



**Colorado  
Legislative  
Council  
Staff**

**HB17-1030**

**FINAL  
FISCAL NOTE**

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

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**Drafting Number:** LLS 17-0120

**Date:** June 5, 2017

**Prime Sponsor(s):** Rep. Arndt; Becker J.  
Sen. Sonnenberg;  
Baumgardner

**Bill Status:** Signed Into Law  
**Fiscal Analyst:** Clare Pramuk (303-866-2677)

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**BILL TOPIC:** UPDATE 1921 IRRIGATION DISTRICT LAW

### Summary of Legislation

This bill updates the 1921 Irrigation District Act as follows:

- increases the compensation for board members and election judges from \$10 to \$100 per day and allows future increases to be decided in a district election;
- clarifies the definitions of agricultural land and landowner and specifies that the unit of voting power is one acre of land within an existing or proposed new district;
- allows an irrigation district to lease its surplus water for any beneficial use permitted by decree or applicable law;
- clarifies how irrigation district assessments are to be collected, held, and reported by district treasurers;
- eliminates the bonding requirement for district board members; and
- modernizes election procedures, and procedures for selling surplus property.

The bill also increases the amount of a contract or an eminent domain proceeding that requires voter ratification in a district election from \$20,000 to \$500,000. Beginning July 1, 2022, and each July 1 every five years thereafter, the bill allows the district board to adjust the dollar amounts based on the percentage change over the previous five-year period in the consumer price index for Denver-Boulder-Greeley. Finally, the powers conferred by this bill are cumulative and in addition to all other powers conferred to irrigation districts under state law.

### Background

Irrigation districts are local governments established by landowners. Colorado has 16 irrigation districts statewide. Irrigation districts own water rights that are diverted from a stream and allocated to landowners in the district based on the number of acres owned. Surplus water may be leased inside or outside the district for domestic, agricultural, power, or mechanical purposes only. Irrigation districts are funded by assessments on landowners and the proceeds from water leases. Irrigation district boards hold annual elections in January and can call a special election at any time.

**Local Government Impact**

Because the bill increases the daily compensation rate for irrigation district board members and judges, expenditures for each irrigation district will increase. By raising the minimum amount required for a contract to require approval through an election, irrigation districts may need fewer special elections. However, by changing the unit of voting power to one vote per acre, the complexity of elections and the associated workload for tabulation increases. For counties that coordinate elections for irrigation districts, this will increase their costs which will be passed on to the irrigation districts. Finally, because the bill expands the uses for which water can be leased, irrigation districts may be able to increase revenue from those leases due to increased demand.

**Effective Date**

The bill was signed into law by the Governor on March 8, 2017, and takes effect August 9, 2017, assuming no referendum petition is filed.

**State and Local Government Contacts**

Clerk and Records  
Local Affairs  
Secretary of State

Counties  
Municipalities  
Special Districts

Judicial  
Natural Resources