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Final Fiscal Note

Drafting Number:	LLS 21-0836	Date:	October 5, 2021
Prime Sponsors:	Rep. Will; Valdez D. Sen. Donovan; Rankin	Bill Status:	Signed into Law
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Bill Topic: **WOLF REINTRODUCTION FUNDING WITH NO LICENSE FEES**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input 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

The bill specifies allowable fund sources that may be used for the state's wolf reintroduction work, and requires the General Assembly to appropriate money for this purpose. It has no net impact on state expenditures.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

Proposition 114, which was approved by Colorado voters at the 2020 General Election, directs the Colorado Parks and Wildlife (CPW) Commission to develop a plan to reintroduce gray wolves in Colorado and oversee the restoration and management of a self-sustaining population. The plan must provide fair compensation to livestock owners for losses of livestock caused by wolves.

This bill requires the General Assembly to appropriate money for this purpose from one of more of the following funds:

- the General Fund;
- the Species Conservation Trust Fund;
- the Colorado Nongame Conservation and Wildlife Restoration Cash Fund; or
- the Wildlife Cash Fund, except for money within the fund that comes from hunting and fishing license sales and associated federal grants.

In addition, the bill authorizes CPW to accept and spend donations for this purpose.

Background

Current law, as established by Proposition 114, states that the General Assembly shall make appropriations as necessary to fund wolf reintroduction if costs cannot be paid from the Wildlife Cash Fund. Senate Bill 21-205, the 2021 Long Bill, provides the state's first appropriation for wolf reintroduction and management: \$1.1 million from the General Fund for FY 2021-22.

Enterprise status. CPW is designated as an enterprise for the purposes of TABOR. To maintain enterprise status, CPW can receive no more than 10 percent of its revenue from state and local governments. CPW is almost entirely cash funded; its FY 2021-22 budget is less than 1.0 percent General Fund, inclusive of the aforementioned wolf reintroduction funds.

State Expenditures

The bill specifies allowable fund sources for the state's wolf reintroduction and management work, but does not change the amount needed. No further appropriation is needed for FY 2021-22. For FY 2022-23 and future years, funds must be appropriated from one of the four allowable fund sources at the General Assembly's discretion. In January 2021, the CPW Commission approved a planning process which was estimated to require a budget of about \$1.0 million and 3.0 FTE in each of FY 2021-22 and FY 2022-23.

Following the planning period, CPW currently estimates reintroduction costs to stabilize around \$1.0 million per year, though ultimately this budget will reflect the plan developed by the CPW Commission and must be appropriated by the General Assembly.

Effective Date

The bill was signed into law by the Governor on June 27, 2021.

State and Local Government Contacts

Natural Resources