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Revised Fiscal Note

(replaces fiscal note dated April 10, 2023)

Drafting Number: LLS 23-0994 Date: May 3, 2023
Prime Sponsors: Sen. Van Winkle; Cutter Bill Status: House Appropriations
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Bill Topic: CHATFIELD STATE PARK WATER QUALITY FEE

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

The bill creates a process to establish a fee to support water quality efforts by the Chatfield Watershed Authority. It increases state workload in FY 2023-24 and may increase state and local revenue and expenditures beginning in FY 2024-25.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill, as amended by the House Finance Committee.

Table 1
State Fiscal Impacts Under SB 23-267

Table with 5 columns: Category, Cash Funds, Budget Year FY 2023-24, Out Year FY 2024-25, Out Year FY 2025-26. Rows include Revenue, Expenditures, Transfers, and Other Budget Impacts.

1 Revenue is based on the maximum fee amount, if the fee is enacted.

Summary of Legislation

The bill creates a process for establishing a water quality fee for Chatfield State Park. The Department of Natural Resources (DNR) must adopt rules regarding criteria under which park visitors may be charged a fee by July 1, 2024. The fee is limited to \$2.00 and may not be charged to a visitor holding an annual or lifetime pass. At earliest, the fee takes effect January 1, 2025, and any fee revenue collected is transmitted to the Chatfield Watershed Authority, less an amount retained by DNR to cover its administrative expenses. The authority must spend at least 25 percent of the revenue on water quality projects in Chatfield State Park. DNR must review the fee in FY 2029-30 and may adjust the fee amount or eliminate the fee.

Background and Assumptions

The Chatfield Watershed Authority includes Jefferson county, Douglas county, the town of Castle Rock, the city of Littleton, the town of Larkspur, and water and wastewater providers monitor and protect water quality in the Chatfield reservoir and watershed. In FY 2021-22, Chatfield State Park received an estimated 1.82 million visitors. Park entry is \$10 per vehicle for a day pass. Attendance estimates are based on park entry data collected by DNR and uptake of the Keep Colorado Wild pass. For illustrative purposes, the fiscal note assumes that DNR will implement the fee at the maximum \$2.00 per visit beginning January 1, 2025.

State Revenue

The bill increases revenue to the Parks and Recreation Cash Fund in the DNR from the water quality fee by an estimated \$55,000 per year beginning in FY 2024-25, with half-year impacts in the first year, if the fee is enacted, based on the assumptions above. Because Colorado Parks and Wildlife has enterprise status, this revenue is not subject to TABOR.

Fee impact on park visitors. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. The table below identifies the fee impact of this bill based on the fee levels in the bill and the assumptions above.

Table 2
Fee Impact on Visitors to Chatfield State Park

Fiscal Year	Type of Fee	Proposed Fee	Number Affected	Total Fee Impact
FY 2024-25	Water Quality	\$2.00	13,750	\$27,500
FY 2025-26	Water Quality	\$2.00	27,500	\$55,000

State Expenditures

The bill increases workload in DNR to conduct rulemaking in FY 2023-24, with support from the Department of Law. This can be accomplished within existing appropriations.

If DNR establishes the water quality fee, the bill increases state expenditures in DNR by the same amount as the revenue generated, paid from the Parks and Outdoor Recreation Cash Fund. Less administrative expenses, fees collected are passed through DNR to the Chatfield Watershed Authority. Expenditures are shown in Table 3.

Table 3
Expenditures Under SB 23-267

	FY 2023-24	FY 2024-25	FY 2025-26
Department of Natural Resources			
Payment to Chatfield Watershed Authority	-	\$26,593	\$53,185
Administrative Costs	-	\$907	\$1,815
Total Cost	-	\$27,500	\$55,000

Local Government

The Chatfield Watershed Authority is an intergovernmental agency whose members are counties, municipalities, and certain municipal districts and authorities in the watershed. The bill increases revenue and expenditures in the Chatfield Watershed Authority by the amounts of the payments shown in Table 3.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Law Natural Resources