

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
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BILL 9

LLS NO. 22-0192.01 Bob Lackner x4350

INTERIM COMMITTEE BILL

Wildfire Matters Review Committee

BILL TOPIC: "Wildfire Mitigation Incentives For Local Gov"

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Wildfire Matters Review Committee. The bill establishes the wildfire mitigation incentives for local government grant program (grant program) in the Colorado state forest service (forest service). The grant program is established to provide state funding assistance in the form of grant awards to local governments to match revenue raised by such

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

governments from a dedicated revenue source that is intended to be used for forest management or wildfire mitigation efforts at the local level. Such wildfire mitigation 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.

The grant program is administered by the forest service.

On or before March 1, 2023, the forest service is required to adopt policies, procedures, and guidelines for the grant program that include, without limitation:

- Procedures and timelines by which an eligible recipient may apply for a grant;
- Criteria for determining grant eligibility and grant amounts; and
- Reporting requirements for grant recipients.

Any funding awarded under the grant program must match revenues raised by the local government from a dedicated revenue source that is 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.

In allocating funding under the grant program, preference will be given to certain eligible recipients based on prioritization factors enumerated in the bill.

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.

The bill creates the wildfire mitigation incentives local government grant program fund in the state treasury.

On or before November 1, 2024, and on or before November 1 of each year thereafter, the forest service is required to publish a report summarizing the use of all of the money that was awarded under the grant program in the preceding fiscal year. The bill specifies additional required components of the report. The report must be posted on the website of the forest service. The bill requires the Colorado department of higher education to summarize the information contained in the report in its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" hearings.

The bill requires the forest service to prepare educational materials concerning the grant program and to display such materials on its official

website. In addition, the forest service is also required to undertake outreach activities to inform local governments located in priority areas for wildfire mitigation of the grant program.

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

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

4 **23-31-318. Wildfire mitigation incentives for local**
5 **governments - grant awards - fund - reporting - definitions - repeal.**

6 (1) AS USED IN THIS SECTION:

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

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

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

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

17 (e) "LOCAL GOVERNMENT" MEANS A COUNTY, A MUNICIPALITY, A
18 CITY AND COUNTY, OR A HOME RULE COUNTY.

19 (2) THE WILDFIRE MITIGATION INCENTIVES FOR LOCAL
20 GOVERNMENT GRANT PROGRAM IS HEREBY ESTABLISHED IN THE FOREST
21 SERVICE. THE GRANT PROGRAM IS ESTABLISHED TO PROVIDE STATE
22 ASSISTANCE IN THE FORM OF GRANT AWARDS TO LOCAL GOVERNMENTS TO
23 MATCH REVENUE RAISED BY SUCH GOVERNMENTS FROM A DEDICATED
24 REVENUE SOURCE THAT IS INTENDED TO BE USED FOR FOREST

1 MANAGEMENT OR WILDFIRE MITIGATION EFFORTS AT THE LOCAL LEVEL.
2 SUCH EFFORTS INCLUDE, WITHOUT LIMITATION, PROJECTS THAT PROMOTE
3 FUEL BREAKS, FOREST THINNING, A REDUCTION IN THE AMOUNT OR
4 EXTENT OF FUELS CONTRIBUTING TO WILDFIRES, OUTREACH AND
5 EDUCATION EFFORTS DIRECTED AT PROPERTY OWNERS AND OTHER
6 MEMBERS OF THE PUBLIC, AND ANY OTHER MEANS OF FOREST
7 MANAGEMENT OR WILDFIRE MITIGATION AS DETERMINED APPROPRIATE
8 FOR FUNDING BY THE FOREST SERVICE.

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

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

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

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

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

22 (III) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

23 (b) ALL FUNDING UNDER THE GRANT PROGRAM MUST MATCH
24 REVENUES RAISED BY THE LOCAL GOVERNMENT FROM A DEDICATED
25 REVENUE SOURCE THAT IS INTENDED TO BE USED FOR FOREST
26 MANAGEMENT OR WILDFIRE MITIGATION EFFORTS AT THE LOCAL LEVEL IN
27 ACCORDANCE WITH POLICIES, PROCEDURES, AND GUIDELINES DEVELOPED

1 BY THE FOREST SERVICE.

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

4 (a) RECIPIENTS WITH TERRITORIAL BOUNDARIES LOCATED WITHIN
5 PRIORITY AREAS FOR WILDFIRE MITIGATION AS DETERMINED BY THE
6 FOREST SERVICE;

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

10 (c) RECIPIENTS THAT MAKE AVAILABLE DEDICATED AND
11 FULL-TIME EMPLOYEES TO COLLABORATE WITH PRIVATE LANDOWNERS TO
12 IMPLEMENT WILDFIRE MITIGATION MEASURES;

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

16 (e) INITIATIVES EMPHASIZING A REGIONAL APPROACH TO
17 PROMOTING FOREST MANAGEMENT AND WILDFIRE MITIGATION.

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

23 (b) ELIGIBLE RECIPIENTS MAY APPLY FOR FUNDING FROM THE
24 GRANT PROGRAM, AND THE RECIPIENT'S APPLICATION FOR FUNDING MAY
25 BE APPROVED BY THE FOREST SERVICE, BEFORE THE LOCAL GOVERNMENT
26 HAS CREATED A DEDICATED REVENUE SOURCE THAT FORMS THE BASIS FOR
27 THE MATCH IF THE ELECTORS OF THE LOCAL GOVERNMENT APPROVE A

1 BALLOT ISSUE CREATING THE REVENUE SOURCE AT AN ELECTION THAT
2 TAKES PLACE IN THE SAME CALENDAR YEAR IN WHICH THE FUNDING IS
3 AWARDED.

4 (c) THE TERMS OF ANY AWARD UNDER THE GRANT PROGRAM MUST
5 BE MEMORIALIZED IN A MEMORANDUM OF UNDERSTANDING OR SIMILAR
6 FORM OF AGREEMENT BETWEEN THE FOREST SERVICE AND THE ELIGIBLE
7 RECIPIENT.

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

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

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

26 (8) (a) ON OR BEFORE NOVEMBER 1, 2024, AND ON OR BEFORE
27 NOVEMBER 1 OF EACH YEAR THEREAFTER, THE FOREST SERVICE SHALL

1 PUBLISH A REPORT SUMMARIZING THE USE OF ALL OF THE MONEY THAT
2 WAS AWARDED UNDER THE GRANT PROGRAM IN THE PRECEDING FISCAL
3 YEAR. AT A MINIMUM, THE REPORT SHALL SPECIFY THE NAMES OF THE
4 LOCAL GOVERNMENTS THAT HAVE BEEN AWARDED GRANTS, THE AMOUNT
5 OF FUNDING DISTRIBUTED TO EACH GRANT RECIPIENT, A DESCRIPTION OF
6 EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY, AND ANY OTHER
7 INFORMATION DEEMED BENEFICIAL FOR INCLUSION IN THE REPORT IN THE
8 DISCRETION OF THE FOREST SERVICE. THE REPORT MUST BE POSTED ON
9 THE WEBSITE OF THE FOREST SERVICE.

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

15 (9) THE FOREST SERVICE SHALL PREPARE EDUCATIONAL
16 MATERIALS CONCERNING THE GRANT PROGRAM AND SHALL DISPLAY SUCH
17 MATERIALS ON ITS OFFICIAL WEBSITE. IN ADDITION, THE FOREST SERVICE
18 SHALL UNDERTAKE OUTREACH ACTIVITIES TO INFORM LOCAL
19 GOVERNMENTS LOCATED IN PRIORITY AREAS FOR WILDFIRE MITIGATION OF
20 THE GRANT PROGRAM.

21 **SECTION 2. Act subject to petition - effective date.** This act
22 takes effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly; except
24 that, if a referendum petition is filed pursuant to section 1 (3) of article V
25 of the state constitution against this act or an item, section, or part of this
26 act within such period, then the act, item, section, or part will not take
27 effect unless approved by the people at the general election to be held in

1 November 2022 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor. [ASK
3 COMMITTEE]