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Final Fiscal Note

Drafting Number: LLS 23-0141 **Date:** June 23, 2023
Prime Sponsors: Sen. Simpson; Ginal **Bill Status:** Deemed Lost
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Bill Topic: **WILDFIRE DETECTION TECHNOLOGY PILOT PROGRAM**

Summary of Fiscal Impact:

<input 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 would have required that the Center of Excellence for Advanced Technology Aerial Firefighting in the Department of Public Safety create one or more remote camera technology pilot programs to detect wildfires. It increased state expenditures from FY 2023-24 through FY 2026-27.

Appropriation Summary: For FY 2023-24, the bill includes an appropriation of \$2.0 million to the Department of Public Safety.

Fiscal Note Status: The fiscal note reflects the introduced bill, as recommended by the Wildfire Matters Review Committee. The bill was deemed postponed indefinitely by the Senate Appropriations Committee on May 9, 2023, so the impacts identified in the final fiscal note do not take effect.

Table 1
State Fiscal Impacts Under SB23-032

		FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures¹	General Fund	\$2,000,000	-
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$300,000	-

¹ It is assumed that the \$2.0 million appropriation included in the bill will be spent over the four years that the pilot program will be in effect. See State Expenditures section for more detail on the expected timing of state spending.

Summary of Legislation

The bill requires that the Center for Excellence for Advanced Technology Aerial Firefighting in the Department of Public Safety (DPS) implement one or more pilot programs using remote camera technology to detect, identify, or confirm the existence of wildfires. The center may acquire or contract for artificial intelligence technologies as part of the pilot program. The bill directs agencies of state and local governments to provide information, assistance, and site access as necessary for the program's implementation.

The Center of Excellence must implement the pilot program by April 2024, and annually report to the Wildfire Matters Review Committee beginning in August 2024. For FY 2023-24, the bill includes an appropriation of \$2.0 million from the General Fund for use by the Division of Fire Prevention and Control in the DPS to implement the remote camera program. The pilot program repeals on September 1, 2027.

State Expenditures

The bill increases state expenditures in the DPS by about \$2.0 million over the four-year period from FY 2023-24 through FY 2026-27. These costs are paid from the General Fund appropriation included in the bill and are shown in Table 2 and detailed below. See Technical Note for additional information about the bill's appropriation.

Table 2
Expenditures Under SB 23-032

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Department of Public Safety				
Personal Services	\$138,533	\$151,128	\$151,128	\$151,128
Operating Expenses	\$2,700	\$2,700	\$2,700	\$2,700
Capital Outlay Costs	\$13,340	-	-	-
Lodging and Travel	\$32,080	\$32,080	\$32,080	\$32,080
Vehicle Lease	\$25,750	\$25,750	\$25,750	\$25,750
Remote Camera and Telecom Hardware & Software	\$507,965	\$176,425	\$176,425	\$176,425
Centrally Appropriated Costs ¹	\$32,813	\$36,196	\$36,196	\$36,196
Total Cost	\$753,181	\$424,279	\$424,279	\$424,279
Total FTE	1.8 FTE	2.0 FTE	2.0 FTE	2.0 FTE

¹ Centrally appropriated costs are assumed to be included in the bill's one-time appropriation in FY 2023-24.

Department of Public Safety. To operate the pilot program, the DPS will have costs for staff, equipment, and operations over a four-year period, as outlined below.

- **Personal services.** The DPS requires 2.0 FTE for the pilot program, including 1.0 FTE to manage the pilot project, determine locations and densities of cameras, interact with stakeholders and obtain easements, manage use agreements, train fire managers, and collect performance data for reports, and 1.0 FTE to concentrate on field deployment, installation, and ongoing maintenance of cameras and associated hardware. Personal service costs in FY 2023-24 are prorated for the General Fund pay date shift. Additional oversight, administrative and accounting support for the program is supplied by the Center for Excellence.
- **Travel and vehicle leases.** Program staff will require a leased vehicle from the Department of Personnel and Administration, and will have travel and lodging expenses annually.
- **Remote camera and telecommunications hardware and software.** Based on current experience with camera deployments by DPS, each remote location has fixed expenses for the camera hardware and mounting equipment, and may require additional hardware costs to provide internet connectivity. These costs will vary based on the existing infrastructure at locations where cameras are deployed. Each camera will require ongoing software subscription costs that can be integrated for web-based viewers.

Other state agencies. Workload will increase for other state agencies to collaborate with DPS to determine the location and operation of the pilot program, and to provide information, assistance, and site access as necessary to implement the program. These costs can be accomplished within existing resources.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are typically addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2 above and assumed to be paid using the included appropriation in FY 2023-24, based on the assumption that this appropriation is intended to cover all program expenses over the four years of pilot program operations.

Local Government

Local governments may incur some direct costs for electrical power and internet bandwidth when hosting one or more cameras on their radio towers. Local stakeholders participating in the project such as local fire managers and 911 dispatchers may be required to spend time coordinating with the Center of Excellence to deploy cameras, train on the operation and performance of systems, and assist with the collection of performance data.

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 the amounts shown in Table 1, which will decrease the amount of General Fund available for other purposes.

Technical Note

For FY 2023-24, the bill includes a General Fund appropriation of \$2.0 million to the DPS. The fiscal note assumes this appropriation funds four years of pilot program operations, including both direct costs and centrally appropriated costs. If this is the intent of the General Assembly, the DPS will either require roll forward spending authority for this appropriation, or funding for the program should be placed in a cash fund and either continuously or annually appropriated from the cash fund to the DPS. This fiscal note will be revised if additional information or amendments provide clarification on the intended funding for the pilot program.

Effective Date

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

State Appropriations

For FY 2023-24, the bill includes an appropriation of \$2.0 million from the General Fund to the DPS. See Technical Note above concerning this appropriation. Of this amount, the Department of Personnel and Administration requires \$25,750 in reappropriated funds.

State and Local Government Contacts

Natural Resources

Public Safety

Regulatory Agencies