



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated January 17, 2022)

<b>Drafting Number:</b>	LLS 22-0176	<b>Date:</b>	April 22, 2022
<b>Prime Sponsors:</b>	Rep. Cutter; Valdez D. Sen. Ginal; Lee	<b>Bill Status:</b>	House Second Reading
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**Bill Topic:** WILDFIRE MITIGATION AND RECOVERY

**Summary of Fiscal Impact:**

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

The bill requires the Colorado State Forest Service to develop a publicly accessible statewide carbon accounting framework and a forest carbon co-benefit framework for project level forest management.

**Appropriation Summary:** For FY 2022-23, the bill requires an appropriation of \$95,407 to the Healthy Forests and Vibrant Communities Fund.

**Fiscal Note Status:** This revised fiscal note reflects the strike-below amendment adopted by the House Appropriations Committee.

**Table 1  
State Fiscal Impacts Under HB 22-1012**

		Budget Year FY 2022-23	Out Year FY 2023-24
<b>Revenue</b>		-	-
<b>Expenditures</b>	Cash Funds	\$95,407	\$102,655
	Centrally Appropriated	\$13,926	\$15,398
	<b>Total Expenditures</b>	<b>\$109,333</b>	<b>\$119,767</b>
	<b>Total FTE</b>	<b>0.8 FTE</b>	<b>1.0 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$14,311	\$15,398

**Summary of Legislation**

The bill requires the Colorado State Forest Service to develop a publicly accessible statewide carbon accounting framework that yields carbon stock and flux estimates for ecosystems by county and forest cover type and wood products. The State Forest Service will also develop a forest carbon co-benefit framework for project-level forest management practices, including wildfire mitigation. The State Forest Service will use this framework to train practitioners in adaptive management practices including wildfire mitigation, and will provide technical expertise to assist industry and landowners with carbon inventories and monitoring.

**State Expenditures**

The bill increases expenditures in the State Forest Service by \$109,333 and 0.8 FTE in FY 2022-23 and \$119,767 and 1.0 FTE in FY 2023-24 and ongoing from the Healthy Forests and Vibrant Communities Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 22-1012**

<b>Cost Components</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>
<b>Department of Higher Education—Forest Service</b>		
Personal Services	\$65,887	\$79,065
Operating Expenses	\$1,080	\$1,350
Capital Outlay Costs	\$6,200	-
Travel and Training	\$22,240	\$22,240
Centrally Appropriated Costs <sup>1</sup>	\$13,926	\$17,112
<b>Total</b>	<b>\$109,333</b>	<b>\$119,767</b>
<b>Total FTE</b>	<b>0.8 FTE</b>	<b>1.0 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Higher Education—Forest Service.** The Forest Service will high 1.0 FTE forest climate and carbon manager to develop the statewide carbon accounting framework, develop the forest carbon co-benefit framework, provide training to practitioners, and provide technical expertise to industry and landowners with carbon inventories and monitoring. Work will involve engagement with stakeholders, carbon and climate data production and analysis, ongoing maintenance of the framework, developing training materials, and conducting outreach strategies to promote the framework. The Forest Service will also incur costs for a vehicle lease and mileage and travel costs for outreach efforts. Costs include standard operating and capital outlay costs and reflect a September 1 start 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 beginning in FY 2022-23. 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.

## 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 2022-23, the bill requires and includes a General Fund appropriations of \$95,407 to the Healthy Forests and Vibrant Communities Fund. The fund is continuously appropriated for use by the Colorado State Forest Service.

## State and Local Government Contacts

Colorado State Forest Service