



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 25-283: FUNDING WATER CONSERVATION BOARD PROJECTS

Prime Sponsors:

Sen. Roberts; Simpson
Rep. McCormick; Soper

Fiscal Analyst:

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Fiscal note status: The fiscal note reflects the introduced bill and is being revised to include additional information and to correct a typographic error in the initial fiscal note.

Summary Information

Overview. The bill funds water projects in the Department of Natural Resources and directs transfers between cash funds for appropriation to water-related projects.

Types of impacts. The bill is projected to affect the following areas in FY 2025-26:

- State Expenditures
- State Transfers
- Local Government

Appropriations. For FY 2025-26, the bill appropriates a total of \$53,980,000 to the Department of Natural Resources and \$500,000 to the Department of Agriculture.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$66,958,500	\$0
Transferred Funds	\$2,725,000	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

**Table 1A
 State Expenditures**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$66,958,500	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	\$66,958,500	\$0
Total FTE	0.0 FTE	0.0 FTE

**Table 1B
 State Transfers**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
Colorado Water Conservation Board Construction Fund	-\$2,500,000	\$0
Water Efficiency Grant Program Fund	-\$225,000	\$0
Colorado Water Conservation Board Litigation Fund	\$2,000,000	\$0
Plant Health, Pest Control, and Environmental Protection Fund	\$500,000	\$0
Severance Tax Perpetual Base Fund	\$225,000	\$0
Net Transfer	\$0	\$0

Summary of Legislation

In FY 2025-26, the bill allocates money for water projects as follows:

- appropriates a total of \$24,280,000 from the Colorado Water Conservation Board (CWCB) Construction Fund to the CWCB in the Department of Natural Resources (DNR) for specified water-related projects;
- appropriates \$29,200,000 from the Water Plan Implementation Cash Fund to the DNR;
- transfers up to \$2.0 million from the CWCB Construction Fund to restore the balance in the Litigation Fund for legal issues related to water compact compliance;
- transfers \$500,000 from the CWCB Construction Fund to the Plant Health, Pest Control, and Environmental Protection Cash Fund and appropriates the funds to the Department of Agriculture;

- authorizes the CWCB to make a loan in an amount of \$12,978,500 from the Severance Tax Perpetual Base Cash Fund to the North Poudre Irrigation Company to support the Park Creek Reservoir Expansion Project; and
- eliminates the Office of Water Conservation in the DNR, transfers all responsibilities to the CWCB, and transfers any remaining funds in the Water Efficiency Grant Program Cash Fund to the Severance Tax Perpetual Base Fund.

State Transfers

In FY 2025-26, the bill makes the following transfers:

- up to \$2.0 million from the CWCB Construction Fund to the CWCB Litigation Fund;
- \$500,000 from the CWCB Construction Fund to the Plant Health, Pest Control, and Environmental Protection Cash Fund; and
- \$225,000 from the Water Efficiency Grant Program Cash Fund to the Severance Tax Perpetual Base Fund.

State Expenditures

The bill increases total state expenditures by about \$67 million in FY 2025-26, paid from cash funds.

Appropriations

For FY 2025-26, the bill appropriates \$53,480,000 to the Department of Natural Resources for water-related projects, and \$500,000 to the Department of Agriculture for soil health programs. The funds are available for the designated purposes until fully expended.

Loan Authorization

The bill includes authorization for the CWCB to loan \$12,978,500 from the Severance Tax Perpetual Base Fund to the North Poudre Irrigation Company for the completion of the Park Creek Reservoir Expansion Project. These funds are available until fully expended. State expenditures for loans is recovered in loan payments based on terms negotiated by the DNR; loan repayment revenue will vary depending on the interest rates issued and the length of the loan term. This fiscal note assumes that interest is calculated to pay the administrative costs to originate and manage the loan, and that any state revenue from interest payments will be minimal.

Local Government

Funding provided by this bill may benefit local water districts and water providers.

Effective Date

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

State Appropriations

For FY 2025-26, the bill includes appropriations totaling \$53,980,000. These appropriations include:

- \$24,280,000 from the Colorado Water Conservation Board Construction Cash Fund to the Department of Natural Resources;
- \$29,200,000 from the Water Plan Implementation Cash Fund to the Department of Natural Resources; and
- \$500,000 from the Plant Health, Pest Control, and Environmental Protection Cash Fund to the Department of Agriculture.

State and Local Government Contacts

Agriculture

Natural Resources

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).