

Revenue for the Colorado Conservation and Recreation Fund is derived from fees generated by the special license plate created in this bill. The plate will be available to applicants who pay a one-time additional fee of \$200. Of this fee, \$25 is credited to the Licensing Services Cash Fund (LSCF), \$25 is credited to the Highway Users Tax Fund (HUTF), and \$150 is credited to the Colorado Conservation and Recreation Fund.

Background

In late September 2011, Bonny Lake, which is located in the eastern part of the state, was mostly drained to help Colorado comply with the Republican River Compact with Kansas and Nebraska. Bonny Lake is part of the South Republican State Wildlife Area, a 13,000 acre management unit that offers deer, turkey, waterfowl and small game hunting. It is now managed by the Colorado Division of Wildlife within the Department of Natural Resources.

State Revenue

This bill is anticipated to increase state cash fund revenue by up to \$20,592 in FY 2012-13 and \$41,184 in FY 2013-14. Table 1 displays revenue generated by fiscal year.

Table 1. State Revenue Generated Under SB 12-171		
	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Issued	100	200
Revenue Credited to License Plate Cash Fund (\$5.92)	\$592	\$1,184
\$25 Fee to Highway Users Tax Fund	2,500	5,000
\$25 Fee to Licensing Services Cash Fund	2,500	5,000
\$150 Fee to Colorado Conservation and Recreation Fund	15,000	30,000
Total Revenue	\$20,592	\$41,184

Department of Revenue. Revenue is generated from the plate and tab production fee of \$5.92 per plate set, credited to the License Plate Cash Fund, which all vehicle owners must pay upon registration. In addition to the \$150 fee attributable to the fund created in this bill, applicants for the Colorado Conservation and Recreation license plate are also required to pay an additional \$50 fee; of this, \$25 is credited to the HUTF and \$25 is credited to the LSCF. The Department of Revenue (DOR) may begin issuing the plate on January 1, 2013, upon completion of design and administrative preparations. This fiscal note assumes the DOR will issue 100 plate sets in FY 2012-13 and 200 plate sets in FY 2013-14. It is estimated that the DOR will issue an additional 100 plates annually in the following years, with an annual revenue of approximately \$20,592 until interest in the plate declines.

State Highway Fund. This bill increases State Highway Fund revenue by an estimated \$1,625 in FY 2012-13 and \$3,250 in FY 2013-14. Since this bill is expected to increase HUTF revenue by \$2,500 in FY 2012-13 and \$5,000 in FY 2013-14, the State Highway Fund is increased accordingly. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and municipalities (9 percent) for transportation.

State Expenditures

This bill is expected to increase state expenditures by at least \$91,685 in FY 2012-13 and \$14,608 in FY 2013-14. Table 2 shows the costs required to implement the bill.

	FY 2012-13	FY 2013-14
Number of License Plate Sets to be Manufactured	100	200
Plate and Tab Production cost (\$5.92)	\$592	\$1,184
Computer Programming (920 hours at \$74 per hour)	68,080	0
Legal Services (300 hours and 175 hours at \$76.71 per hour)	23,013	13,424
Total	\$91,685	\$14,608

Governor's Office of Information Technology. In FY 2012-13, one-time computer programming costs of \$68,080 are required to update the Colorado State Titling and Registration System (CSTARS) and VIPER systems. Approximately 920 hours is required for this reprogramming. This bill is different from similar bills creating special license plates requiring only 40 of programming, as the similar bills do not require the charging, collecting and distributing of a new fee. Plate and tab production costs are expended from the LPCF. Based on expected demand for the new plate, an initial run of 100 plate sets will be necessary.

Department of Law. The Department of Law (DOL) will provide legal representation to the board in matters of development, accounting contracts and enterprise funding, as well as any training or guidance necessary to ensure the board effectively carry out the duties of the program. Because the program may issue revenue bonds to raise funds to pay for the building and operation of the recreation center, DOL will need to provide legal advice with regard to the bonding process, funding, implementation, and contracting. In addition, the program may enter into a private contract to build or to operate the proposed recreation center, which is likely to require oversight of the contract's implementation and on-going management. DOL will provide counsel for these activities.

Department of Agriculture. The Department of Agriculture oversees the State Conservation Board, and thus will need to provide staff support and technical expertise for this bill. Currently, the department does not have the technical expertise to advise the board on elements of this bill, and would require an unknown amount of staff assistance to the board. Additionally, the department is charged to oversee financial transactions, procurement, construction and staffing of facilities. This fiscal note assumes that these staffing costs will be provided through annual budgeting process, or through administrative funding for the center.

Local Government Impact

The bill increases county and municipal government revenue by an estimated \$875 in FY 2012-13 and \$1,750 in FY 2013-14. Since this bill is expected to increase HUTF revenue by \$2,500 in FY 2012-13, and \$5,000 in FY 2013-14, county and other local distributions are increased accordingly. HUTF revenue generated by license plate fees is distributed to the State Highway Fund (65 percent), counties (26 percent) and municipalities (9 percent) for transportation.

State Appropriations

For FY 2012-13, under this bill:

- the DOR requires an appropriation of \$592 from the License Plate Cash Fund, and \$68,080 from the HUTF CSTAR Account;
- the Governor's Office of Information Technology requires spending authority for \$68,080 in reappropriated funds; and
- the Department of Agriculture requires an appropriation of \$23,013, General Fund, reappropriated to the Department of Law .

Departments Contacted

Agriculture	Corrections	Governor's Office of Information Technology
Law	Natural Resources	Revenue
Treasury		