



Legislative Council Staff

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Fiscal Note

Drafting Number:
Prime Sponsors:

LLS 22-0189
Sen. Ginal; Story
Rep. Cutter; Will

Date: January 21, 2022
Bill Status: Senate Local Government
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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. It also expands allowable uses of funds in the Local Firefighter Safety and Disease Prevention Grant Program and requires \$5.0 million annually appropriated from the General Fund to the cash fund.

Appropriation Summary:

For FY 2022-23, the bill requires an appropriation of \$5.0 million to the Local Firefighter Safety and Disease Prevention Fund in the Department of Public Safety.

Fiscal Note Status:

The fiscal note reflects the introduced bill, which is recommended by the Wildfire Matters Review Committee.

**Table 1
State Fiscal Impacts Under SB 22-002**

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	Cash Funds	up to \$5,000,000	up to \$5,000,000
Transfers¹	General Fund	(\$5,000,000)	(\$5,000,000)
	Cash Funds	\$5,000,000	\$5,000,000
	Net Transfer	\$0	\$0
Other Budget Impacts	General Fund Reserve	\$750,000	\$750,000

¹The bill requires that this funding be transferred from the General Fund to the program cash fund via an appropriation each year.

Summary of Legislation

Under current law, the Division of Fire Prevention and Control (DFPC) 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. A fire department is eligible for reimbursement if it is solely or primarily staffed by volunteers, a wildland fire exceeds the capabilities of that department to control or extinguish, and the mutual aid period for that fire has ended.

The bill expands the allowable uses of grant funds in the Local Firefighter Safety and Disease Prevention Grant Program to include replacement or disposal of obsolete equipment, and providing access to behavioral and mental health services for seasonal and volunteer firefighters. In awarding grants, DFPC must prioritize grantees that rely primarily 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 annually appropriate \$5.0 million from the General Fund to the grant program cash fund. No later than September 1, 2032, Joint Budget Committee (JBC) staff must review the grant program and make a recommendation to the JBC and the Wildfire Matters Review Committee on adjustments to funding.

State Transfers

The bill requires that the General Assembly annually appropriate \$5.0 million from the General Fund to the Local Firefighter Safety and Disease Prevention Fund.

State Expenditures

The bill increases expenditures in the DPS by up to \$5.0 million per year starting in FY 2022-23, based on the amount transferred to the Local Firefighter Safety and Disease Prevention annually. Awarding additional money through the grant program is not expected to significantly increase administrative costs in the DFPC and these costs have not been estimated. Funds in the Local Firefighter Safety and Disease Prevention are continuously appropriated to the DPS and current law allows up to three percent of funds to be used for administrative expenses, if required.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$750,000 in both FY 2022-23 and FY 2023-24, which will decrease the amount of General Fund available for other purposes.

Local Government

The bill may increase administrative costs for some local governments seeking new sources of grant funding to support local fire suppression. 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.

State and Local Government Contacts

Counties
Public Safety

Local Affairs
Sheriffs

Municipalities