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FISCAL NOTE

Drafting Number: LLS 18-0815
Prime Sponsors: Sen. Scott

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Bill Status: Senate Finance
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Bill Topic: GRAND SLAM WILDLIFE HUNTING RAFFLE

- Summary of Fiscal Impact:
- State Revenue (checked)
- State Expenditure (checked)
- State Transfer (unchecked)
- TABOR Refund (unchecked)
- Local Government (unchecked)
- Statutory Public Entity (unchecked)

This bill requires the Colorado Parks and Wildlife Commission to create a grand slam wildlife raffle to award hunting licenses for 10 species annually. This creates an ongoing state revenue and expenditure increase.

Appropriation Summary: For FY 2018-19, the bill requires an appropriation of \$278,990 to the Department of Natural Resources.

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

Table 1
State Fiscal Impacts Under SB 18-137

Table with 4 columns: Category, Sub-category, FY 2018-19, FY 2019-20. Rows include Revenue (Cash Funds: \$277,635 vs \$305,535), Expenditures (Cash Funds: \$278,990 vs \$306,890), and Transfers (- vs -).

Summary of Legislation

This bill requires the Colorado Parks and Wildlife Commission to create the Grand Slam Wildlife Raffle to award hunting licenses for the following 10 species:

- Shiras moose;
- Rocky mountain elk;
- Mule deer;
- White-tailed deer;
- Rocky mountain bighorn sheep;
- Desert bighorn sheep;
- Rocky mountain goat;
- Pronghorn antelope.
- Black bear; and
- Mountain lion.

Raffle tickets are \$50 each and an individual may purchase up to 25 tickets. Funds are deposited into the Grand Slam Raffle Fund. One ticket enters the purchaser into each raffle drawing for each species. The hunting season for the licenses is August 15 through December 31 of the same year except for black bears and mountain lions. The season for black bears runs from September 2 through December 31 and the season for mountain lions runs from August 1 through April 15 of the following year.

The bill establishes the 5-member Grand Slam Grant Committee as a Type 1 transfer in the Division of Parks and Wildlife in the Department of Natural Resources. The committee will be appointed by the division director by September 1, 2018. Committee members serve without compensation, but may be reimbursed for actual and necessary expenses. The committee may authorize a nonprofit organization to conduct the raffle and the nonprofit will retain up to 5 percent of the proceeds to cover the costs of the raffle and to fund projects of its own choosing that benefit wildlife in Colorado.

The committee is required to use up to one half of the revenue in the Grand Slam Raffle fund for grants to nongovernmental agencies actively engaged in:

- wildlife habitat conservation or restoration;
- the recruitment of new hunters; or
- fostering and protecting the North American Model of Wildlife Conservation.

The director is required to use the remaining funds to implement goals to increase Colorado's big game populations. The division may expend up to two percent of the money retained from the raffles for administration. Beginning on or before December 31, 2019, the committee is required to annually report on expenditures, grant recipients, and activities for which the grant money was used, to the House and Senate agriculture committees. The reporting requirement repeals September 1, 2023.

Background

Under current law, the division is authorized to issue up to 18 special auction and raffle big game licenses to nonprofit organizations directly involved in the conservation of wildlife in Colorado or the division may be authorized by the commission to conduct the license auction or raffle. The division currently provides licenses for nine separate raffles administered by non-profit organizations.

Organizations may retain up to 25 percent of the gross proceeds of the auctions and raffles to cover costs and to fund projects of their choosing that benefit wildlife in Colorado with at least 75 percent of gross proceeds paid to the division. Funds generated from the sale of these licenses are used for big game habitat enhancement, research, management, and education in Colorado.

In 2017, 11,747 raffle tickets were sold at \$25 each, with total revenue of \$293,675 of which the division received \$220,229. Licenses raffled include those for elk, deer, pronghorn, bighorn sheep, mountain goat, and moose.

Assumptions

The fiscal note is based on the following assumptions:

- 50 percent of the purchasers of raffle tickets for game licenses in 2017 will purchase grand slam tickets;
- Raffle ticket purchases will increase by 10 percent per year;
- a nonprofit organization will conduct the raffle; and
- the committee will meet three times per year with expenses of \$750 per meeting.

State Revenue

This bill will increase cash fund revenue from raffle proceeds by \$278,990 in FY 2018-19 and \$306,890 in FY 2019-20 to the Grand Slam Raffle Fund in the Department of Natural Resources. The bill will also reduce revenue to the Wildlife Cash Fund by \$1,355 annually for license fees that would have been realized on the raffled licenses for a net revenue increase of \$277,635 in FY 2018-19 and \$305,535 in FY 2019-20. Table 2 shows how the revenue will be distributed.

**Table 2
Revenue Under SB 18-137**

	FY 2018-19	FY 2019-20
Ticket sales	\$293,674	\$323,042
5 percent to nonprofit administering raffle	(\$14,684)	(\$16,152)
Remitted to Parks and Wildlife	\$278,990	\$306,890
2 percent for Parks and Wildlife administration	\$6,167	\$6,784
Grand Slam Grant Committee grants	\$136,412	\$166,205
Director expenditures to increase big game populations	\$136,412	\$166,205
Cost of licenses	(\$1,355)	(\$1,355)
Revenue increase to Parks and Wildlife	\$277,635	\$305,535

State Expenditures

This bill will increase expenditures for the Division of Parks and Wildlife by \$278,990 in FY 2018-19 and \$306,890 in FY 2019-20 from the Grand Slam Raffle Fund. These expenditures are shown in Table 3 and explained below.

**Table 3
Expenditures Under SB 18-137**

	FY 2018-19	FY 2019-20
Department of Natural Resources		
Administration	\$5,580	\$6,138
Grant awards	\$136,705	\$150,376
Increase big game population	\$136,705	\$150,376
Total Cost	\$278,990	\$306,890

The division will have expenses up to \$5,580 in FY 2018-19 and \$6,138 in FY 2019-20 to administer the grant program, cover costs for the grant committee meetings, and staff longer hunting seasons. The remainder of the proceeds received will be expended on grants and meeting goals of increasing big game population. The Parks and Wildlife Commission may have an increase in workload to promulgate rules, but this is expected to be accomplished during its regular meeting schedule.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2018-19, the bill requires an appropriation of \$278,990 from the Grand Slam Raffle Fund to the Department of Natural Resources.

State and Local Government Contacts

Information Technology
Natural Resources

Law
Revenue