



**Colorado
Legislative
Council
Staff**

HB17-1321

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 17-1088 **Date:** June 14, 2017
Prime Sponsor(s): Rep. Arndt; Wilson **Bill Status:** Postponed Indefinitely
 Sen. Coram; Fenberg **Fiscal Analyst:** Clare Pramuk (303-866-2677)

BILL TOPIC: PARKS & WILDLIFE FINANCIAL SUSTAINABILITY

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue	<u>up to \$8,318,218</u>	<u>up to \$12,377,556</u>
Cash Funds	up to 8,318,218	up to 12,377,556
State Expenditures	<u>up to \$54,200</u>	<u>up to \$54,200</u>
Cash Funds	up to 54,200	up to 54,200
Appropriation Required: None.		
Future Year Impacts: Ongoing revenue, expenditure, and workload increase.		

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill increases the limit for fees set in rule by the Parks and Wildlife Commission. The amount of increase for park fees and resident hunting license fees is limited to one half of the difference between the current fee and the new fee limit until January 1, 2020. The commission is authorized to apply an inflation adjustment to a fee that is set at a maximum allowable amount. Before January 1, 2020, any real property interest acquisition made through the use of revenue generated from increased license fees under this bill, must emphasize the acquisition of easements and ensure that all other avenues have been pursued before fee simple acquisition.

Beginning September 1, 2018, the Parks and Wildlife Division in the Department of Natural Resources is required to report annually to the General Assembly and the public on the status and impact of the fee increases. By December 31, 2018, the division is required to report on the use of division-managed lands by nonconsumptive users and to make recommendations on how those users can help cover the cost of maintaining those lands.

The bill makes the following changes to penalties for violations of parks and wildlife laws:

- increases the penalty for certain wildlife violations to twice the cost of the most expensive license for the affected species;

- increases the fine for the unlawful transportation, importation, exportation, and release of wildlife from \$50 to \$150;
- creates a new misdemeanor for hunting and angling without a license, subject to a fine and assessment of 10 license suspension points;
- creates a misdemeanor offense for engaging in a regulated activity without the required permit, pass or sticker;
- creates a class 2 petty offense for operating a vessel without an aquatic nuisance species sticker after January 1, 2018;
- increases the fine for a violation of a non-specific penalty from a petty offense to an unclassified misdemeanor, and raises the fine from \$50 to \$100;
- after the General Fund has been credited with \$214,175 for wildlife violation fines and \$6,250 for park violation fines, the additional fine revenue will be credited to the Wildlife Cash Fund;
- increases the age at which a fishing license is required from 16 to 18; and
- requires the commission to consider discounted licenses or license combinations for wildlife management or hunting and fishing recruitment purposes.

Among its other changes, the bill:

- creates an aquatic nuisance sticker and sets fees based on type of vessel;
- increases the surcharge for wildlife public education from \$.75 to \$1.50 and exempts the youth small game hunting license from the surcharge;
- allows the commission to apply the consumer price index to adjust the surcharge above \$1.50;
- increases the \$5.00 fee cap for replacement of a lost or destroyed pass or registration to a maximum of \$25; and
- allows the division to grant up to 25 percent of the sale of state migratory waterfowl stamps for implementation of the North American Waterfowl Plan.

Comparable Crime

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. The division issues over 11,000 citations annually. This bill changes several petty offenses to misdemeanors and creates two new unclassified misdemeanors. All of these offenses are subject to fines but no period of incarceration. Demographic data are not available for these offenses.

State Revenue

This bill increases revenue by up to \$8.3 million in FY 2017-18 and up to \$12.4 million in FY 2018-19 to the General Fund, a number of cash funds in the Division of Parks and Wildlife, and one cash fund in the Department of Local Affairs.

Assumptions. The division has identified a projected budget shortfall of \$22 million by FY 2022-23 of which \$14 million is for the Wildlife Cash Fund and \$8 million is for the Parks and Outdoor Recreation Cash Fund. Increases in fee revenue are assumed to address those future budgetary requirements and to be implemented incrementally. Some fee increases will be implemented during FY 2017-18. A full year of increased revenue will not occur until FY 2018-19.

Fee impact on individuals and families. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. While some of these fee amounts are set in the bill, other fee amounts are estimates only. Actual fee calculations will be set administratively by Parks and Wildlife Commission based on cash fund balance, estimated program costs, and the estimated number of consumers. Table 1 below identifies the fee impact of this bill.

Table 1. Fee Impact on Individuals and Families		
Type of Fees	FY 2017-2018	FY 2018-2019
Wildlife Fees	\$974,664	\$3,654,989
Parks Fees	877,554	2,256,567
Fines - Cash Funds	550,000	550,000
Wildlife Management Public Education Fund	916,000	916,000
Aquatic nuisance sticker	up to 5,000,000	up to 5,000,000
TOTALS	up to \$8,318,218	up to 12,377,556

Wildlife fees. The bill allows the commission to increase fees for hunting and fishing licenses, so the actual fee increases are not created by this bill. To reach the \$14 million annual increase by FY 2022-23, the division will need an overall increase in revenue of 16 percent. A 4.0 percent increase in licensing fees in FY 2017-18 will increase revenue by \$974,664 if only the licenses shown in Table 2 are subject to fee increases. Table 3 shows a 15 percent increase for the same licenses for FY 2018-19 which will increase revenue by \$3,654,989 to the Wildlife Cash Fund.

Table 2. Wildlife Fee Impact on Individuals and Families - FY 2017-18					
	Current	Proposed	Fee	Number	Total Fee
Fishing - Annual	26.00	27.04	1.04	239,653	249,239
Fishing - Annual (Sr.)	1.00	1.04	0.04	67,402	2,696
Fishing - 1 day	9.00	9.36	0.36	441,860	159,070
Turkey	20.00	20.80	0.80	24,977	19,982
Fishing-Small Game Combo	40.00	41.60	1.60	83,590	133,744
Pronghorn/Bear/Deer	30.00	31.20	1.20	94,750	113,700
Elk	45.00	46.80	1.80	158,179	284,722
Goats/Moose	250.00	260.00	10.00	782	7,820
Mountain Lion	40.00	41.60	1.60	2,307	3,691
				TOTAL	\$974,664

Table 3. Wildlife Fee Impact on Individuals and Families - FY 2018-19					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
Fishing - Annual	26.00	29.90	3.90	239,653	934,647
Fishing - Annual (Sr.)	1.00	1.15	0.15	67,402	10,110
Fishing - 1 day	9.00	10.35	1.35	441,860	596,511
Turkey	20.00	23.00	3.00	24,977	74,931
Fishing-Small Game Combo	40.00	46.00	6.00	83,590	501,540
Pronghorn/Bear/Deer	30.00	34.50	4.50	94,750	426,375
Elk	45.00	51.75	6.75	158,179	1,067,708
Goats/Moose	250.00	287.50	37.50	782	29,325
Mountain Lion	40.00	46.00	6.00	2,307	13,842
TOTAL					\$3,654,989

Parks and outdoor recreation fees. The bill allows the commission to increase fees for parks and outdoor recreation so the actual fee increases are not created by this bill. To reach the \$8 million annual increase by FY 2022-23, the division will need an overall increase in revenue of 24 percent. A 3.5 percent increase in park fees in FY 2017-18 will increase revenue by \$877,554 if only the fees shown in Table 4 are subject to fee increases. Table 5 shows a 9 percent increase for the same licenses for FY 2018-19 which will increase revenue by \$2,256,567 to the Parks and Outdoor Recreation Cash Fund.

Table 4. Parks Fee Impact on Individuals and Families - FY 2017-18					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
Daily Park Pass	\$9.00	\$9.32	\$0.32	961,372	\$302,832
Annual Park Pass	73.00	75.56	2.56	82,966	211,978
Aspen Leaf Annual Pass (64+)	63.00	65.21	2.21	20,770	45,798
Aspen Leaf Multiple Pass (64+)	31.00	32.09	1.09	12,726	13,808
Basic campsite-summer	20.00	20.70	0.70	79,937	55,956
Basic campsite-winter	18.00	18.63	0.63	26,646	16,787
Electric campsite-summer	24.00	24.84	0.84	128,129	107,628
Electric campsite-winter	26.00	26.91	0.91	42,710	38,866
Full hook-up campsite-winter	28.00	28.98	0.98	63,083	61,821
Full hook-up campsite- summer	30.00	31.05	1.05	21,028	22,079
TOTAL					\$877,554

Table 5. Parks Fee Impact on Individuals and Families - FY 2018-19					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
Daily Park Pass	\$9.00	\$9.81	\$0.81	961,372	\$778,711
Annual Park Pass	73.00	79.57	6.57	82,966	545,087
Aspen Leaf Annual Pass (64+)	63.00	68.67	5.67	20,770	117,766
Aspen Leaf Multiple Pass (64+)	31.00	33.79	2.79	12,726	35,506
Basic campsite-summer	20.00	21.80	1.80	79,937	143,887
Basic campsite-winter	18.00	19.62	1.62	26,646	43,167
Electric campsite-summer	24.00	26.16	2.16	128,129	276,759
Electric campsite-winter	26.00	28.34	2.34	42,710	99,941
Full hook-up campsite-winter	28.00	30.52	2.52	63,083	158,969
Full hook-up campsite- summer	30.00	32.70	2.70	21,028	56,776
TOTAL					\$2,256,567

Fines. While some fines are set in the bill, others are dependent on the amount of fees set by the commission. As noted in the comparable crimes section above, the division issues over 11,000 citations annually. As a proxy, if all fines increased by \$50 per violation, revenue will increase by \$550,000 per year.

Wildlife Management Public Education Fund. This fund currently receives a \$.75 surcharge on hunting and fishing licenses which averages \$916,000 per year. The bill authorizes the commission to increase the surcharge up to \$1.50 which will increase revenue by up to \$916,000.

Aquatic nuisance sticker. Revenue from sales of the sticker are expected to generate up to \$5.0 million annually beginning in FY 2017-18 to the Division of Parks and Wildlife Aquatic Nuisance Species Fund to fund the existing program. Stickers are \$15 to \$50 based on whether the vessel is motorized and whether the vessel owner is a resident or nonresident. The fiscal note assumes that up to 271,000 vessels will be registered annually.

State Expenditures

This bill will increase expenditures for the Division of Parks and Wildlife up to \$54,200 from the Division of Parks and Wildlife Aquatic Nuisance Species Cash Fund and increases the workload for the Judicial Department.

Division of Parks and Wildlife, Department of Natural Resources. Prior to the commission considering specific fee increases, the division will conduct a stakeholder process to determine which fees to increase, by how much, and by when. The division will also have a workload increase to develop the aquatic nuisance species sticker program, print and issue the stickers, and enforce compliance. The aquatic nuisance species sticker is estimated to cost up to \$54,200 per year to print but will depend on decisions made prior to implementation. The division will also have a workload increase to comply with the reporting requirements under the bill. This workload and expenditure increase can be accomplished within existing appropriations.

Trial Courts, Judicial Department. The increase in offenses created by the bill will increase workload for trial courts to hear additional cases. This increase is expected to be minimal and can be accomplished within existing appropriations.

Local Government Impact

This bill will increase revenue and workload for local governments as follows.

Revenue increase. For the offenses addressed under this bill, if the arrest is made or the citation issued by a local law enforcement officer, one-half of the fine amount collected goes to the local jurisdiction. Because the bill increases fine amounts, some local jurisdictions will see an increase in fine revenue.

County court expenditures. Because the bill adds criminal offenses, the bill increases workload for district attorneys to prosecute any petty and misdemeanor offenses under the bill.

Denver County expenditures. The bill results in an increase in revenue and workload for the Denver County Court, managed and funded by the City and County of Denver. The court will try petty offense and misdemeanor cases under the bill.

Effective Date

The bill was postponed indefinitely by the Senate Finance Committee on May 4, 2017.

State and Local Government Contacts

Information Technology
Local Affairs

Judicial - Criminal
Natural Resources