

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Agriculture & Natural Resources.

SB22-029 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1. Legislative declaration.** (1) The general
4 assembly hereby finds and determines that:

5 (a) In 2020, the general assembly enacted Senate Bill 20-048,
6 which bill required the executive director of the department of natural
7 resources to convene a work group to explore ways to strengthen current
8 water anti-speculation law;

9 (b) On August 13, 2021, the work group published a report that
10 provides a discussion of the background, risks, and related concepts
11 regarding water speculation;

12 (c) The report indicates that water speculation includes the
13 practice of investment water speculation and defines investment water
14 speculation as "the appropriation or purchase of water rights followed by
15 the use of those water rights, where the appropriator['s] or purchaser's
16 primary purpose is profiting from increased value of the water in the
17 subsequent transaction such as sale, lease, or payment for nondiversion";

18 (d) The report further describes investment water speculation as
19 "violat[ing] the intent of Colorado's anti-speculation doctrine because the
20 investor's primary goal is profit from the water value rather than
21 beneficial use of the water (and the profit that comes from the use)"; and

22 (e) The report notes that because investment water speculation
23 "requires a determination of intent, it is inherently difficult to identify."

24 (2) Therefore, the general assembly declares that the issue of
25 investment water speculation should be studied during the 2022 interim.

26 **SECTION 2.** In Colorado Revised Statutes, 37-98-103, **add** (9)
27 as follows:

28 **37-98-103. Annual recommendations - bill limitation -**
29 **deadlines for introduction - repeal.** (9) (a) THE COMMITTEE SHALL
30 STUDY THE ISSUE OF INVESTMENT WATER SPECULATION DURING THE 2022
31 INTERIM AND, IN CONDUCTING THE STUDY, MAY CONSULT WITH EXPERTS
32 AND INTERESTED STAKEHOLDERS.

33 (b) THE STUDY MAY INCLUDE AN EXAMINATION OF THE SCOPE OF
34 INVESTMENT WATER SPECULATION, ANY NEGATIVE IMPACTS THAT
35 INVESTMENT WATER SPECULATION HAS ON VARIOUS TYPES OF WATER
36 RIGHTS IN THE STATE, AND RECOMMENDATIONS ON HOW BEST TO ADDRESS
37 ANY SUCH NEGATIVE IMPACTS.

38 (c) THIS SUBSECTION (9) IS REPEALED, EFFECTIVE SEPTEMBER 1,
39 2023.

1 **SECTION 3. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety."

4 Page 1, line 101, before "WATER" insert "A STUDY OF".

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