HB12-1285

Colorado Legislative Council Staff Fiscal Note

STATE and LOCAL FISCAL IMPACT

Drafting Number:	LLS 12-0740	**Date:**	February 15, 2012
Prime Sponsor(s):	Rep. Gerou Sen. Jahn	**Bill Status:**	House Local Government
		Fiscal Analyst:	Harry Zeid (303-866-4753)

TITLE: CONCERNING MODIFICATIONS TO STATUTORY PROVISIONS GOVERNING INTERGOVERNMENTAL COOPERATION TO ADDRESS WILDLAND FIRE MITIGATION WHERE A MUNICIPALITY OWNS LAND INSIDE A COUNTY FOR UTILITY PURPOSES.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: See the Local Government section.		

Summary of Legislation

Under current law, a municipality that owns land outside of its own territorial boundaries that is in a county containing at least 50 percent forest land or a wildland area, must enter into an intergovernmental agreement (IGA) with the county for the purpose of mitigating forest land or wildland fires. The IGA must be entered into by July 1, 2012.

This bill establishes similar requirements for municipalities that own land inside a county for utility purposes. By July 1, 2012, the municipality must either enter into an IGA with the county to mitigate forest land or wildland fires affecting the contiguous land areas between the two entities or, alternatively, enter into an agreement with the Colorado State Forest Service for that purpose.

The bill defines "utility purposes" as the use or management of property by a local government that is reasonably related to the provision of electric, natural gas, water, wastewater, and telecommunication services.

State Expenditures

Municipalities and counties hold utility easements on lands owned by the Division of Parks and Wildlife and the State Land Board, in the Department of Natural Resources. These easements may be subject to the forest mitigation agreements required by the bill. Costs, if any, for an IGA are borne by the municipality or the county where the land is located. It should be noted that both the Division of Parks and Wildlife and the State Land Board own lands that lie directly adjacent to municipal and county lands that will fall under a mitigation agreement required by the bill. In these cases, it is possible that the state will enter into a mitigation agreement as a third party and subsequently incur costs for forest and wildland mitigation efforts. These costs cannot be quantified at this time.

Local Government Impact

Denver Water owns land in ten counties, eight of which could be classified as forested under the bill. The bill requires Denver Water to enter into a separate IGA with each of the eight counties. Staff time negotiating agreements will be incurred by both Denver Water and the affected counties. Alternatively, the bill allows Denver Water to rely on its existing agreement with the Colorado State Forest Service, which would occur at no additional cost.

Colorado Springs Utilities is in a similar situation to that of Denver Water. Entering into a single agreement with the Colorado State Forest Service is more efficient than entering into multiple IGAs with 12 separate counties and will save the utility money.

Departments Contacted

Local Affairs   Natural Resources