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Report: Oil and Gas Still Economic Juggernaut in Colorado
89,000 jobs, \$13.5 billion GDP, \$1 billion public revenue

DENVER – A study on the economic impact from Colorado’s oil and gas upstream and midstream subsectors found that it’s a critically important spoke in the wheel of the state’s diverse economy. As of 2017, the upstream and midstream subsectors alone were responsible for providing 89,000 direct and indirect jobs, \$13.5 billion of the state’s gross domestic product, and \$1 billion of public revenue that supports Colorado schools, social assistance programs, parks and water infrastructure.

"This report demonstrates how a strong oil and natural gas sector benefits all Coloradans by ensuring that everyone has access to the great outdoors, good schools, and infrastructure to meet the needs of our growing population," said Dan Haley, President and CEO of the Colorado Oil & Gas Association. "And in Colorado, where it is nearly impossible to raise taxes, a billion dollars from a single industry is a significant revenue stream that should be trumpeted."

Table 9: Total Fiscal Flows from Colorado Oil and Gas Sector to various Colorado Governments

<u>Fiscal Source</u>	<u>Amount (\$millions)</u>	<u>Time Period</u>	<u>Primary Uses</u>
Individual Income Tax	\$ 234.7	2017	education, social assistance
State Lands & Minerals	99.4	FY 2017 – 18	education, parks & wildlife, public buildings
Federal Lands & Minerals	84.7	2017	education, social assistance
Property Tax	457.1	2107	education, local governments
State Severance Tax	96.1	FY 2017 – 18	local impact grants, energy innovation, water & resources
Oil & Gas Conservation and Environmental Response Fund	13.2	FY 2016 – 2017	oil & gas regulation
Corporate Income Tax	<u>8.1</u>	2017	education, social assistance
TOTAL:	\$993.3		

According to the report, "oil and gas is responsible for at least seven distinct streams of public revenue... And unlike other industries, the assessment rate on oil and gas lands value is 75 to 87.5 percent, as compared to 29 percent for the general assessment rate for corporate property. And unlike other industries, oil and natural gas extraction establishments pay royalties and taxes on the value production, in addition to taxes paid on earnings. The state

receives royalties for oil and gas production from state and federal lands and severance taxes on all production in Colorado."

The study was conducted by Global Energy Management Program at the University of Colorado Denver, Business School and paid for by the Colorado Oil & Gas Association. It uses U.S. Bureau of Economic Analysis data from 2017, which is the most current and complete year on record.

About COGA

Founded in 1984, the Colorado Oil & Gas Association's (COGA) mission is to foster and promote the beneficial, efficient, responsible and environmentally sound development, production and use of Colorado oil and natural gas. COGA is a nationally recognized trade association that aggressively promotes the expansion of Rocky Mountain natural gas markets, supply, and transportation infrastructure through its growing and diverse membership.