

CHAPTER 340

GOVERNMENT - LOCAL

HOUSE BILL 22-1011

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also SENATOR(S) Story and Lee, Ginal, Bridges, Buckner, Donovan, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Pettersen, Rodriguez, Simpson, Winter, Fenberg.

AN ACT

CONCERNING THE ESTABLISHMENT OF A STATE GRANT PROGRAM THAT PROVIDES FUNDING TO LOCAL GOVERNMENTS THAT DEDICATE RESOURCES FOR WILDFIRE MITIGATION PURPOSES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 23-31-318 as follows:

23-31-318. Wildfire mitigation incentives for local governments - grant awards - fund - reporting - definitions - repeal. (1) **AS USED IN THIS SECTION:**

(a) "DEDICATED REVENUE SOURCE" MEANS ONE OF THE FOLLOWING REVENUE SOURCES, SINGULARLY OR IN COMBINATION, ADOPTED BY A LOCAL GOVERNMENT THAT IS INTENDED TO BE USED FOR FOREST MANAGEMENT OR WILDFIRE MITIGATION EFFORTS AT THE LOCAL LEVEL:

(I) AN EXISTING OR NEW TAX IMPOSED BY THE LOCAL GOVERNMENT;

(II) AN EXISTING OR NEW MILL LEVY APPROVED BY THE VOTERS OF THE LOCAL GOVERNMENT; OR

(III) APPROVAL BY THE VOTERS OF THE LOCAL GOVERNMENT OF THE RETENTION ON A PERMANENT BASIS OF EXCESS REVENUE OF THE LOCAL GOVERNMENT IN ACCORDANCE WITH SECTION 20 (7) (d) OF ARTICLE X OF THE STATE CONSTITUTION.

(b) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT THAT IS ELIGIBLE TO RECEIVE A GRANT THROUGH THE GRANT PROGRAM.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(c) "FOREST SERVICE" MEANS THE COLORADO STATE FOREST SERVICE IDENTIFIED IN SECTION 23-31-302.

(d) "FUND" MEANS THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL GOVERNMENT GRANT PROGRAM FUND CREATED IN SUBSECTION (7)(a) OF THIS SECTION.

(e) "GRANT PROGRAM" MEANS THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL GOVERNMENT GRANT PROGRAM ESTABLISHED IN SUBSECTION (2) OF THIS SECTION.

(f) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, WHETHER HOME RULE OR STATUTORY, COUNTY, CITY AND COUNTY, OR SPECIAL DISTRICT.

(2) THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL GOVERNMENT GRANT PROGRAM IS HEREBY ESTABLISHED IN THE FOREST SERVICE. THE GRANT PROGRAM IS ESTABLISHED TO PROVIDE STATE ASSISTANCE IN THE FORM OF GRANT AWARDS TO LOCAL GOVERNMENTS TO EITHER MATCH REVENUE RAISED BY SUCH GOVERNMENTS FROM A DEDICATED REVENUE SOURCE OR TO EXPAND EXISTING PROGRAMS ADMINISTERED BY THE LOCAL GOVERNMENT ON A LONG-TERM BASIS, WHICH EFFORTS AT THE LOCAL LEVEL ARE INTENDED TO BE USED FOR FOREST MANAGEMENT OR WILDFIRE MITIGATION EFFORTS AT THE LOCAL LEVEL. SUCH EFFORTS INCLUDE, WITHOUT LIMITATION, PROJECTS THAT PROMOTE FUEL BREAKS, FOREST THINNING, A REDUCTION IN THE AMOUNT OR EXTENT OF FUELS CONTRIBUTING TO WILDFIRES, OUTREACH AND EDUCATION EFFORTS DIRECTED AT PROPERTY OWNERS AND OTHER MEMBERS OF THE PUBLIC, AND ANY OTHER MEANS OF FOREST MANAGEMENT OR WILDFIRE MITIGATION AS DETERMINED APPROPRIATE FOR FUNDING BY THE FOREST SERVICE.

(3) (a) THE FOREST SERVICE SHALL ADMINISTER THE GRANT PROGRAM.

(b) IN CONNECTION WITH ITS ADMINISTRATION OF THE GRANT PROGRAM, THE FOREST SERVICE SHALL CREATE A PROCESS THAT ENSURES THAT GRANTS ARE AWARDED AFTER AN OPEN COMPETITION AMONG ELIGIBLE GRANT RECIPIENTS.

(4) (a) ON OR BEFORE MARCH 1, 2023, THE FOREST SERVICE SHALL ADOPT POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT PROGRAM THAT INCLUDE, WITHOUT LIMITATION:

(I) PROCEDURES AND TIMELINES BY WHICH AN ELIGIBLE RECIPIENT MAY APPLY FOR A GRANT;

(II) CRITERIA FOR DETERMINING GRANT ELIGIBILITY AND GRANT AMOUNTS; AND

(III) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(b) ALL FUNDING UNDER THE GRANT PROGRAM MUST EITHER MATCH REVENUES RAISED BY THE LOCAL GOVERNMENT FROM A DEDICATED REVENUE SOURCE OR TO SUPPLEMENT LONG-TERM PROGRAMS ADMINISTERED BY THE LOCAL GOVERNMENT, WHICH EFFORTS ARE INTENDED TO BE USED FOR FOREST MANAGEMENT OR WILDFIRE MITIGATION EFFORTS AT THE LOCAL LEVEL IN ACCORDANCE WITH POLICIES, PROCEDURES, AND GUIDELINES DEVELOPED BY THE FOREST SERVICE.

(c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, A LOCAL GOVERNMENT IS ELIGIBLE FOR FUNDING UNDER THE GRANT PROGRAM EVEN IN THE ABSENCE OF A DEDICATED REVENUE SOURCE IF THE LOCAL GOVERNMENT HAS CREATED AND ADMINISTERS AN EXISTING PROGRAM, PROJECT, OR FUNDING MECHANISM THAT CREATES LONG-TERM FUNDING AT THE LOCAL LEVEL FOR WILDFIRE MITIGATION OR FOREST HEALTH OR HAS CREATED AND ADMINISTERS OTHER CREATIVE AND INNOVATIVE APPROACHES FOR PROMOTING WILDFIRE MITIGATION AND FOREST HEALTH.

(5) IN AWARDING GRANTS, THE FOREST SERVICE SHALL GIVE PREFERENCE TO THE FOLLOWING:

(a) ELIGIBLE RECIPIENTS THAT MAKE AVAILABLE A DEDICATED REVENUE SOURCE FOR WILDFIRE MITIGATION OR FOREST HEALTH;

(b) ELIGIBLE RECIPIENTS WITH TERRITORIAL BOUNDARIES LOCATED WITHIN PRIORITY AREAS FOR WILDFIRE MITIGATION AS DETERMINED BY THE FOREST SERVICE;

(c) FUNDING THAT IS INTENDED TO BENEFIT PEOPLE RESIDING IN A COMMUNITY THAT RANKS HIGH ON THE SOCIAL VULNERABILITY INDEX DEVELOPED BY THE FOREST SERVICE;

(d) ELIGIBLE RECIPIENTS THAT MAKE AVAILABLE DEDICATED AND FULL-TIME EMPLOYEES TO COLLABORATE WITH PRIVATE LANDOWNERS TO IMPLEMENT WILDFIRE MITIGATION MEASURES;

(e) INITIATIVES OF A LONGER DURATION THAT ARE INTENDED TO GIVE ELIGIBLE RECIPIENTS A STABLE SOURCE OF REVENUE FOR FOREST MANAGEMENT AND WILDFIRE MITIGATION EFFORTS;

(f) INITIATIVES EMPHASIZING A REGIONAL APPROACH TO PROMOTING FOREST MANAGEMENT AND WILDFIRE MITIGATION; AND

(g) ELIGIBLE RECIPIENTS THAT HAVE ATTEMPTED UNSUCCESSFULLY TO CREATE A DEDICATED REVENUE SOURCE FOR WILDFIRE MITIGATION OR FOREST HEALTH.

(6) (a) AN ELIGIBLE RECIPIENT RECEIVING FUNDING FROM THE GRANT PROGRAM SHALL DEDICATE MONEY RECEIVED FROM THE AWARD TO THE SAME PURPOSE FOR WHICH THE ELIGIBLE RECIPIENT ADOPTED THE REVENUE SOURCE THAT QUALIFIED THE ELIGIBLE RECIPIENT FOR THE AWARD.

(b) ELIGIBLE RECIPIENTS MAY APPLY FOR FUNDING FROM THE GRANT PROGRAM, AND THE RECIPIENT'S APPLICATION FOR FUNDING MAY BE APPROVED BY THE FOREST SERVICE, BEFORE THE LOCAL GOVERNMENT HAS CREATED A DEDICATED REVENUE SOURCE THAT FORMS THE BASIS FOR THE MATCH IF THE ELECTORS OF THE LOCAL GOVERNMENT APPROVE A BALLOT ISSUE CREATING THE REVENUE SOURCE AT AN ELECTION THAT TAKES PLACE IN THE SAME CALENDAR YEAR IN WHICH THE FUNDING IS AWARDED.

(c) THE TERMS OF ANY AWARD UNDER THE GRANT PROGRAM MUST BE MEMORIALIZED IN A MEMORANDUM OF UNDERSTANDING OR SIMILAR FORM OF

AGREEMENT BETWEEN THE FOREST SERVICE AND THE ELIGIBLE RECIPIENT.

(d) NOTHING IN THIS SECTION PRECLUDES A LOCAL GOVERNMENT FROM USING ALL OR ANY PORTION OF A GRANT AWARDED UNDER THIS SECTION FROM WORKING WITH A COMMUNITY ORGANIZATION, A HOME OWNERS ASSOCIATION, OR A SIMILAR ORGANIZATION OR ENTITY OPERATING AT THE LOCAL LEVEL IN ADMINISTERING A PROJECT SUPPORTED BY THE GRANT PROGRAM.

(7) (a) THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL GOVERNMENT GRANT PROGRAM FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY AND ANY GIFTS, GRANTS, OR DONATIONS FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL ENTITIES, THAT THE FOREST SERVICE IS HEREBY AUTHORIZED TO SEEK AND ACCEPT.

(b) THE FUND MUST ONLY BE USED FOR THE PURPOSE OF FUNDING AWARDS UNDER THE GRANT PROGRAM LESS THE ADMINISTRATIVE COSTS OF THE FOREST SERVICE, NOT TO EXCEED FIVE PERCENT OF THE BALANCE IN THE FUND AT ANY ONE TIME, IN ADMINISTERING THE GRANT PROGRAM.

(c) EXCEPT AS OTHERWISE REQUIRED BY THIS SUBSECTION (7), ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND, MUST REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE FOREST SERVICE FOR THE PURPOSES OF THIS SECTION.

(d) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND. THE FOREST SERVICE SHALL USE THE MONEY TRANSFERRED PURSUANT TO THIS SUBSECTION (7)(d) IN ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (7)(b) OF THIS SECTION.

(8) (a) ON OR BEFORE NOVEMBER 1, 2024, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, THE FOREST SERVICE SHALL PUBLISH A REPORT SUMMARIZING THE USE OF ALL OF THE MONEY THAT WAS AWARDED UNDER THE GRANT PROGRAM IN THE PRECEDING FISCAL YEAR. AT A MINIMUM, THE REPORT SHALL SPECIFY THE NAMES OF THE LOCAL GOVERNMENTS THAT HAVE BEEN AWARDED GRANTS, THE AMOUNT OF FUNDING DISTRIBUTED TO EACH GRANT RECIPIENT, A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY, AND ANY OTHER INFORMATION DEEMED BENEFICIAL FOR INCLUSION IN THE REPORT IN THE DISCRETION OF THE FOREST SERVICE. THE REPORT MUST BE POSTED ON THE WEBSITE OF THE FOREST SERVICE.

(b) IN ITS PRESENTATION TO THE JOINT COMMITTEES OF REFERENCE PURSUANT TO SECTION 2-7-203, THE DEPARTMENT OF HIGHER EDUCATION SHALL SUMMARIZE THE INFORMATION CONTAINED IN THE REPORT PUBLISHED BY THE DIVISION PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION.

(9) THE FOREST SERVICE SHALL PREPARE EDUCATIONAL MATERIALS CONCERNING THE GRANT PROGRAM, INCLUDING EXAMPLES OF AND GUIDELINES FOR LONG-TERM INVESTMENTS IN WILDFIRE MITIGATION OR FOREST HEALTH, AND SHALL DISPLAY

SUCH MATERIALS ON ITS OFFICIAL WEBSITE. IN ADDITION, THE FOREST SERVICE SHALL UNDERTAKE OUTREACH ACTIVITIES TO INFORM LOCAL GOVERNMENTS LOCATED IN PRIORITY AREAS FOR WILDFIRE MITIGATION OF THE GRANT PROGRAM.

(10) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027. BEFORE THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW THE GRANT PROGRAM PURSUANT TO SECTION 24-34-104.

SECTION 2. In Colorado Revised Statutes, 24-34-104, **add** (28)(a)(X) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal.
(28) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2027:

(X) THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL GOVERNMENT GRANT PROGRAM CREATED IN SECTION 23-31-318 (2).

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: June 3, 2022