


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

Drafting Number: LLS 08-0572
Prime Sponsor(s): Rep. Curry
 Sen. Bacon

Date: August 20, 2008
Bill Status: Signed into Law
Fiscal Analyst: David Porter (303-866-4375)

TITLE: CONCERNING SUFFICIENT WATER SUPPLIES FOR LAND USE APPROVAL.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue		
State Expenditures		
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: The bill was signed by the Governor and became law on May 29, 2008.		
Appropriation Summary for FY 2008-2009: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

HB08-1141 requires that building permit applications for developments of greater than 50 single-family equivalents must include specific evidence of an adequate water supply. An adequate water supply is defined as one that is sufficient for the development, through build-out, in terms of quality, quantity, and dependability. Local governments may choose to require adequate water supply for developments smaller than 50 single-family equivalents. Cluster developments are exempt from these requirements.

The bill requires the developer to submit a report prepared by a professional engineer or water supply expert to the local government as part of the permit application. The report must include the following:

- ▶ an estimate of the proposed development's water supply requirements;
- ▶ identification of the proposed physical source;
- ▶ an analysis of the water supply under different hydrologic conditions;
- ▶ water conservation and demand measures implemented in the development; and
- ▶ any other information or analyses requested by the local government.

If the development is served by a water supply entity, the applicant may supply a letter from the water supply entity that contains the same information as the report. Alternatively, if the water supplier has a water supply plan that meets specified criteria, the authorizing local government can forgo the report or letter. The local government is required to determine if an applicant has an adequate water supply based on a review of application documents. It may also request that the State Engineer comment on the documents.

State Expenditures

Department of Natural Resources, Division of Water Resources. This bill allows local governments to seek State Engineer comment on water supply documents for new developments. Relatively few requests are estimated, 3 to 4 per year, and can be handled within existing appropriations.

Local Government Impact

Local governments will need to incorporate the bill's water supply review requirements into the application process for real estate developments. The impact of this change depends on how similar current water supply review requirements are to the bill's specifications. Local government costs, if any, will be determined by factors such as: the number of applications processed, the complexity of the development's water sourcing, and the types of changes the bill makes to the application process.

The cost of these changes is not quantified for this fiscal note. However, costs may be absorbed within the local government's existing resources. This, in turn, may extend the time taken to review applications. Or, costs may be defrayed by raising development review fees and hiring additional personnel to process applications.

Departments Contacted

Natural Resources

Local Affairs

Public Health and Environment