



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 20-1097**

# FINAL FISCAL NOTE

**Drafting Number:** LLS 20-0369  
**Prime Sponsors:** Rep. Young; Arndt

**Date:** September 9, 2020  
**Bill Status:** Postponed Indefinitely  
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**Bill Topic:** **CONNECTED MUNICIPAL USE NO CHANGE IF ALREADY QUANTIFIED**

**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 type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have allowed water decreed for use in a domestic or municipal water supply system to be used in an interconnected domestic or municipal system if certain conditions are met. It would have both increased and decreased state and local government workload on an ongoing basis.

**Appropriation Summary:** No appropriation was required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. The bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

## Summary of Legislation

Current law limits water that is decreed for use in a treated domestic or municipal water supply system to only that system. The bill allows that water to be used in an interconnected domestic or municipal water supply system if certain conditions are met, which are specified in the bill.

The owner of the water right must give notice to all parties on the substitute water supply plan notification list. The Division of Water Resources in the Department of Natural Resources (DNR) must review any comments received on the proposed accounting and make a determination whether the accounting is adequate. The determination may be appealed to a water judge.

## State Expenditures

The bill will affect workload for multiple state agencies.

**Department of Natural Resources.** The fiscal note assumes there will be about two requests per year to use water in an interconnected system as permitted by the bill. For each request, DNR staff will review the proposed accounting, verify accounting records monthly for the first year, and conduct at least one field visit. This workload increase can be accomplished within existing appropriations.

**Judicial Department.** To the extent that the process created by this bill is used as an alternative to water court, workload for the Judicial Department will decrease. However, a determination by the Division of Water Resources may be appealed to a water judge and must be heard on an expedited basis, which may offset the decrease in whole or part. The net workload impact is assumed to be minimal and does not require a change in appropriations.

### **Local Government**

Similar to the Judicial Department, to the extent that the process created by the bill is used as an alternative to water court, local governments that choose to use this option may experience a decrease in costs and workload.

### **Effective Date**

The bill was postponed indefinitely by the House Rural Affairs and Agriculture Committee on February 13, 2020.

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

Agriculture  
Municipalities

Judicial  
Natural Resources