



Legislative Council Staff

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Fiscal Note

Drafting Number: LLS 21-0893 **Date:** April 12, 2021
Prime Sponsors: Rep. Garnett; Catlin **Bill Status:** House Agriculture
 Sen. Donovan; Simpson **Fiscal Analyst:** Clare Pramuk | 303-866-2677
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Bill Topic: **GENERAL FUND TRANSFER IMPLEMENT STATE WATER PLAN**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill transfers \$20.0 million from the General Fund to the Colorado Water Conservation Board. It increases state and local expenditures through FY 2022-23.

Appropriation Summary: For FY 2020-21, the bill appropriates \$15.0 million to the Department of Natural Resources.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 21-1260

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-	-
Expenditures	Cash Funds	\$20,000,000	-	-
Transfers	General Fund	(\$20,000,000)	-	-
	Cash Funds	\$20,000,000	-	-
	Net Transfer	\$0	-	-
TABOR Refund		-	-	-

Summary of Legislation

This bill transfer \$15.0 million from the General Fund to the Water Plan Implementation Cash Fund and \$5.0 million from the General Fund to the Water Supply Reserve Fund. Both funds are administered by the Colorado Water Conservation Board (CWCB) in the Department of Natural Resources. Transferred funds are available for expenditure until July 1, 2023.

Background

Water Plan Implementation Cash Fund. The Water Plan Implementation Cash Fund receives revenue from sports betting and other money appropriated or transferred to the fund by the General Assembly. The fund may be used for water plan grants and expenditures to ensure compliance with interstate water allocation compacts, equitable apportion decrees, international treaties, and federal laws. The fund requires annual appropriations.

Water Supply Reserve Fund. The Water Supply Reserve Fund is administered by the CWCB in collaboration with the Interbasin Compact Committee and the nine basin roundtables. The fund is continuously appropriated and provides grants and loans to assist water users in addressing water supply issues.

State Transfers

The bill transfers \$20.0 million from the General Fund to the CWCB in FY 2020-21 as follows:

- \$15.0 million to the Water Plan Implementation Cash Fund; and
- \$5.0 million to the Water Supply Reserve Fund.

State Expenditures

The bill increases cash fund expenditures by \$20.0 million between FY 2020-21 and FY 2022-23 for the CWCB in the Department of Natural Resources. The CWCB is authorized to spend up to \$750,000 of the funds to administer water plan grants for staffing, operating expenses, and contracts.

Local Government

Local governments that are awarded grants by the CWCB for water projects will have an increase in expenditures.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes an appropriation of \$15.0 million to the Department of Natural Resources from the Water Plan Implementation Cash Fund. Remaining funds are further appropriated to the department through FY 2022-23 for the same purpose.

State and Local Government Contacts

Information Technology

Natural Resources