



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1241: PUBLIC ACCESSIBILITY OF EMISSIONS RECORDS

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**Prime Sponsors:**

Rep. Marshall; Garcia

Sen. Cutter; Kipp

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**Published for:** House Energy & Environment

**Drafting number:** LLS 25-0673

**Version:** Initial Fiscal Note

**Date:** March 3, 2025

**Fiscal note status:** The fiscal note reflects the introduced bill. This analysis is preliminary and will be updated following further review and any additional information received.

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### Summary Information

**Overview.** The bill requires certain polluting facilities to make records of their emissions publicly available.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures

**Appropriations.** For FY 2025-26, the bill requires an appropriation of \$4.7 million to the Department of Public Health and Environment.

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**Table 1**  
**State Fiscal Impacts**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures (General Fund)	\$4,656,566	\$4,345,457
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	32.7 FTE	32.0 FTE

## Summary of Legislation

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The Department of Public Health and Environment (CDPHE) regulates the amount of pollution allowable from stationary sources, which include buildings and facilities. The bill requires the owner of a stationary source to keep records of the amount and nature of pollutants they emit and make the records publicly available on their website. They may redact confidential business information. CDPHE must link to polluters' records on its website. A violation of the reporting requirement is subject to a civil penalty.

## Assumptions

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Although the regulatory activities of the Air Quality Control Commission are typically funded from the Stationary Sources Control Fund, the fiscal note assumes that the expenditures identified in this bill require General Fund due to their magnitude and the long-term balance of the cash fund.

## State Revenue

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Public disclosure of emissions records is expected to lead to discovery of additional violations of emission limits by stationary sources. To the extent that this leads to additional settlements or civil penalties, state revenue will increase. This revenue, which is classified as a damage award and not subject to TABOR, has not been estimated.

## State Expenditures

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The bill increases state expenditures in CDPHE by about \$4.7 million in FY 2025-26 and \$4.3 million in FY 2026-27 and subsequent years. These costs, paid from the General Fund, are summarized in Table 2 and discussed below.

## Department of Public Health and Environment

The bill increase expenditures in the department to conduct rulemaking, build and maintain a webpage, investigate complaints, and conduct additional enforcement actions against polluters.

### Staff

CDPHE staff requirements include 0.5 FTE in FY 2025-26 only to conduct rulemaking and 0.3 FTE annually to solicit and verify website information from stationary source owners, based on the assumption that staff will spend 15 minutes on average identifying each company's website for about 2,300 companies.

Public disclosure of emission is expected to increase the number of complaints made to CDPHE about companies' compliance. Under current law, CDPHE is required to investigate each complaint that is not clearly frivolous. The 2,300 companies represent about 13,000 active stationary sources, and the fiscal note assumes an additional 1,500 complaints received each year. Evaluating each complaint, investigating as necessary, and taking appropriate enforcement actions requires 28.0 FTE per year. Standard operating and capital outlay costs are included.

**IT Support**

Given the number of websites CDPHE must link to, the department requires an estimated 80 hours of programming at \$133 per hour to create a searchable web platform for its website.

**Legal Services**

CDPHE requires 6,950 hours of legal services in FY 2025-26 and 6,600 hours in subsequent years to conduct rulemaking and to pursue additional enforcement actions. Legal services are provided by the Department of Law at a rate of \$133.74 per hour.

**Employee Benefits**

Pursuant to fiscal note and Joint Budget Committee policy, centrally appropriated costs for bills involving more than 20 FTE are appropriated in the bill, rather than through the annual budget process. These costs include employee insurance and supplemental employee retirement payments.

**Table 2  
 State Expenditures  
 Department of Public Health and Environment**

<b>Cost Component</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
Personal Services	\$2,862,171	\$2,813,334
Operating Expenses	\$36,864	\$36,224
Capital Outlay Costs	\$193,430	\$0
IT Support	\$10,640	\$0
Legal Services	\$929,493	\$882,684
Employee Benefits	\$623,968	\$613,215
FTE – Personal Services	28.8 FTE	28.3 FTE
FTE – Legal Services	3.9 FTE	3.7 FTE
<b>Total Costs</b>	<b>\$4,656,566</b>	<b>\$4,345,457</b>
<b>Total FTE</b>	<b>32.7 FTE</b>	<b>32.0 FTE</b>

## Technical Note

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The bill requires owners of stationary sources to report all emissions, but most emissions regulations specify a minimum threshold for each pollutant that is subject to oversight. The fiscal note assumes that emitters will not be required to report on emissions that are not subject to existing air quality regulations.

There is a statute of limitations for CDPHE to pursue enforcement actions against violations of air quality regulations that begins when it knows or should have known of the violation. If the bill's record disclosure requirements constitute a notification to CDPHE of potential emissions violations, it would drive significant costs for the department to investigate and pursue enforcement actions. While the fiscal note assumes that CDPHE is not required to review companies' public records, the bill does not clarify if the reporting requirements constitute notice of potential violations or not.

## Effective Date

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

## State Appropriations

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For FY 2025-26, the bill requires a General Fund appropriation of \$4,656,566 to the Department of Public Health and Environment, and 28.8 FTE. Of this, \$929,493 is reappropriated to the Department of Law, with an additional 3.9 FTE.

## Departmental Difference

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The Department of Public Health and Environment, the Department of Law, and the Office of Information Technology estimate that the bill requires \$24.3 million and 169.9 FTE in FY 2025-26 and \$27.1 million and 247.0 FTE in FY 2026-27. These estimates include the need to:

- conduct research and complex rulemaking over two years, including auditing all existing air quality regulations;
- construct a centralized repository for searching for operator emission data; and
- proactively monitor and inspect companies' public emissions records, essentially requiring to inspect every stationary source within the statute of limitations for emissions violations.

The fiscal note instead assumes that CDPHE will not need to review or revise existing regulations as part of its rulemaking and that the least-cost IT solution is a website interface. Most significantly, the fiscal note assumes that CDPHE additional enforcement workload is driven by its requirements to respond to complaints under current law, rather than driving proactive investigations.

**State and Local Government Contacts**

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Law

Public Health and Environment