



*Colorado Legislative Council Staff*  
**NO FISCAL IMPACT**

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**Drafting Number:** LLS 05-0499

**Date:** January 14, 2005

**Prime Sponsor(s):** Rep. Curry

**Bill Status:** House Agriculture

**Fiscal Analyst:** Marc Carey (303 866-4102)

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**TITLE:** CONCERNING THE CONDITIONS PURSUANT TO WHICH LOANS OF WATER RIGHTS MAY BE MADE FOR INSTREAM FLOW PURPOSES

### **Summary of Assessment**

This bill concerns the conditions under which loans of private water rights may be made to the Colorado Water Conservation Board for instream flow purposes. Specifically, the bill:

- repeals the limitation that such loans may only be made when the Governor declares an emergency;
- prohibits such loans from being exercised for more than three years in a ten-year period; and,
- prohibits the approval of a given loan for any subsequent period, unless the loan was not exercised during the initial ten-year period.

This bill will take effect on August 10, 2005, unless a referendum petition is filed.

The in-stream flow program has been in place for over 30 years, and the board's ability to acquire water rights has been part of the program since its inception. The board currently has the procedures and rules in place to deal with the acquisition of such water rights, and could accommodate a reasonable number of applications for such temporary loans as described in this bill. While it is possible that the variability of Colorado's hydrologic and agricultural conditions could result in an unexpectedly large volume of such loans, it is most likely that the impact of this bill's stipulations will be minimal and can be absorbed within existing budgetary resources.

Similarly, the decision of the State Engineer to approve or deny these applications can be appealed to the water judge in the water court. It is anticipated that the increased number of appeals resulting from this bill will be small and may be absorbed. Thus, this bill will not impact state or local revenues or expenditures, and is assessed as having no fiscal impact.

### **Departments Contacted**

Judicial

Natural Resources