

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0280
Prime Sponsor(s): Sen. Sonnenberg

Date: February 3, 2015
Bill Status: Senate Agriculture
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: APPLICATION OF STATE WATER LAW TO FEDERAL AGENCIES

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Minimal workload increase.	
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 prohibits the United States Forest Service (USFS) and the federal Bureau of Land Management (BLM) from placing conditions on special use permits, or for rights-of-way on federal land, that:

- demand that the owner of a water right or conditional water right assign partial or joint ownership of the water right to the USFS or the BLM;
- impose limitations on a water right that restrict the water right owner's ability to receive fair market value for the water right;
- impose limitations on the alienation of a water right; or
- impose restrictions that give the USFS or BLM full or partial control over the use of a water right.

Further, the bill prohibits the State Engineer and division engineers in the Department of Natural Resources from cooperating with the USFS or the BLM in administering or enforcing the conditions identified above on special use permits, or for rights-of-way on federal land.

State Expenditures

This bill is expected to have a minimal fiscal impact. If litigation occurs as a result of this bill, a case could be brought in a state water court but then removed to a federal court, resulting in minimal increase in workload for the Judicial Department.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Judicial Department Law Natural Resources