



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 21-0289	Date:	August 30, 2021
Prime Sponsors:	Rep. Valdez D.; Will Sen. Coram	Bill Status:	Signed into Law
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Bill Topic: MEASURES TO INCREASE BIOMASS UTILIZATION

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates the biomass utilization grant program in the Colorado State Forest Service. The bill increases state expenditures and may increase state revenue through FY 2026-27.

Appropriation Summary: No appropriation is required; the bill increases expenditures from a continuously appropriated cash fund.

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

**Table 1
State Fiscal Impacts Under HB 21-1180**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Cash Funds	up to \$2,500,000 ¹	
Transfers		-	-
TABOR Refund		-	-

¹ Grants may be awarded through September 1, 2026, when the grant program is repealed.

Summary of Legislation

The bill creates the biomass utilization grant program in the State Forest Service. The Forest Service is authorized, at the discretion of the State Forester, to implement the grant program by awarding up to \$2.5 million in grants to demonstrate biomass utilization benefits for wildfire prevention and mitigation, energy generation, and agriculture from biochar.

The Forest Service may administer the grant program using money in the Healthy Forests and Vibrant Communities Fund, and any gifts, grants, or donations received. The Forest Service must submit a report on or before March 1, 2023, and in subsequent years in which grants are awarded. The report must include a description of the projects awarded, the geographic areas serviced, and the amount that was awarded, to the Governor and relevant legislative committees. The grant program is repealed on September 1, 2026, pending a sunset review.

State Revenue

The bill authorizes the Forest Service to seek and expend gifts, grants, and donations, which are exempt from TABOR. As of writing, no gifts, grants, or donations have been identified.

State Expenditures

The bill may increase expenditures in the Department of Higher Education, where the Forest Service is housed, by up to \$2.5 million between FY 2021-22 and FY 2026-27. Expenditures are at the discretion of the State Forester. Grants and administrative costs will be paid from the Healthy Forests and Vibrant Communities Fund, which is continuously appropriated to the department, as well as any gifts, grants, and donations received. The department will also have an increased workload to submit grant reporting to the Governor and General Assembly beginning in FY 2022-23, which can be accomplished within existing workload.

Effective Date

The bill was signed into law by the Governor on July 7, 2021, and takes effect on September 7, 2021, assuming no referendum petition is filed.

State and Local Government Contacts

Agriculture
Fire Chiefs
Municipalities

Colorado Energy Office
Forest Service
Natural Resources

Counties
Higher Education
Public Safety