



Legislative Council Staff

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Fiscal Note

Drafting Number:	LLS 21-0289	Date:	March 11, 2021
Prime Sponsors:	Rep. Valdez D.; Will Sen. Coram	Bill Status:	House Energy & Environment
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Bill Topic: MEASURES TO INCREASE BIOMASS UTILIZATION

Summary of Fiscal Impact:

<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 directs the Colorado State Forest Service to conduct a biomass utilization study and report its findings and recommendations by March 1, 2022. The bill increases state expenditures in FY 2021-22 only.

Appropriation Summary: No appropriation is required; the bill increases expenditures from a continuously appropriated cash fund.

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

**Table 1
State Fiscal Impacts Under HB 21-1180**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Cash Funds	\$62,220	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill requires the Colorado State Forest Service (CSFS) to conduct a study to help identify how biomass utilization can support wildlife mitigation, renewable energy development, soil health, climate change mitigation, and carbon sequestration. The bill specifies that the forest service must, through the study:

- identify the environmental and economic costs and benefits of increased biomass supply and utilization;
- identify potential barriers to increased biomass utilization; and
- collaborate with other state agencies, local officials, and interested stakeholders.

The forest service must submit a report by March 1, 2022, summarizing its findings and recommendations, including legislative measures, to the Governor and agriculture and natural resource legislative committees.

Background

The CSFS has undertaken studies on similar subjects addressed in this bill, which informs the study's cost. A selection of relevant prior work is shown in Table 2.

Study	Year Completed	Cost
Wood Use in Colorado at the Turn of the Twenty-First Century	2001	\$85,000
Jefferson County Biomass Facility Feasibility Study	2005	\$65,000
Front Range Biomass Assessment	2004	\$15,000
Jackson County Biomass Plan	2009	\$12,000

State Expenditures

The bill increases expenditures in the Department of Higher Education by an estimated \$62,220 in FY 2021-22. This estimate is based on costs for 6 months of a senior Colorado State University faculty researcher's time and 9 months of research staff time at \$18 per hour. The bill does not specify a fund source for these expenditures; the fiscal note assumes that costs will be paid from the Healthy Forests and Vibrant Communities Fund, which is continuously appropriated to the department. See Technical Note.

The CSFS will consult with other state agencies, including the Department of Agriculture and the Division of Fire Prevention and Control in the Department of Public Safety. Participation will require staff time and travel costs for these agencies, which will not require an increase in appropriations.

Technical Note

The Healthy Forests and Vibrant Communities Fund does not have available resources to fund the study required by this bill. Therefore, if funds are appropriated from this cash fund, staff time from other initiatives will be reduced.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Agriculture
Fire Chiefs
Public Safety

Colorado Energy Office
Higher Education

Counties
Municipalities