



**Colorado  
Legislative  
Council  
Staff**

**HB17-1291**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-1095 **Date:** August 7, 2017  
**Prime Sponsor(s):** Rep. Arndt; Becker J. **Bill Status:** Signed into Law  
 Sen. Coram **Fiscal Analyst:** Clare Pramuk (303-866-2677)

**BILL TOPIC:** ALTERNATE STORAGE NOT CHANGE IF ALREADY QUANTIFIED

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Increased workload. See State Expenditures section.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing workload increase.		

**Summary of Legislation**

This bill allows water that has been decreed for storage to be stored in any reservoir that is located on the same ditch or diversion system, including a nontributary aquifer, without adjudicating a change of water right under certain conditions. These conditions include:

- the water will be diverted from a previously decreed point of diversion;
- the owner or operator of the storage water right gives notice to the division engineer in the Department of Natural Resources on how the storage of the water will be accounted for in the alternative reservoir;
- transit and ditch losses, if applicable, will be assessed against the water right from the decreed point of diversion to the alternative reservoir; and
- the division engineer approves the accounting for the storage of the water in the alternative reservoir.

A person entitled to claim injury to a water right has the right to a de novo hearing before the water court to argue that an alternate place of storage injures the person's water right.

**State Expenditures**

The bill will increase the workload of the Division of Water Resources and the Colorado Water Conservation Board in the Department of Natural Resources and the Judicial Department as noted below.

This bill will increase the workload of the Division of Water Resources to approve the accounting process for the storage of water in an alternate place of storage. The Colorado Water Conservation Board will also have a workload increase to ensure that instream flow water rights are not subject to injury. Assuming that use of alternative places of storage is infrequent, this workload increase can be accomplished within existing appropriations. Otherwise, the Department of Natural Resources will request additional appropriations through the annual budget process.

While the bill may reduce the number of change of use cases reviewed by the water courts in the Judicial Department, there may be an increase in the total number of water cases brought forward for judicial review because there is no mechanism for an aggrieved party to object to a state engineer's decision. This increase is not expected to require additional appropriations.

### **Effective Date**

The bill was signed into law by the Governor on June 5, 2017, and takes effect August 9, 2017, assuming no referendum petition is filed, and applies to water diverted on or after that date.

### **State and Local Government Contacts**

Information Technology

Judicial

Natural Resources