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Fiscal Note

Drafting Number: LLS 24-1173 Date: April 17, 2024
Prime Sponsors: Rep. Duran; Armagost Bill Status: House Ag., Water, & Natural Res.
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Bill Topic: CREATE DIVISION OF ANIMAL WELFARE IN DEPARTMENT OF AGRICULTURE

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

The bill creates the Division of Animal Welfare in the Colorado Department of Agriculture. It increases state expenditures beginning FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$200,000 to the Department of Agriculture.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 24-1458

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

Summary of Legislation

The bill creates the Division of Animal Welfare in the Colorado Department of Agriculture (CDA), the head of which is the division director. The division is a Type 2 entity. The State Bureau of Animal Protection (BAP) is moved under the new division from the Animal Industry Division. The division is tasked with promoting domestic animal welfare, including providing education and outreach, creating voluntary programs, and awarding grants.

State Expenditures

The bill creates a new division with the CDA, which will result in additional costs for outreach and grants by about \$200,000 per year from FY 2024-25 to FY 2026-27, as well as a transfer of existing funding within the CDA from other divisions. These impacts are described below.

New expenses. The bill increases state expenditures in the CDA by \$200,000 per year for three years, from FY 2024-25 through FY 2026-27, paid from the General Fund, to stand up new programs related to animal welfare through education, outreach, and grant administration.

Transfer and use of existing funding. Creation of the new division will require an operational transfer from the Animal Industry Division to the new Division of Animal Welfare of approximately \$551,808 General Fund and 4.0 FTE beginning FY 2024-25. In addition, CDA received an additional \$1,055,647 General Fund and 5.7 FTE through House Bill 24-1430 (the Long Bill) to create and staff the division, including \$560,647 and 2.7 FTE for FY 24-25 only, and \$495,000 and 3.0 FTE in ongoing base funding. It is assumed that adjustments to CDA line items in the budget to account for the new division will be made during the 2025 session as part of a supplemental appropriation bill or through the FY 2025-26 Long Bill, rather than through this bill.

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.

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 a General Fund appropriation of \$200,000 to the Department of Agriculture.

State and Local Government Contacts

Agriculture

Information Technology

Law

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 the [General Assembly website](#).