



Legislative Council Staff Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 24-0423 **Date:** July 16, 2024
Prime Sponsors: Rep. Velasco; Snyder **Bill Status:** Signed into Law
 Sen. Cutter; Will **Fiscal Analyst:** Colin Gaiser | 303-866-2677
 colin.gaiser@coleg.gov

Bill Topic: ASSIST RURAL COMMUNITY WILDFIRE-RELATED GRANT APP

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

The bill requires the Colorado State Forest Service to create a grant program for non-governmental organizations that assist rural communities in applying for wildfire-related grants. It increases state and local expenditures on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill requires and includes an appropriation of \$300,000 to the Department of Higher Education for use by the Colorado State Forest Service at Colorado State University.

Fiscal Note Status: The final fiscal note reflects the enacted bill. The bill was recommended by the Wildfire Matters Review Committee.

**Table 1
State Fiscal Impacts Under HB 24-1006**

	Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	-	-
Expenditures		
General Fund ¹	\$275,875	\$24,125
Centrally Appropriated	\$6,300	\$4,725
Total Expenditures	\$282,175	\$28,850
Total FTE	0.4 FTE	0.3 FTE
Transfers	-	-
Other Budget Impacts		
General Fund Reserve	\$41,381	\$3,619

¹ Money appropriated from the General Fund to the rural grant navigator program in FY 2024-25 has roll-forward spending authority through FY 2027-28, and therefore may be spent over several years.

Summary of Legislation

The bill requires the Colorado State Forest Service (CSFS) at the Colorado State University to establish a rural grant navigator program for nongovernmental organizations (NGOs) that provides outreach and technical assistance to rural communities applying for wildfire mitigation and preparedness grants. The CSFS must post criteria and guidelines for grant awards by February 28, 2025, and NGOs may apply for grants from the program beginning March 1, 2025. To the best of its ability, the CSFS is required to consult with the Department of Natural Resources, the Division of Fire Prevention and Control in the Department of Public Safety, the Governor's Office, and rural counties to evaluate the effective use of grant funding and successful outcomes. By March 1, 2026, and annually thereafter, the CSFS must report program activity to the Wildfire Matters Review Committee.

State Expenditures

The bill increases state expenditures in the CSFS by up to \$282,000 in FY 2024-25, and \$29,000 in FY 2025-26 paid from the General Fund. Costs are shown in Table 2 and described below.

Table 2
Expenditures Under HB 24-1006

	FY 2024-25	FY 2025-26
Colorado State Forest Service		
Personal Services	\$31,655	\$23,741
Operating Expenses	\$512	\$384
Capital Outlay Costs	\$6,670	-
Rural Grant Navigator Grants ¹	up to \$237,038	-
Centrally Appropriated Costs ²	\$6,300	\$4,725
Total Cost	\$282,175	\$28,850
Total FTE	0.4 FTE	0.3 FTE

¹ Expenditures for grants are shown in FY 2024-25, but may be spent across several years.

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

Colorado State Forest Service. The bill increases expenditures in the CSFS to establish, fund, and manage the grant program, and report on program outcomes.

- **Staff.** The CSFS requires 0.4 FTE in FY 2024-25 for a forestry program specialist to develop the grant program and collaborate with NGOs, and 0.3 FTE in ongoing years to perform grant program administration. Standard operating and capital costs are included, and personal services are prorated in FY 2024-25 for a presumed September 2024 start date.

- **Wildfire mitigation and preparedness grants.** After administrative costs in FY 2024-25 and FY 2025-26, \$237,038 is available to award as grants to qualifying NGOs. Table 2 shows total grant expenditures in FY 2024-25, though grants may be awarded over several years.

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 may increase local government revenue and workload, as local governments may apply for more grants and secure more grant funding than they would without the assistance of the CSFS.

Effective Date

The bill was signed into law by the Governor on May 20, 2024, and takes effect on August 7, 2024, assuming no referendum petition is filed.

State Appropriations

For FY 2024-25, the bill requires and includes a General Fund appropriation of \$300,000 to the Department of Higher Education for use by the Colorado State Forest Service at Colorado State University, and 0.4 FTE. This appropriation may be spent by the department through FY 2027-28

State and Local Government Contacts

Counties
Office of Economic Development

Higher Education

Natural Resources

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: leg.colorado.gov/fiscalnotes.