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Final Fiscal Note

Drafting Number: LLS 22-0612 Date: May 31, 2022
Prime Sponsors: Rep. Catlin; Roberts Bill Status: Deem Postponed Indefinitely
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Bill Topic: WILDFIRE CAMERA PILOT PROGRAM

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

The bill requires that the Department of Natural Resources create one or more remote camera technology pilot programs to detect wildfires in wildland-urban areas. It increases state expenditures from FY 2022-23 through FY 2025-26.

Appropriation Summary: For FY 2022-23, the bill includes an appropriation of \$2.0 million to the Department of Natural Resources.

Fiscal Note Status: The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Table 1
State Fiscal Impacts Under HB 22-1148

Table with 4 columns: Category, Sub-category, Budget Year FY 2022-23, and Out Year FY 2023-24. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

1Funding for the bill is transferred to the program cash fund via an appropriation from the General Fund.

Summary of Legislation

The bill requires that the Colorado Water Conservation Board (CWCB) implement one or more pilot programs using remote camera technology to detect, identify, or confirm the existence of wildfires in the wildland-urban interface. It specifies parameters for the pilot program, and further directs agencies of state and local governments to provide information, assistance, and site access as necessary for the program’s implementation.

The CWCB must implement the pilot program by April 2023, and annually report on the program(s) to the Wildfire Matters Review Committee beginning in August 2023. The pilot program repeals on September 1, 2026 following a sunset review by the Department of Regulatory Agencies.

State Expenditures

The bill increases state expenditures in the Department of Natural Resources by about \$2.0 million in FY 2022-23 and at least \$95,247 per year in FY 2023-24 through FY 2025-26. Expenditures are from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 22-1148**

	FY 2022-23	FY 2023-24
Department of Natural Resources		
Personal Services	\$67,440	\$73,571
Operating Expenses	\$1,350	\$1,350
Capital Outlay Costs	\$6,200	-
Pilot Program Operations ¹	\$1,925,010	-
Centrally Appropriated Costs ²	\$18,778	\$20,326
FTE – Personal Services	0.9 FTE	1.0 FTE
Total Cost	\$2,018,812	\$95,247
Total FTE	0.9 FTE	1.0 FTE

¹ It is assumed that this funding will cover costs in future years, but additional costs may be incurred. See Technical Note.

² Centrally appropriated costs are not included in the bill's appropriation.

Staffing costs. The department requires 1.0 FTE project manager to facilitate the pilot program(s), including procuring remote camera technology, administering the program’s requirements, reporting to the legislature, and monitoring vendor contracts. Standard operating and capital outlay costs are included, and are prorated for the General Fund pay date shift. These costs will extend for the life of the pilot program, through FY 2025-26.

Pilot program operations. After accounting for staffing costs, about \$1.9 million will remain available from the bill's appropriation to create and operate the pilot program, including hardware purchases, executing contracts for remote camera technology, monitoring and evaluating data, and reporting. While the fiscal note shows these costs in FY 2022-23, based on the appropriation included in the bill, the costs may cover contracts and service provided in future years (see Technical Note). Should costs be incurred above this amount, additional appropriations may be required in future years and will be requested through the annual budget process.

Department of Regulatory Agencies. In FY 2024-25, the department will conduct the pilot program's sunset review. This work will be incorporated into the regular schedule of sunset reviews and funded through the annual budget process.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. This bill increases the amount of General Fund held in reserve by \$300,000 in FY 2022-23, which will decrease the amount of General Fund available for other purposes.

Technical Note

The bill includes a one-time appropriation in FY 2022-23 for a pilot program that will extend for several years through FY 2025-26. If the intent of the legislation is for this funding to cover costs in future years, the appropriation should include roll-forward authority to future fiscal years. Alternatively, the funding may be appropriated or transferred into a cash fund for use by the CWCB over the life of the pilot program.

Effective Date

The bill was deemed postponed indefinitely by the House Appropriations Committee on May 12, 2022.

State Appropriations

For FY 2022-23, the bill includes a General Fund appropriation of \$2,000,000 to the DNR for use by the CWCB.

State and Local Government Contacts

Natural Resources

Regulatory Agencies