

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0613.01 Sarah Lozano x3858

HOUSE BILL 26-1112

HOUSE SPONSORSHIP

Paschal and Smith,

SENATE SPONSORSHIP

Hinrichsen and Simpson,

House Committees

Energy & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING STATE REGULATION OF UNDERGROUND INJECTION**
102 **CONTROL WELLS, AND, IN CONNECTION THEREWITH, MAKING AN**
103 **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>.)

The bill grants the energy and carbon management commission (commission) authority over class I, class IV, and class V injection wells and allows the commission to seek and adopt rules related to primacy from the United States environmental protection agency (EPA) for these classes of injection wells. The commission may assess and collect fees

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.

related to the regulation of class I, class IV, and class V injection wells. A person that willfully violates a rule, permit, authorization, or order of the commission related to these classes of injection wells commits a misdemeanor and is subject to certain penalties.

The bill also grants the mined land reclamation board (board) authority over class III injection wells and allows the board to seek and adopt rules related to primacy from the EPA for class III injection wells. The board may assess and collect fees related to the regulation of class III injection wells. A person that violates a rule, permit, authorization, or order of the board related to class III injection wells or that operates a class III injection well without a permit from the board is subject to certain penalties. The bill also provides that a class III injection well is not eligible for an exemption from designated mining operation status, which status subjects the operator to certain rules adopted by the board.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Underground injection control wells, referred to in this section
5 as "UIC wells", are used to place fluid underground into geologic
6 formations;

7 (b) The United States environmental protection agency, referred
8 to in this section as the "EPA", regulates the construction and operation
9 of 6 classes of UIC wells, which are classified based on the type of fluid
10 injected and the depth of the injection in relation to underground sources
11 of drinking water;

12 (c) The federal "Safe Drinking Water Act" requires the EPA to
13 develop UIC well program requirements that protect underground sources
14 of drinking water from endangerment;

15 (d) The EPA may grant primacy enforcement and regulatory
16 authority, referred to in this section as "primacy", to a state;

17 (e) Colorado, specifically the Colorado energy and carbon

1 management commission, has primacy over class II UIC wells and
2 anticipates gaining primacy over class VI UIC wells in 2026; all other
3 classes of UIC wells are still regulated by the EPA; and

4 (f) As of July 2025, over half of the states in the United States
5 have been granted primacy by the EPA for at least class I, II, III, IV, and
6 V UIC wells, and 5 states have been granted full primacy for all UIC well
7 classes.

8 (2) The general assembly therefore declares that:

9 (a) It is in the public interest for Colorado state agencies to
10 regulate all UIC well classes;

11 (b) Primacy over all UIC well classes will enable Colorado to
12 have a tailored approach to UIC well regulation that:

13

14 (I) Attracts and supports emerging industries with technologies to
15 help achieve climate goals, including carbon management, geothermal,
16 and hydrogen operations;

17 (II) Facilitates innovative water management strategies, including
18 aquifer recharge, storage, and recovery necessary to meet the state's water
19 challenges;

20 (III) Provides a more straightforward approach to permitting,
21 authorizing, and regulating several industries where state and federal
22 authorities currently overlap;

23 (IV) Provides reliability in resource commitment and expectations
24 amidst fluctuating federal priorities; and

25 (V) Establishes timely and efficient authorization and permitting
26 processes;

27 (c) Colorado will regulate UIC wells in a manner that protects

1 public health, safety, and welfare; the environment; wildlife resources;
2 and underground sources of drinking water; and

3 (d) The Colorado energy and carbon management commission
4 should lead the state's primacy application process and collaborate with
5 the division of reclamation, mining, and safety and the division of water
6 resources in the Colorado department of natural resources, the Colorado
7 department of public health and environment, and the Colorado
8 department of labor and employment.

9 **SECTION 2.** In Colorado Revised Statutes, 34-60-102, **add** (4)
10 as follows:

11 **34-60-102. Legislative declaration.**

12 (4) IT IS FURTHER DECLARED TO BE IN THE PUBLIC INTEREST FOR
13 THE COMMISSION TO SEEK AND RECEIVE PRIMACY OVER CLASS I, CLASS IV,
14 AND CLASS V INJECTION WELLS CLASSIFIED IN 40 CFR 144.6 BECAUSE
15 PRIMACY WILL ENABLE COLORADO TO HAVE A TAILORED APPROACH TO
16 INJECTION WELL REGULATION THAT:

17 (a) FACILITATES INNOVATIVE WATER MANAGEMENT STRATEGIES,
18 INCLUDING AQUIFER RECHARGE, STORAGE, AND RECOVERY NECESSARY TO
19 MEET THE STATE'S WATER CHALLENGES;

20 (b) PROVIDES A MORE STRAIGHTFORWARD APPROACH TO
21 PERMITTING, AUTHORIZING, AND REGULATING SEVERAL INDUSTRIES
22 WHERE STATE AND FEDERAL AUTHORITIES CURRENTLY OVERLAP;

23 (c) PROVIDES RELIABILITY IN RESOURCE COMMITMENT AND
24 EXPECTATIONS AMIDST FLUCTUATING FEDERAL PRIORITIES; AND

25 (d) ESTABLISHES TIMELY AND EFFICIENT AUTHORIZATION AND
26 PERMITTING PROCESSES.

27 **SECTION 3.** In Colorado Revised Statutes, 34-60-106, **add** (23)

1 and (24) as follows:

2 **34-60-106. Additional powers of commission - fees - rules -**
3 **definitions - repeal.**

4 (23) (a) (I) NOTWITHSTANDING SECTION 34-60-120 OR ANY OTHER
5 PROVISION OF LAW OTHER THAN SECTION 34-60-105 (4), AS TO CLASS I,
6 CLASS IV, AND CLASS V INJECTION WELLS CLASSIFIED IN 40 CFR 144.6,
7 THE COMMISSION MAY PERFORM ALL ACTS FOR THE PURPOSE OF
8 PROTECTING UNDERGROUND SOURCES OF DRINKING WATER IN
9 ACCORDANCE WITH STATE PROGRAMS AUTHORIZED BY THE FEDERAL
10 "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., AND
11 REGULATIONS UNDER THOSE SECTIONS, AS AMENDED.

12 (II) THE COMMISSION MAY SEEK CLASS I, CLASS IV, AND CLASS
13 V INJECTION WELL PRIMACY UNDER THE FEDERAL "SAFE DRINKING
14 WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., AND REGULATIONS UNDER
15 THOSE SECTIONS, AS AMENDED. THE COMMISSION MAY ADOPT RULES FOR
16 THE PURPOSES OF ESTABLISHING AND OPERATING THE UNDERGROUND
17 INJECTION CONTROL AUTHORIZATION AND PERMIT PROGRAM. THE RULES
18 ADOPTED BY THE COMMISSION MUST MEET THE REQUIREMENTS
19 PRESCRIBED BY 42 U.S.C. SEC. 300h (b), AS AMENDED. THE COMMISSION
20 SHALL SEEK TO ESTABLISH TIMELY AND EFFICIENT AUTHORIZATION AND
21 PERMITTING PROCESSES. UPON RECEIVING PRIMACY, THE COMMISSION
22 MAY ENFORCE RULES FOR THE PERMITTING, AUTHORIZATION, AND
23 REGULATION OF CLASS I, CLASS IV, AND CLASS V INJECTION WELLS IN
24 ACCORDANCE WITH THIS SUBSECTION (23).

25 (III) THE COMMISSION MAY ADOPT RULES RELATED TO CLASS I,
26 CLASS IV, AND CLASS V INJECTION WELLS THAT ARE MORE STRINGENT
27 THAN CORRESPONDING ENFORCEABLE TECHNICAL FEDERAL

1 REQUIREMENTS ONLY IF IT IS DEMONSTRATED AT A PUBLIC HEARING, AND
2 THE COMMISSION FINDS, THAT RULES MORE STRINGENT THAN THE
3 CORRESPONDING FEDERAL REQUIREMENTS ARE NECESSARY TO PROTECT
4 PUBLIC HEALTH, SAFETY, AND WELFARE; THE ENVIRONMENT; AND
5 WILDLIFE RESOURCES. A FINDING PURSUANT TO THIS SUBSECTION
6 (23)(a)(III) BY THE COMMISSION MUST BE ACCOMPANIED BY A STATEMENT
7 OF BASIS AND PURPOSE REFERRING TO AND EVALUATING INFORMATION
8 AND STUDIES RELATED TO PUBLIC HEALTH, SAFETY, AND WELFARE; THE
9 ENVIRONMENT; AND WILDLIFE RESOURCES CONTAINED IN THE RECORD
10 THAT FORMS THE BASIS FOR THE COMMISSION'S FINDING.

11 (b) A PERSON THAT WILLFULLY VIOLATES A CLASS I, CLASS IV, OR
12 CLASS V INJECTION WELL RULE, PERMIT, AUTHORIZATION, OR ORDER OF
13 THE COMMISSION ISSUED PURSUANT TO THIS SUBSECTION (23) COMMITS A
14 MISDEMEANOR AND, UPON CONVICTION BY A COURT OF COMPETENT
15 JURISDICTION, IS SUBJECT TO A FINE OF AT LEAST FIVE THOUSAND DOLLARS
16 AND NO MORE THAN SEVEN THOUSAND FIVE HUNDRED DOLLARS FOR EACH
17 ACT OF VIOLATION AND FOR EACH DAY THAT THE PERSON REMAINS IN
18 VIOLATION.

19 (c) (I) FOR THE PURPOSES OF IMPLEMENTING AND ADMINISTERING
20 THIS SUBSECTION (23), THE COMMISSION MAY ASSESS AND COLLECT FEES,
21 INCLUDING, BUT NOT LIMITED TO, PERMITTING AND REGULATORY FEES FOR
22 CLASS I, CLASS IV, AND CLASS V INJECTION WELLS, IN AN AMOUNT AND
23 FREQUENCY DETERMINED BY THE COMMISSION BY RULE. THE COMMISSION
24 SHALL SET THE FEES IN AN AMOUNT TO COVER THE COMMISSION'S DIRECT
25 AND INDIRECT AND REASONABLY NECESSARY COSTS OF IMPLEMENTING
26 AND ADMINISTERING THIS SUBSECTION (23).

27 (II) THE STATE TREASURER SHALL CREDIT THE FEES ASSESSED AND

1 COLLECTED PURSUANT TO SUBSECTION (23)(c)(I) OF THIS SECTION TO THE
2 ENERGY AND CARBON MANAGEMENT CASH FUND CREATED IN SECTION
3 34-60-122 (5).

4 (d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
5 CONTRARY, NOTHING IN THIS SECTION ESTABLISHES, ALTERS, IMPAIRS, OR
6 NEGATES THE ABILITY OF A LOCAL GOVERNMENT TO REGULATE LAND USE
7 RELATED TO CLASS I, CLASS IV, OR CLASS V INJECTION WELLS.

8 (e) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF NATURAL
9 RESOURCES CREATED IN SECTION 24-33-101 (1) SHALL PROPOSE, AS PART
10 OF THE ANNUAL BUDGET REQUEST OF THE DEPARTMENT OF NATURAL
11 RESOURCES PURSUANT TO SECTION 2-3-208, INITIAL SPENDING AUTHORITY
12 IN THE AMOUNT NECESSARY TO ENFORCE RULES FOR THE PERMITTING,
13 AUTHORIZATION, AND REGULATION OF CLASS I, CLASS IV, AND CLASS V
14 INJECTION WELLS IN ACCORDANCE WITH THIS SUBSECTION (23). THE
15 OFFICE OF STATE PLANNING AND BUDGETING CREATED IN SECTION
16 24-37-102, IN CONJUNCTION WITH THE DEPARTMENT OF NATURAL
17 RESOURCES, SHALL INCLUDE IN THE ANNUAL BUDGET REQUEST SUBMITTED
18 PURSUANT TO SECTION 2-3-208 A PROPOSAL TO ELIMINATE OR MINIMIZE
19 THE IMPACT, FOR THE FIRST FISCAL YEAR IN WHICH FEE REVENUE WILL BE
20 COLLECTED OR EXPENDED, OF THE MONEY IN THE ENERGY AND CARBON
21 MANAGEMENT CASH FUND CREATED IN SECTION 34-60-122 (5) ON THE
22 LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 OF
23 ARTICLE X OF THE STATE CONSTITUTION.

24 (24) NOTWITHSTANDING SECTION 34-60-115, ANY ACTION
25 UNDERTAKEN PURSUANT TO SUBSECTION (9)(c)(II)(B) OF THIS SECTION OR
26 SUBSECTION (23)(b) OF THIS SECTION MUST COMMENCE WITHIN FIVE
27 YEARS AFTER THE DATE THAT THE COMMISSION DISCOVERS THE ALLEGED

1 VIOLATION.

2 **SECTION 4.** In Colorado Revised Statutes, 34-60-124, **amend**
3 (1)(g) as follows:

4 **34-60-124. Energy and carbon management cash fund -**
5 **definitions.**

6 (1) The state treasurer shall credit the following money to the
7 fund:

8 (g) Money credited to the fund pursuant to sections **34-60-106**,
9 34-64-108 (4), and 37-90.5-106 (4).

10 **SECTION 5.** In Colorado Revised Statutes, 34-32-102, **add** (4)
11 as follows:

12 **34-32-102. Legislative declaration.**

13 (4) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS IN THE
14 PUBLIC INTEREST FOR THE BOARD TO SEEK AND RECEIVE PRIMACY OVER
15 CLASS III INJECTION WELLS BECAUSE PRIMACY WILL ENABLE COLORADO
16 TO HAVE A TAILORED APPROACH TO INJECTION WELL REGULATION THAT:

17 (a) PROVIDES A MORE STRAIGHTFORWARD APPROACH TO
18 PERMITTING, AUTHORIZING, AND REGULATING SEVERAL INDUSTRIES
19 WHERE STATE AND FEDERAL AUTHORITIES CURRENTLY OVERLAP;

20 (b) PROVIDES RELIABILITY IN RESOURCE COMMITMENT AND
21 EXPECTATIONS AMIDST FLUCTUATING FEDERAL PRIORITIES; AND

22 (c) ESTABLISHES TIMELY AND EFFICIENT AUTHORIZATION AND
23 PERMITTING PROCESSES.

24 **SECTION 6.** In Colorado Revised Statutes, 34-32-103, **amend**
25 (3.5)(a)(II), (3.5)(a)(III), (5.7), and (8); and **add** (2.7) and (3.5)(a)(IV) as
26 follows:

27 **34-32-103. Definitions - rules.**

1 As used in this article 32, unless the context otherwise requires:

2 (2.7) (a) "CLASS III INJECTION WELL" MEANS A WELL AS
3 CLASSIFIED IN 40 CFR 144.6 THAT IS USED TO INJECT FLUIDS AND EXTRACT
4 MINERALS AND IS DRILLED PURSUANT TO AUTHORIZATION FOR A CLASS III
5 INJECTION WELL ISSUED UNDER THE FEDERAL "SAFE DRINKING WATER
6 ACT", 42 U.S.C. SEC. 300f ET SEQ., AND REGULATIONS UNDER THOSE
7 SECTIONS, AS AMENDED.

8 (b) "CLASS III INJECTION WELL" DOES NOT INCLUDE A PRODUCTION
9 WELL THAT BRINGS MINING FLUIDS TO THE SURFACE.

10 (3.5) (a) "Designated mining operation" means a mining operation
11 at which:

12 (II) Acid- or toxic-forming materials will be exposed or disturbed
13 as a result of mining operations; ~~or~~

14 (III) Uranium is developed or extracted, either by in situ leach
15 mining or by conventional underground or open mining techniques. A
16 uranium mining operation OTHER THAN IN SITU LEACH MINING may seek
17 an exemption from designated mining operation status in accordance with
18 section 34-32-112.5 (2); OR

19 (IV) A CLASS III INJECTION WELL IS OPERATED, WHICH OPERATION
20 IS NOT ELIGIBLE FOR AN EXEMPTION FROM DESIGNATED MINING
21 OPERATION STATUS IN ACCORDANCE WITH SECTION 34-32-112.5 (2).

22 (5.7) "In situ leach mining" means in situ mining ~~for uranium~~
23 through the in-place dissolution of mineral components of an ore deposit
24 by causing a chemical leaching solution, usually aqueous, to penetrate or
25 to be pumped down wells through the ore body and then removing the
26 mineral-containing solution for development or extraction of the mineral
27 values.

1 (8) "Mining operation" means the development or extraction of a
2 mineral from its natural occurrences or within refuse on affected land.
3 "Mining operation" includes, but is not limited to, open mining, in situ
4 mining, in situ leach mining, surface operations, OPERATIONS RELATED TO
5 CLASS III INJECTION WELLS, and the disposal of refuse from underground
6 mining, in situ mining, and in situ leach mining. "Mining operation" also
7 includes the following operations on affected lands: Transportation,
8 concentrating, milling, evaporation, removal of waste piles and refuse,
9 and other processing. "Mining operation" does not include: The
10 exploration and extraction of natural petroleum in a liquid or gaseous
11 state by means of wells or pipe; the development or extraction of coal; the
12 extraction of geothermal resources; smelting, refining, cleaning,
13 preparation, transportation, and other off-site operations not conducted on
14 affected land; or the extraction of construction material where there is no
15 development or extraction of any mineral.

16 SECTION 7. In Colorado Revised Statutes, 34-32-107, add (3)
17 as follows:

18 **34-32-107. Powers of board - authority to regulate class III**
19 **injection wells - misdemeanor - fees - rules.**

20 (3) (a) (I) THE BOARD, AS TO CLASS III INJECTION WELLS, MAY
21 PERFORM ALL ACTS FOR THE PURPOSES OF PROTECTING UNDERGROUND
22 SOURCES OF DRINKING WATER IN ACCORDANCE WITH STATE PROGRAMS
23 AUTHORIZED BY THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C.
24 SEC. 300f ET SEQ., AND REGULATIONS UNDER THOSE SECTIONS, AS
25 AMENDED.

26 (II) THE BOARD MAY SEEK CLASS III INJECTION WELL PRIMACY
27 UNDER THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f

1 ET SEQ., AND REGULATIONS UNDER THOSE SECTIONS, AS AMENDED. THE
2 BOARD MAY ADOPT RULES FOR THE PURPOSES OF ESTABLISHING AND
3 OPERATING THE UNDERGROUND INJECTION CONTROL AUTHORIZATION AND
4 PERMIT PROGRAM. THE RULES ADOPTED BY THE BOARD MUST MEET THE
5 REQUIREMENTS PRESCRIBED BY 42 U.S.C. SEC. 300h (b), AS AMENDED.
6 THE BOARD SHALL SEEK TO ESTABLISH TIMELY AND EFFICIENT
7 AUTHORIZATION AND PERMITTING PROCESSES. UPON RECEIVING PRIMACY,
8 THE BOARD MAY ENFORCE RULES FOR THE PERMITTING, AUTHORIZATION,
9 AND REGULATION OF CLASS III INJECTION WELLS IN ACCORDANCE WITH
10 THIS SUBSECTION (3).

11 (III) THE BOARD MAY ADOPT RULES RELATED TO CLASS III
12 INJECTION WELLS THAT ARE MORE STRINGENT THAN CORRESPONDING
13 ENFORCEABLE TECHNICAL FEDERAL REQUIREMENTS ONLY IF IT IS
14 DEMONSTRATED AT A PUBLIC HEARING, AND THE BOARD FINDS, THAT
15 RULES MORE STRINGENT THAN THE CORRESPONDING FEDERAL
16 REQUIREMENTS ARE NECESSARY TO PROTECT PUBLIC HEALTH, SAFETY,
17 AND WELFARE; THE ENVIRONMENT; AND WILDLIFE RESOURCES. A FINDING
18 PURSUANT TO THIS SUBSECTION (3)(a)(III) BY THE BOARD MUST BE
19 ACCOMPANIED BY A STATEMENT OF BASIS AND PURPOSE REFERRING TO
20 AND EVALUATING INFORMATION AND STUDIES RELATED TO PUBLIC
21 HEALTH, SAFETY, AND WELFARE; THE ENVIRONMENT; AND WILDLIFE
22 RESOURCES CONTAINED IN THE RECORD THAT FORMS THE BASIS FOR THE
23 BOARD'S FINDING.

24 (b) (I) A PERSON THAT WILLFULLY VIOLATES A CLASS III INJECTION
25 WELL RULE, PERMIT, AUTHORIZATION, OR ORDER OF THE BOARD ISSUED
26 PURSUANT TO THIS SUBSECTION (3) COMMITS A MISDEMEANOR AND, UPON
27 CONVICTION BY A COURT OF COMPETENT JURISDICTION, IS SUBJECT TO A

1 FINE OF AT LEAST FIVE THOUSAND DOLLARS AND NO MORE THAN SEVEN
2 THOUSAND FIVE HUNDRED DOLLARS FOR EACH ACT OF VIOLATION AND FOR
3 EACH DAY THAT THE PERSON REMAINS IN VIOLATION.

4 (II) ANY ACTION UNDERTAKEN PURSUANT TO SUBSECTION (3)(b)(I)
5 OF THIS SECTION MUST COMMENCE WITHIN FIVE YEARS AFTER THE DATE
6 THAT THE BOARD DISCOVERS THE ALLEGED VIOLATION.

7 (c) (I) FOR THE PURPOSES OF IMPLEMENTING AND ADMINISTERING
8 THIS SUBSECTION (3), THE BOARD MAY ASSESS AND COLLECT FEES,
9 INCLUDING, BUT NOT LIMITED TO, PERMITTING AND REGULATORY FEES FOR
10 CLASS III INJECTION WELLS, IN AN AMOUNT AND FREQUENCY DETERMINED
11 BY THE BOARD BY RULE. THE BOARD SHALL SET THE FEES IN AN AMOUNT
12 TO COVER THE BOARD'S DIRECT AND INDIRECT COSTS OF IMPLEMENTING
13 AND ADMINISTERING THIS SUBSECTION (3).

14 (II) THE STATE TREASURER SHALL CREDIT THE FEES ASSESSED AND
15 COLLECTED PURSUANT TO SUBSECTION (3)(c)(I) OF THIS SECTION TO THE
16 MINED LAND RECLAMATION FUND CREATED IN SECTION 34-32-127 (1)(a).

17 (d) THE EXECUTIVE DIRECTOR SHALL PROPOSE, AS PART OF THE
18 ANNUAL BUDGET REQUEST OF THE DEPARTMENT PURSUANT TO SECTION
19 2-3-208, INITIAL SPENDING AUTHORITY IN THE AMOUNT NECESSARY TO
20 ENFORCE RULES FOR THE PERMITTING, AUTHORIZATION, AND REGULATION
21 OF CLASS III INJECTION WELLS IN ACCORDANCE WITH THIS SUBSECTION (3).
22 THE OFFICE OF STATE PLANNING AND BUDGETING CREATED IN SECTION
23 24-37-102, IN CONJUNCTION WITH THE DEPARTMENT, SHALL INCLUDE IN
24 THE ANNUAL BUDGET REQUEST SUBMITTED PURSUANT TO SECTION 2-3-208
25 A PROPOSAL TO ELIMINATE OR MINIMIZE THE IMPACT, FOR THE FIRST
26 FISCAL YEAR IN WHICH FEE REVENUE WILL BE COLLECTED OR EXPENDED,
27 OF THE MONEY IN THE MINED LAND RECLAMATION FUND CREATED IN

1 SECTION 34-32-127 (1)(a) ON THE LIMITATION ON STATE FISCAL YEAR
2 SPENDING IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE
3 CONSTITUTION.

4 SECTION 8. In Colorado Revised Statutes, 34-32-112.5, **amend**
5 (2) as follows:

6 **34-32-112.5. Designated mining operation - rules.**

7 (2) If an operator demonstrates to the board at the time of applying
8 for a permit or at a subsequent hearing that toxic or acidic chemicals are
9 not stored or used on-site and that acid- or toxic-producing materials will
10 not be used, stored, or disturbed in quantities sufficient to adversely affect
11 ~~any~~ A person, ~~any~~ property, or the environment, UNLESS THE PERMIT IS
12 FOR A CLASS III INJECTION WELL, the board shall exempt such operations
13 whether conducted pursuant to section 34-32-110 or otherwise. The board
14 may ~~promulgate~~ ADOPT rules governing the conduct of mining operations
15 ~~which~~ THAT are exempted pursuant to this subsection (2).

16 SECTION 9. In Colorado Revised Statutes, 34-32-122, **add** (6)
17 as follows:

18 **34-32-122. Fees, civil penalties, and forfeitures - deposit -**
19 **emergency response cash fund - created - definition.**

20 (6) AN OPERATOR THAT VIOLATES A CLASS III INJECTION WELL
21 RULE, PERMIT, AUTHORIZATION, OR ORDER ISSUED BY THE BOARD
22 PURSUANT TO SECTION 34-32-107 (3) IS SUBJECT TO A CIVIL PENALTY OF
23 AT LEAST TWO THOUSAND FIVE HUNDRED DOLLARS PER DAY BUT NO MORE
24 THAN FIVE THOUSAND DOLLARS PER DAY FOR EACH ACT OF VIOLATION PER
25 DAY THAT THE VIOLATION CONTINUES.

26 SECTION 10. In Colorado Revised Statutes, 34-32-123, **add** (4)
27 as follows:

1 **34-32-123. Operating without a permit - penalty.**

2 (4) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION AND
3 UPON THE BOARD OBTAINING REGULATORY PRIMACY PURSUANT TO
4 SECTION 32-34-107 (3), AN OPERATOR THAT OPERATES A CLASS III
5 INJECTION WELL WITHOUT A PERMIT ISSUED BY THE BOARD IS SUBJECT TO
6 A CIVIL PENALTY AS DESCRIBED IN SECTION 34-32-122 (6).

7 **SECTION 11.** In Colorado Revised Statutes, 34-32-124, **amend**
8 (7) as follows:

9 **34-32-124. Failure to comply with conditions of order, permit,**
10 **or regulation.**

11 (7) ~~Any~~ A person ~~who~~ THAT violates any provision of any permit
12 issued under this ~~article shall be~~ ARTICLE 32, OTHER THAN A CLASS III
13 INJECTION WELL PERMIT, IS subject to a civil penalty of not less than one
14 hundred dollars per day nor more than one thousand dollars per day for
15 each day during which such violation occurs; except that ~~any~~ AN operator
16 ~~who~~ THAT operates under a permit issued under section 34-32-110 ~~shall~~
17 ~~be~~ IS subject to a civil penalty of not less than fifty dollars nor more than
18 two hundred dollars per day for each day during which ~~such~~ THE violation
19 occurs.

20 **SECTION 12.** In Colorado Revised Statutes, 34-32-127, **amend**
21 (2)(a) introductory portion and (2)(a)(IV) introductory portion; and **add**
22 (2)(a)(I)(P) and (2)(a)(IV)(H) as follows:

23 **34-32-127. Mined land reclamation fund - created - fees - fee**
24 **adjustments - rules.**

25 (2) (a) The office shall collect fees for STATE fiscal year 2014-15
26 and for each subsequent year of operation for operations according to the
27 following schedule:

1 (I) Applications pursuant to:
2 (P) SECTION 34-32-107 (3) RELATING TO CLASS III INJECTION
3 WELLS.

4 (IV) Annual fees for STATE fiscal year 2014-15 and for each
5 subsequent year for operations pursuant to:

6 (H) SECTION 34-32-107 (3) RELATING TO CLASS III INJECTION
7 WELLS.

8 **SECTION 13.** In Colorado Revised Statutes, 16-5-401, **amend**
9 (4.5)(z) and (4.5)(aa); and **add** (4.5)(bb) as follows:

10 **16-5-401. Limitation for commencing criminal proceedings,**
11 **civil infraction proceedings, and juvenile delinquency proceedings -**
12 **definitions.**

13 (4.5) The period within which a prosecution must be commenced
14 begins to run upon discovery of the criminal act or the delinquent act for:

15 (z) Abuse of a corpse, pursuant to section 18-13-101; ~~and~~

16 (aa) Criminal offenses relating to misuse of gametes, pursuant to
17 section 18-13-131; AND

18 (bb) OFFENSES RELATED TO A WILLFUL VIOLATION OF RULES,
19 PERMITS, AUTHORIZATIONS, OR ORDERS RELATED TO UNDERGROUND
20 INJECTION WELLS ADOPTED BY THE ENERGY AND CARBON MANAGEMENT
21 COMMISSION PURSUANT TO SECTION 34-60-106 (9) AND (23) OR ADOPTED
22 BY THE MINED LAND RECLAMATION BOARD PURSUANT TO SECTION
23 34-32-107 (3).

24 **SECTION 14. Appropriation.** (1) For the 2026-27 state fiscal
25 year, \$213,867 is appropriated to the department of natural resources.
26 This appropriation is from the energy and carbon management cash fund
27 created in section 34-60-122 (5)(a), C.R.S. To implement this act, the

1 department may use this appropriation as follows:

2 (a) \$172,326 for use by the energy and carbon management
3 commission for program costs, which amount is based on an assumption
4 that the commission will require an additional 1.3 FTE; and

5 (b) \$41,541 for use by the executive director's office for the
6 purchase of legal services.

7 (2) For the 2026-27 state fiscal year, \$41,541 is appropriated to
8 the department of law. This appropriation is from reappropriated funds
9 received from the department of natural resources under subsection (1)(b)
10 of this section and is based on an assumption that the department of law
11 will require an additional 0.2 FTE. To implement this act, the department
12 of law may use this appropriation to provide legal services for the
13 department of natural resources.

14 **SECTION 15. Act subject to petition - effective date -**
15 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
16 the expiration of the ninety-day period after final adjournment of the
17 general assembly (August 12, 2026, if adjournment sine die is on May 13,
18 2026); except that, if a referendum petition is filed pursuant to section 1
19 (3) of article V of the state constitution against this act or an item, section,
20 or part of this act within such period, then the act, item, section, or part
21 will not take effect unless approved by the people at the general election
22 to be held in November 2026 and, in such case, will take effect on the
23 date of the official declaration of the vote thereon by the governor.

24 (2) This act applies to conduct occurring on or after the applicable
25 effective date of this act.