

NATURAL RESOURCES

Parks and Recreation

SB 11-024 (*Enacted*)
Veterans State Parks Admission

SB 11-092 (*Enacted*)
Sunset Vessel Registration Program

SB 11-208 (*Enacted*)
Merge Department of Natural Resources
Entities Wildlife Parks and
Recreation

Wildlife

SB 11-203 (*Enacted*)
Species Conservation Trust Fund

HB 11-1150 (*Postponed Indefinitely*)
Use Wildlife Fees for Habitat Water
Storage

HB 11-1294 (*Deemed Lost*)
Predator Management Regulation

Oil and Gas

HB 11-1223 (*Postponed Indefinitely*)
Colorado Oil and Gas Conservation
Commission

HB 11-1172 (*Postponed Indefinitely*)
Oil and Gas Commission Review EPA
Fracking Study

Forest Health

SB 11-267 (*Enacted*)
Forest Health Act of 2011

The General Assembly considered a variety of natural resource related legislation during the 2011 session. Major topics addressed include parks and recreation, wildlife, and oil and gas.

Parks and Recreation

Within the Department of Natural Resources (DNR), **Senate Bill 11-208** combines two formerly separate divisions into one. The Wildlife Commission and the Board of Parks and Outdoor Recreation are consolidated into a new Parks and Wildlife Board, and the Division of Wildlife (DOW) and the Division of Parks and Outdoor Recreation are consolidated into a new Division of Parks and Wildlife. The bill also specifies the following:

- the membership of the new Parks and Wildlife Board;
- that the new board and new division will assume all of the duties, powers, responsibilities, obligations, and functions that were previously exercised by their predecessors;
- that the new division will be under the direction of a single director who will be chosen by the new board with the consent of the DNR executive director at the board's first meeting;
- that the new division will have enterprise status authorizing it to issue revenue bonds;
- that the new board is required to develop an implementation plan to further define the consolidation and structure of the new division;
- that the board may only raise or lower park fees or other charges if the board anticipates that the total annual revenues realized from the change will not increase by more than 20 percent over the annual amount earned from fees and charges as of July 1, 2011;
- the reaffirmation of the state's assent to the federal Pittman-Robertson and Dingell-Johnson acts, which provide federal aid to states as long as states have laws prohibiting the diversion of license fees paid by hunters and anglers for any purpose other than the administration of the state's fish and game department; and
- the executive director's progress reporting requirements to the House and Senate Agriculture Committees on the board's activities.

Senate Bill 11-024 authorizes the Board of Parks and Outdoor Recreation in the DNR to promulgate rules to allow members of the armed forces wounded warriors programs, and caretakers accompanying them, free entrance to any state park or recreation area. Wounded warriors are individuals who have been severely injured in military operations undertaken since September 11, 2001, and require years of intense, ongoing care or assistance. Wounded warriors who are residents of, or are stationed in, Colorado would be eligible for free entrance. The bill also authorizes the board to promulgate rules to allow all veterans free entrance to any state park on one day each year of the board's choosing.

A sunset review bill, **Senate Bill 11-092**, extends the vessel registration laws set to expire on July 1, 2011, until September 1, 2016. The Division of Parks and Outdoor Registration in the DNR administers the vessel registration program. The sections of statute set to sunset fulfill the requirements needed to participate in the U.S. Coast Guard Recreational Boating and Safety Federal Financial Assistance Program. The purpose of the federal program is to register and number vessels in accordance with federal standards and to promote boating safety. States that receive grants under the program are required to provide matching funds and adopt certain standards and procedures,

including providing a vessel numbering identification system, sufficient patrol and other enforcement activity, and a boating safety education program. Accordingly, Colorado law provides that any boat with a motor or sail operated in Colorado on any public waters must be registered with the division. The bill also requires the division to report to the President of the Senate and the Speaker of the House of Representatives if federal funds for recreational boating safety are expected to cease for any reason.

Wildlife

Three bills were introduced relating to wildlife and how wildlife-related programs are funded in the DNR. **Senate Bill 11-203** appropriates money from the Operation and Maintenance Account and the Capital Account of the Species Conservation Trust Fund (SCTF) for programs submitted by the executive director of the DNR. These programs are intended to conserve native species that are listed as threatened or endangered under state or federal law, are candidate species, or are likely to become candidate species as determined by the U.S. Fish and Wildlife Service. The bill also adjusts existing appropriations for SCTF projects beginning in FY 2000-2001 to reflect the amount actually spent by the department. In FY 2011-12, the bill provides \$6.6 million from the SCTF to the DNR for the projects summarized in Table 1.

Table 1
Species Conservation Trust Fund Project Expenditures

Project	FY 2011-12
<u>Capital Account</u>	
Platte River Recovery Program	\$2,600,000
Upper Colorado River Recovery Program	1,000,000
Arkansas Darter Instream Flow Water Rights Purchase	500,000
Native Grouse Conservation Program	<u>400,000</u>
Subtotal	\$4,500,000
<u>Operation and Maintenance Account</u>	
Upper Colorado River Recovery Program	\$500,000
Native Grouse Conservation Program	605,000
Native Fish Conservation Program	560,000
Wildlife Disease Management	410,000
Wildlife Adaptation Research	<u>25,000</u>
Subtotal	\$2,100,000
Total Expenditures	\$6,600,000

The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act provide federal aid to states to manage and restore wildlife and fishery resources. Both federal aid programs are funded through a federal excise tax on hunting and angling equipment. To be eligible for these federal funds, states must have laws prohibiting the diversion of license fees paid by hunters or anglers for any purpose other than the administration of the state's fish and game department. The U.S. Fish and Wildlife Service administers this aid to states through the Wildlife

and Sport Fish Restoration Program. In 2010, the Division of Wildlife (DOW) received over \$21 million from these sources. **House Bill 11-1150** would have transferred \$5 million per year for 10 years from the Wildlife Cash Fund to the Colorado Water Conservation Board (CWCB) Construction Fund. The bill specified that the CWCB could only have expended these revenues for water storage projects that would have enhanced, created, or preserved wildlife habitat or contributed to a wildlife restoration project, a fish restoration or management project, or wildlife conservation. The CWCB also could only have expended these revenues if the CWCB, in consultation with the DOW, determined that doing so would not violate the Pittman-Robertson Wildlife Restoration Act or the Dingell-Johnson Sport Fish Restoration Act. The bill was postponed indefinitely.

In 1992, Amendment 10 on black bear hunting was placed on the ballot by initiative and was adopted by voters. The statutory amendment included a prohibition on hunting black bears from March 1 to September 1 and also prohibited hunting bears using bait or dogs. **House Bill 11-1294** would have changed the hunting prohibition to March 1 through May 31. The other statutory bear hunting provisions would not have changed. The bill was deemed lost in the House of Representatives.

Oil and Gas

In 2011, the General Assembly considered two bills concerning the Colorado Oil and Gas Conservation Commission (COGCC), a division in the Department of Natural Resources (DNR). The COGCC has regulatory authority over oil and gas development in the state. It is tasked with promoting oil and gas development along with protecting public health, safety and the environment. Current law specifies that the COGCC will consist of nine members and must include:

- the executive directors of the Department of Public Health and Environment (CDPHE) and the DNR as ex officio voting members;
- two members from the west slope;
- one member with environmental or wildlife protection experience;
- three members with oil and gas industry experience;
- one member with soil conservation experience;
- one member that is engaged in agricultural production and a royalty owner; and
- one member as a representative of a local government.

HB 11-1223 would have expanded the composition of the COGCC to include 11 members. The two current ex officio voting members would have become nonvoting members. The remaining nine voting members would have included five members with substantial experience in the oil and gas industry, at least two of whom must have had a college degree in petroleum geology or petroleum engineering. Voting members would also have included:

- three members from west of the continental divide, including at least one with substantial experience in the oil and gas industry;
- one member from the eastern slope with substantial oil and gas industry experience;
- one member who is a local government official;
- one member with formal training in environmental or wildlife protection;
- one member with formal training in soil conservation; and
- one member actively engaged in agricultural production, who is also a royalty owner.

House Bill 11-1172 would have required the COGCC, in cooperation with the Department of Public Health and Environment (DPHE), to review the U.S. Environmental Protection Agency's (EPA) study investigating the possible relationships between hydraulic fracturing and drinking water. The review would have been required to evaluate whether there is sufficient evidence that hydraulic fracturing fluids pose a risk to ground or surface waters and whether this potential risk justifies expenditures for additional monitoring or corrective actions. The report on the review was to be submitted to the House Agriculture, Livestock, and Natural Resources Committee, the Senate Agriculture and Natural Resources Committee, the House Health and Environment Committee, and the Senate Health and Human Services Committee by January 1, 2013, or six months after the completion of the EPA study. Additionally, the COGCC would have been required to submit an annual report to the General Assembly on the number of complaints it had received that relate to water quality and the complaints that were found to be attributable to oil and gas operations.

Forest Health

The mountain pine beetle outbreak continues to be the predominant ongoing forest health issue in the state. The issue impacts human safety, communities, infrastructure, water supplies, as well as wood products, recreation, and tourism. In 2011, one bill was passed relating to forest health and the impact of the pine beetle on Colorado's forests.

Senate Bill 11-267 details a number of initiatives for the use and management of biomass derived from forest land located in the state. Specifically, the bill creates a 14-member work group to identify market-based models for forest management, including:

- methods to promote biomass to reduce insect infestation;
- air quality improvement using biomass as a fuel mitigation strategy; and
- funding sources for the development of biomass.

The working group must also identify ways to improve information flow on using biomass for energy and other land management issues, including using federal initiatives, and examine ways to generate power using locally-produced biomass at public facilities. The group must report initial findings to certain legislative committees by November 1, 2011 and final findings, which include specific legislative recommendations, by January 1, 2012.

The bill also requires the State Board of Land Commissioners to direct the State Forest Service on the appropriate use of pine beetle infested timber and otherwise declining forest area when it contracts with the service. Finally, it encourages the Public Utilities Commission to explore all aspects of biomass energy production, as well as assist the working group.