



**Colorado
Legislative
Council
Staff**

HB16-1004

**REVISED
FISCAL NOTE**

(replaces fiscal note dated January 19, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0826
Prime Sponsor(s): Rep. Winter; Arndt
Sen. Kefalas

Date: March 4, 2016
Bill Status: Senate Agriculture
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: MEASURABLE GOALS DEADLINES CO CLIMATE ACTION PLAN

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures		
Cash Funds	<u>\$150,000</u> 150,000	Increased workload.
Appropriation Required: \$150,000 - Department of Natural Resources (FY 2016-17).		
Future Year Impacts: Ongoing increased workload and expenditures.		

Summary of Legislation

The *reengrossed bill* requires the state's climate change staff person to identify measurable goals, based on the best available science, with near-term, mid-term, and long-term deadlines to achieve those goals in a climate action plan or similar document. Achieving the goals will both reduce Colorado's greenhouse gas emissions and increase Colorado's adaptive capability to respond to climate change. The Governor or his designee must report annually to the General Assembly on the progress made in meeting the climate action plan goals, including whether the state is on track to meet the deadlines specified in the plan. The analysis must include an estimate of the economic, social, and health impact on low-income individuals in Colorado that results or would result from meeting the deadlines as planned.

Background

House Bill 13-1293 directed the Governor to establish at least a part-time position with the term "climate change" in the title in order to assess climate change issues within the state. At a minimum, the duties of the position include the development and periodic update of a climate action plan including policy recommendations the state could use to reduce greenhouse gas emissions and collaboration with other entities regarding climate preparedness studies.

The climate change risk management specialist is located in the Colorado Water Conservation Board (CWCB) in the Department of Natural Resources (DNR). The "Colorado Climate Plan, State Level Policies and Strategies to Mitigate and Adapt" was released in September 2015. The plan was developed collectively by the DNR, the Department of Public Health and Environment, the Colorado Energy Office, the Department of Agriculture, the

Department of Transportation, the Office of Economic Development and International Trade, and the Department of Local Affairs. Each of these agencies are holding public engagement sessions over the next year on climate change issues specific to their sector.

State Expenditures

This bill is expected to increase state expenditures in the Department of Natural Resources by \$150,000 in FY 2016-17 from the CWCB Construction Fund, and to increase workload beginning in FY 2016-17.

Conducting analysis. The CWCB will contract for a study of the economic, social, and health impact on low-income individuals in Colorado that results or would result from meeting the deadlines in the Colorado Climate Plan. This is expected to cost approximately \$150,000 in FY 2016-17, based on similar studies that have been conducted. The actual cost will be determined once the CWCB sends out a request for proposals for conducting the study. The study will likely need to be updated periodically, but those costs are not estimated in this fiscal note.

Setting of climate plan goals. This bill is expected to increase the workload of the climate change risk management specialist in the CWCB, as well as that of the other agencies that have participated in the development of the climate change plan, to develop and report on climate action goals. This workload increase will begin in FY 2016-17 and continue thereafter. These efforts are expected to be addressed within existing appropriations. The fiscal note assumes that agency costs to implement the new goals will be addressed during the annual budget process given that those costs cannot be quantified prior to setting the climate change goals and deadlines.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2016-17, the Department of Natural Resources requires an appropriation of \$150,000 from the CWCB Construction Fund.

State and Local Government Contacts

Governor's Energy Office
Natural Resources
Public Health and Environment

Governor's Office
Information Technology