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Fiscal Note

Drafting Number:	LLS 22-1031	Date:	April 27, 2022
Prime Sponsors:	Rep. Van Beber Sen. Woodward; Ginal	Bill Status:	House Energy & Environment
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Bill Topic: COLORADO CRITICAL INFRASTRUCTURE RESILIENCY INITIATIVE

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Statutory Public Entity

The bill creates the Colorado Critical Infrastructure Resiliency Initiative and the Colorado Resilient Infrastructure Board in the Department of Public Safety. Beginning in FY 2022-23, it increases state and local government and statutory public entity expenditures.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill. Due to time constraints, this analysis is preliminary and will be updated following further review and any additional information received.

Table 1
State Fiscal Impacts Under HB 22-1404

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	Federal Funds	at least \$200,000	at least \$200,000
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

The bill creates the Colorado Critical Infrastructure Resiliency Initiative and the Colorado Resilient Infrastructure Board in the Department of Public Safety (DPS). The 10-member board consist of representatives of DPS, the Department of Natural Resources, the Department of Public Health and Environment, the Department of Military and Veterans Affairs, the Public Utilities Commission in the Department of Regulatory Agencies, the Colorado Electric Transmission Authority, the Department of Transportation, local governments, and specialists in the security of oil and gas operations and engineering solutions for grid-down events.

The board will:

- provide oversight and governance of Colorado’s infrastructure enhancement program;
- identify electric grid, water, oil and natural gas, and telecommunications infrastructure needs and provide recommendations on infrastructure improvements;
- oversee efforts to prevent or reduce the severity of damage to the electric grid due to a natural disaster or human-caused emergency;
- monitor and implement best practices for critical infrastructure protection;
- ensure compliance of the state’s publicly owned or commercially owned utilities associated with the state’s power, oil and natural gas, water, and telecommunications sectors;
- attempt to secure funding from various sources;
- coordinate with the Colorado Electric Transmission Authority; and
- assess the capacity and availability of existing resources for resiliency of critical infrastructure sectors.

The board is required to report recommendations to relevant legislative committees by November 30, 2023 and each year thereafter. The board is also required to report its findings to the General Assembly no later than 30 days after convening in the 2025 legislative session, and each subsequent legislative session. The board is authorized to contract with a third party to assist in carrying out its duties. The board is scheduled to repeal on September 1, 2027 following a sunset review.

State Expenditures

The bill increases expenditures of federal funds in the DPS by at least \$200,000 per year starting in FY 2022-23 through FY 2026-27, and increases workload in other state agencies participating on the board.

Department of Public Safety. The DPS will require staff or a contractor to facilitate the board, apply for federal funding, and study the required topics under the bill. This work is estimated to require at least \$200,000 per year. This fiscal note assumes that federal funding will be secured for this purpose. If federal funding is not secured, the DPS will require General Fund or other resources to implement the bill’s requirements and make recommendations to relevant legislative committees by November 30 each year. This fiscal note assumes that DPS will request additional resources through the budget process if federal funds are not secured.

Other state agencies. Other state agencies that serve on the board will incur costs to participate and carry out the duties as directed in the bill, which can be accomplished within existing resources.

Local Government and Statutory Public Entity Expenditures

Local governments and the Colorado Electric Transmission Authority will incur costs to participate on the board and carry out the duties as directed in the bill, which can be accomplished within existing resources.

State Appropriations

No appropriation is required, assuming federal funds are received to implement the bill.

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

Information Technology
Military Affairs
Public Safety
Transportation

Law
Natural Resources
Regulatory Agencies
Public Health and Environment