



## Legislative Council Staff

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# Fiscal Note

**Drafting Number:** LLS 23-0945 **Date:** April 5, 2023  
**Prime Sponsors:** Rep. Garcia; Lindsay **Bill Status:** House State Affairs  
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**Bill Topic:** CREATION OF URGENT INCIDENT RESPONSE FUND

**Summary of Fiscal Impact:**

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

The bill creates the Urgent Incident Response Cash Fund in the Department of Public Safety. Starting in FY 2023-24, the bill increases state and local revenue and expenditures on an ongoing basis.

**Appropriation Summary:** The bill requires an appropriation of \$1.0 million to the Department of Public Safety.

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

**Table 1**  
**State Fiscal Impacts Under HB 23-1270**

		Budget Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-
<b>Expenditures<sup>1</sup></b>	Cash Funds	up to \$1.0 million	-
	<b>Total Expenditures</b>	<b>up to \$1.0 million</b>	-
<b>Transfers<sup>2</sup></b>	General Fund	(\$1.0 million)	-
	Cash Funds	\$1.0 million	
	<b>Net Transfers</b>	<b>\$0</b>	
<b>Other Budget Impacts</b>	General Fund Reserve	\$150,000	

<sup>1</sup> Expenditures may occur over multiple fiscal years.

<sup>2</sup> It is assumed that the General Assembly will appropriate funds to the new cash fund.

## Summary of Legislation

The bill creates the continuously appropriated Urgent Incident Response Cash Fund for use by the Division of Homeland Security and Emergency Management in the Department of Public Safety (DPS). The fund consists of any state appropriations or transfers, and any gifts, grants, or donations received by the DPS. The DPS may make expenditures from the fund for reimbursing state agencies and local governments for the costs of responding to urgent incidents that do not rise to the level of statutorily defined disasters or emergencies. The DPS cannot reimburse state agencies or local governments for response costs for disasters or emergencies, or for disaster emergencies declared by the governor.

## State Revenue

The bill potentially increases state revenue to the Urgent Incident Response Cash Fund from gifts, grants, or donations; however, no sources have been identified at this time. Gifts, grants, and donations are exempt from TABOR revenue limits.

## State Transfers

For FY 2023-24, the fiscal note assumes that the General Assembly will appropriate \$1.0 million from the General Fund to the Urgent Incident Response Cash Fund. This amount may be set at the discretion of the General Assembly.

## State Expenditures

Based on the assumed transfer above, expenditures from the Urgent Incident Response Cash Fund in the DPS will increase by up to \$1.0 million beginning in FY 2023-24. Expenditures are for reimbursing state agencies and local governments for urgent incidents and these disbursements may occur over multiple fiscal years until any transferred funds are exhausted. The Urgent Incident Response Cash Fund is continuously appropriated to the DPS.

## Local Government

The bill increases local government revenue and expenditures to the extent urgent incidents occur and reimbursements are provided.

## State Appropriations

For FY 2023-24, the bill requires an appropriation of \$1.0 million from the General Fund to the Urgent Incident Response Cash Fund in the Department of Public Safety. The Urgent Incident Response Cash Fund is continuously appropriated to the Department of Public Safety.

### **Effective Date**

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

### **State and Local Government Contacts**

Counties

Public Safety