


Colorado Legislative Council Staff Fiscal Note
STATE
REVISED FISCAL IMPACT
(replaces fiscal note dated March 19, 2013)

Drafting Number: LLS 13-0737	Date: April 12, 2013
Prime Sponsor(s): Sen. Jones Rep. Singer	Bill Status: Senate Second Reading Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING ADDITIONAL INSPECTIONS OF OIL AND GAS FACILITIES.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures		See State Expenditures section.
Cash Funds		
Oil and Gas Conservation and Environmental Response Fund	\$100,000	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

As amended by the Senate Appropriations Committee, this bill requires the Colorado Oil and Gas Conservation Commission (COGCC) in the Department of Natural Resources (DNR) to report to the Joint Budget Committee and House and Senate committees of reference with jurisdiction over energy by February 1, 2014, on utilizing a risk-based strategy for inspecting oil and gas locations that targets operational phases that are most likely to experience spills, excess emissions, and other types of violations. The report is to include findings, recommendations, and a plan, including staffing and equipment needs for implementing the strategy. The bill requires implementation of a strategy by July 1, 2014, which may include a pilot project to test the strategy. The reporting requirement is repealed September 1, 2014.

State Expenditures

This bill is expected to increase expenditures by \$100,000 in FY 2013-14 from the Oil and Gas Conservation and Environmental Response Fund. These expenditures are for the COGCC to contract for preparing the report required by the bill.

Because the report will make recommendations on the resources required to implement a risk-based strategy, expenditures for FY 2014-15 cannot be estimated at this time.

State Appropriations

For FY 2013-14, the COGCC requires an appropriation of \$100,000 from the Oil and Gas Conservation and Environmental Response Fund.

Departments Contacted

Counties

Local Affairs

Municipalities

Natural Resources