

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

**Drafting Number:** LLS 07-0450  
**Prime Sponsor(s):** Rep. Stephens

**Date:** January 22, 2007  
**Bill Status:** House Agriculture  
**Fiscal Analyst:** Bill Goosmann (303-866-3561)

**TITLE:** CONCERNING THE USE OF UNDERGROUND WATER STORAGE STRATEGIES.

| Fiscal Impact Summary  | FY 2007-2008 | FY 2008-2009 |
|--|--------------|--------------|
| <b>State Revenue</b>   | \$0          | \$0          |
| <b>State Expenditures</b><br>General Fund  | \$250,869    | \$0          |
| <b>FTE Position Change</b>   | 0.0 FTE      | 0.0 FTE      |
| <b>Effective Date:</b> 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. |              |              |
| <b>Appropriation Summary for FY 2007-2008:</b> See State Appropriations section.   |              |              |
| <b>Local Government Impact:</b> None   |              |              |

**Summary of Legislation**

This bill directs the Colorado Water Conservation Board to conduct a follow-up study regarding alluvial aquifer water storage in the South Platte or Arkansas River basins. Preliminary results will be reported to the legislature's Water Resources Review Committee during the 2007 interim, and a final report is due March 1, 2008. The section of law is repealed July 1, 2009.

**Background**

The initial alluvial aquifer water storage study was approved in 2006 and involved identifying "the most economically and technically feasible and ecologically sound underground storage sites located in the South Platte and Arkansas River basins." This follow-up study concerns "the economic, ecological, and technical feasibility" of using alluvial aquifers for storage.

**State Expenditures**

In FY 2007-08, total state expenditures under this bill are estimated at \$250,869. Expenditure details are provided in the table on the next page. The following assumptions are involved.

| <b>Expenditure Detail<br/>Study of Alluvial Aquifer Water Storage</b> |                   |                   |
|---|-------------------|-------------------|
|   | <b>FY 2007-08</b> | <b>FY 2008-09</b> |
| <b>Colorado Water Conservation Board</b>                              |                   |                   |
| Personal Services, Site Evaluation                                    | \$16,207          | 0                 |
| Contracted Professional Services                                      | \$225,000         | \$0               |
| Subtotal - CWCB   | \$241,207         | \$0               |
| <b>Colorado Geological Survey</b>                                     |                   |                   |
| Personal Services - Study Support                                     | \$9,662           | \$0               |
| <b>Total</b>  | <b>\$250,869</b>  | <b>\$0</b>        |

**State Appropriations**

For FY 2007-08, the fiscal note indicates that the Department of Natural Resources should receive an appropriation of \$250,869 from the General Fund, of which \$241,207 would be appropriated to the Colorado Water Conservation Board and \$9,662 would be appropriated to the Colorado Geological Survey.

**Departments Contacted**

Natural Resources      Law