



Colorado Legislative Council Staff Fiscal Note
**LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 07-0511
Prime Sponsor(s): Rep. Sonnenberg

Date: January 16, 2007
Bill Status: House Agriculture
Fiscal Analyst: Bill Goosmann (303-866-3561)

TITLE: CONCERNING RESTRICTIONS ON THE ABILITY OF GOVERNMENTAL BODIES TO ACQUIRE SPECIFIED WATER RIGHTS THROUGH THE EXERCISE OF THE POWER OF EMINENT DOMAIN.

Fiscal Impact Summary	FY 2007-2008	FY 2008-2009
NET TOTAL		
State Revenue	\$0	\$0
State Expenditures	0	
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Unless a referendum petition is filed, the bill will take effect August 8, 2007, assuming the General Assembly adjourns on May 9, 2007, as scheduled.		
Local Government Impact: Local governments may pay more for water rights and have more difficulties planning for and controlling growth.		

Summary of Legislation

This bill prohibits the use of eminent domain to acquire appropriated water rights by the state or by any political subdivision authorized to use eminent domain. This prohibition does not apply to condemnation proceedings in which water rights are incidental to the overlying surface interests. Unless a referendum petition is filed, the bill will take effect August 8, 2007, assuming the General Assembly adjourns on May 9, 2007, as scheduled.

Local Government Impact

Loss of the ability to acquire water rights through condemnation may affect how much local governments pay for those water rights and the ability of local governments to plan for and control growth. Without condemnation powers, local governments may be forced to delay purchase and, therefore, may be required to pay more than they otherwise would have. In terms of growth, the extent to which growth is restricted for lack of water may limit local tax revenues. However, the number of situations involving either impact cannot be accurately predicted.

Departments Contacted

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| Judicial | Law |
| Local Affairs | Natural Resources |