

Drafting Number: LLS 11-0114 **Date:** February 10, 2011 **Prime Sponsor(s):** Sen. Schwartz **Bill Status:** Senate Agriculture

Rep. Baumgardner Fiscal Analyst: Lauren Ris (303-866-3264)

TITLE:

CONCERNING THE CONTINUATION OF THE ISSUANCE OF PERMITS FOR WEATHER MODIFICATION OPERATIONS, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE SUNSET REVIEW RECOMMENDATIONS OF THE

DEPARTMENT OF REGULATORY AGENCIES.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue Cash Funds		***
CWCB Construction Fund		up to \$25,000
State Expenditures Cash Funds		
CWCB Construction Fund		up to \$25,000
FTE Position Change		

Effective Date: Upon signature of the Governor, or upon becoming law without his signature.

Appropriation Summary for FY 2011-2012: None required.

Local Government Impact: None.

Summary of Legislation

This sunset review bill, recommended by the Senate Agriculture and Natural Resources Committee, extends the repeal date of the "Weather Modification Act of 1972" from July 1, 2011, to September 1, 2020. The bill also requires the executive director of the Department of Natural Resources (DNR) to ensure that all rules related to weather modification are updated by June 30, 2012. The Colorado Water Conservation Board (CWCB) in the DNR administers the Weather Modification Program, which includes issuing permits, monitoring weather modification activities, and keeping the public informed about weather modification activities.

Fiscal Impact of Programs Set to Expire. The bill continues a program in the DNR that is set to repeal, effective July 1, 2011. Under current law, state agencies may be appropriated funds to wind-up the affairs of an expiring program for 12 months following the repeal date. To account for this wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2012-13, 1 year after the repeal date. There is no need for an appropriation in FY 2011-12 since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request for FY 2011-12.

Background

Two weather modification techniques are utilized in Colorado: ground-based wintertime cloud seeding and hail cannons. Cloud seeding involves attempting to increase the nuclei, or seeds, in the cloud in order to increase precipitation and augment snowpack. There are currently 8 active permits for cloud seeding in Colorado. Hail cannons attempt to disrupt hail formation so that the precipitation falls as rain rather than as hail. There is currently 1 hail cannon permit for an operation in the San Luis Valley.

State Revenue and Expenditures

Weather modification permitting is funded through 2 permitting fees: an application fee and a commercial fee. The application fee is \$100 and the commercial fee is calculated as 2 percent of the value of the contract between the project sponsor and the operator. Both fees are credited to the CWCB Construction Fund and are used to cover the direct costs of reviewing permit applications, holding public hearings, and monitoring permitted weather modification operations. Permits for cloud seeding operations are issued for 5 years. They may then be renewed for 1 additional 5-year period. All subsequent renewals may be issued for 10 years. Permits for hail cannons are valid for 1 year.

Under current law, the program receives continuous spending authority of up to \$25,000 through FY 2011-12. However, expenditures are dependent on the amount the program collects in fees. This fiscal note assumes that the program will receive the same spending authority for FY 2012-13.

Departments Contacted

Natural Resources