

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0332	Date: February 13, 2015
Prime Sponsor(s): Rep. Saine; Humphrey Sen. Marble	Bill Status: House Agriculture
	Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: EMERGENCY WELL PUMPING DAMAGING HIGH GROUNDWATER

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Increased workload.	
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill authorizes the State Engineer to take certain actions to address damaging high groundwater levels in order to lower the water table. The State Engineer may rescind or decline to issue an order to discontinue an out-of-priority diversion, a diversion without beneficial use, or an order requiring the replacement of water according to an augmentation plan or substitute supply plan. The bill is repealed, July 1, 2021.

Background

Beginning in 2008, homeowners and farmers reported high groundwater levels near Sterling and the Gilcrest/La Salle area. Reports included failing septic systems, flooding basements, and waterlogged fields. In response, the General Assembly passed House Bill 12-1278 which required the Colorado Water Conservation Board, in consultation with the State Engineer and the Colorado Water Institute at Colorado State University, to conduct a comprehensive study to compile and evaluate available historic hydrologic data for the South Platte River Basin. This included the collection and analysis of information in the areas of the basin adversely impacted by high groundwater levels and whether the State Engineer should be afforded additional flexibility in administering water rights.

State Expenditures

This bill will increase the workload for both the DNR and the Judicial Department, but is not expected to require additional appropriations.

Division of Water Resources (DWR), Department of Natural Resources. In order to implement the bill, the DWR will conduct a rulemaking process, including public meetings, and a public hearing. This will require DWR staff time and legal services hours purchased from the Department of Law but is not expected to require additional appropriations. The fiscal note assumes that groundwater modeling will not be required as part of the rulemaking process, but, if it is required, those costs will be addressed through the annual budget process.

Trial Courts, Judicial Department. The provisions of the bill may increase case filings in water courts because of decisions by the State Engineer. Cases may be brought from downstream water users not getting their water, or from landowners who experience property damage due to high groundwater levels. These cases will be complex and require significant engineering analysis to show injury and will result in extensive time on the water court docket. Cases are expected to be concentrated in Water Division 1; if the increased caseload become significant, the costs will be addressed through the annual budget process.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Natural Resources

Law

Judicial Department