

  
*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**FISCAL IMPACT**

<b>Drafting Number:</b> LLS 12-0130	<b>Date:</b> January 19, 2012
<b>Prime Sponsor(s):</b> Sen. Hodge Rep. Swerdfeger	<b>Bill Status:</b> Senate Agriculture <b>Fiscal Analyst:</b> Alex Schatz (303-866-4375)

**TITLE:** CONCERNING THE CONSOLIDATION OF CASH FUNDS ADMINISTERED BY THE DIVISION OF WATER RESOURCES.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
<b>State Revenue</b>		
Cash Funds		
Water Resources Cash Fund	\$ 155,577	No net change  See State Revenue and Expenditures section
Water Data Bank Cash Fund*	(12,625)	
Div. of Water Resources Publication Cash Fund*	(5,334)	
Div. of Water Resources Groundwater Management Cash Fund*	(50,889)	
Groundwater Publication Fund*	(28,673)	
Gravel Pit Lakes Augmentation Fund*	(45,718)	
Well Enforcement Cash Fund*	(12,338)	
<b>State Expenditures</b>		
Cash Funds		
Water Resources Cash Fund	See State Revenue and Expenditures section	
<b>FTE Position Change</b>		
<b>Effective Date:</b> July 1, 2012.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> None.		

\* The six cash funds eliminated under SB12-009 will cease to collect state revenue as of July 1, 2012. Revenue previously collected into these individual funds will thereafter be collected by the Water Resources Cash Fund.

**Summary of Legislation**

This bill was recommended by the Water Resources Review Committee during the 2011 interim.

The bill creates the water resources cash fund, intended primarily for administrative uses by the Division of Water Resources (DWR) in the Department of Natural Resources (DNR). The bill consolidates into the water resources cash fund six existing cash funds—the Water Data Bank Cash Fund, the Division of Water Resources Publication Cash Fund, the Division of Water Resources Groundwater Management Cash Fund, the Groundwater Publication Fund, the Gravel Pit Lakes Augmentation Fund, and the Well Enforcement Cash Fund—eliminating those existing cash funds.

**State Revenue and Expenditures**

The bill is assessed as having minimal fiscal impact.

There is no net change to state revenue. On July 1, 2012, the bill results in approximately \$156,000 of fund balance from cash funds discontinued by the bill to be transferred into the Water Resources Cash Fund. For FY 2012-13 and future fiscal years, approximately \$323,000 in on-going combined revenue from current fees and funding sources will flow to the Water Resources Cash Fund.

DWR will adjust its budgeting and accounting practices to reflect the streamlined organization of its cash funds. Set up of the new cash fund, along with discontinuation and balance transfer from obsolete funds, will require a one-time effort by DNR budget staff and the Office of the State Controller in the Department of Personnel and Administration. Administrative tasks to implement the bill will be accomplished within existing resources.

On-going fiscal effects of the bill include reduction in the number of cash fund reports that must be produced by DNR and reviewed within the executive branch, and greater efficiency and flexibility in the allocation of DWR resources. Savings cannot be quantified but are expected to offset any costs to implement the bill.

**Departments Contacted**

Law      Natural Resources      Personnel and Administration      Treasury