



## SENATE BILL 181: THE STATEWIDE COST OF PROHIBITIONS, RESTRICTIONS AND REGULATORY UNCERTAINTY IN COLORADO'S ENERGY SECTOR

### SB 19-181: AUTHORIZING UNCERTAINTY

- SB-181 allows for new rules at both the state and local level that significantly reduce the size of the oil and gas industry in Colorado. Yet it removes the requirement that technical feasibility and cost-effectiveness be used as part of the criteria for future permitting decisions and regulations over oil and natural gas.
- The original fiscal note accompanying the bill states that SB-181 authorizes restrictions up to and including, "an outright prohibition of oil and gas development."
- The bill grants exclusive authority to the Director of the COGCC to refuse any permit that he or she flags for additional review. COGCC has released 19 broad criteria for flagging permits for further review, which include a proposed well in a municipality, within 2,500' of a municipality or county line; in a location added by the governor's office; in a location that attracts comments from environmental groups; or any permit otherwise considered "hairy, sticky or likely to stand out."

### POTENTIAL ECONOMIC IMPACT SCENARIOS

Given the uncertainty surrounding the bill, concerned Coloradans questioned the economic risk. The full report projected the dynamic fiscal and economic impacts for 7 scenarios.

Here are summary results for just 3 of the 7 economic impact scenarios included in the report.

**If SB-181 shuts down 33%** of new oil and gas production the impacts by 2030 include:

- **61,000** fewer jobs across all sectors
- Over **\$4.4 billion** in lost state and local tax revenue from 2020 through 2030
- Over **\$84 billion** in lost GDP from 2020 through 2030

**If SB-181 shuts down 50%** of new oil and gas production the impacts by 2030 include:

- **120,000** fewer jobs across all sectors
- Over **\$8 billion** in lost state and local tax revenue from 2020 through 2030
- Over **\$158 billion** in lost GDP from 2020 through 2030

**If SB-181 shuts down 100%** of new oil and gas production the impacts by 2030 include:

- **185,000** fewer jobs across all sectors
- Over **\$13.5 billion** in lost state and local tax revenue from 2020 through 2030
- Over **\$257 billion** in lost GDP from 2020 through 2030

Link to full study: [remipartnership.org/senate-bill-181/](http://remipartnership.org/senate-bill-181/)