

STATE
CONDITIONAL FISCAL IMPACT

Drafting Number: LLS 12-0831

Date: April 30, 2012

Prime Sponsor(s): Rep. Gerou
Sen. Hodge

Bill Status: House Appropriations
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING THE TRANSFER OF THE GEOLOGICAL SURVEY TO THE COLORADO SCHOOL OF MINES.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Transfers Transfer from the Department of Natural Resources to the Colorado School of Mines	(up to \$2.4 million)	(up to \$4.8 million)
State Expenditures* Department of Natural Resources Colorado School of Mines	(up to \$2.4 million) up to \$2.4 million	(up to \$4.8 million) up to \$4.8 million
FTE Position Change Department of Natural Resources Colorado School of Mines	(up to 36.1 FTE) up to 36.1 FTE	(up to 36.1 FTE) up to 36.1 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: None required. See State Appropriations section.		
Local Government Impact: None.		

* FY 2012-13 is a one-half year impact. All changes for state expenditures and FTE are estimates only, and conditioned on the ability of the Department of Natural Resources and the Colorado School of Mines to successfully negotiate a final transfer in a Memorandum of Understanding. Actual appropriations and FTE may vary from these amounts.

Summary of Legislation

This bill transfers the powers, duties, and functions of the Colorado Geological Survey and the Office of the State Geologist from the Department of Natural Resources (DNR) to the Colorado School of Mines (Mines). The transfer occurs on January 1, 2013, providing the president of the university and the executive director of the DNR enter into a memorandum of understanding (MOU) concerning the transfer. The MOU must address the:

- functions and objectives of the geological survey;
- transfer of employees;
- transfer of real and personal property;
- existing contracts of the DNR; and
- existing appropriations allocated to the Geological Survey Cash Fund.

The revisor of statutes in the Office of Legislative Legal Services is authorized to change all references to the Colorado Geological Survey to synchronize statutes with this transfer. If the DNR and Mines do not enter into a MOU by December 1, 2012, the transfer will not occur.

State Revenue and Expenditures

The Colorado Geological Survey receives funding from the Operational Account of the Severance Tax Trust Fund and from fees for geological services paid by local governments and state agencies. Fees are deposited in the Geological Survey Cash Fund. In FY 2011-12, the DNR received approximately \$4.8 million and 36.1 FTE in state appropriations and fee revenue. Depending on the conditions of the MOU, some or all of this revenue and cost will be transferred to Mines; however, the actual details are conditioned on the details the agencies reach in a final agreement. Assuming the agencies successfully reach a MOU by December 31, 2012, the required appropriation adjustment will be made during the FY 2012-13 supplemental appropriation process.

State Appropriations

The bill does not require an appropriation clause. Since the outcome of the negotiation is unknown, any appropriation change must be addressed during the FY 2012-13 supplemental appropriation process.

Departments Contacted

Higher Education

Natural Resources