



Legislative
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FISCAL NOTE

Drafting Number:	LLS 19-0369	Date:	March 5, 2019
Prime Sponsors:	Sen. Winter Rep. McCluskie	Bill Status:	Senate Agriculture
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Bill Topic: SUNSET RIVER OUTFITTERS LICENSING

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

Sunset bill. This bill continues the River Outfitter Licensing Program in the Department of Natural Resources, which is scheduled to repeal on September 1, 2019. State fiscal impacts include both the continuation of the program's current revenue and expenditures and reduced fee revenue to the Colorado Department of Higher Education. The program is continued through September 1, 2028.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under SB 19-160***

New Impacts		FY 2019-20	FY 2020-21
Revenue	Cash Funds	(\$5,379)	(\$5,379)
Expenditures		-	-
TABOR Refund	General Fund	(\$5,379)	-
Continuing Program Impacts		FY 2019-20	FY 2020-21
Revenue	Cash Funds	-	\$74,740
Expenditures	Cash Funds	-	\$108,767
FTE		-	1.5 FTE
TABOR Refund		-	-

* Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

The bill continues the regulation of River Outfitters by the Department of Natural Resources (DNR) to September 1, 2028, and implements the recommendations of the DORA sunset review and other changes. Modifications from current law include:

- requiring the Parks and Wildlife Commission to establish insurance requirements for vehicles used by river outfitters; and
- exempting the training of guides, trip leaders, and guide instructors by licensed river outfitters from the private occupational school regulation under the Department of Higher Education.

Background

A river outfitter is a commercial entity that provides river-running services. The River Outfitter Licence Program was established in 1984 and is operated by the Colorado Division of Parks and Wildlife (CPW) in the DNR. The program registers river outfitters; inspects the boats and boating equipment used on regulated, commercial trips; verifies that the guides employed by the registrants are qualified; and investigates boating accidents that occur on Colorado rivers. The Parks and Wildlife Commission promulgates rules that govern the licensing of river outfitters and the regulation of river outfitters, guides, trip leaders, and guide instructors.

During 2017, the program licensed 194 river outfitters. The fee for a standard license is \$400 and licenses must be renewed annually.

Continuing Program Impacts

The DNR is expected to have continuing revenue of \$74,740 and expenditures of \$108,767 per year to license and regulate river outfitters. Revenue is deposited into the River Outfitters Cash Fund. Costs in excess of revenue to the fund are financed by the Parks and Outdoor Recreation Cash Fund. Because CPW is an enterprise, this continuing revenue is not subject to state spending limits under TABOR. If this bill is enacted, current levels of revenue and expenditures will continue for the program starting in FY 2020-21. If this bill is not enacted, the program will end on September 1, 2020, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2020-21 by the amounts shown in Table 1.

State Revenue

Beginning in FY 2019-20, the bill decreases state revenue by \$5,379 to the Private Occupational Schools Cash Fund in the Division of Private Occupational Schools in the Department of Higher Education by exempting the training of guides, trip leaders, and guide instructors by river outfitters from regulation by the division. There are currently three schools being regulated by the division, with a combined total of 163 graduates per year that will be exempted from regulation.

State Expenditures

The bill affects workload for the Department of Natural Resources and the Division of Private Occupational Schools in the Department of Higher Education as described below.

Department of Natural Resources. The bill will increase workload for Department of Natural Resources to promulgate rules to establish insurance requirements for vehicles used by river outfitters. This work can be accomplished within existing appropriations.

Department of Higher Education. Exempting the training of guides, trip leaders, and guide instructors by licensed outfitters from the Division of Private Occupational Schools' regulatory authority will decrease workload for the division by a minimal amount.

TABOR refunds. The bill is expected to decrease state General Fund obligations for TABOR refunds by \$5,379 in FY 2019-20. Under current law and the December 2018 forecast, the bill will correspondingly reduce the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Higher Education

Natural Resources