



**Legislative
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FISCAL NOTE

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Prime Sponsors:

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Bill Status: Bill Request
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Bill Topic: **ACQUISITION ADDITIONAL EQUIPMENT TO FIGHT WILDFIRE**

**Summary of
Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill requires the Department of Public Safety to conduct a remote camera fire detection pilot project and to acquire six firefighting aircraft. This bill increases state expenditures on an ongoing basis beginning in FY 2020-21.

**Appropriation
Summary:**

For FY 2020-21, this bill requires a General Fund appropriation of \$20.0 million to the Department of Public Safety.

**Fiscal Note
Status:**

This fiscal note reflects the bill draft requested by the Wildfire Matters Review Committee.

**Table 1
State Fiscal Impacts Under Bill 3**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	\$20,029,995	\$19,126,111
	FTE	22.0 FTE	24.0 FTE
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill requires the Center of Excellence for Advanced Technology Aerial Firefighting in the Department of Public Safety (CDPS) to implement a remote camera fire detection system pilot program in consultation with other federal, state, and local agencies. This pilot program must be done through the acquisition of, or contract for, a remote camera system that can discover, locate, and confirm fire ignition, provide situational awareness for evacuation and fire response activities, and monitor contained fires. The Center of Excellence must provide a report to the General Assembly on the pilot project by August 1, 2021, and each August thereafter. The pilot program repeals September 1, 2024, following a sunset review by the Department of Regulatory Agencies.

This bill also requires the Department of Public Safety to acquire or contract for six additional firefighting aircraft, with the aircraft located in six additional location around that state that are near high fire hazard areas.

State Revenue

Beginning in FY 2020-21, state cash fund revenue is potentially increased from reimbursements for use of additional firefighting aircraft. Under current law, the CDPS is allowed to enter into agreements with other states and the federal government to use CDPS aircraft for fires or other emergencies when they are not in use in Colorado. Funds received from such reimbursements are deposited into the Colorado Firefighting Air Corps Fund and are not subject to TABOR.

State Expenditures

This bill increases costs in the DPS by \$20.0 million and 22.0 FTE in FY 2020-21 and \$19.1 million and 24.0 FTE in FY 2021-22. These costs, paid from the General Fund, are summarized in Table 2 and discussed below.

**Table 2
 Expenditures Under Bill 3**

	FY 2020-21	FY 2021-22
Department of Public Safety		
Personal Services	\$2,303,158	\$2,534,097
Operating Expenses	\$85,060	\$69,529
Remote Camera Pilot Project	\$457,000	-
Six Firefighting Aircraft Lease	\$15,000,000	\$15,000,000
Travel and Equipment	\$1,068,250	\$368,250
Capital Outlay Costs	\$29,591	-
Centrally Appropriated Costs	\$1,086,936	\$1,154,235
FTE – Personal Services	22.0 FTE	24.0 FTE
Total Cost	\$20,029,995	\$19,126,111
Total FTE	22.0 FTE	24.0 FTE

Pilot program. CDPS requires \$457,000 in FY 2020-21 to conduct a remote camera fire detection system pilot project. This includes \$312,000 for equipment, \$45,000 for staff and vendor travel and site testing, \$100,000 for modeling to determine the required number of cameras needed and program cost effectiveness should the pilot be implemented statewide. The pilot program will operate for three years. Depending on the results of the pilot, costs and savings from early fire detection could be incurred if the program is expanded in the future. Any future costs and savings will be addressed through the annual budget process.

Firefighting aircraft. Leasing six firefighting aircraft is estimated to cost approximately \$15.0 million per year, whereas purchasing six aircraft is estimated to cost approximately \$63.8 million plus \$5.0 million per year in annual operating and maintenance. This analysis assumes the aircraft will be leased. Depending on the aircraft purchased or leased, a flight crew consisting of, at a minimum, a pilot, firefighters, equipment mechanics, and material handlers is needed. Such crews can be as large as 20 members; however, this analysis assumes that under the leasing option a crew of 4 per aircraft (2 firefighters, 1 equipment mechanic, and 1 materials handler) for a total of 24 FTE is sufficient. It is assumed that a pilot will be provided as part of the aircraft lease, and that existing firefighting staff may be shifted to the new aircraft crews from other areas. Should additional staff or crew members be needed to support this aircraft, it is assumed CDPS will submit a request through the annual budget process. Staff costs include standard operating and capital outlay and are prorated for the General Fund paydate shift assuming a July 1 start date. Related travel and firefighting equipment costs of \$1.1 million in FY 2020-21 and \$368,250 in FY 2021-22 are also included.

Future firefighting costs. The addition of firefighting aircraft and associated staff could reduce the amount of time it takes to put out future fires, which could reduce costs such as overtime and materials. It is assumed that any future appropriations adjustments will be addressed through the annual budget process.

Department of Regulatory Agencies. This bill increases workload by a minimal amount to conduct a sunset review of the remote camera pilot project in FY 2023-24.

State agencies. Workload will increase for various other state agencies, including the Department of Natural Resources and the State Forest Service, to participate in the remote camera pilot project.

Centrally appropriated costs. The DPS will have costs of \$1.1 million in FY 2020-21 and \$1.2 million in FY 2021-22 and future years for employee insurance and supplemental employee retirement payments. Pursuant to fiscal note and Joint Budget Committee policy, costs for these items, which are typically centrally appropriated in the Long Bill or supplemental appropriation bills, are directly appropriated in the bill, rather than through the annual budget process, when there is an increase of more than 20.0 FTE.

Local Government

Local government workload will increase to participate in the remote camera pilot project. Future local firefighting costs could be reduced from early detection or the additional CDPS firefighting resources.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, this bill requires a General Fund appropriation of \$20,029,995 to the Department of Public Safety.

State and Local Government Contacts

Counties	Fire Chiefs	Information Technology
Municipalities	Public Safety	Special Districts