



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 24-0358	Date:	June 20, 2024
Prime Sponsors:	Sen. Bridges; Simpson Rep. Martinez; McCormick	Bill Status:	Postponed Indefinitely
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Bill Topic: **AUTHORIZING CONSERVANCY DISTRICT WATER MANAGEMENT**

Summary of	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
Fiscal Impact:	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill expanded the allowable purposes for which the courts may establish a conservancy district, and expanded the powers of the board of directors of a water conservancy district. Beginning in FY 2024-25, the bill would have had a minimal impact on state revenue and expenditures, and would have allowed a statutory public entity to establish an enterprise and increase revenue.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The final fiscal note reflects the introduced bill, as requested by the Water Resources and Agriculture Review Committee. The bill was postponed indefinitely by the Senate Agriculture and Natural Resources Committee on March 27, 2024; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill adds commercial uses to the purposes for which a district court may establish a conservancy district. Under current law, courts may only establish a conservancy district for agricultural, municipal, or industrial uses.

The bill also expands the powers of a board of directors of a water conservancy district to:

- participate in a plan for augmentation and, in conjunction with the plan, manage, control, deliver, use, and distribute water;
- contract services for the use and reuse of water and the retirement of wells;
- enter long-term contracts with public and private entities, and avail itself of public assistance from federal, state, and local governments; and
- establish a water activity enterprise.

State Revenue and Expenditures

The bill may minimally increase workload and administrative revenue in the Judicial Department to consider and establish new conservancy districts seeking to manage water for allowable purposes, including commercial purposes.

Local Government

The bill expands the powers of a board of directors of a water conservancy district, permitting additional management activities, contractual authority, and the ability to create a public enterprise supported primarily through activity fees, and without constitutional revenue limitations for the district.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

Law

Local Affairs

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: leg.colorado.gov/fiscalnotes.