

Second Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 08-0291.01 Jason Gelender

**SENATE BILL 08-013**

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**SENATE SPONSORSHIP**

**Schwartz,**

**HOUSE SPONSORSHIP**

**Fischer,**

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**Senate Committees**

Agriculture, Natural Resources & Energy  
Appropriations

**House Committees**

Finance  
Appropriations

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**A BILL FOR AN ACT**

101 **CONCERNING THE APPROPRIATION OF MONEYS FROM THE**  
102 **OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND**  
103 **TO THE DEPARTMENT OF NATURAL RESOURCES FOR PROGRAMS**  
104 **RECOMMENDED BY THE EXECUTIVE DIRECTOR OF THE**  
105 **DEPARTMENT, AND, IN CONNECTION THEREWITH, REDUCING BY**  
106 **A SPECIFIED NUMBER OF PERCENTAGE POINTS THE MAXIMUM**  
107 **PERCENTAGES OF TOTAL AVAILABLE OPERATIONAL ACCOUNT**  
108 **MONEYS THAT MAY BE APPROPRIATED FOR PROGRAMS WITHIN**  
109 **THE COLORADO OIL AND GAS CONSERVATION COMMISSION AND**  
110 **THE DIVISION OF RECLAMATION, MINING, AND SAFETY,**  
111 **ALLOWING APPROPRIATIONS TO BE MADE IN AMOUNTS UP TO A**  
112 **SPECIFIED PERCENTAGE OF THE TOTAL AVAILABLE**

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
3rd Reading Unamended  
April 15, 2008

SENATE  
Amended 2nd Reading  
April 14, 2008

101            **OPERATIONAL ACCOUNT MONEYS FOR PROGRAMS WITHIN THE**  
102            **DIVISION OF WILDLIFE AND THE DIVISION OF PARKS AND**  
103            **OUTDOOR RECREATION, AND EXEMPTING APPROPRIATIONS**  
104            **MADE TO THE DIVISION OF WILDLIFE FROM THE TWO-YEAR**  
105            **RESERVE REQUIREMENT OF THE OPERATIONAL ACCOUNT, AND**  
106            **MAKING AN APPROPRIATION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

**Interim Committee to Study the Allocation of Severance Tax and Federal Mineral Lease Revenues.** Modifies the scope of permissible appropriations from the operational account of the severance tax trust fund to the department of natural resources to fund programs recommended by the executive director of the department as follows:

- ! Reduces by a specified number of percentage points the maximum percentages of total available operational account moneys that may be appropriated for programs within the Colorado oil and gas conservation commission and the division of reclamation, mining, and safety.
- ! Allows appropriations to be made in amounts up to a specified percentage of the total available operational account moneys for programs within the division of wildlife and the division of parks and outdoor recreation.
- ! Exempts appropriations made to the division of wildlife from the 2-year reserve requirement of the operational account.

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1    *Be it enacted by the General Assembly of the State of Colorado:*

2            **SECTION 1.** 39-29-109 (1) (c) (I) (A), (1) (c) (I) (C), and (1) (c)  
3            (III) (A), Colorado Revised Statutes, are amended, and the said 39-29-109  
4            (1) (c) (I) is further amended BY THE ADDITION OF THE  
5            FOLLOWING NEW SUB-SUBPARAGRAPHS, to read:

6            **39-29-109.    Severance task trust fund - created -**

1 **administration - use of moneys - definitions - repeal.** (1) (c) (I) For  
2 fiscal years commencing on and after July 1, 1997, the executive director  
3 of the department of natural resources shall submit with the department's  
4 budget request for each fiscal year a list and description of the programs  
5 the executive director recommends to be funded from the operational  
6 account of the severance tax trust fund. The state minerals, energy, and  
7 geology policy advisory board established pursuant to section 34-20-104,  
8 C.R.S., shall review the executive director's recommendation before  
9 submittal. The general assembly may appropriate moneys from the total  
10 moneys available in the operational account of the severance tax trust  
11 fund to fund recommended programs as follows:

12 (A) For programs or projects within the Colorado oil and gas  
13 conservation commission, up to forty-five percent of the moneys in the  
14 operational account FOR FISCAL YEARS COMMENCING BEFORE JULY 1,  
15 2008, AND UP TO FORTY PERCENT OF THE MONEYS IN THE OPERATIONAL  
16 ACCOUNT FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008;

17 (C) For programs within the division of reclamation, mining, and  
18 safety, up to thirty percent of the moneys in the operational account FOR  
19 FISCAL YEARS COMMENCING BEFORE JULY 1, 2008, AND UP TO  
20 TWENTY-FIVE PERCENT OF THE MONEYS IN THE OPERATIONAL ACCOUNT  
21 FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008. As part of  
22 ~~such thirty percent~~ ANY APPROPRIATION MADE, five hundred thousand  
23 dollars, or so much as may be available, shall be transferred to the  
24 abandoned mine reclamation fund created in section 34-34-102, C.R.S.

25 (E) FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008,  
26 ONLY, FOR PROGRAMS WITHIN THE DIVISION OF WILDLIFE THAT \_\_\_\_\_  
27 MONITOR, MANAGE, OR MITIGATE THE IMPACTS OF MINERAL OR MINERAL

1 FUEL PRODUCTION ACTIVITIES ON WILDLIFE IN ANY REGION OF THE STATE  
2 IN WHICH PRODUCTION ACTIVITY IS OCCURRING OR, FROM ANY LOCATION  
3 IN THE STATE, RESEARCH SUCH IMPACTS, UP TO FIVE PERCENT OF THE  
4 MONEYS IN THE OPERATIONAL ACCOUNT, WHICH MONEYS SHALL NOT  
5 SUPPLANT MONEYS THAT WOULD OTHERWISE BE MADE AVAILABLE FOR  
6 SUCH PROGRAMS.

7 (F) FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008,  
8 ONLY, FOR PROGRAMS WITHIN THE DIVISION OF PARKS AND OUTDOOR  
9 RECREATION THAT OPERATE, MAINTAIN, OR IMPROVE STATE PARKS IN   
10 ANY REGION OF THE STATE IN WHICH PRODUCTION ACTIVITY IS  
11 OCCURRING, UP TO FIVE PERCENT OF THE MONEYS IN THE OPERATIONAL  
12 ACCOUNT, WHICH MONEYS SHALL NOT SUPPLANT MONEYS THAT WOULD  
13 OTHERWISE BE MADE AVAILABLE FOR SUCH PROGRAMS.

14 (III) (A) It is the intent of the general assembly that the  
15 operational account of the severance tax trust fund maintain a state fiscal  
16 year end balance equal to twice the current state fiscal year's operating  
17 appropriations for the programs specified in this paragraph (c); except  
18 that moneys appropriated for purposes authorized by article 75 of title 37,  
19 C.R.S., AND MONEYS APPROPRIATED PURSUANT TO SUB-SUBPARAGRAPH  
20 (E) OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) shall not be considered  
21 in establishing such two-year reserve. Moneys may be appropriated or  
22 otherwise made available from such two-year reserve only to offset  
23 temporary revenue reductions in the programs specified in this paragraph  
24 (c); except that, if the general assembly determines that transfers of  
25 moneys from the reserve are needed during a state revenue crisis, such  
26 transfers shall be a loan from the reserve to be repaid as soon as moneys  
27 are available. This provision is intended to mitigate the impact of

1 fluctuations in the amount of revenue credited to the fund from year to  
2 year so as to maintain current levels of service for such programs.

3 **SECTION 2.** 39-29-109.3 (1) and (3), Colorado Revised Statutes,  
4 as enacted by House Bill 08-1398, enacted at the Second Regular Session  
5 of the Sixty-sixth General Assembly, are amended to read:

6 **39-29-109.3. Operational account of the severance tax trust**  
7 **fund - repeal.** (1) For fiscal years commencing on and after July 1,  
8 1997, the executive director of the department of natural resources shall  
9 submit with the department's budget request for each fiscal year a list and  
10 description of the programs the executive director recommends to be  
11 funded from the operational account of the severance tax trust fund  
12 created in section 39-29-109 (2) (b), referred to in this section as the  
13 "operational account". The minerals, energy, and geology policy advisory  
14 board established pursuant to section 34-20-104, C.R.S., shall review the  
15 executive director's recommendation before submittal. The general  
16 assembly may appropriate moneys from the total moneys available in the  
17 operational account to fund recommended programs as follows:

18 (a) (I) For programs or projects within the Colorado oil and gas  
19 conservation commission, up to forty-five percent of the moneys in the  
20 operational account FOR FISCAL YEARS COMMENCING BEFORE JULY 1,  
21 2008, AND UP TO FORTY PERCENT OF THE MONEYS IN THE OPERATIONAL  
22 ACCOUNT FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008.

23 (II) Moneys appropriated for programs or projects pursuant to  
24 subparagraph (I) of this paragraph (a) shall be used by the Colorado oil  
25 and gas conservation commission for plugging and abandonment projects,  
26 for well-site location reclamation projects, or for regulatory and  
27 environmental programs or projects as specifically appropriated by the

1 general assembly for use on such programs or projects; except that, if the  
2 commission determines that an emergency exists, the commission may  
3 expend any moneys received for the emergency without any further  
4 appropriation. In determining the uses of these moneys, the commission  
5 shall give priority to uses that reduce industry fees and mill levies.

6 (b) For programs within the Colorado geological survey, up to  
7 twenty percent of the moneys in the operational account;

8 (c) For programs within the division of reclamation, mining, and  
9 safety, up to thirty percent of the moneys in the operational account FOR  
10 FISCAL YEARS COMMENCING BEFORE JULY 1, 2008, AND UP TO  
11 TWENTY-FIVE PERCENT OF THE MONEYS IN THE OPERATIONAL ACCOUNT  
12 FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008. As part of  
13 ~~such thirty percent~~ ANY APPROPRIATION MADE, five hundred thousand  
14 dollars, or so much as may be available, shall be transferred to the  
15 abandoned mine reclamation fund created in section 34-34-102 (1),  
16 C.R.S.

17 (d) For programs within the Colorado water conservation board  
18 and for purposes authorized by article 75 of title 37, C.R.S., up to five  
19 percent of the moneys in the operational account.

20 (e) FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008,  
21 ONLY, FOR PROGRAMS WITHIN THE DIVISION OF WILDLIFE THAT MONITOR,  
22 MANAGE, OR MITIGATE THE IMPACTS OF MINERAL OR MINERAL FUEL  
23 PRODUCTION ACTIVITIES ON WILDLIFE IN ANY REGION OF THE STATE IN  
24 WHICH PRODUCTION ACTIVITY IS OCCURRING OR, FROM ANY LOCATION IN  
25 THE STATE, RESEARCH SUCH IMPACTS, UP TO FIVE PERCENT OF THE  
26 MONEYS IN THE OPERATIONAL ACCOUNT, WHICH MONEYS SHALL NOT  
27 SUPPLANT MONEYS THAT WOULD OTHERWISE BE MADE AVAILABLE FOR

1 SUCH PROGRAMS.

2 (f) FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2008,  
3 ONLY, FOR PROGRAMS WITHIN THE DIVISION OF PARKS AND OUTDOOR  
4 RECREATION THAT OPERATE, MAINTAIN, OR IMPROVE STATE PARKS IN ANY  
5 REGION OF THE STATE IN WHICH PRODUCTION ACTIVITY IS OCCURRING, UP  
6 TO FIVE PERCENT OF THE MONEYS IN THE OPERATIONAL ACCOUNT, WHICH  
7 MONEYS SHALL NOT SUPPLANT MONEYS THAT WOULD OTHERWISE BE  
8 MADE AVAILABLE FOR SUCH PROGRAMS.

9 (3) It is the intent of the general assembly that the operational  
10 account maintain a reserve equal to the current state fiscal year's  
11 operating appropriations for the programs specified in subsection (1) of  
12 this section plus fifteen percent of the current fiscal year's transfers  
13 specified in subsection (2) of this section; except that moneys  
14 appropriated for purposes authorized by article 75 of title 37, C.R.S., AND  
15 MONEYS APPROPRIATED PURSUANT TO PARAGRAPH (e) OF SUBSECTION (1)  
16 OF THIS SECTION shall not be considered in establishing the reserve.  
17 Moneys may be transferred from the reserve to offset temporary revenue  
18 reductions in the programs specified in subsection (1) of this section and  
19 to offset reductions for programs specified in subsection (2) of this  
20 section, up to any proportional reduction in funding that occurred by  
21 operation of subsection (4) of this section; except that, if the general  
22 assembly determines that transfers of moneys from the reserve are needed  
23 during a state revenue crisis, the transfers shall be a loan from the reserve  
24 to be repaid as soon as moneys are available. This provision is intended  
25 to mitigate the impact of fluctuations in the amount of revenue credited  
26 to the fund from year to year so as to maintain current levels of service for  
27 the programs specified in subsection (1) of this section.

1           **SECTION 3. Appropriation.** (1) In addition to any other  
2 appropriation, there is hereby appropriated, out of any moneys in the  
3 operational account of the severance tax trust fund, established pursuant  
4 to section 39-29-109 (1) (a) (II), Colorado Revised Statutes, not otherwise  
5 appropriated, to the department of natural resources, for the fiscal year  
6 beginning July 1, 2008, the following:

7           (a) For allocation to the division of parks and outdoor recreation,  
8 the sum of one million two hundred thirty-four thousand fifty-eight  
9 dollars (\$1,234,058) cash funds, or so much thereof as may be necessary,  
10 to operate, maintain, and improve state parks located in areas impacted by  
11 energy development.

12           (b) For allocation to the division of parks and outdoor recreation,  
13 the sum of seven hundred fifty thousand dollars (\$750,000) cash funds,  
14 or so much thereof as may be necessary, for the construction of a boat  
15 ramp at nighthorse reservoir. Said sum is for a capital construction  
16 project, shall not require the division to manage the boat ramp, and shall  
17 remain available until completion of the project or for a period of three  
18 years, whichever comes first, at which time any unencumbered balance  
19 shall revert to the operational account of the severance tax trust fund.

20           (c) For allocation to the division of wildlife, the sum of one million  
21 five hundred nineteen thousand nine hundred twenty-seven dollars  
22 (\$1,519,927) cash funds, or so much thereof as may be necessary, to  
23 monitor, manage, mitigate, and research the impacts of mineral or mineral  
24 fuel production activities on wildlife.

25           **SECTION 4. Appropriation.** (1) In addition to any other  
26 appropriation, there is hereby appropriated, out of any moneys in the  
27 operational account of the severance tax trust fund, established pursuant

1 to section 39-29-109 (2) (b), Colorado Revised Statutes, not otherwise  
2 appropriated, to the department of natural resources, for the fiscal year  
3 beginning July 1, 2008, the following:

4 (a) For allocation to the division of parks and outdoor recreation,  
5 the sum of one million two hundred thirty-four thousand fifty-eight  
6 dollars (\$1,234,058) cash funds, or so much thereof as may be necessary,  
7 to operate, maintain, and improve state parks located in areas impacted by  
8 energy development.

9 (b) For allocation to the division of parks and outdoor recreation,  
10 the sum of seven hundred fifty thousand dollars (\$750,000) cash funds,  
11 or so much thereof as may be necessary, for the construction of a boat  
12 ramp at nighthorse reservoir. Said sum is for a capital construction  
13 project, shall not require the division to manage the boat ramp, and shall  
14 remain available until completion of the project or for a period of three  
15 years, whichever comes first, at which time any unencumbered balance  
16 shall revert to the operational account of the severance tax trust fund.

17 (c) For allocation to the division of wildlife, the sum of one  
18 million five hundred nineteen thousand nine hundred twenty-seven  
19 dollars (\$1,519,927) cash funds, or so much thereof as may be necessary,  
20 to monitor, manage, mitigate, and research the impacts of mineral or  
21 mineral fuel production activities on wildlife.

22 **SECTION 5. Effective date.** (1) Sections 1 and 3 of this act  
23 shall not take effect if House Bill 08-1398 is enacted at the Second  
24 Regular Session of the Sixty-sixth General Assembly and becomes law.

25 (2) Sections 2 and 4 of this act shall take effect only if House Bill  
26 08-1398 is enacted at the Second Regular Session of the Sixty-sixth  
27 General Assembly and becomes law.

1           **SECTION 6. Safety clause.** The general assembly hereby finds,  
2 determines, and declares that this act is necessary for the immediate  
3 preservation of the public peace, health, and safety.