE PROGRAM; AND

(III) SHALL NOT USE THE MONEY TO REPLACE TURF WITH ANY OF THE FOLLOWING:

(A) IMPERMEABLE CONCRETE;

(B) ARTIFICIAL TURF;

(C) WATER FEATURES SUCH AS FOUNTAINS;

(D) INVASIVE PLANT SPECIES; OR

(E) TURF.

(6) (a) (I) THE TURF REPLACEMENT FUND IS HEREBY CREATED IN THE STATE TREASURY TO BE ADMINISTERED BY THE BOARD FOR IMPLEMENTATION OF THIS SECTION. THE FUND CONSISTS OF MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND, ANY FEDERAL MONEY THAT THE BOARD RECEIVES FOR THE PROGRAM, AND ANY GIFTS, GRANTS, OR DONATIONS THAT THE BOARD RECEIVES FROM PRIVATE OR PUBLIC SOURCES PURSUANT TO SUBSECTION (6)(a)(II) OF THIS SECTION. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(II) THE BOARD MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THIS SECTION.

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE BOARD MAY USE THE MONEY IN THE FUND FOR THE PURPOSES SET FORTH IN THIS SECTION UNTIL THE MONEY IS EXPENDED.

(c) (I) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6)(c), THE STATE TREASURER SHALL TRANSFER TWO MILLION DOLLARS FROM THE GENERAL FUND TO THE TURF REPLACEMENT FUND.

(II) THIS SUBSECTION (6)(c) IS REPEALED, EFFECTIVE JULY 1, 2023.

(7) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO ADD A REQUIREMENT FOR A WATER CONSERVATION PLAN THAT A COVERED ENTITY FILES PURSUANT TO SECTION 37-60-126 (2).

SECTION 2. Appropriation. (1) For the 2022-23 state fiscal year, \$2,000,000 is appropriated to the department of natural resources for use by the Colorado water conservation board. This appropriation is from the turf replacement fund created in section 37-60-135 (6)(a)(I), C.R.S. To implement this act, the board may use this appropriation as follows:

(a) \$1,988,600 for the state turf replacement program, which amount is based on an assumption that the board will require an additional 0.8 FTE; and

(b) \$11,400 for the purchase of information technology services.

(2) Any money appropriated in subsection (1)(a) of this section not expended prior to July 1, 2023, is further appropriated to the board until June 30, 2025 for the same purpose.

(3) For the 2022-23 state fiscal year, \$11,400 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of natural resources under subsection (1)(b) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of natural resources.

SECTION 3. 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

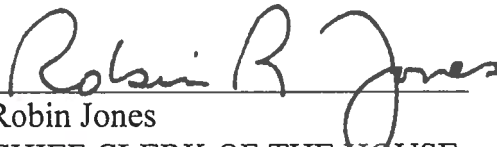
November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



Steve Fenberg
PRESIDENT OF
THE SENATE



Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED June 8, 2022 at 11:56 am
(Date and Time)



Jared S. Polis

GOVERNOR OF THE STATE OF COLORADO