



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

<b>Drafting Number:</b>	LLS 23-0795	<b>Date:</b>	March 29, 2023
<b>Prime Sponsors:</b>	Sen. Will; Roberts Rep. Lukens; Soper	<b>Bill Status:</b>	Senate Agriculture
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**Bill Topic:**                    **MANAGEMENT OF GRAY WOLVES REINTRODUCTION**

<b>Summary of Fiscal Impact:</b>	<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 limits when the Parks and Wildlife Commission may reintroduce wolves based on the outcome of the Endangered Species Act 10(j)(1) rule proposal and a National Environmental Policy Act analysis. The bill may decrease state expenditures beginning in FY 2023-24.

**Appropriation Summary:**                    No appropriation is required. See State Appropriations section.

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

**Table 1**  
**State Fiscal Impacts Under SB 23-256**

		<b>Budget Year FY 2023-24</b>	<b>Out Year FY 2024-25</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	up to (\$1.6 million)	up to (\$1.6 million)
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	up to (\$240,000)	up to (\$240,000)

## **Summary of Legislation**

The bill prohibits the introduction of gray wolves into specific data analysis units (DAU) in Colorado. A DAU is a geographic area that represents the year-round range of a big game herd and includes all of the seasonal ranges of the herd. Specifically, Colorado Parks and Wildlife (CPW) commission may not authorize the restoration of gray wolves into a DAU if:

- the U.S. Secretary of the Interior has not made final determination that the gray wolf population in the DAU is a nonessential experimental population in accordance with 16 USC sec. 1539 (j) of the Endangered Species Act; or
- the US Secretary of the Interior or the US Department of Agriculture has not completed the required final analysis under the federal National Environmental Policy Act (NEPA) for the reintroduction of gray wolves, following criteria in the bill.

## **Background**

Colorado voters approved Proposition 114 in the November 2020 election, which required the Colorado Parks and Wildlife Commission (commission) restore they gray wolf to the state. The commission is currently reviewing the Draft Colorado Wolf Restoration and Management Plan, which recommends wolf reintroduction begin December 2023.

After Proposition 114 passed, gray wolves in Colorado were relisted under the Endangered Species Act and management authority returned to the U.S. Fish and Wildlife Service (USFWS). To assist the commission with the wolf reintroduction, the USFWS initiated a process to develop an experimental population of gray wolves in Colorado, which is authorized under Section 10(j)(1) of the Endangered Species Act (ESA) and is known as the 10(j) rule. In order for the USFWS to manage an experimental population under the ESA, an environmental review of the potential impacts must be conducted under NEPA through an Environmental Impact Statement (EIS). The [proposed rule](#) was published on the Federal Registry in February 2023, which proposed the establishment of a nonessential experimental population of the gray wolf in Colorado. CPW and USFWS anticipate the 10(j) rule and coinciding NEPA analysis will be completed prior to the planned wolf reintroduction.

## **State Expenditure**

The bill may decrease state expenditures in the Department of Natural resources by up to \$1.6 million in FY 2023-24 and in ongoing years from the General Fund. CPW currently receives an annual appropriation of \$2.1 million for the purpose of implementing Proposition 114.

The bill requires the 10(j) rule process or the NEPA analysis be complete before gray wolf reintroduction may be authorized by CPW. While the current process is expected to be completed by December 2023, appeals to the proposed rule may delay a final determination. If CPW has to delay wolf reintroduction, it could reduce state expenditures by up to \$1.6 million for any year where wolf reintroduction is delayed. CPW still require approximately \$500,000 in spending authority to manage the existing wolf population in Colorado.

If the 10(j) rule and NEPA processes are complete and a final determination is made by or before December 2023, then no reduction in expenditures would occur.

### **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

### **State Appropriations**

For FY 2023-24, the bill may require a reduction in appropriations; however, this reduction will depend on mid-year outcomes and will be addressed during the annual budget process as needed.

### **State and Local Government Contacts**

Natural Resources