

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE FUNDING OF COLORADO WATER CONSERVATION BOARD PROJECTS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Senator Donovan
Representative Roberts

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/02/19.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Agriculture and Natural Resources Committee Report (04/04/19) and the Senate Appropriations Committee Report (04/12/19), adopted on Second Reading in the Senate (04/12/19), include amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes appropriation clauses that provide a total of \$19,355,000 cash funds from the Colorado Water Conservation Board (CWCB) Construction Fund to the Department of Natural Resources for specific water-related projects in FY 2019-20. The bill authorizes the CWCB to make a loan of up to \$15.2 million from the CWCB Construction Fund for the Walker Recharge Project. Additionally, the bill authorizes up to \$15,500,000 in transfers as follows:

- \$10,000,000 from the Severance Tax Perpetual Base Fund to the CWCB Construction Fund to support studies, programs, or projects that assist in implementing the Colorado Water Plan;
- \$2,500,000 from the CWCB Construction Fund to the Water Supply Reserve Fund to support

- water basin roundtable approved projects;
- up to \$2,000,000 from the CWCB Construction Fund to replenish the continuously-appropriated Litigation Fund;
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Flood and Drought Response Fund; and
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Feasibility Study Small Grant Fund.

Points to Consider*Technical Issues*

The appropriation clauses in the current bill do not include a specific end date, but allow the Department of Natural Resources to access appropriated cash funds for the designated purpose until funds are fully expended. This is consistent with appropriation clauses in prior-year CWCB-project bills. Pursuant to Section 37-60-121, C.R.S., the CWCB has the authority, but not an obligation, to deauthorize any remaining funds upon completion of a project or when a project is no longer feasible. The Department has indicated that the CWCB's internal financial policy is to revisit grants and loans every three years to evaluate whether they should continue at the same level or be deauthorized, either in full or in part, and reverted to the appropriation or the CWCB Construction Fund.