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Fiscal Note

Drafting Number: LLS 23-0199 **Date:** April 10, 2023
Prime Sponsors: Sen. Priola **Bill Status:** Senate Agriculture
Rep. Ricks; Soper **Fiscal Analyst:** Alexa Kelly | 303-866-3469
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Bill Topic: **WATER DESALINATION STUDY AND REPORT**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires the Colorado Water Conservation board to conduct a literature review of existing research on desalination. It increases state expenditures in FY 2023-24 only.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$50,000 to the Department of Natural Resources.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 23-262

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	Cash Funds	\$50,000	-
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

The bill requires that the Colorado Water Conservation Board (CWCB) in the Department of Natural Resources (DNR) conduct a comprehensive literature review of existing research on the challenges and opportunities of desalination facilities in California or Mexico. The review must include information on the status of current research and identify gaps in particular topic areas as they relate to desalination, including information on desalination facility operating and start-up costs, the amount of seawater that could be desalinated and put to beneficial use in California and Mexico, the role of renewable energy, and the environmental effects.

By July 1, 2025, CWCB must provide a report on the board's findings to the House Agriculture, Water, and Natural Resources Committee, the Senate Agriculture and Natural Resources Committee, the Water Resources and Agriculture Review Committee, the Governor, and the federal Bureau of Reclamation.

State Expenditures

The bill increases state expenditures in the Department of Natural Resources by \$50,000 in FY 2023-24 only, paid from the CWCB Construction Cash Fund. CWCB will hire a contractor to develop a work plan, complete the literature review, summarize findings, and compile the final report. The review is expected to take approximately 250 to 300 contractor hours, for a total cost of \$50,000.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires an appropriation of \$50,000 to the Department of Natural Resources from the Colorado Water Conservation Board Construction Cash Fund.

State and Local Government Contacts

Natural Resources