



Legislative Council Staff
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Fiscal Note

Drafting Number: LLS 24-0424
Prime Sponsors:

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Bill Status: Bill Request
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Bill Topic: LOCAL GOVERNMENT DISASTER-RELATED PROGRAMS

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

The bill creates two programs to support local governments in wildfire risk mitigation. It increases state expenditures beginning in FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires appropriations totaling \$498,227 to multiple state agencies.

Fiscal Note Status: The fiscal note reflects the draft bill requested by the Wildfire Matters Review Committee.

Table 1
State Fiscal Impacts Under Bill 6

Table with 4 columns: Category, Sub-category, Budget Year FY 2024-25, and Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill creates two programs to support local governments in wildfire risk mitigation.

Slash removal pilot program. The bill directs the Department of Natural Resources (DNR) to create a pilot program supporting county efforts to remove slash, which is the residue created by wildfire risk mitigation efforts. The department, in consultation with counties that already have slash removal programs, must select counties to participate in the pilot program and provide knowledge and resources to facilitate slash removal.

Post-disaster debris removal. The bill directs the Department of Public Safety (CDPS) to provide guidance to local governments to facilitate debris removal following a disaster. This includes negotiating with the Federal Emergency Management Agency, developing standard forms and procedures, and ensuring that local programs are limited to residential, rather than commercial, debris removal. The department must publish this guidance on its website and update it as necessary.

State Expenditures

The bill increases state expenditures in DNR by about \$350,000 in FY 2024-25 and \$117,000 in FY 2025-26, and increases expenditures in CDPS by about \$196,000 in FY 2024-25 and \$229,000 in FY 2025-26, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under Bill 6**

	FY 2024-25	FY 2025-26
Department of Natural Resources		
Personal Services	\$78,586	\$98,232
Operating Expenses	\$1,024	\$1,280
Capital Outlay Costs	\$6,670	-
Grant Program	\$250,000	-
Centrally Appropriated Costs ¹	\$14,041	\$17,552
FTE – Personal Services	0.8 FTE	1.0 FTE
DNR Subtotal	\$350,321	\$117,064

Table 2
Expenditures Under Bill 6 (Cont.)

	FY 2024-25	FY 2025-26
Department of Public Safety		
Personal Services	\$140,159	\$175,199
Operating Expenses	\$2,048	\$2,560
Capital Outlay Costs	\$13,340	-
Travel	\$6,400	\$8,000
Centrally Appropriated Costs ¹	\$34,366	\$42,957
FTE – Personal Services	1.6 FTE	2.0 FTE
CDPS Subtotal	\$196,313	\$228,716
Total	\$546,634	\$345,780
Total FTE	2.4 FTE	3.0 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Natural Resources. The Colorado Strategic Wildfire Action Program in DNR requires 1.0 FTE term-limited staff to develop and administer the grant program in FY 2024-25 and FY 2025-26 only. Standard operating and capital outlay costs are included, and costs are prorated in FY 2024-25 for the bill's effective date. The bill does not specify the amount of grant funding or the duration of the slash removal pilot program. The fiscal note assumes that five counties will receive grants of \$50,000 each, for a total of \$250,000 in grant awards. The note also assumes that each pilot program lasts two years, and that grant awards are made in full in the first year.

Department of Public Safety. The Division of Homeland Security and Emergency Management in CDPS requires 2.0 FTE beginning in FY 2024-25 to coordinate with the federal government and other stakeholders, develop guidelines for local governments, and provide training and other support to local governments. Any changes from stakeholder engagement will require updates to the guidelines, and this workload continues in future years. Travel expenses are included to conduct trainings as necessary with local governments. Standard operating and capital outlay costs are included, and costs are prorated in FY 2024-25 for the bill's effective date.

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. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Local Government

The bill increases revenue and expenditures in counties that receive grant awards under the slash removal pilot program.

Effective Date

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

State Appropriations

For FY 2024-25, the bill requires the following General Fund appropriations:

- \$336,280 to the Department of Natural Resources, and 0.8 FTE; and
- \$161,947 to the Department of Public Safety, and 1.6 FTE.

State and Local Government Contacts

Counties

Natural Resources

Public Safety