


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

Drafting Number: LLS 11-0499
Prime Sponsor(s): Rep. Becker
 Sen. Jahn

Date: June 10, 2011
Bill Status: Postponed Indefinitely
Fiscal Analyst: Lauren Ris (303-866-3264)

TITLE: CONCERNING ADDITIONAL REVENUES FOR WATER STORAGE PROJECTS.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Transfers or Diversions Transfer from the Wildlife Cash Fund to the CWCB Construction Fund	(\$5 million)	(\$5 million)
State Expenditures Federal Funds	(\$20 million)	(\$20 million)
FTE Position Change		
Effective Date: The bill was postponed indefinitely by the House Agriculture Committee on February 21, 2011.		
Appropriation Summary for FY 2011-2012: See State Appropriation section.		
Local Government Impact: None.		

Summary of Legislation

This bill transfers \$5 million per year for 10 years from the Wildlife Cash Fund to the Colorado Water Conservation Board (CWCB) Construction Fund. The bill specifies that the CWCB may only expend these revenues for water storage projects that will enhance, create, or preserve wildlife habitat or contribute to a wildlife restoration project, a fish restoration or management project, or the conservation of wildlife. The CWCB may only expend these revenues if the CWCB, in consultation with the Division of Wildlife (DOW), determines that doing so does not violate federal law.

Background

Federal law. The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act provide federal aid to states to manage and restore wildlife and fishery resources. The Pittman-Robertson aid is funded through a federal excise tax on sporting arms and ammunition, and may be used to support a variety of wildlife projects, including acquisition and improvement of wildlife habitat. The Dingell-Johnson aid is funded through a federal excise tax on

fishing equipment, and may be used for the management and restoration of fish. Both acts provide funding that may be used for up to 75 percent of a project's expenses. States are required to match the remaining 25 percent through non-federal sources. To be eligible for these federal funds, states must have laws prohibiting the diversion of license fees paid by hunters or anglers for any purpose other than the administration of the state's fish and game department. The U.S. Fish and Wildlife Service administers this aid to states through the Wildlife and Sport Fish Restoration Program. In 2010, DOW received over \$21 million from these sources.

State Transfers and Diversions

This bill authorizes a \$5 million transfer from the Wildlife Cash Fund to the CWCB Construction fund each year beginning July 1, 2011 through July 1, 2020 for a cumulative total of no more than \$50 million.

State Expenditures

The U.S. Fish and Wildlife Service states that this bill would constitute a diversion of license fees making DOW ineligible for federal aid. As a result, this bill will reduce federal funds by approximately \$20 million per year for 10 years, beginning in FY 2011-12.

State Appropriations

Assuming that the CWCB determines that expending the funds does not violate federal law, the Department of Natural Resources, CWCB, requires an appropriation of \$5 million from the CWCB Construction Fund.

Departments Contacted

Natural Resources