

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0533

Date: March 21, 2013

Prime Sponsor(s): Rep. Foote
Sen. Jones

Bill Status: House Transportation and Energy
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING THE REDUCTION OF CONFLICTS OF INTEREST WITHIN THE COLORADO OIL AND GAS CONSERVATION COMMISSION.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill changes the mandate of the Colorado Oil and Gas Conservation Commission (COGCC) to ensure that the responsible, balanced development, production, and utilization of the natural resources of oil and gas in Colorado protects public health, safety, and welfare, including protection of the environment and wildlife resources. The bill prohibits a newly appointed commissioner from being an employee, officer, or director of an oil and gas operator or service company while serving on the COGCC. Finally, it redefines the term waste to exclude reduced production in the amount of oil or gas due to compliance with government regulation.

State Expenditures

Because the bill only changes the disqualifications for membership on the COGCC and not the number of members, no change in expenditures is expected. The process for the governor to appoint 7 of the 9 members with Senate consent is unchanged. As the bill only applies to appointments made on or after the effective date of the bill, the 3 COGCC members that are employed by the oil and gas industry may complete their current terms.

Departments Contacted

Counties	Law	Local Affairs
Municipalities	Natural Resources	Public Health and Environment