



HB23-1220

SHORT TITLE: Study Republican River Groundwater Economic Impact

LONG TITLE: Concerning a study regarding the economic impact of the elimination of large-capacity groundwater withdrawal within the Republican River basin, and, in connection therewith, requiring the Colorado water center to conduct the study and report its findings and conclusions to certain legislative committees.

SPONSORS: Representatives Holtorf and McCormick

COMMITTEES: House Agriculture, Water & Natural Resources Committee

PURPOSE OF THE BILL: To direct the Water Center at Colorado State University to study the economic impact that would occur should the Republican River Basin fail to meet its compact obligations to retire 25,000 acres of irrigated agriculture to comply with required delivery of water to Kansas and Nebraska. Under the resolution and compact, the State Engineer would call for the shutdown of all water wells in the basin.

PROPONENTS OF THE BILL: N/A

POTENTIAL STAKEHOLDERS: Water providers and users in the Republican River Basin, implement dealers, retail business in the region, chambers of commerce.

BACKGROUND: In 1942, Colorado entered an interstate compact (compact) with Nebraska and Kansas regarding the allocation of water from the Republican River basin (basin). Colorado ratified the compact in 1943. In 2016, Colorado, Nebraska, and Kansas signed a resolution (resolution) regarding a dispute about Colorado's compliance with the compact, through which resolution and its amendment Colorado agreed to retire 25,000 acres of irrigated acreage in the basin by 2029. It is assumed that should the State Engineer be required to shut down those wells, it would decimate the regional economy which is based on agriculture. This bill seeks to quantify the impact.

Is this bill necessary this year? There is no deadline.

How does the bill change current law? It does not change law, but simply requires an economic study.

Does the bill affect the prior appropriations system? No.

How is the bill implemented? It appears to be self-executing. The center is required to prepare a progress report and, on or before January 1, 2026, a final report of the center's findings and conclusions from the study and to post both reports on the center's website. The center must present the progress and final reports to certain legislative committees.

Practical Considerations: When previous legislation has directed the Center to study certain issues, funding had already been identified. Where will funding for this study originate? Does the Center have a staff versed in economics?

Fiscal Impact: There is no fiscal note; we have heard an informal estimate of \$100,000.

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