

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

Drafting Number: LLS 07-0085
Prime Sponsor(s): Sen. Taylor
 Rep. Curry

Date: January 10, 2007
Bill Status: Senate Agriculture
Fiscal Analyst: Marc Carey (303-866-4102)

TITLE: CONCERNING EXPANSION OF THE WATER EFFICIENCY GRANT PROGRAM.

Fiscal Impact Summary	FY 2007-2008	FY 2008-2009
NET TOTAL		
State Revenue	\$0	\$0
State Expenditures	\$50,000	\$550,000
FTE Position Change	0.0 FTE	0.0 FTE
State Expenditures Detail		
Cash Funds Exempt - Water Efficiency Grant Program Cash Fund	\$50,000	\$550,000
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2007-2008: See State Appropriations Section.		
Local Government Impact: See Local Government Impact Section.		

Summary of Legislation

This bill, recommended by the Water Resources Review Committee, allows any state or local governmental entity that provides water to retail customers to participate in the Water Efficiency Grant Program administered by the Colorado Water Conservation Board. Currently, program participation is restricted to "covered entities", defined in statute as a municipality, agency, or utility with a legal obligation to provide retail water to a customer base with a total demand of at least two thousand acre-feet.

The bill extends for three years the annual appropriation from the Water Efficiency Grant Program Cash Fund up to \$500,000 for the purpose of providing grants. The bill also appropriates an additional \$50,000 annually from this fund, from FY 2007-08 through FY 2011-2012, to cover administrative costs associated with the program. The bill broadens the eligible uses for water efficiency grant monies to include water conservation planning activities. Finally, the bill extends the repeal date of the program from July 1, 2008, to July 1, 2012.

State Expenditures

The Colorado Water Conservation Board will spend an additional \$50,000 for administrative costs in FY 2007-08 and \$550,000 for administrative costs and water conservation grants in FY 2008-09. These grant moneys will now be available to a larger group of retail water providers that developed, adopted, made publically available, and implemented a water conservation plan.

Local Government Impact

Local governmental entities that provide retail water but are not currently eligible will now be able to participate in the program and apply for water conservation grants through FY 2010-11.

State Appropriations

The Department of Natural Resources, Colorado Water Conservation Board will require an addition cash funds exempt appropriation in the amount of \$50,000 in FY 2007-08 from the Water Efficiency Grant Program Cash Fund.

Departments Contacted

Natural Resources