A BILL FOR AN ACT

CONCERNING A LIMITATION ON THE UNITED STATES' ABILITY TO
IMPOSE CONDITIONS ON A WATER RIGHT OWNER IN EXCHANGE
FOR PERMISSION TO USE LAND.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Water Resources Review Committee. The bill specifies that if the United States obtains a water right as a result of a transfer or conveyance required as a condition to a special use permit or other authorization to enter upon or use federally owned land, the water right...
was originally appropriated by a person other than the United States, and the water right is not a federal reserved water right, the water right is presumed to be held by the United States for speculative purposes. Such a water right is not automatically abandoned but is forfeited by the United States and reverts to the prior owner for continued use under its original priority.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 37-92-103, amend (3) (a) (II) as follows:

37-92-103. Definitions. As used in this article, unless the context otherwise requires:

(3) (a) "Appropriation" means the application of a specified portion of the waters of the state to a beneficial use pursuant to the procedures prescribed by law; but no appropriation of water, either absolute or conditional, shall be held to occur when the proposed appropriation is based upon the speculative sale or transfer of the appropriative rights to persons not parties to the proposed appropriation, as evidenced by either of the following:

(II) (A) The purported appropriator of record does not have a specific plan and intent to divert, store, or otherwise capture, possess, and control a specific quantity of water for specific beneficial uses.

(B) The water right was obtained by the United States as a result of a transfer or conveyance required as a condition to a special use permit or other authorization to enter upon or use federally owned land, was originally appropriated by a person other than the United States, and is not part of the reserved water rights obtained by the United States. Such a water right is presumed to be held by the United States for speculative
PURPOSES. A WATER RIGHT HELD BY THE UNITED STATES FOR SPECULATIVE PURPOSES PURSUANT TO THIS SUB-SUBPARAGRAPH (B) IS NOT AUTOMATICALLY ABANDONED BUT IS FORFEITED BY THE UNITED STATES AND REVERTS TO THE PRIOR OWNER, OR THE PRIOR OWNER'S SUCCESSORS AND ASSIGNS, FOR CONTINUED USE UNDER ITS ORIGINAL PRIORITY.

SECTION 2. Act subject to petition - effective date. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to acts occurring on or after the applicable effective date of this act.