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FISCAL NOTE

Drafting Number: LLS 20-0440
Prime Sponsors: Sen. Donovan

Date: February 17, 2020
Bill Status: Senate Agriculture
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Bill Topic: MANAGE GRAY WOLVES IN COLORADO

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

The bill directs Colorado Parks and Wildlife to develop a plan to reintroduce gray wolves into Colorado by December 31, 2025. It increases state expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Table 1
State Fiscal Impacts Under SB 20-121

Table with 3 columns: Category, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (Cash Funds), Transfers, and TABOR Refund.

Summary of Legislation

The bill directs Colorado Parks and Wildlife (CPW) in the Department of Natural Resources (DNR) to develop a plan to reintroduce gray wolves into the state and manage the wolves in order to promote a sustainable population and minimize damage to livestock. The CPW Commission is authorized to promulgate rules to implement the bill.

Reintroduction of gray wolves must begin by December 31, 2025; however, CPW may not proceed with reintroduction unless an adequate new source of revenue is made available to pay for damages caused by the wolves, including livestock injured or killed. No reintroduction activities are required if CPW determines that gray wolves have migrated into Colorado in sufficient numbers to have a self-sustaining population and fully recover from endangered status in the state, though management of the wolves is still required in this case. CPW is directed to conduct a process to gather and consider public input.

The bill directs CPW to educate livestock owners on the avoidance and mitigation of damages caused by gray wolves, and to compensate owners of livestock for losses caused by gray wolves. In collaboration with the Department of Agriculture, CPW is further directed to study methods of verifying and estimating the extent of livestock losses, as well as options for financing the payments. CPW must report the results of the study to the General Assembly by January 1, 2022.

Background

The gray wolf is currently designated as endangered under the federal Endangered Species Act in most areas of the country, including Colorado. Given this status, Colorado will require approval from the federal government to undertake recovery efforts. However, in March 2019, the federal Fish and Wildlife Service published a proposed rule to remove the gray wolf from the List of Endangered and Threatened Wildlife. A final determination has not yet been issued.

State Expenditures

For FY 2021-22, the bill increases state expenditures by \$280,720 in the DNR for the planning phase of the reintroduction process. Costs are paid from the Wildlife Cash Fund. These costs are shown on Table 2 and described below. Costs will increase in future years as the plan is implemented and management of the wolf population commences, and these costs are not estimated.

**Table 2
Expenditures Under SB 20-121**

	FY 2020-21	FY 2021-22
Department of Natural Resources		
Existing Wolf Study	-	\$100,000
Public Meetings	-	\$44,000
Management Plan Consultant	-	\$37,500
Temporary Public Information Staff	-	\$18,720
CPW Commission Meetings	-	\$20,000
Public Survey	-	\$50,000
Livestock Damage Study	-	\$7,500
Livestock Owner Education	-	\$3,000
Total Cost	-	\$280,720

Planning period. While reintroduction need not begin until FY 2025-26, planning will commence in FY 2021-22. This includes equipment and tracking costs to begin studying wolves already identified in the state to determine if the population is self-sustaining. Four public meetings will be held, with each requiring \$6,000 for staff travel and lodging and \$5,000 for a meeting facilitator. A contractor with relevant expertise will be hired to develop a management plan and identify potential locations for reintroduction. Temporary staff will be hired for 1,040 hours at a rate of \$18 per hour to assist with managing public input, answering questions, and responding to requests under the Colorado Open Records Act. In addition, costs include:

- travel and per diem costs for two additional half-day CPW Commission meetings;
- a one-time public survey to solicit information and gauge public perception;
- costs for five meetings to study livestock damage and compensation at \$1,500 per meeting; and
- travel and per diem costs for two employees to conduct five educational meetings on prevention and mitigation of damage caused by gray wolves.

Reintroduction and management. Future costs will increase for the management of gray wolves, and for reintroduction, if necessary. These costs will depend on whether or not wolves migrate to Colorado in the absence of state reintroduction, the details of the plan that is developed by CPW, and a potential new revenue source identified to pay for damage caused by wolves; as such, these costs are not estimated, and will be requested by CPW through the annual budget process as needed. In general, these costs may include: staff to manage the program; the acquisition of about 10 wolves per year for several years; transportation, housing, care, and tracking of the wolves; seasonal wildlife technicians to assist the permanent staff with tracking and otherwise managing the wolves; ongoing research; and compensation for damage caused by the wolves, including loss of livestock.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Agriculture

Natural Resources