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Final Fiscal Note

Drafting Number:	LLS 24-0419	Date:	July 18, 2024
Prime Sponsors:	Sen. Cutter; Will Rep. Velasco	Bill Status:	Deemed Lost
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Bill Topic: **STUDY BIOCHAR IN WILDFIRE MITIGATION EFFORTS**

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input checked="" type="checkbox"/> Institutions of Higher Education

The bill would have directed Colorado State University to conduct a study on biochar and its use in wildfire mitigation. It would have increased state expenditures in FY 2024-25 and FY 2025-26.

Appropriation Summary: For FY 2024-25, the bill would have required an appropriation of \$240,834 to the Department of Higher Education for use by Colorado State University.

Fiscal Note Status: The final fiscal note reflects the introduced bill. The bill was deemed lost in the Senate Appropriation Committee on May 9, 2024; therefore, the impacts identified in this analysis do not take effect.

Table 1
State Fiscal Impacts Under SB 24-028

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$240,834	\$249,616
	Total FTE	1.9 FTE	2.2 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$36,125	\$37,442

Summary of Legislation

The bill directs Colorado State University (CSU) to study the use of biochar in wildfire mitigation efforts. Biochar is a type of charcoal produced by burning organic material in a form that resists decay in order to sequester its carbon content. The study must evaluate beneficial uses for biochar, its impacts on forest health, and best practices for creating it. CSU must submit a report on its findings and recommendations to the General Assembly by July 1, 2026.

State Expenditures

The bill increases state expenditures by about \$240,000 in FY 2024-25 and \$250,000 in FY 2025-26, paid from the General Fund. The Department of Higher Education will allocate the funding for use by CSU, as outlined below.

Institutions of Higher Education

CSU's cost to conduct the biochar study and prepare a report is estimated at the salary and benefits for one post-doc researcher, one PhD-level graduate student assistant, and guidance from a faculty lead researcher in FY 2024-25 and FY 2025-26 only. Additional costs include equipment use fees for evaluating biochar samples and travel for visiting fields sites, laboratories, and conferences, as necessary. Expenditures are shown in Table 2.

Table 2
Expenditures Under SB 24-028

	FY 2024-25	FY 2025-26
Colorado State University		
Personal Services	\$139,067	\$143,765
Laboratory Materials and Travel	\$72,000	\$75,190
Benefits	\$29,767	\$30,661
Total Cost	\$240,834	\$249,616
Total FTE	1.9 FTE	2.2 FTE

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 \$240,834 to the Department of Higher Education for use by the Board of Governors of the Colorado State University System, with 1.9 FTE.

State and Local Government Contacts

Higher Education

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.