

**STATE
FISCAL IMPACT**

Drafting Number: LLS 10-0589
Prime Sponsor(s): Sen. Morse
 Rep. Riesberg

Date: February 2, 2010
Bill Status: Senate Agriculture
Fiscal Analyst: Lauren Ris (303-866-3264)

TITLE: CONCERNING CREATION OF A LIFETIME PASS TO STATE PARKS AND RECREATION AREAS THAT SHALL BE AVAILABLE FOR PURCHASE BY COLORADO RESIDENTS WHO ARE OF ELIGIBLE AGE.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
Cash Funds		
Parks and Outdoor Recreation Cash Fund	\$383,600 to \$438,360	\$308,760 to \$416,490
State Expenditures		
Cash Funds		
Parks and Outdoor Recreation Cash Fund	\$8,800	
FTE Position Change		
Effective Date: August 11, 2010, assuming the General Assembly adjourns May 12, 2010, as scheduled and no referendum petition is filed.		
Appropriations Summary for FY 2010-11: See State Appropriations.		
Local Government Impact: None.		

Summary of Legislation

This bill creates an Aspen Leaf Lifetime Pass to Colorado State Parks for residents that meet the age requirement for the existing Aspen Leaf Annual Pass, which is currently 64 years or older. The price of the lifetime pass will be set by the Colorado State Parks Board but cannot exceed \$150. Current laws regarding the use, display, and suspension of the Aspen Leaf Annual Pass will apply to the Aspen Leaf Lifetime Pass.

Background

The Aspen Leaf Annual Pass (annual pass), originally established by Senate Bill 84-078, is available for all Colorado residents who meet the age eligibility requirements determined by the Colorado State Parks Board. The board was given the authority to set pass fees by rule and determine the age of eligibility for the pass in 2003, when it raised the age threshold from 62 to 64 years or older. The sales and revenue for the annual pass for the last three years is presented in Table 1.

Table 1. Historical Aspen Leaf Annual Pass Sales			
Fiscal Year	Passes Sold	Pass Price	Pass Revenue
FY 2008-09	19,461	\$30	\$583,832
FY 2007-08	17,948	\$30	\$538,428
FY 2006-07	17,385	\$27	\$469,402
Average	18,266		\$530,554

State Revenue

The bill will increase state revenue from fees in the short term, but may reduce collections over time. The actual revenue impact is dependant upon the price the board sets for the lifetime pass and the number of eligible residents that purchase a pass. Tables 2 and 3 show an estimated three-year impact on revenues based on two different price points, assuming there is no change in the total number of passes sold (18,266 per year). Table 2 shows revenue estimates if 30 percent of the residents who buy annual passes opt for a \$100 lifetime pass the first year it is available, and 10 percent opt for a lifetime pass each year thereafter. Table 3 shows revenue estimates if 20 percent of the residents who buy annual passes opt for a \$150 lifetime pass the first year it is available and 5 percent opt for a lifetime pass each year thereafter. The cumulative net impact assumes that \$547,980 in revenue would be generated from the sale of 18,266 annual passes alone.

Table 2. Estimated Sales and Revenue \$100 Lifetime Pass					
Fiscal Year	Percent Participation	Lifetime Pass Sales (\$100)	Annual Pass Sales (\$30)	Total Revenue	Cumulative Net Impact
FY 2010-11	30%	5,480	12,786	931,580	383,600
FY 2011-12	10%	1,279	11,508	473,140	308,760
FY 2012-13	10%	1,151	10,357	425,810	186,590

Table 3. Estimated Sales and Revenue \$150 Lifetime Pass					
Fiscal Year	Percent Participation	Lifetime Pass Sales (\$150)	Annual Pass Sales (\$30)	Total Revenue	Cumulative Net Impact
FY 2010-11	20%	3,653	14,613	986,340	438,360
FY 2011-12	5%	731	13,882	526,110	416,490
FY 2012-13	5%	694	13,188	499,740	368,250

Expenditures

The primary expenditure for the creation of a lifetime Aspen Leaf Pass will be windshield stickers for pass holders to display in their vehicle. State Parks will require \$8,800 to purchase 14,665 windshield stickers, which would last up to five years, assuming that average annual pass sales do not exceed 2,900. Windshield stickers are approximately \$0.60 per sticker, but can vary depending on the volume purchased. There will also be some marginal administrative costs associated with marketing and updating outreach materials, however this fiscal note assumes that these costs can be absorbed with existing resources.

State Appropriations

The Department of Natural Resources requires an appropriation of \$8,800 from the Parks and Outdoor Recreation Cash Fund for FY 2010-11.

Departments Contacted

Department of Natural Resources