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Fiscal Note

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Prime Sponsors:

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Bill Status: Bill Request
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Bill Topic: RESOURCES FOR VOLUNTEER FIREFIGHTERS

Summary of Fiscal Impact:

- State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill expands allowable uses of several cash funds supporting emergency wildfire response at the local level, and requires annual appropriations for need-based grants to local governments from the Department of Natural Resources.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$5.0 million to the Department of Public Safety.

Fiscal Note Status: The fiscal note reflects the bill requested by the Wildfire Matters Review Committee.

Table 1
State Fiscal Impacts Under Bill 6

Table with 4 columns: Category, Budget Year FY 2022-23, and Out Year FY 2023-24. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and TABOR Refund.

## **Summary of Legislation**

Under current law, the Division of Fire Prevention and Control in the Department of Public Safety (DPS) administers several cash funds dedicated to emergency wildfire suppression and response. These include the Governor's Emergency Fund, the Emergency Fire Fund, the Wildland Fire Cost Recovery Fund, and the Wildfire Emergency Response Fund. This bill makes local fire departments eligible for reimbursement for wildland fire suppression activities from any state funding source used to pay for wildfire suppression for that fire, including designated cash funds within the division. The bill allows the division to use existing cash funds to reimburse county sheriffs for expenses incurred to provide behavioral and mental health-care services to firefighters and to purchase or replace damaged or obsolete equipment.

A fire department is eligible for reimbursement if it is solely or primarily staffed by volunteers and a wildland fire exceeds the capabilities of that department to control or extinguish. Eligibility begins after the first operational period, or period of mutual aid, whichever is earlier. State funding may be requested to reimburse volunteer firefighters for lost wages or other out-of-pocket costs, or to provide financial incentives to retain and recruit volunteer firefighters.

Under current law, the division awards need-based grants to governing bodies and volunteer fire departments to support equipment and training to increase firefighter safety and prevent occupation-related diseases. In awarding grants, this bill requires that the division prioritize grantees that rely primarily or solely on volunteer firefighters and are serving communities affected by wildland fires. Grantees should also demonstrate a loss of tax revenue due to decreased assessment values as a result of a wildland fire in the previous five years. The General Assembly is required to appropriate at least \$5.0 million annually from the General Fund to the Local Firefighter Safety and Disease Prevention Fund. The division must award grants at least once annually and accept applications for grants throughout the year.

Finally, this bill requires that county sheriffs ensure that firefighters responding to wildfires that exceeded the capacity of the fire district to mitigate, or that required more than seven days to control, have access to behavioral and mental health-care services at no cost. The sheriff is entitled to reimbursement for these expenses from cash funds in the division.

## **State Expenditures**

The bill increases General Fund expenditures in the DPS by \$5.0 million per year starting in FY 2022-23. Expenditure details are provided in Table 2 and discussed below.

**Table 2  
 Expenditures Under Bill 6**

<b>Cost Components</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>
<b>Department of Public Safety</b>		
Personal Services	\$47,275	\$51,573
Operating Expenses	\$1,350	\$1,350
Capital Outlay Costs	\$6,200	\$0
Reimbursements for Sheriffs	\$882,000	\$882,000
Need-Based Grants	\$4,063,175	\$4,065,077
Centrally Appropriated Costs <sup>1</sup>	\$19,197	\$21,244
FTE – Personal Services	0.9 FTE	1.0 FTE
<b>Total</b>	<b>\$5,019,197</b>	<b>\$5,021,244</b>
<b>Total FTE</b>	<b>0.9 FTE</b>	<b>1.0 FTE</b>

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

**Department of Public Safety.** The DPS does not currently provide reimbursements for fire departments or firefighters for the time spent fighting wildland fires within their own jurisdiction, or for mental health services for local firefighters. This bill requires those reimbursements to local fire departments and county sheriffs.

*Administrative expenses.* The division will require additional accounting staff to process reimbursements for lost wages and other out-of-pocket expenses, for incentives to attract volunteers, and for mental health services provided by county sheriffs.

*Reimbursements for Sheriffs.* It is estimated that 14,000 firefighters work for local fire departments in Colorado and about 70 percent (9,800) are volunteers. Data suggests that about 15 percent of firefighters access employee assistance programs like behavioral health services when they are made available. Therefore, it is estimated that about 1,470 firefighters will seek out and use mental and behavioral health services through their county sheriff's office. The DPS offers access to four free counseling sessions to its employees at a total cost of \$600. Assuming county sheriff's offer similar services, \$882,000 is required to reimburse sheriffs (1,470 firefighters \$600 mental health services = \$882,000). The bill allows for reimbursements to sheriffs from multiple fund sources in the DPS. This fiscal note assumes that the bill's required appropriation is intended to cover new expenses. If reimbursements for sheriffs cannot be paid from need-based grants, additional appropriations will be required.

*Need-based grants.* After administrative expenses and reimbursements to sheriffs, about \$4.1 million is available for other need-based grants, including the new allowable uses of grant funding such as lost wages or financial incentives to recruit and retain volunteer firefighters.

## **Local Government**

The bill may increase administrative costs for some local governments seeking new sources of grant funding to support local fire suppression. Counties and county sheriffs will have increased expenses to provide firefighters with access to no-cost behavioral and mental health-care services. These impacts will vary geographically and only for those jurisdictions and fire events that meet qualifying parameters. These local costs are eligible for reimbursement from the Division of Fire Prevention and Control.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2022-23, the bill requires a General Fund appropriation of \$5.0 million to the Local Firefighter Safety and Disease Prevention Fund. This fund is continuously appropriated to the Department of Public Safety, and which also requires an allocation of 0.9 FTE.

## **State and Local Government Contacts**

Counties  
Public Safety

Local Affairs  
Sheriffs

Municipalities