

Joint Budget Committee Staff FY 2025-26 Budget Briefing Summary

Natural Resources – Part 1 of 2

The divisions included in this summary are the Executive Director’s Office, Division of Parks and Wildlife, Colorado Water Conservation Board, and Division of Water Resources.

The Department of Natural Resources is responsible for developing, protecting, and enhancing Colorado’s natural resources for the use and enjoyment of present and future residents and visitors. The Department’s FY 2024-25 appropriation represents approximately 1.1 percent of statewide operating appropriations and 0.3 percent of statewide General Fund appropriations.

Summary of Request

The requests covered in this briefing are highlighted in blue and bolded in the table below.

| Department of Natural Resources (Executive Director’s Office, Parks & Wildlife, Water Resources, Colorado Water Conservation Board) | | | | | | |
|--|----------------------|---------------------|----------------------|--------------------|---------------------|----------------|
| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
| FY 2024-25 Appropriation | | | | | | |
| HB24-1430 (Long Bill) | \$393,365,351 | \$45,189,508 | \$302,576,620 | \$9,002,540 | \$36,596,683 | 1,417.3 |
| Other Legislation | 56,975,006 | 0 | 56,975,006 | 0 | 0 | 7.3 |
| Total | \$450,340,357 | \$45,189,508 | \$359,551,626 | \$9,002,540 | \$36,596,683 | 1,424.6 |
| FY 2025-26 Requested Appropriation | | | | | | |
| FY 2024-25 Appropriation | \$450,340,357 | \$45,189,508 | \$359,551,626 | \$9,002,540 | \$36,596,683 | 1,424.6 |
| R1 Keep Colorado Wild Pass staff and op | 6,590,758 | 0 | 6,590,758 | 0 | 0 | 31.7 |
| R2 Outdoor Equity Grant Program | 1,294,823 | 0 | 1,294,823 | 0 | 0 | 0.9 |
| R3 Water commissioner job classification | 119,933 | 119,933 | 0 | 0 | 0 | 0.0 |
| R4 Scale dept admin support | 561,273 | 0 | 0 | 561,273 | 0 | 5.0 |
| R5 Implement IT product owners | 757,557 | 0 | 471,784 | 285,773 | 0 | 4.6 |
| R6 Digital video evidence for CPW officers | 1,085,724 | 0 | 1,085,724 | 0 | 0 | 1.8 |
| R7 Water plan technical update | 138,751 | 0 | 138,751 | 0 | 0 | 0.9 |
| R8 Wildlife conservation and management | 2,314,410 | 0 | 2,314,410 | 0 | 0 | 11.1 |
| R9 SLB Working Lands Internship Program | 24,994 | 0 | 24,994 | 0 | 0 | 0.0 |
| R10 Restructure Sev Tax Operational Fund | -10,133,236 | 1,657,444 | -11,657,444 | -133,236 | 0 | 0.0 |
| CSFS R1 Move line items to DNR | 10,360,024 | 10,360,024 | 0 | 0 | 0 | 0.0 |
| CSFS R2 Forestry workforce dev internships | 229,006 | 229,006 | 0 | 0 | 0 | 0.0 |

| Department of Natural Resources (Executive Director's Office, Parks & Wildlife, Water Resources, Colorado Water Conservation Board) | | | | | | |
|--|----------------------|---------------------|----------------------|--------------------|---------------------|----------------|
| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
| Non-prioritized decision items | 2,523,357 | 674,149 | 1,835,879 | 8,128 | 5,201 | 0.0 |
| Centrally appropriated line items | 11,712,011 | 943,173 | 9,993,829 | 763,071 | 11,938 | 0.0 |
| Indirect cost assessment | 106,333 | 1,090,318 | 24,804 | -1,081,518 | 72,729 | 0.0 |
| Annualize prior year legislation | -55,901,907 | -13,146 | -55,881,730 | -7,031 | 0 | 1.7 |
| Annualize prior year budget actions | -1,267,561 | 69,371 | -3,375,299 | -663 | 2,039,030 | 6.9 |
| Total | \$420,856,607 | \$60,319,780 | \$312,412,909 | \$9,398,337 | \$38,725,581 | 1,489.2 |
| Increase/-Decrease | -\$29,483,750 | \$15,130,272 | -\$47,138,717 | \$395,797 | \$2,128,898 | 64.6 |
| Percentage Change | -6.5% | 33.5% | -13.1% | 4.4% | 5.8% | 0.0 |

R1 Keep Colorado Wild Pass staff and op: The Department requests \$6.6 million cash funds from the Parks Cash Fund and 31.7 FTE to increase park operating budgets and staffing as well as expand parks to support increased visitation. The request annualizes to \$6.8 million cash funds and 34.5 FTE in FY 2026-27.

R2 Outdoor Equity Grant Program: The Department requests \$1.3 million cash funds, including \$640,616 from the Parks Cash Fund and the same amount from the Wildlife Cash Fund, and 0.9 FTE in FY 2025-26. The request annualizes to \$1.3 million cash funds and 1.0 FTE in FY 2026-27 and ongoing. This funding will support a new grants specialist and a \$1.0 million (33.3 percent) increase in funding for grant awards.

R3 Water commissioner job classification: The Department requests \$119,933 General Fund in FY 2025-26 and ongoing to reclassify 36 water commissioner positions to adjust for the increased complexity of water administration in Colorado.

R4 Scale dept admin support: The Department requests \$561,273 reappropriated funds and 5.0 FTE in FY 2025-26, and \$572,302 reappropriated funds and 5.5 FTE in FY 2026-27 and ongoing. The funding would increase staff across multiple divisions in the Executive Director's Office to support the Department's growth in workload and administrative complexity.

R5 Implement IT product owners: The Department requests \$705,287 cash funds from various cash funds with affected IT systems, \$285,773 reappropriated funds, and 6.4 FTE to hire seven IT product owners. These staff would provide strategic oversight of four different IT systems and the Department's website. The request annualizes to \$736,534 cash funds, \$298,605 reappropriated funds, and 7.0 FTE in FY 2026-27. The request also impacts the State Land Board and Energy and Carbon Management Commission, which are not included in this briefing document.

R6 Digital video evidence for CPW officers: The FY 2025-26 request includes \$1.1 million cash funds, including \$407,147 from the Parks Cash Fund and \$678,577 from the Wildlife Cash Fund, and 1.8 FTE to implement a digital video evidence system for Colorado Parks and Wildlife Officers. The request annualizes to \$1.0 million cash funds and 2.0 FTE in FY 2026-27.

R7 Water plan technical update: The FY 2025-26 request includes \$138,751 from the Colorado Water Conservation Board Construction Fund and 0.9 FTE to hire a term-limited staff member through December 2029. This individual would assist with a technical update that will inform the 2033 Water Plan Update. The request annualizes to \$146,672 cash funds and 1.0 FTE in FY 2026-27.

R8 Wildlife conservation and management: The request includes \$2.3 million cash funds from the Wildlife Cash Fund and 11.1 FTE to increase operational staffing for wildlife biology, aquatic species, wildlife health, and habitat improvements. The request annualizes to \$2.2 million cash funds and 12.0 FTE in FY 2026-27.

R9 State Land Board Working Lands Internship Program: *This decision item will be covered in a separate briefing on December 2, 2024.*

R10 Restructure Sev Tax Operational Fund [Requires Legislation]: *This decision item will be covered in a separate briefing on December 2, 2024.*

CSFS R1 Move line items to DNR: The Department requests a budget-neutral adjustment that moves \$10.4 million General Fund across three line items within the Colorado State Forest Service (Department of Higher Education) to the Department of Natural Resources.

CSFS R2 Forestry workforce dev internships: The request includes \$229,006 General Fund to permanently establish a forestry workforce internship program within the Colorado State Forest Service. The request annualizes to \$231,730 General Fund in FY 2026-27. The Department has indicated that this request is “Proven” per S.B. 21-284.

Non-prioritized decision items: The request includes an increase of \$2.5 million total funds, including \$674,149 General Fund, for an annual fleet vehicle adjustment that originates in the Department of Personnel.

Centrally appropriated line items: The request includes a net increase of \$11.7 million total funds, including \$943,173 General Fund, for centrally appropriated line items that are summarized in the table below.

| Centrally appropriated line items | | | | | | |
|---------------------------------------|-------------|--------------|-------------|-----------------|---------------|-----|
| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
| Salary survey | \$4,728,328 | \$644,204 | \$3,842,730 | \$154,353 | \$87,041 | 0.0 |
| Health, life, and dental | 3,046,234 | 357,695 | 2,697,624 | -44,613 | 35,528 | 0.0 |
| Payments to OIT | 1,173,595 | -197,119 | 828,576 | 657,020 | -114,882 | 0.0 |
| AED and SAED adjustment | 1,128,435 | 114,730 | 1,042,015 | 3,672 | -31,982 | 0.0 |
| Step Plan | 830,983 | 168,947 | 634,426 | 27,610 | 0 | 0.0 |
| Risk management & property | 570,091 | -95,565 | 695,011 | -20,830 | -8,525 | 0.0 |
| CORE operations | 329,512 | 24,627 | 287,964 | 7,832 | 9,089 | 0.0 |
| Shift differential | 144,228 | 0 | 144,832 | -604 | 0 | 0.0 |
| PERA direct distribution | 70,263 | -19,209 | 95,756 | -6,284 | 0 | 0.0 |
| Depreciation-lease equivalent payment | 68,232 | 68,232 | 0 | 0 | 0 | 0.0 |
| Paid Family & Medical Leave Insurance | 48,348 | 5,163 | 44,459 | 166 | -1,440 | 0.0 |
| Capitol Complex leased space | 46,861 | 14,863 | 20,296 | 7,063 | 4,639 | 0.0 |

Centrally appropriated line items

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|-------------------------|---------------------|------------------|--------------------|------------------|-----------------|------------|
| Leased space | 45,614 | 21,316 | 17,032 | 218 | 7,048 | 0.0 |
| Short-term disability | 16,394 | 1,721 | 15,098 | 55 | -480 | 0.0 |
| DPS Digital trunk radio | 2,796 | 0 | 2,796 | 0 | 0 | 0.0 |
| Legal services | -388,397 | -165,703 | -219,747 | -22,852 | 19,905 | 0.0 |
| Workers' compensation | -149,506 | -729 | -155,039 | 265 | 5,997 | 0.0 |
| Total | \$11,712,011 | \$943,173 | \$9,993,829 | \$763,071 | \$11,938 | 0.0 |

Indirect cost assessment: The request includes a net increase of \$106,333 to indirect costs across all divisions. This includes an increase of \$1.1 million General Fund that is largely offset by a \$1.1 million reduction in reappropriated funds.

Annualize prior year legislation: The request includes a net decrease of \$55.9 million total funds, including a net decrease of \$13,146 General Fund, to reflect the FY 2025-26 impact of bills passed in previous sessions. This decrease is primarily comprised of the annualization of the Department's annual CWCB Projects Bill, resulting in a reduction of \$55.6 million cash funds.

Annualize prior year legislation

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | FTE |
|---|----------------------|------------------|----------------------|-----------------|------------|
| SB23-255 Wolf depredation compensation | \$175,000 | \$0 | \$175,000 | \$0 | 0.0 |
| HB24-1117 Invertebrates and rare plants | 60,702 | 0 | 60,702 | 0 | 1.0 |
| SB24-212 Local gov renewable energy projects | 43,571 | 0 | 43,571 | 0 | 0.5 |
| SB24-229 Ozone mitigation | 17,617 | 0 | 17,617 | 0 | 0.0 |
| SB24-171 Restore wolverines | 13,239 | 0 | 13,239 | 0 | 0.2 |
| HB23-1265 Born to be wild license plate | 10,000 | 0 | 10,000 | 0 | 0.0 |
| SB24-026 Ag and nat resources public engagement | 8,128 | 0 | 8,128 | 0 | 0.0 |
| HB23-1242 Oil and gas water conservation | 162 | 0 | 162 | 0 | 0.0 |
| HB24-1435 CWCB projects bill | -55,957,500 | 0 | -55,957,500 | 0 | 0.0 |
| SB23-059 State park funds for local access | -137,000 | 0 | -137,000 | 0 | 0.0 |
| HB23-1294 Pollution protection measures | -95,166 | 0 | -95,166 | 0 | 0.0 |
| SB24-185 Protections for mineral owners | -20,483 | 0 | -20,483 | 0 | 0.0 |
| SB22-114 Fire suppression ponds | -13,146 | -13,146 | 0 | 0 | 0.0 |
| SB23-285 Energy and carbon management | -7,031 | 0 | 0 | -7,031 | 0.0 |
| Total | -\$55,901,907 | -\$13,146 | -\$55,881,730 | -\$7,031 | 1.7 |

Annualize prior year budget actions: The request includes a net decrease of \$1.3 million for the out-year cost of prior year budget actions.

Annualize prior year budget actions

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|-----------------------------------|-------------|--------------|------------|-----------------|---------------|-----|
| Annualize CPW RFI | \$2,405,194 | \$0 | \$250,000 | \$0 | \$2,155,194 | 0.0 |
| FY24-25 R9 Wildlife mgmt staffing | 80,052 | 0 | 80,052 | 0 | 0 | 1.4 |

| Annualize prior year budget actions | | | | | | |
|---|---------------------|-----------------|---------------------|-----------------|--------------------|------------|
| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
| FY23-24 R9 Wildlife staffing | 65,135 | 0 | 65,135 | 0 | 0 | 0.0 |
| FY24-25 R2 CPW biodiversity and habitat staff | 55,410 | 0 | 55,410 | 0 | 0 | 0.7 |
| FY23-24 R15 Vehicles for water admin | 48,311 | 48,311 | 0 | 0 | 0 | 0.0 |
| FY24-25 R4 Park manager equitable progression | 33,856 | 0 | 33,856 | 0 | 0 | 0.0 |
| FY24-25 R11 State park staffing for demand | 33,850 | 0 | 33,850 | 0 | 0 | 0.6 |
| FY24-25 R10 Aquatics and hatchery ops | 21,942 | 0 | 21,942 | 0 | 0 | 0.3 |
| FY24-25 R5 River ops coordinators | 21,060 | 21,060 | 0 | 0 | 0 | 0.2 |
| FY23-24 R8 Manage and protect state parks | 19,567 | 0 | 19,567 | 0 | 0 | 0.0 |
| FY24-25 R1 SLB biodiversity program | 15,774 | 0 | 15,774 | 0 | 0 | 0.0 |
| FY22-23 R10 Records access mgmt and radios | 9,286 | 0 | 9,286 | 0 | 0 | 0.0 |
| FY24-25 R8 Wildlife dam safety staffing | 8,371 | 0 | 8,371 | 0 | 0 | 0.1 |
| FY24-25 R5 Inclusive recruitment | 5,621 | 0 | 5,621 | 0 | 0 | 0.0 |
| FY24-25 R13 SLB outdoor rec leasing | 5,258 | 0 | 5,258 | 0 | 0 | 0.0 |
| FY24-25 R6 Create CWCB grants section | 2,961 | 0 | 2,961 | 0 | 0 | 0.1 |
| FY23-24 R11 Water and research projects | 785 | 0 | 785 | 0 | 0 | 0.0 |
| Annualize CPW vendor commissions | -2,871,058 | 0 | -2,871,058 | 0 | 0 | 0.0 |
| Prior year salary survey | -907,474 | 0 | -804,038 | 0 | -103,436 | 0.0 |
| FY 2024-25 Step Plan | -213,744 | 0 | -201,016 | 0 | -12,728 | 0.0 |
| FY24-25 BA1 CPW counter poaching K9 program | -80,339 | 0 | -80,339 | 0 | 0 | 0.5 |
| FY23-24 R7 Winter recreation support | -13,340 | 0 | -13,340 | 0 | 0 | 2.0 |
| FY24-25 R14 CPW admin support | -13,008 | 0 | -13,008 | 0 | 0 | 0.5 |
| FY24-25 R7 IT infrastructure and network | -663 | 0 | 0 | -663 | 0 | 0.1 |
| FY24-25 R12 CPW info and education | -368 | 0 | -368 | 0 | 0 | 0.4 |
| Total | -\$1,267,561 | \$69,371 | -\$3,375,299 | -\$663 | \$2,039,030 | 6.9 |

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee.

Budget Reduction Options: The Executive Budget Request includes reductions of \$9.9 million General Fund for the Department of Natural Resources (Executive Director’s Office, Division of Parks and Wildlife, Colorado Water Conservation Board, and Division of Water Resources). This issue brief reviews these proposals and additional options identified by staff.

DNR and the Colorado State Forest Service (CSFS): This issue brief provides an overview of the Department’s relationship with the Colorado State Forest Service and two requests submitted by the Department on behalf of the CSFS.

For More Information

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To read the entire briefing: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2024.