

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF A GRANT PROGRAM TO ASSIST WITH EFFORTS TO REDUCE THE RISK OF CATASTROPHIC WILDFIRES TO FORESTED LANDS IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Nicholson and Roberts
Reps. Coram and McLachlan

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Phone: 303-866-2061
Date Prepared: April 22, 2013

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 4/18/13.

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| XXX | No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill |
| | Update: Fiscal impact has changed due to <i>new information or technical issues</i> |
| | Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared |
| | Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill |

Amendments in This Packet for Consideration by Appropriations Committee

| Amendment | Description |
|------------------|--|
| J.002 | Staff-prepared appropriation amendment |

Current Appropriations Clause in Bill

The bill includes a provision that appropriates \$10,300,000 cash funds from the Wildfire Risk Reduction Fund (WRRF) to the Department of Natural Resources for allocation to the Wildfire Risk Reduction Grant Program for FY 2013-14. The WRRF consists of General Fund dollars transferred or appropriated to the fund; the bill requires the State Treasurer to transfer \$10,300,000 from the General Fund to the WRRF on July 1, 2013. Moneys in the WRRF are continuously appropriated to the Department of Natural Resources.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to eliminate the appropriation clause in the bill. The Committee should adopt J.002 if it intends to keep expenditures from the WRRF off-budget.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2013-14 based on the March 2013 Office of State Planning and Budgeting revenue forecast. The budget package allocates all but approximately \$9.0 million of General Fund revenues projected to be available. Pursuant to S.B. 13-236, this \$9.0 million General Fund will be transferred to the Colorado Water Conservation Board (CWCB) Construction Fund. The JBC has included as part of its FY 2013-14 budget package a \$10,300,000 General Fund placeholder for implementation of this bill.

Legislative Authority

Is it necessary to "continuously appropriate" moneys in the Wildfire Risk Reduction Fund? This method of funding the activities of the Wildfire Risk Reduction Grant Program essentially moves related expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.