



Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 10-0848
Prime Sponsor(s): Rep. Lambert
 Sen. White

Date: February 9, 2010
Bill Status: House Appropriations
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING THE TRANSFER OF INTEREST EARNED BY CERTAIN SETTLEMENT MONEYS IN THE NATURAL RESOURCE DAMAGE RECOVERY FUND.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011	FY 2011-2012
State Revenue			
State Transfers or Diversions Transfer from the Natural Resource Recovery Fund to the:			
Hazardous Substance Response Fund and General Fund	(\$249,030) (150,970)	(\$258,560) (156,464)	(\$258,560) (156,464)
State Expenditures*			
FTE Position Change			
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.			
Appropriation Summary for FY 2010-2011: None required.			
Local Government Impact: None.			

**See State Expenditures section of fiscal note.*

Summary of Legislation

This bill is recommended by the JBC. Beginning in FY 2009-10, it transfers 62.3 percent of the interest earned on certain settlement moneys in the Natural Resource Damage Recovery Fund to the Hazardous Substance Response Fund annually until a total of \$1.7 million has been transferred. The remaining 37.7 percent of the interest is transferred to the General Fund annually until a total of \$1.0 million has been transferred. The source of the transfers is the interest earned on \$17.4 million that Colorado received in the settlement with Shell Oil Company and the U.S. Army for natural resources damages at the Rocky Mountain Arsenal. The bill is repealed July 1, 2017.

State Transfers or Diversions

Over 7 years, the bill will transfer \$2.7 million from the Natural Resource Recovery Fund to the Hazardous Substance Response Fund and the General Fund to repay litigation costs incurred in the lawsuit against Shell Oil and the U.S. Army. The fiscal note assumes a 2.38 percent interest rate will yield a total transfer of \$415,024 annually beginning in FY 2010-11. The transfer for FY 2009-10 is estimated at \$400,000.

State Expenditures

Although the bill transfers moneys to augment both the General Fund and the Hazardous Substance Response Fund, no new expenditures result from this bill. Moneys transferred to the General Fund are available for appropriations in FY 2010-11 and thereafter. For FY 2009-10, the transferred moneys are appropriated in the actual supplemental budget bills.

The ongoing transfers in HB10-1325 to the Hazardous Substance Response Fund will offset, to a degree, transfers from that fund to the General Fund that totaled \$32.5 million in over the past 2 fiscal years.

Departments Contacted

Joint Budget Committee

Public Health and Environment