Colorado Legislative Council Staff Fiscal Note

STATE and LOCAL FISCAL IMPACT

Drafting Number: LLS 14-0237	**Date:** January 27, 2014
Prime Sponsor(s): Sen. Tochtrop	**Bill Status:** Senate Local Government
	Fiscal Analyst: Lauren Schreier (303-866-3523)

SHORT TITLE: IMMUNITY PUB AGENCIES INS WILDFIRE MITIGATION

Fiscal Impact Summary	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	Minimal workload increase.	
FTE Position Change		
Appropriation Required: None		

Summary of Legislation

The bill, recommended by the ***Wildfire Matters Review Committee***, provides that public agencies are not liable for the actions of private insurance companies and their agents. The bill also clarifies that private insurance companies and their agents are not protected from liability under the Colorado Governmental Immunity Act. Under the bill, private insurance companies are still under the command of the local county sheriff, fire chief, or incident commander. However, private insurance companies may engage in activities, including access to evacuated areas, intended to protect the insurable private property of policyholders, without incurring liability on a public agency.

State Expenditures

The bill specifies that the Division of Insurance in the Department of Regulatory Agencies (DORA) may promulgate rules concerning the ability of a private insurer to protect the property of its policyholders in the event of an emergency. Rulemaking on a regular agenda may increase workload in DORA by a minimal amount but does not require new appropriations.

Local Government Impact

By limiting the liability of local governments for the actions of private insurance companies in the event of a wildfire, this bill may reduce insurance costs for local governments, as they will be protected from potential lawsuits based on the future actions of private insurance companies.

Effective Date

The bill takes effect on July 1, 2014.

State and Local Government Contacts

Regulatory Agencies	Personnel	Counties
Municipalities	Local Affairs	Public Safety
Special Districts Association		