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Final Fiscal Note

Drafting Number: LLS 21-0889 Date: September 22, 2021
Prime Sponsors: Sen. Jaquez Lewis; Sonnenberg; Rep. Cutter; Holtorf Bill Status: Signed into Law Fiscal Analyst: Clare Pramuk | 303-866-2677 clare.pramuk@state.co.us

Bill Topic: GENERAL FUND TRANSFER AGRICULTURE & DROUGHT RESILIENCY

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

This bill creates the Agriculture and Drought Resiliency Fund in the Department of Agriculture and transfers \$3.0 million from the General Fund to the new fund. The bill increases state expenditures beginning in FY 2020-21.

Appropriation Summary: For FY 2020-21, the bill requires and includes a \$3.0 million appropriation to the Department of Agriculture.

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

Table 1 State Fiscal Impacts Under SB 21-234

Table with 4 columns: Category, Sub-category, Current Year FY 2020-21, Budget Year FY 2021-22, Out Year FY 2022-23. Rows include Revenue, Expenditures (Cash Funds, Total), Transfers (General Fund, Cash Funds, Net Transfer), and TABOR Refund.

1 Costs are shown in FY 2020-21 for informational purposes. These funds may be spent through FY 2022-23.

Summary of Legislation

This bill creates the Agriculture and Drought Resiliency Fund in the Department of Agriculture and transfers \$3.0 million from the General Fund to the new fund in FY 2020-21. The department will collaborate and coordinate with the Department of Natural Resources, the Colorado Water Conservation Board, and the Governor's Agricultural Impact Task Force to identify the most effective and efficient uses of the fund. This will include activities that promote the ability of the state to anticipate, prepare for, mitigate, adapt to, or respond to any event, trend, or climatological disturbance related to drought or climate. The department will report on drought and resiliency activities and expenditures during its SMART Act hearings. The fund repeals September 1, 2022.

State Transfers

The bill transfers \$3.0 million from the General Fund to the Agriculture and Drought Resiliency Fund in FY 2020-21.

State Expenditures

The Department of Agriculture will have a \$3.0 million increase in expenditures from FY 2020-21 to FY 2022-23 from the Agriculture and Drought Resiliency Fund. The bill requires that each of 74 conservation districts receive \$15,000. The department will convene a stakeholder group with the entities identified in the bill and other interested parties to determine how best to allocate the remainder of the funds. The Department of Natural Resources will have an increase in workload to participate in the stakeholder process. This workload increase can be accomplished within existing appropriations.

Effective Date

The bill was signed into law by the Governor and took effect on June 15, 2021.

State Appropriations

For FY 2020-21, this bill includes a \$3.0 million appropriation from the Agriculture and Drought Resiliency Fund to the Department of Agriculture. Remaining funds are further appropriated to the department through FY 2022-23 for the same purpose.

State and Local Government Contacts

Agriculture

Natural Resources