

**STATE
FISCAL IMPACT**

Drafting Number: LLS 11-0851	Date: March 28, 2011
Prime Sponsor(s): Rep. Sonnenberg Sen. Hodge	Bill Status: House Agriculture
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TITLE: CONCERNING THE MANNER IN WHICH THE STATE HISTORICAL SOCIETY ACTS WITH REGARD TO WATER SUPPLY STRUCTURES.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: None required.		
Local Government Impact: None.		

Summary of Legislation

A state agency is currently prohibited from taking an action that may adversely affect a property that is included, or has been nominated for inclusion, in the state register of historic properties unless the agency first notifies the Colorado Historical Society in the Department of Higher Education of the action. The Historical Society may then make a determination about the effect the action will have on the property and make recommendations to the agency in order to preserve the property. This bill exempts the Department of Natural Resources and the Department of Public Health and Environment from this prohibition with regard to water supply structures.

Additionally, before acting upon a water supply structure nomination to the state or national register of historic places, the bill requires the Historical Society to provide notice of the nomination to the water clerk in the water division where the water supply structure is located. The water clerk is then required to include the notice in the monthly water resumé and to publish the notice in a newspaper. The monthly water resumé provides a list of water rights applications that have been filed in that water division. The Historical Society is also required to send written notice of the proposed nomination by first-class mail to every person that has a property interest in the water supply structure or accesses water rights through the structure.

The bill also specifies circumstances that prohibit the Historical Society from proceeding with the nomination of a water supply structure. If a person with a property or water rights interest in the proposed structure files a letter of objection with the Historical Society within the specified period of time, or if the property has multiple owners and the majority object to the nomination, the Historical Society may not proceed with the nomination. In cases where a water supply structure is included in a historical description of a group of related properties called a "multiple property documentation form" that is submitted to the National Park Service, the Historical Society is required to obtain the approval of the State Engineer in the Department of Natural Resources. The Historical Society is also required to enter into an agreement with the State Engineer that requires the removal of water supply structures from multiple property documentation forms if any person with an interest in the water supply structure objects to its inclusion.

Background

The National Register of Historic Places is the official Federal list of districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, engineering, and culture. The register is administered by the National Park Service in the U.S. Department of the Interior.

The Colorado State Register of Historic Properties is a listing of the state's significant cultural resources deemed to be worthy of preservation. Properties listed in the register include individual buildings, structures, objects, districts, and historic and archaeological sites. The register is administered by the Office of Archaeology and Historic Preservation within the Colorado Historical Society. Properties listed in the National Register of Historic Places are automatically placed in the Colorado State Register, however properties may be nominated separately to the Colorado State Register without inclusion in the National Register.

State Expenditures

This bill is expected to increase the workload for the Colorado Historical Society, the Judicial Department, and the State Engineer's Office, but this fiscal note assumes that no additional appropriation will be required.

Colorado Historical Society, Department of Higher Education. The Historical Society is already required to notify individuals with interests in properties that are proposed for nomination by first-class mail. Therefore, the requirements to notify individuals with property or water rights interest in proposed water supply structures, and to consult with the State Engineer, will not significantly increase workload. Additionally, the number of water supply structure designations is low: there are a total of four irrigation ditches on the historical registry in the state and there have been no water structures nominated for the last two years. It is expected that these requirements can be accomplished with existing resources.

Judicial Department. The publication requirements will require additional work for the water court staff in the division where the nominated water structure is located, but the Judicial Department expects that this additional work will be absorbed within existing resources.

State Engineer's Office, Department of Natural Resources. This fiscal note assumes that the requirements in this bill will minimally increase the workload in the State Engineer's Office. While it is not anticipated that this workload will require additional staff or resources, the exact impact to the department was not known at the time this fiscal note was written. The note will be updated to reflect this information when it becomes available.

Departments Contacted

Higher Education

Judicial

Natural Resources