SB09-024

Colorado Legislative Council Staff Fiscal Note

STATE FISCAL IMPACT

Drafting Number:	LLS 09-0400	**Date:**	January 20, 2009
Prime Sponsor(s):	Sen. White Rep. Sonnenberg; Curry	**Bill Status:**	Senate Agriculture
		Fiscal Analyst:	David Porter (303-866-4375)

TITLE: CONCERNING RESPONSIBILITIES OF THE DIVISION OF WILDLIFE WITH RESPECT TO GAME DAMAGE ISSUES.

Fiscal Impact Summary	FY 2009-2010*	FY 2010-2011
State Revenue		
State Expenditures Cash Funds Division of Wildlife Cash Fund	 $2,119,786	 $2,527,105
FTE Position Change	1.7 FTE	2.0 FTE
Effective Date: August 4, 2009, if the General Assembly adjourns on May 6, 2009, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2009-2010: See State Appropriations section.		
Local Government Impact: None.		

** Costs in FY 2009-10 are for 10 months due to the effective date of the bill.*

Summary of Legislation

When wild game such as elk or deer cause damage to personal property, crops, fences, etc., landowners can submit a claim for damages to the Division of Wildlife (DOW) in the Department of Natural Resources. Currently, damages can be claimed if the landowner charges less than $100 per hunter per season. SB09-024 expands eligibility to landowners that meet both of the following criteria:

- the landowner charges less than $2,500 per hunter per season; and
- the landowner's total earnings from hunters are less than half of the earnings from the property.

Provided that the claim meets specified criteria, the state is liable for these damages.

This bill makes changes to the DOW's responsibilities with respect to game damage. The DOW must do the following:

- contact landowners within 48 hours and consult with the landowner within five business days of a complaint being filed;

- provide damage prevention materials, such as fences, within 15 days of receiving a written request or, if the 15-day deadline is not met, erect damage prevention materials; and
- pay damages that occur between the request of damage prevention materials and receipt or erection of damage prevention materials.

The bill also addresses DOW responsibilities regarding wildlife that is causing excessive damage to property.

State Expenditures

State expenditures under SB09-024 are approximately $2.1 million and 1.7 FTE in FY 2009-10 and $2.5 million and 2.0 FTE FY 2010-11. Expenditures are from the Division of Wildlife Cash Fund. All state expenditures are within the DOW and include costs associated with providing additional landowners with damage prevention materials and for paying out more for damage claims. Table 1 and the discussion afterwards provide greater detail on these two items.

Table 1. Expenditures under SB09-024

Cost Components	FY 2009-10	FY 2010-11
Payment of Damage Claims		
Damage Claims (842 at $2,375)	$1,143,958	$1,372,750
Provision of Additional Damage Prevention Materials		
Personal Services	$80,457	$94,655
FTE	*1.7*	*2.0*
Operating Expenses and Capital Outlay	13,871	1,900
Preventative Materials	820,500	984,600
Program Operating Expenses	41,667	50,000
Material Delivery Costs	19,333	23,200
TOTAL	**$2,119,786**	**$2,527,105**

Costs in this fiscal note stem from the fact that the bill makes more landowners eligible to receive damage claims. Applying past game damage claim trends to the estimated number of landowners that become eligible under this bill, it is estimated that the cost of damage claims will more than triple. Expanding the number of landowners eligible for damage claims also increases the number of landowners that will be supplied damage prevention materials.

Damage Claims. Over the past three fiscal years, the DOW has settled an average of 264 claims with an average payment of $2,375. If this bill triples the number of claims settled by the DOW, a total of 578 new claims will be settled for $1,143,958 annually.

Provision of Additional Damage Prevention Materials. Currently, the DOW supplies damage prevention materials (often fences) to 180 landowners annually. To avert game damage claims for a larger group of landowners, the DOW will need to supply damage prevention materials to approximately 360 additional landowners. The following explain the costs identified in Table 1 for FY 2009-10:

- *Personal Services* – Two technicians will work with landowners to determine the specifications for the damage prevention materials and then order and deliver the materials.
- *Operating Expenses and Capital Outlay* – General office supplies and telephone costs are provided annually. A computer and desk are provided in the first year.
- *Preventative Materials* – Preventative materials are delivered to landowners to mitigate game damage. Most commonly, fences are used for game damage prevention. The cost estimate is based on 360 landowners with an average request of $2,735.
- *Program Operating Expenses* – The program operating expenses include per diem, payments to crop adjusters, and field supplies.
- *Material Delivery Costs* – Materials are delivered by truck. This cost includes vehicle lease and mileage.

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 2.

Table 2. Expenditures Not Included under SB09-024*

Cost Components	FY 2009-10	FY 2010-11
Employee Insurance (Health, Life, Dental, and Short-term Disability)	$11,638	$13,692
Supplemental Employee Retirement Payments	2,343	3,520
TOTAL	**$13,981**	**$17,212**

**More information is available at: http://www.state.co.us/gov_dir/leg_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf*

State Appropriations

For FY 2009-10, this fiscal note indicates the Department of Natural Resources, Division of Wildlife, requires an appropriation of $2,119,786 and 1.7 FTE from the Division of Wildlife Cash Fund.

Departments Contacted

Natural Resources