

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 951</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Archer</b>
<b>Date:</b>	<b>4/9/2025</b>
<b>Impact:</b>	<b>See details below</b>

**Research Analysis**

SB 951 requires a CLO-approved appraiser to evaluate any permanent improvements a lessee has made to CLO-leased land. If that land is leased to another person, the new lessee is responsible for reimbursing the previous lessee for those improvements. Failure to pay is a default of the lease. Further, the measure prohibits a lessee from being charged any extra fees for irrigating land for agricultural purposes if the water doesn't not come from CLO-owned land.

Prepared By: Emily Byrne

**Fiscal Analysis**

The engrossed version of the bill is anticipated to result in a negative fiscal impact on state appropriations. See below for additional details:

**FISCAL IMPACT OF IMPROVEMENT VALUATION: One Time Impact of \$33,000**

- \$5,000 estimate to update CLO's software, forms and processes to accommodate this change.
- \$28,000 estimated cost to promulgate rules, based on the requirement from new legislation passed last year that we need to mail all lessees notice of any rule making.
- CLO leadership is of the opinion that current in-house appraisers can absorb this requirement with no additional FTE cost or no additional contract labor cost.

**FISCAL IMPACT OF IRRIGATION FEE COMPONENT: Recurring Impact of Reduction in Fee Revenue of \$56,000 per year**

- Fee revenue is non-distributable and goes to our 200-Fund for use in projects to maintain trust lands.
- This represents 10 of the CLO's current 27 irrigation permits, which range from \$800 per year to \$15,000 per year.
- Although a reduction in fee income for the CLO, the fiscal impact is the cost savings realized by agricultural producers who invest their own resources in irrigating CLO leased lands.

Prepared By: Cole Stout, House Fiscal Staff

**Other Considerations**

None.

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