



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1061: COMMUNITY SCHOOLYARDS GRANT PROGRAM

Prime Sponsors:

Rep. Taggart; Bacon
Sen. Amabile; Kirkmeyer

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Summary Information

Overview. The bill creates the Community Schoolyards Grant Program and associated cash fund within the Department of Local Affairs to fund the design and construction of community schoolyards in communities socially or economically affected by minerals and mineral fuels activity.

Types of impacts. The bill is projected to affect the following areas from FY 2025-26 through FY 2028-29:

- State Expenditures
- Local Governments

Appropriations. For FY 2025-26, the bill requires an appropriation of \$119,798 Department of Local Affairs; however, it includes an appropriation of \$50,000. The Local Government Mineral Impact Fund is continuously appropriated to the Department of Local Affairs. See State Appropriations section.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
State Revenue	\$0	\$0	\$0	\$0
State Expenditures	\$1,896,513	\$1,903,910	\$170,054	\$170,054
Transferred Funds	\$0	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0	\$0
Change in State FTE	1.6 FTE	2.0 FTE	2.0 FTE	2.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

Table 1A
State Expenditures¹

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
General Fund	\$0	\$0	\$0	\$0
Cash Funds	\$1,866,928	\$1,866,928	\$133,072	\$133,072
Federal Funds	\$0	\$0	\$0	\$0
Centrally Appropriated	\$29,585	\$36,982	\$36,982	\$36,982
Total Expenditures	\$1,896,513	\$1,903,910	\$170,054	\$170,054
Total FTE	1.6 FTE	2.0 FTE	2.0 FTE	2.0 FTE

¹ State expenditures assume the \$4 million for the program will be spent over four fiscal years.

Table 1B
**Comparison of LCS Fiscal Note Estimate and
FY 2025-26 Appropriations Included in Bill¹**

Department of Local Affairs	LCS Estimate	Current Appropriation	Difference
Reappropriated Funds	\$119,798	\$50,000	\$69,798

¹ Fiscal notes reflect the nonpartisan fiscal assessment of Legislative Council Staff. However, fiscal notes are decision-making tools for the General Assembly and it is the General Assembly that determines how much funding is appropriated to state agencies. Table 1B highlights the differences between the LCS estimate identified in this fiscal note and appropriation decisions made by the General Assembly for the bill thus far in the legislative process.

Summary of Legislation

The bill creates the Community Schoolyards Grant Program in the Division of Local Government (DLG) in the Department of Local Affairs (DOLA). The grants are for local governments and school districts to partner to create park-like environments at schools that provide hands-on programming to students, enhance well-being of students and community members, and address inequities in underserved communities, specifically those affected by minerals and mineral fuels subject to severance tax.

Grant recipients are awarded up to \$150,000 for planning and design of a community schoolyard and up to \$850,000 for the construction of these schoolyards. Recipients of construction funds do not need to have received a planning and design grant if they provide appropriate documents in their application.

The bill outlines the selection criteria that the DLG must follow when evaluating grant applications and selecting recipients, and specifies the required information grant recipients must report. The DLG may consult with other relevant state agencies, and must develop a

timeline for both the planning and design phase and construction phase of the grant by January 15, 2026. By January 15, 2028, the DLG must report to the legislature on grants awarded.

In both FY 2025-26 and FY 2026-27, the bill requires DOLA to use up to \$2.0 million per year—for a total of up to \$4.0 million—from the Local Government Mineral Impact Fund or the Local Government Severance Tax Fund to implement the bill. The division may use up to 5 percent of funds for its administrative costs.

Assumptions

The fiscal note assumes that the \$4.0 million the bill requires to be spent in both FY 2025-26 and FY 2026-27 will be spent over four years. The fiscal note further assumes DOLA will use the Local Government Mineral Impact Fund.

State Expenditures

The bill increases state expenditures in DOLA by \$4.0 million from FY 2025-26 through FY 2028-29. These costs, assumed to be paid from the Local Government Mineral Impact Fund, are summarized in Table 2 and discussed below. The bill also minimally impacts workload in other state agencies.

Table 2
State Expenditures
Department of Local Affairs

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Personal Services	\$104,410	\$130,512	\$130,512	\$130,512
Operating Expenses	\$2,048	\$2,560	\$2,560	\$2,560
Capital Outlay Costs	\$13,340	\$0	\$0	\$0
Grants to Community Organizations ¹	\$1,747,130	\$1,733,856	\$0	\$0
Centrally Appropriated Costs	\$29,585	\$36,982	\$36,982	\$36,982
Total Costs	\$1,896,513	\$1,903,910	\$170,054	\$170,054
Total FTE	1.6 FTE	2.0 FTE	2.0 FTE	2.0 FTE

¹ Grants are shown in FY 2025-26 and FY 2026-27, but are assumed to be awarded through FY 2028-29.

Department of Local Affairs

Staff

DOLA requires 2.0 FTE to administer the new grant program, which includes 1.0 FTE Community and Economic Development Position and 1.0 FTE Program Assistant—see Technical Note. These

staff will coordinate with local community organizations, school districts, and state agencies to promote the grant, develop criteria for evaluating grant applications, select awardees, provide technical assistance, distribute funds and complete required reporting for the program. Costs are prorated to assume a September 2025 start date and include standard operating expenses and capital outlay costs.

Grants

After accounting for staffing costs over the four-year lifespan of the grant program, approximately \$3.5 million is expected to be available to distribute as grants for planning and construction of community schoolyards, with \$1.7 million available beginning in FY 2025-26 and an additional \$1.7 million becoming available in FY 206-27.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are 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 may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table above.

Other Agency Impacts

The State Board of the Great Outdoors Colorado Trust Fund, the Outdoor Equity Board in the Department of Natural Resources, the Environmental Justice Advisory Board in the Department of Public Health and Environment, and the Public School Capital Construction Assistance Board in the Colorado Department of Education will have increased workloads to assist in reviewing grant applications and providing technical assistance to consult with DOLA regarding the grant program. This workload impact can be accomplished within the existing appropriations of these agencies.

Local Government

The Local Government Mineral Impact Fund currently funds the Energy/Mineral Impact Assistance Fund grant program (EIAF). The EIAF funds grants to political subdivisions that are socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels. By reallocating \$2.0 million in each of FY 2025-26 and FY 2026-27 to another purpose, local governments in energy-impacted communities will see a shift in the projects available for grant funds.

School districts and local governments that choose to apply for grants will have increased workload to submit applications materials, plan and design the schoolyard, and oversee construction of the facilities upon being awarded a grant.

Technical Note

The bill limits DOLA's administrative costs to up to 5 percent of total funding, which is \$200,000, or \$50,000 per year, for the four-year program. The fiscal note assumes that DOLA requires resources above this threshold.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2025-26, the fiscal note estimates that the bill requires a reappropriation of \$119,798 to the Department of Local Affairs from the Local Government Mineral Impact Fund, and 1.6 FTE; however, the bill includes a reappropriation of \$50,000 and 0.4 FTE.

State and Local Government Contacts

Education	Personnel
LCS Economists	Public Health and Environment
Local Affairs	Revenue
Natural Resources	Treasury

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).