



**Colorado
Legislative
Council
Staff**

SB16-200

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-1264
Prime Sponsor(s): Sen. Sonnenberg
Rep. Vigil

Date: May 3, 2016
Bill Status: Senate Agriculture
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: CREATE DIRECTOR WATER PROJECT PERMIT COORDINATION

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue	<u>\$0</u>	<u>\$0</u>
<i>State Transfers</i>		
General Fund	(72,466)	(78,525)
Cash Funds	(72,466)	(78,525)
Water Permitting Coordination Cash Fund	144,932	157,050
State Expenditures	<u>\$144,932</u>	<u>\$157,050</u>
Cash Funds	128,895	139,112
Centrally Appropriated Costs	16,037	17,938
FTE Position Change	0.9 FTE	1.0 FTE
Appropriation Required: \$128,895 - Governor's Office (FY 2016-17).		
Future Year Impacts: Ongoing expenditure increase.		

Summary of Legislation

This bill creates the position of Director of Water Project Permitting in the Governor's Office to coordinate the federal, state, and local government permitting of:

- raw water diversion, storage, or delivery projects, including associated hydroelectric facilities and both consumptive and nonconsumptive uses of water; and
- water projects that are either assessed a water quality certification fee or are eligible for financing from the Colorado Water Conservation Board (CWCB) Construction Fund.

The direct and indirect costs of the position are funded from the newly created Water Permitting Coordination Fund, which consists of equal amounts of money transferred from the Water Quality Certification Sector Fund in the Colorado Department of Public Health and Environment (CDPHE) and the CWCB Construction Fund in the Department of Natural Resources.

By January 1, 2017, the Water Quality Control Division in the CDPHE and the CWCB must establish one or more specific points of contact and lines of communication with the Director of Water Project Permitting.

State Revenue

This bill requires a transfer each July 1 from the Water Quality Certification Sector Fund and the CWCB Construction Fund to the Water Permitting Coordination Fund. The total transfer is estimated to be \$144,932 in FY 2016-17 and \$157,050 for FY 2017-18. Because the Water Quality Certification Sector Fund does not have sufficient funds available for the transfer, a transfer of \$72,466 from the General Fund is required in FY 2016-17 and \$78,525 in FY 2017-18.

State Expenditures

This bill is expected to increase state expenditures by \$144,932 and 0.9 FTE in FY 2016-17 and \$157,050 and 1.0 FTE in FY 2017-18 from the Water Permitting Coordination Fund in the Governor's Office. The costs are shown in Table 1 and explained below.

Table 1. Expenditures Under SB16-200		
Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$100,504	\$109,642
FTE	0.9 FTE	1.0 FTE
Operating Expenses and Capital Outlay Costs	5,558	950
Travel	22,833	28,520
Centrally Appropriated Costs*	16,037	17,938
TOTAL	\$144,932	\$157,050

* Centrally appropriated costs are not included in the bill's appropriation.

The Governor's Office will add 1.0 FTE of a Professional Engineer IV to serve as the Director of Water Project Permitting. This director will travel to Washington, D.C. approximately 20 times per year to coordinate federal permitting and around the state as necessary to coordinate with state and local officials. Expenditures for FY 2016-17 are prorated to account for the August effective date.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under SB16-200		
Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$7,437	\$8,114
Supplemental Employee Retirement Payments	8,600	9,824
TOTAL	\$16,037	\$17,938

Technical Note

The August 10, 2016, effective date in the bill precludes a July 1, 2016, transfer. The fiscal note assumes that the transfer will be made when the bill becomes effective.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2016-17, the Governor's Office requires an appropriation of \$128,895 from the Water Permitting Coordination Fund and an allocation of 0.9 FTE.

State and Local Government Contacts

Governor's Office Natural Resources Public Health and Environment