

**JBC STAFF REVISED FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE COLORADO CONSERVATION AND RECREATION FUND, AND, IN CONNECTION THEREWITH, CREATING THE COLORADO CONSERVATION LICENSE PLATE.

Prime Sponsors: Sens. Shaffer B. and Brophy  
Representative Becker

JBC Analyst: David Meng  
Phone: 303-866-2061  
Date Prepared: May 1, 2012

**Summary of Amendments Made to the Bill After the 04/25/12 Legislative Council Staff Fiscal Note Was Prepared**

None.

**JBC Staff Concurrence with Legislative Council Staff Fiscal Note**

**Concurs \***       **Does Not Concur**       **Updated Analysis**

\* The Legislative Council Staff Fiscal Note applies a rate of \$76.71 per hour for legal services, rather than the \$75.71 per hour blended rate for FY 2011-12. Using the correct legal rate, the General Fund appropriation required by this bill is \$22,713.

**Amendments/Appropriation Status**

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating the following amounts for FY 2012-13:

- \$22,713 General Fund to the Department of Agriculture for the purchase of legal services from the Department of Law;
- \$22,713 reappropriated funds from the Department of Agriculture to the Department of Law for the provision of legal services to the Department of Agriculture;
- \$68,080 cash funds from the Colorado State Titling and Registration Account of the Highway Users Tax Fund to the Department of Revenue for the purchase of computer center services from the Governor's Office of Information Technology;
- \$68,080 reappropriated funds from the Department of Revenue to the Governor's Office of Information Technology for the provision of computer center services to the Department of Revenue; and,
- \$592 cash funds from the License Plate Cash Fund to the Department of Revenue for the purchase of license plates from Correctional Industries.

**If amendment L.002 is adopted, J.001 should not be adopted.**

**Bill Sponsor Amendments**

Sponsor amendment **L.002** (attached): (1) strikes Section 1 of the printed bill, which created the Colorado Conservation and Recreation Fund and Program as an enterprise. The bill directed the Program to build a conservation and recreation center at Bonny Lake and to use any remaining moneys for similar programs, gave the Program bonding authority, the authority to enter into business relationships with nonprofit entities, and exercise powers necessary for an enterprise; (2) authorizes the issuance of the Colorado Conservation License Plate to a person who donates \$50 to the Three Rivers Alliance; (3) exempts the purchaser of the License Plate from having to pay two \$25 fees for special license plates that are credited to the Highway Users Tax Fund and the Licensing Services Cash Fund; and (4) requires the Three Rivers Alliance, or its successor, to file an annual statement that verifies that it is a nonprofit organization.

Amendment L.002 has the following fiscal impacts.

<b>Fiscal Impact Summary of Amendment L.002</b>				
	<b>FY 2012-13</b>		<b>FY 2013-14</b>	
	<b>Introduced Bill</b>	<b>Amendment L.002</b>	<b>Introduced Bill</b>	<b>Amendment L.002</b>
<b>License Plates Issued</b>	100	1,000	200	2,000
<b>State Revenue</b>				
Cash Funds	<u>\$20,592</u>	<u>\$5,920</u>	<u>\$41,184</u>	<u>\$11,840</u>
Licensing Services Cash Fund	2,500	0	5,000	0
Highway Users Tax Fund	2,500	0	5,000	0
License Plate Cash Fund	592	5,920	1,184	11,840
Colorado Conservation and Recreation Fund	15,000	0	30,000	0
State Highway Fund	1,625	0	3,250	0
<b>Non-State Revenues</b>				
Three Rivers Alliance	\$0	\$50,000	\$0	\$100,000
<b>State Expenditures</b>	\$91,685	\$8,880	\$14,608	\$11,840
General Fund	23,013	0	13,424	0
Cash Fund				
License Plate Cash Fund	592	5,920	1,184	11,840
Colorado State Titling and Registration Account	68,080	2,960	0	0
<b>FTE Position Change</b>	0.2	0.0	0.1	0.0

### State Revenues

The increase in state revenues will change because the required donation of \$50 will be made to the Three Rivers Alliance and not to the Colorado Conservation and Recreation Fund, and the amendment exempts purchasers of this special license plate from paying the additional fees required for special license plate issuance, which go to the Highway Users Tax Fund and the Licensing Services Cash Fund.

The extra cost of the special license plate has been reduced from \$200 to \$50 and it is assumed that there will be increased interest in purchasing the license plate because of that reduction in price. In the analysis for the introduced bill, the Department of Revenue estimated the sale of 100 plates in FY 2012-13 and 200 in FY 2013-14. Staff has adjusted its estimate of sales of the special license plates to be more in line with standard estimates of license plate sales. Staff now estimates that sales will be about 3,000 over the first two fiscal years of issuance, with 1,000 in FY 2012-13 and 2,000 in FY 2013-14. This differs slightly from the Legislative Council Staff Memorandum on the amendment that estimates sales of 3,000 in FY 2012-13 and 500 in FY 2013-14.

The Three Rivers Alliance is project to collect \$50,000 in FY 2012-13 and \$100,000 in FY 2013-14.

### Appropriations

Appropriations will be reduced because the Department of Agriculture no longer requires assistance from the Department of Law for the issuance of bonds, and the costs of programming the Department of Revenue's computer systems is reduced to that of a standard license plate bill. The required appropriation for the purchase of license plates from Correctional Industries in the Department of Corrections remains unchanged.

Staff has prepared Amendment **J.002** to appropriate \$2,960 cash funds from the Colorado State Titling and Registration Account of the Highway Users Tax Fund for FY 2012-13 to the Department of Revenue for the purchase of computer center services from the Governor's Office of Information Technology. These moneys are reappropriated to the Governor's Office of Information Technology in FY 2012-13 for the provision of programming services to the Department of Revenue. The amendment also appropriates \$5,920 cash funds from the License Plate Cash Fund to the Department of Revenue for the purchase of license plates from Correctional Industries in the Department of Corrections.

**If Amendment L.002 is adopted, J.002 should be adopted and J.001 should not be adopted.**

**Points to Consider**

1. The Joint Budget Committee introduced a balanced budget package for FY 2012-13 based on the March 2012 Office of State Planning and Budgeting forecast. Based on 2012 legislation enacted to date, the FY 2012-13 Long Bill as sent to the Governor, and appropriations included in other budget package bills, the budget appropriates all but approximately \$100,000 of General Fund revenues projected to be available, less a statutorily required four percent General Fund reserve. This bill requires a General Fund appropriation of \$22,713 for FY 2012-13.
2. Special license plate bills normally require an appropriation of \$2,960 cash funds from the CSTAR Account for computer programming services. This bill, because it requires the Department of Revenue to collect and distribute funds to the Colorado Conservation and Recreation Fund, requires additional programming services. Whereas the regular special license plate bill requires 40 hours of programming, this bill requires a total of 920 hours of programming at a cost of \$68,080.
3. This bill requires an appropriation from the CSTAR Account of \$68,080, which is not offset by revenues generated by this bill.

*Amendment L.002 address all of the points above.*