First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 23-0950.01 Jery Payne x2157

SENATE BILL 23-255

SENATE SPONSORSHIP

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Senate Committees Agriculture & Natural Resources Appropriations

House Committees Agriculture, Water & Natural Resources Appropriations

A BILL FOR AN ACT

101	CONCERNING THE PROVISION OF COMPENSATION TO PEOPLE WHO
102	SUFFER DAMAGES BECAUSE OF GRAY WOLF DEPREDATION, AND,
103	IN CONNECTION THEREWITH, MAKING AND REDUCING
104	APPROPRIATIONS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

The bill creates the wolf depredation compensation fund (fund) to compensate landowners and agricultural producers for depredation of livestock and working animals by wolves. For the 2023-24 state fiscal SENATE

3rd

Amended 2nd Reading

SENATE

April 14, 2023

year and each state fiscal year thereafter, the state treasurer is directed to transfer \$350,000 from the general fund to the fund. At the end of the 2023-24 and 2024-25 state fiscal years, any unencumbered balance in the fund that exceeds \$100,000 is transferred to the wildlife cash fund. At the end of subsequent state fiscal years, the amount transferred to the wildlife cash fund is any unencumbered balance in the fund that exceeds 120% of the amount spent from the fund in the previous state fiscal year.

Each year, the director of the division of parks and wildlife will issue a report and make a presentation at the appropriate "SMART Act" hearing.

The bill reduces by \$175,000 the fiscal year 2023-24 general fund appropriation to the department of natural resources for use by the division of parks and wildlife for the reintroduction and management of gray wolves.

1 Be it enacted by the General Assembly of the State of Colorado:

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SECTION 1. Legislative declaration. (1) The general assembly

3 finds and declares that:

4 (a) In the 2020 general election, the citizens of Colorado passed
5 proposition 114, which is codified as section 33-2-105.8, Colorado
6 Revised Statutes, and mandates that the parks and wildlife commission
7 restore the gray wolf to the state;

8 (b) The text of proposition 114 includes the requirement that the 9 parks and wildlife commission pay "fair compensation to owners of 10 livestock for any losses of livestock caused by gray wolves..."; and

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(c) It is in the best interest of livestock owners and the intention of proposition 114's supporters to dedicate a source of funding that is available solely for wolf depredation compensation.

SECTION 2. In Colorado Revised Statutes, add 33-1-127 as
follows:

16 33-1-127. Wolf depredation compensation fund 17 compensation for damages - definitions - <u>rules - repeal.</u> (1) AS USED

-2-

1

IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- 2 3 (a) "FUND" MEANS THE WOLF DEPREDATION COMPENSATION FUND 4 CREATED IN SUBSECTION (2) OF THIS SECTION. 5 (b) "LIVESTOCK" HAS THE MEANING SET FORTH IN SECTION 6 <u>33-2-105.8 (5)(c).</u> 7 (c) "LIVESTOCK GUARD OR HERDING ANIMAL" MEANS AN ANIMAL 8 WHOSE PRIMARY PURPOSE IS PROTECTING LIVESTOCK FROM DEPREDATION 9 OR HERDING LIVESTOCK. 10 (d) "WOLF DEPREDATION" MEANS THAT A GRAY WOLF HAS CAUSED 11 DIRECT PHYSICAL TRAUMA RESULTING IN THE DEATH OF OR INJURY TO
- 12 LIVESTOCK OR TO A LIVESTOCK GUARD OR HERDING ANIMAL.

13 (2) (a) THE WOLF DEPREDATION COMPENSATION FUND IS CREATED
14 IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY TRANSFERRED TO
15 THE FUND IN ACCORDANCE WITH SUBSECTION (2)(b) OF THIS SECTION AND
16 ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
17 TRANSFER TO THE FUND.

- (b) (I) FOR THE 2023-24 STATE FISCAL YEAR, THE STATE
 TREASURER SHALL TRANSFER ONE HUNDRED SEVENTY-FIVE THOUSAND
 DOLLARS FROM THE GENERAL FUND TO THE FUND. THIS SUBSECTION
 (2)(b)(I) IS REPEALED, EFFECTIVE JULY 1, 2024.
- 22 (II) FOR THE 2024-25 STATE FISCAL YEAR AND EACH STATE FISCAL
- 23 <u>YEAR THEREAFTER, THE STATE TREASURER SHALL ANNUALLY TRANSFER</u>
- THREE HUNDRED FIFTY THOUSAND DOLLARS FROM THE GENERAL FUND TO
 THE FUND.
- 26 (c) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
 27 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE

1 FUND TO THE FUND.

2 (3) (a) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL 3 ASSEMBLY, THE DIVISION MAY EXPEND MONEY FROM THE FUND TO 4 COMPENSATE OWNERS OF LIVESTOCK OR LIVESTOCK GUARD OR HERDING 5 ANIMALS THAT SUFFER DAMAGES DUE TO WOLF DEPREDATION. 6 (b) FOR <u>AN OWNER OF LIVESTOCK OR A LIVESTOCK GUARD OR</u> 7 HERDING ANIMAL TO BE COMPENSATED FROM THE FUND: 8 (I) ONE OR MORE GRAY WOLVES MUST HAVE KILLED OR INJURED 9 LIVESTOCK OR A LIVESTOCK GUARD OR HERDING ANIMAL OWNED BY THE 10 CLAIMANT, AS DETERMINED BY THE DIVISION; AND 11 (II) THE CLAIMANT MUST BE ELIGIBLE FOR COMPENSATION UNDER 12 THE GRAY WOLF RESTORATION AND MANAGEMENT PLAN, CREATED IN 13 ACCORDANCE WITH SECTION 33-2-105.8, OR IN ANY RULES PROMULGATED 14 BY THE COMMISSION. 15 (c) THE COMMISSION MAY PROMULGATE RULES TO IMPLEMENT 16 AND ADMINISTER THIS SECTION. THE RULES MAY: 17 **(I)** INCLUDE ADDITIONAL CRITERIA NECESSARY TO RECEIVE 18 COMPENSATION FROM THE FUND; OR 19 (II) AUTHORIZE AND SET CRITERIA FOR COMPENSATION FROM THE 20 FUND FOR INDIRECT LIVESTOCK LOSS. 21 (4) (a) THE DIVISION SHALL EXPEND ANY UNEXPENDED AND 22 UNENCUMBERED MONEY IN THE FUND THAT EXCEEDS THE FOLLOWING 23 AMOUNTS FOR THE PURPOSES DESCRIBED IN SUBSECTION (4)(b) OF THIS 24 SECTION: 25 (I) FOR STATE FISCAL YEARS 2023-24 AND 2024-25, ONE HUNDRED 26 THOUSAND DOLLARS; AND (II) FOR STATE FISCAL YEAR 2025-26 AND SUBSEQUENT FISCAL 27

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YEARS, AN AMOUNT EQUAL TO THE AMOUNT OF MONEY EXPENDED FROM
 THE FUND <u>FOR COMPENSATION</u> OF OWNERS OF LIVESTOCK OR LIVESTOCK
 GUARD OR HERDING ANIMALS DURING THE IMMEDIATELY PRECEDING
 STATE FISCAL YEAR PLUS TWENTY PERCENT OF THIS AMOUNT.

5 (b) THE DIVISION SHALL EXPEND THE MONEY DESCRIBED IN
6 SUBSECTION (4)(a) OF THIS SECTION TO IMPLEMENT THE GRAY WOLF
7 RESTORATION AND MANAGEMENT PLAN, CREATED IN ACCORDANCE WITH
8 SECTION 33-2-105.8, AS AMENDED BY THE COMMISSION.

9 (5) (a) ON OR BEFORE JANUARY 31, 2025, AND ON OR BEFORE 10 JANUARY 31 OF EACH YEAR THEREAFTER, THE DIRECTOR SHALL SUBMIT A 11 WRITTEN REPORT TO THE APPROPRIATE COMMITTEES OF REFERENCE AS 12 <u>DETERMINED IN ACCORDANCE WITH SECTION 2-7-203 (1). FOR THE</u> 13 <u>IMMEDIATELY</u> PRECEDING STATE FISCAL YEAR, THE REPORT MUST 14 INCLUDE:

15 (I) THE NUMBER OF LIVESTOCK AND <u>LIVESTOCK GUARD OR</u>
 16 <u>HERDING</u> ANIMALS KILLED BY GRAY WOLVES;

17 (II) THE NUMBER OF CLAIMS MADE FOR COMPENSATION FROM THE18 FUND;

19 (III) THE NUMBER OF COMPENSATION CLAIMS THAT WERE20 APPROVED AND DENIED;

21 (IV) THE REASONS FOR THE DENIAL OF COMPENSATION CLAIMS;
22 (V) THE AMOUNT OF MONEY PAID FOR COMPENSATION FROM THE
23 FUND;

24 (VI) AN EXPLANATION OF THE NUMBER AND COST OF LOSSES DUE
25 TO WOLF DEPREDATION;

- 26 (VII) THE NUMBER OF RESIDENT GRAY WOLVES;
- 27 (VIII) THE NUMBER OF RESIDENT GRAY WOLF PACKS;

(IX) THE ACTIVITY OF THE GRAY WOLF PACKS, INCLUDING DATES,
 DETERMINED FROM GRAY WOLVES BEING TRACKED; AND

3 (X) THE NUMBER OF GRAY WOLF BREEDING PAIRS AND THE
4 POPULATION CHANGES OF RESIDENT GRAY WOLVES.

5 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
6 REPORTING REQUIREMENT SPECIFIED IN SUBSECTION (5)(a) OF THIS
7 SECTION CONTINUES INDEFINITELY.

8 (c) THE DIVISION SHALL NOT INCLUDE, IN THE REPORT MADE
9 UNDER SUBSECTION (5)(a) OF THIS SECTION, INFORMATION THAT THE
10 DIVISION MAY WITHHOLD UNDER SECTION 24-72-204 (2)(a)(X).

(6) (a) COMPENSATION PAID UNDER THIS SECTION IS
REIMBURSEMENT FOR DAMAGES AND NOT INCOME SUBJECT TO TAXATION.
(b) THIS SECTION DOES NOT AUTHORIZE THE RELEASE OF ANY
PRIVATE INFORMATION ABOUT A CLAIMANT OR A CLAIMANT'S
COMPENSATION.

SECTION 3. Appropriation. For the 2023-24 state fiscal year,
 \$175,000 is appropriated to the department of natural resources for use
 by the division of parks and wildlife. This appropriation is from the wolf
 depredation compensation fund created in section 33-1-127 (2)(a), C.R.S.
 To implement this act, the division may use this appropriation for wolf
 depredation compensation.

22 SECTION <u>4.</u> Appropriation - adjustments to 2023 long bill. To 23 implement this act, the general fund appropriation made in the annual 24 general appropriation act for the 2023-24 state fiscal year to the 25 department of natural resources for use by the division of parks and 26 wildlife for the implementation of Proposition 114 for the reintroduction 27 and management of gray wolves is decreased by \$175,000. SECTION <u>5.</u> Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, or safety.