



**Colorado
Legislative
Council
Staff**

HB16-1109

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 16-0307 **Date:** July 18, 2016
Prime Sponsor(s): Rep. Becker J.; Becker K. **Bill Status:** Signed into Law
 Sen. Sonnenberg; Donovan **Fiscal Analyst:** Clare Pramuk (303-866-2677)

BILL TOPIC: APPLICATION OF STATE WATER LAW TO FEDERAL AGENCIES

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Minimal workload increase.	
Appropriation Required: None.		
Future Year Impacts: Ongoing minimal workload increase.		

Summary of Legislation

This bill states that Colorado water is a transferable property right and that the federal government must comply with state law, through the water court process, to acquire water rights. The bill prohibits the State Engineer and the division engineers in the Department of Natural Resources from enforcing or administering efforts by the United States Forest Service (USFS) or the federal Bureau of Land Management (BLM) that:

- require a full or partial transfer of title to a water right to the USFS or the BLM;
- restricts the use or alienability of the water right as a condition to a right-of-way, special use permit, or other authorization to use federally owned land; or
- requires a third party that supplies water to a federal special use permit holder to supply the water for a set period of time or in a set amount.

The bill clarifies that it does not impact the State Engineer's authority to enforce and administer the terms and conditions of a water court decree other judicial decree. Further, the bill does not grant, confirm, deny, or impact any legal authority of the federal government to impose bypass flow requirements in connection with a special use permit or other authorization.

State Expenditures

This bill is expected to have a minimal workload increase for the Judicial Department. If litigation occurs as a result of this bill, a case could be brought in a state water court, but then will likely be removed to a federal court. This workload increase can be addressed within existing appropriations.

Effective Date

The bill was signed into law by the Governor on April 21, 2016, and takes effect August 10, 2016, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial
Natural Resources

Law
Information Technology