



**Colorado
Legislative
Council
Staff**

FISCAL NOTE

Bill 9

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

Drafting Number: LLS 18-0220
Prime Sponsor(s):

Date: October 25, 2017
Bill Status: Water Resources Review Committee Bill Request
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: PROTECT PROPERTY FROM RISING GROUNDWATER DAMAGE

Fiscal Impact Summary	FY 2018-2019	FY 2019-2020
State Revenue		
State Expenditures	\$16,403	\$12,248
Cash Funds	16,403	12,248
Appropriation Required: None.		
Future Year Impacts: Ongoing expenditure impact.		

Summary of Legislation

The bill, **requested by the Water Resources Review Committee**, requires that owners of artificial recharge facilities in Water District Two in Division One install monitoring wells in a location that is down gradient from the recharge and, should the depth to the water table become less than ten feet, the owner must cease artificial recharge and the State Engineer must take control of water delivery to the recharge structure.

An owner of a recharge facility is liable for any injury to private property caused by high groundwater levels as a result of artificial recharge, and bears the burden to prove that his or her actions have not caused the damage. He or she is required to manage irrigation well pumping and the use of surface water to maximize the consumptive use of pumped water, and to minimize the use of surface water, such that:

- the increased consumptive use of pumped water will reduce the groundwater table elevation; and
- minimizing the use of surface water will reduce the amount of deep percolation into the underlying groundwater aquifer.

A person may pump and beneficially use groundwater from an existing irrigation well in Water District Two in Division One if the depth to the groundwater is less than ten feet, without providing augmentation for the amount of water consumed. The person must:

- have sufficient monitoring wells to measure the depth to the water table;
- periodically collect and submit groundwater data to the State Engineer, and
- augment all pumping pursuant to the well's decreed well augmentation plan, or substitute water supply plan, whenever the depth to the water table exceeds ten feet.

State Expenditures

This bill is expected to increase state expenditures in the Department of Natural Resources (DNR) by \$16,403 in FY 2018-19, and by \$12,428 in FY 2019-20.

The bill requires that the Division of Water Resources in the DNR prescribe intervals at which owners of artificial recharge facilities will collect, manage, and provide hydrologic data to the division, and when to control water delivery to recharge structures based on groundwater depths greater than ten feet below the surface. The division will also determine if monitoring wells are spaced in a representative way for individuals pumping groundwater from existing irrigation wells where the depth of groundwater is less than ten feet below the surface.

The DNR must engage stakeholders, update rules, modify existing compliance and water control efforts, and prepare an augmentation accounting plan. These efforts involve various staff time in the division totaling about \$16,000 in FY 2018-19, and about \$12,000 in FY 2019-20 and thereafter. These efforts can be accomplished within the DNR's existing resources and no additional appropriation is required.

Effective Date

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

State and Local Government Contacts

Information Technology Judicial Natural Resources