2021
Report to the Colorado General Assembly

Wildfire Matters Review Committee

Prepared by Legislative Council Staff
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Wildfire Matters Review Committee

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Senator Joann Ginal, Vice-Chair

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Senator Pete Lee
Senator Cleave Simpson
Senator Tammy Story

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To Members of the Seventy-second General Assembly:

Submitted herewith is the final report of the Wildfire Matters Review Committee. This committee was created pursuant to Part 16 of Article 3 of Title 2, Colorado Revised Statutes. The purpose of this committee is to oversee and review prevention, mitigation, public safety, and forest health in regards to wildfire matters in Colorado.

At its meeting on November 15, 2021 the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2022 session was approved.

Sincerely,

/s/ Senator Leroy Garcia
Chair
Committee Charge

Pursuant to Section 2-3-1602, C.R.S., the committee is charged with reviewing and proposing legislation or other policy changes related to wildfire prevention, mitigation, and related matters, including public safety and forest health issues. Senate Bill 13-082 created the Wildfire Matters Review Committee as an interim committee and Senate Bill 18-039 extended the repeal date of the committee to September 1, 2025. The committee did not meet in 2020 due to the COVID-19 pandemic. Senate Bill 21-012 requires the committee to review policy changes to maximize the utilization of wildland fire services through the inmate disaster relief program.

Committee Activities

During the 2021 interim, the committee held five meetings and took two field trips. The committee heard from a number of federal, state, local, and non-governmental entities involved in wildfire prevention, mitigation, suppression, and recovery. The committee visited with officials in Boulder and Larimer Counties to tour areas affected by wildfire in 2020. Entities that presented to the committee include:

- Colorado Association of Home Builders;
- Colorado Correctional Industries;
- Colorado Counties, Inc.;
- Colorado Department of Natural Resources (DNR);
- Colorado Department of Public Health and Environment (CDPHE);
- Colorado State Forest Service (CSFS), Colorado State University (CSU);
- Colorado Timber Industry Association;
- Department of Atmospheric Science, Colorado State University (CSU);
- Division of Fire Prevention and Control (DFPC), Colorado Department of Public Safety (DPS);
- Division of Insurance, Colorado Department of Regulatory Agencies (DORA);
- Healthy Air and Water Colorado;
- Housing and Building Association of Colorado Springs;
- Larimer County Sheriff’s Office;
- Rocky Mountain TSG;
- Rocky Mountain Insurance Association;
- United States Forest Service (USFS);
- Western Resource Advocates;
- various county commissioners;
- various Fire Protection Districts;
- various electric utilities (e.g. Xcel Energy, Colorado Rural Electric Association); and
- various water utilities (e.g. Denver Water, Northern Water).

The following sections discuss the committee’s activities during the 2021 interim.
**Forest Management Efforts**

The CSFS and the USFS discussed different forest management strategies for Colorado forests, the unmet need for mitigation to prevent large-scale wildfires, and negative impacts to forest health, including beetle kill and drought conditions. The committee heard from the DNR and the CSFS about significant state and federal grant funding for wildfire mitigation, and the Colorado Timber Industry Association presented on the importance of wood products in managing forests and strategies to strengthen the timber industry in Colorado. During a field trip to Boulder County, county representatives showed the committee how forest thinning and prescribed burns help prevent the spread of wildfire. A representative from Western Resource Advocates presented on the stigma around prescribed burns and policy changes to allow landowners to burn.

**Committee recommendations.** As a result of its discussions, the committee recommends Bill A, which creates a grant program for counties with forested areas to help them prevent and recover from wildfires by removing wildfire fuel and debris. The grant program will be administered by the CSFS. The committee also recommends Bill E, which creates a grant program, administered by the CSFS, to provide matching funds to local governments that raise dedicated revenue for forest management and wildfire mitigation activities. The committee recommended that a bill on prescribed burns for landowners be drafted, but the draft bill was not approved by the committee. The committee also recommended that a bill on strategies to promote the timber industry be drafted, but the draft bill was not approved by the committee.

**Homeowner and Utility Mitigation Efforts**

The committee learned from fire professionals, homebuilders, and other experts about the issue of creating defensible spaces for homes in the Wildland-Urban Interface (WUI). The Colorado Division of Insurance and the Rocky Mountain Insurance Association presented to the committee on insuring homes in the WUI, incentivizing creating defensible spaces, and challenges that face the industry in terms of insuring homes at risk of wildfire damage. The committee learned about costs associated with building new homes and adapting existing homes with fireproof materials from homebuilder representatives. During field trips, the committee was shown properties that were successfully defended from wildfire, and learned about strategies to encourage homeowners to invest in defensible spaces.

A group of electric utilities discussed the importance of forest mitigation near utility stations, and expressed concern with their ability to assert utility right-of-way to conduct mitigation with the committee. Water utility representatives also presented on their efforts to conduct mitigation to prevent wildfire and debris from contaminating the water supply.

**Committee recommendations.** As a result of its discussions, the committee recommends Bill B, which concerns outreach to the public relating to wildfire risk mitigation practices. The bill requires that the CSFS convene a working group to consider how best to conduct an enhanced wildfire awareness month outreach campaign in 2023 and 2024. The committee also recommended Bill D, which creates the Wildfire Mitigation Resources and Best Practices Grant Program in the CSFS. Grant recipients must be an agency of a local government, a county, a municipality, a special district, a tribal agency
or program, or a nonprofit organization, and the grant may be used to conduct outreach among landowners about available resources and best practices for wildfire risk mitigation. The bill also amends tax code benefits to landowners conducting wildfire mitigation.

**Wildfire Response**

County government representatives and the DFCP discussed the costs associated with responding to wildfires in 2020, during which Colorado experienced the largest and most severe wildfires in state history. The DFCP discussed technological capabilities to detect and respond to wildfires, including the use of unmanned aircraft and GPS tracking of firefighters. The DFCP also reviewed its methods of collaborating with local and federal agencies to respond to wildfires across the state. While on field trips, the committee learned about evacuation strategies that local fire districts and sheriff’s departments employed during recent wildfires, and the reluctance of some homeowners to evacuate. Local government representatives also discussed the difficulty in responding to large fires across several jurisdictions.

**Committee recommendations.** As a result of its discussions, the committee recommended that a bill concerning a wildfire camera pilot program be drafted, but the draft bill was not approved by the committee. The committee also recommended that a bill concerning local government wildfire evacuation and mitigation plans be drafted, but the draft bill was not approved by the committee.

**Wildfire Workforce Issues**

The CSFS and Timber Industry Association discussed the lack of experienced workers to do mitigation work and to work in the timber industry. Fire chiefs from Estes Valley and Grand Fire Protection Districts presented on the difficulties hiring and retaining paid and volunteer firefighters, including the aging population, high cost of living, and competition with metro-area fire departments. During a field trip to Larimer County, a local fire chief described how a decrease in local tax revenue hurts the fire protection budget, and noted that many small fire departments are in need of updated equipment. The committee learned about firefighter mental health challenges and peer support programs in Colorado and other states from the DFPC and Healthy Air and Water Colorado. Colorado Correctional Industries and the Department of Corrections discussed a program to train inmates as wildland firefighters, and a participant in the program described his experience fighting fires to the committee.

**Committee recommendations.** As a result of its discussions, the committee recommends Bill C, which concerns expanding local fire departments’ access to state grants funds, including for mental and behavioral health services. The committee also requested that a bill be drafted regarding training the firefighter workforce; however, that bill was withdrawn during the drafting process.
Environmental Impact of Wildfire

The committee heard from a variety of state and local government agencies as well as water utilities, academia, and nonprofits regarding the environmental and health impacts of wildfires. The CDPHE presented on the health impacts of exposure to wildfire smoke and programs to monitor, forecast, and communicate air quality and advisories to the public. The department also discussed outdoor burning and permitting requirements under open burning and smoke management programs. In addition, the department provided information on the impacts of wildfires on water quality and post-wildfire water quality response efforts. A number of water utilities shared lessons learned on post-fire recovery and the importance of investing in watershed management. The committee’s field trips to Boulder and Larimer counties to observe efforts to mitigate negative post-wildfire water quality impacts added context to these discussions.

The committee also heard from CSU and the Department of Natural Resources on how climate change contributes to the cause and severity of wildfires, and received an overview of the forest carbon cycle and how forest carbon is accounted for in Colorado’s greenhouse gas emissions inventory.
Summary of Recommendations

As a result of the committee’s activities, the committee recommended five bills to the Legislative Council for consideration in the 2022 session. At its meeting on November 15, 2021, the Legislative Council approved five recommended bills for introduction. The approved bills are described below.

Bill A — Wildfire Mitigation and Recovery

The bill creates the Wildfire Mitigation and Recovery Grant Program within the Colorado State Forest Service (CSFS). Grants are available to counties with forested areas to help them prevent and recover from wildfires by removing wildfire fuel and debris in a manner that reduces the amount of carbon that enters the atmosphere and by conducting reforestation efforts. The CSFS must submit an annual report to the General Assembly on the grant program beginning January 1, 2023. The grant program is repealed September 1, 2028, following a sunset review.

Bill B — Increase Wildfire Risk Mitigation Outreach Efforts

The bill directs the CSFS to convene a working group to develop and implement an enhanced wildfire awareness month outreach campaign in 2023 and 2024, in partnership with the DFPC and the U.S. Forest Service. The State Forester is required to report to the Wildfire Matters Review Committee during the 2023 and 2024 legislative interims on money expended and efforts to increase outreach and awareness of wildfire risk mitigation.

Bill C — Resources for Volunteer Firefighters

The bill expands eligibility for certain state emergency wildfire response cash funds to fire departments. Specifically, fire departments that rely primarily on volunteer firefighters to provide fire protection services can receive reimbursement for fire suppression activities from the cash funds if certain conditions are met. The bill also allows the Local Firefighter Safety and Disease Prevention Fund (fund) to be used for behavioral and mental health services for wildland firefighters. The funds are distributed through a needs-based grant program, and the bill requires priority to be given to fire departments that rely primarily on volunteer firefighters and that demonstrate a loss in property tax revenue due to wildfires. Finally, the bill requires a $5.0 million annual appropriation to the fund.

Bill D — Assistance Landowner Wildfire Mitigation

The bill creates the Wildfire Mitigation Resources and Best Practices Grant Program in the CSFS to be used to conduct outreach among landowners regarding wildfire mitigation best practices. The grant will be available to local governments, tribal agencies, and nonprofit organizations beginning
January 1, 2024. The CSFS must submit an annual report to the Wildfire Matters Review Committee on the grant program beginning on or before September 1, 2025. The grant program is repealed January 1, 2029.

The bill also replaces the current state income tax deduction for wildfire mitigation expenses with a state income tax credit, beginning in tax year 2023 through tax year 2025. The credit is available to landowners who meet income requirements, and is equal to 25 percent of the taxpayer cost for wildfire mitigation expenses, up to $625 per year.

**Bill E — Wildfire Incentives for Local Governments**

The bill creates the Wildfire Mitigation Incentives for Local Government Grant Program in the CSFS to provide matching funds to local governments that raise dedicated revenue for forest management and wildfire mitigation activities such as forest thinning, wildfire fuel reduction, and outreach to property owners and the public. Beginning November 1, 2024, the CSFS must publish an annual report on the grant program.
Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

https://leg.colorado.gov/content/committees

Meeting Date and Topics Discussed

July 29, 2021

- Overview of Committee Charge and Bill Request Process
- Wildfire State Agencies Overview and 2020 Wildfire Season
- County Perspectives on 2020 Wildfire Season
- Committee Discussion on Next Steps
- Public Testimony

August 12, 2021

- Federal Perspectives on Wildfire Management
- Insurance Issues and Wildfires
- Wildfire Detection and Response Technology
- Utilities and Wildfire
- Firefighting Workforce Challenges and the SWIFT Program
- Public Testimony

September 2, 2021

- Timber Industry and other Mitigation Strategies
- Development and Home Hardening in WUI Areas
- Safe Evacuation from Wildfire
- Environmental and Health Impacts of Wildfire
- Water Impacts and Recovery Efforts
- Public Testimony
September 14, 2021

- State Wildfire Management Funding
- Climate Change and Wildfire
- Policy Recommendations for Prescribed Burns
- Bill Draft Requests
- Public Testimony

October 28, 2021

- Committee Legislation Discussion
- Public Testimony
- Approval of Committee Legislation
A BILL FOR AN ACT

CONCERNING HEALTHY FORESTS, AND, IN CONNECTION THEREWITH,
CREATING THE WILDFIRE MITIGATION AND RECOVERY GRANT PROGRAM.

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. Section 1 of the bill creates the wildfire mitigation and recovery grant program (grant program) in the Colorado state forest service (forest service) to provide grants to help counties with forested areas prevent and recover from wildfire incidents and ensure that such efforts are undertaken in a manner
that reduces the amount of carbon that enters the atmosphere. In expending grant money, a county, to the extent practicable, shall ensure that biomass that is removed from forests is recycled or disposed of in a manner that reduces the amount of carbon that enters the atmosphere.

The forest service shall administer the grant program and, subject to available appropriations, award grants out of money annually appropriated to the forest service for the grant program. The forest service shall review grant applications in consultation with the division of fire prevention and control in the department of public safety and with the Colorado forest health council in the department of natural resources.

The grant program is repealed, effective September 1, 2028. Before the repeal, the grant program is scheduled for a sunset review by the department of regulatory agencies. Section 2 schedules this review.

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 and recovery grant program - grant program created - applications - awards - reports - funding - repeal. (1) (a) THERE IS HEREBY CREATED IN THE COLORADO STATE FOREST SERVICE THE WILDFIRE MITIGATION AND RECOVERY GRANT PROGRAM, REFERRED TO IN THIS SECTION AS THE "GRANT PROGRAM", TO PROVIDE GRANTS IN ORDER TO:

(I) HELP COUNTIES WITH FORESTED AREAS PREVENT AND RECOVER FROM WILDFIRE INCIDENTS BY REMOVING DEADWOOD AND OTHER POTENTIAL WILDFIRE FUEL AS WELL AS DEBRIS THAT HAS RESULTED FROM A WILDFIRE INCIDENT; AND

(II) ENSURE THAT SUCH EFFORTS ARE UNDERTAKEN IN A MANNER THAT REDUCES THE AMOUNT OF CARBON THAT ENTERS THE ATMOSPHERE.

(b) GRANT RECIPIENTS MAY USE THE MONEY RECEIVED THROUGH THE GRANT PROGRAM FOR THE FOLLOWING PURPOSES:

(I) TO PURCHASE OR LEASE EQUIPMENT, INCLUDING MOBILE WOOD
CHIPPERS, TO ASSIST WITH THE REMOVAL OF DEADWOOD AND OTHER POTENTIAL WILDFIRE FUEL AS WELL AS DEBRIS THAT HAS RESULTED FROM A WILDFIRE INCIDENT;

(II) TO HIRE AND COMPENSATE LABORERS TO ASSIST WITH THE REMOVAL OF DEADWOOD AND OTHER POTENTIAL WILDFIRE FUEL AS WELL AS DEBRIS THAT HAS RESULTED FROM A WILDFIRE INCIDENT; AND

(III) TO INITIATE AND MAINTAIN REFORESTATION EFFORTS, INCLUDING THE PLANTING OF TREE SEEDLINGS, AFTER A WILDFIRE INCIDENT.

(c) IN EXPENDING GRANT MONEY AS DESCRIBED IN SUBSECTION (1)(b) OF THIS SECTION, A COUNTY, TO THE EXTENT PRACTICABLE, SHALL ENSURE THAT BIOMASS THAT IS REMOVED FROM FORESTS IS RECYCLED OR DISPOSED OF IN A MANNER THAT REDUCES THE AMOUNT OF CARBON THAT ENTERS THE ATMOSPHERE, INCLUDING THE SALE OR DONATION OF:

(I) SALVAGEABLE TIMBER;

(II) UNSALVAGEABLE TIMBER THAT IS REDUCED TO CHIP OR PELLET FORM; AND

(III) UNSALVAGEABLE BIOMASS THAT HAS BEEN RENDERED AS SUITABLE FOR COMPOSTING.

(d) THE COLORADO STATE FOREST SERVICE SHALL ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD GRANTS AS PROVIDED IN THIS SECTION. GRANTS SHALL BE PAID OUT OF MONEY ANNUALLY APPROPRIATED FOR THE GRANT PROGRAM, AS DESCRIBED IN SUBSECTION (4) OF THIS SECTION.

(2) (a) TO RECEIVE A GRANT, A BOARD OF COUNTY COMMISSIONERS MUST SUBMIT AN APPLICATION ON BEHALF OF ITS COUNTY TO THE COLORADO STATE FOREST SERVICE. AT A MINIMUM, THE
APPLICATION MUST INCLUDE THE FOLLOWING INFORMATION:

(I) THE NAME OF THE COUNTY AND THE PORTION OF THE COUNTY IN WHICH THE COUNTY PLANS TO IMPLEMENT WILDFIRE MITIGATION OR RECOVERY EFFORTS; AND

(II) THE AMOUNT OF GRANT MONEY THAT THE COUNTYSEEKS, INCLUDING AN ITEMIZATION OF HOW THE COUNTY PLANS TO SPEND SUCH MONEY.


(c) THE COLORADO STATE FOREST SERVICE SHALL DISTRIBUTE THE GRANT MONEY WITHIN THIRTY DAYS AFTER THE COLORADO STATE FOREST SERVICE AWARDS A GRANT.

(3) (a) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE NOVEMBER 1 EACH YEAR THEREAFTER, EACH COUNTY THAT RECEIVES A GRANT THROUGH THE GRANT PROGRAM SHALL SUBMIT A REPORT TO THE COLORADO STATE FOREST SERVICE. AT A MINIMUM, THE REPORT MUST INCLUDE AN ITEMIZATION OF HOW THE GRANT MONEY WAS EXPENDED.

(b) ON OR BEFORE JANUARY 1, 2023, AND ON OR BEFORE JANUARY 1 EACH YEAR THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE COLORADO STATE FOREST SERVICE SHALL SUBMIT A SUMMARIZED REPORT CONCERNING THE GRANT PROGRAM TO THE AGRICULTURE AND
NATURAL RESOURCES COMMITTEE OF THE SENATE AND THE ENERGY AND
ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ANY
SUCCESSOR COMMITTEES, AND TO THE GOVERNOR. AT A MINIMUM, THE
REPORT MUST INCLUDE IDENTIFICATION OF EACH COUNTY THAT WAS
AWARDED A GRANT DURING THE PREVIOUS TWELVE MONTHS, THE AMOUNT
OF EACH GRANT, AND HOW THE GRANT MONEY WAS USED BY THE COUNTY.

(c) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
REPORTING REQUIREMENTS SET FORTH IN THIS SUBSECTION (3) CONTINUE
UNTIL THE GRANT PROGRAM REPEALS PURSUANT TO SUBSECTION (5) OF
THIS SECTION.

(4) (a) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE
MONEY FROM THE GENERAL FUND TO THE COLORADO STATE UNIVERSITY
SYSTEM, FOR ALLOCATION TO THE COLORADO STATE FOREST SERVICE TO
IMPLEMENT THE GRANT PROGRAM. THE COLORADO STATE FOREST SERVICE
MAY USE UP TO THREE PERCENT OF THE MONEY ANNUALLY APPROPRIATED
FOR THE GRANT PROGRAM TO PAY THE DIRECT AND INDIRECT COSTS THAT
THE COLORADO STATE FOREST SERVICE INCURS IN ADMINISTERING THE
GRANT PROGRAM.

(b) ANY MONEY THAT IS APPROPRIATED TO THE COLORADO STATE
FOREST SERVICE PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION AND
NOT EXPENDED BY THE COLORADO STATE FOREST SERVICE IN THE STATE
FISCAL YEAR FOR WHICH IT IS APPROPRIATED REMAINS WITH THE
COLORADO STATE FOREST SERVICE TO IMPLEMENT THE GRANT PROGRAM
IN THE FOLLOWING STATE FISCAL YEAR AND DOES NOT REVERT TO THE
GENERAL FUND.

(5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2028.
BEFORE THE REPEAL, THE GRANT PROGRAM IS SCHEDULED FOR REVIEW IN
SECTION 2. In Colorado Revised Statutes, 24-34-104, add (29)(a)(XVII) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (29) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2028:

(XVII) THE WILDFIRE MITIGATION AND RECOVERY GRANT PROGRAM CREATED IN SECTION 23-31-318.

SECTION 3. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.
A BILL FOR AN ACT

CONCERNING OUTREACH TO THE PUBLIC RELATING TO WILDFIRE RISK MITIGATION PRACTICES.

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 requires the Colorado state forest service (forest service) to convene a working group (working group) that includes the division of fire prevention and control in the department of public safety (DFPC) and the United States forest service (USFS), and that may include other local, state, or federal partners and entities engaged in wildfire risk mitigation in the wildland-urban
interface (WUI).

The working group shall consider how best to conduct enhanced wildfire awareness month outreach campaigns in 2023 and 2024, as well as other outreach efforts that inform and motivate residents in the WUI to engage in more wildfire risk mitigation. The working group's considerations also include how best to distribute educational resources and information and which methods of outreach are most effective in reaching the targeted audience.

After considering feedback from the working group, and subject to available appropriations, the forest service shall implement an enhanced wildfire awareness month outreach campaign in conjunction with the DFPC and the USFS in 2023 and 2024, as well as other outreach efforts in the 2022-23 and 2023-24 state fiscal years.

In implementing an enhanced wildfire awareness month outreach campaign and other outreach efforts, the forest service may, subject to available appropriations:

- Develop or contract for the development or placement of marketing and educational materials, including videos, direct mail, social media, print media, television and radio spots, and billboards;
- Conduct or contract for educational events targeted to residents in the WUI;
- Retain consultants, as necessary, to implement all or part of an outreach campaign, as well as other outreach efforts;
- Make enhancements to the forest service's web-based clearinghouse for technical assistance and funding resources and coordinate with working group partners and other entities to provide links to web-based educational resources and information; and
- Secure necessary staff to implement the outreach efforts.

The bill requires the state forester to report to the wildfire matters review committee during the 2023 and 2024 legislative interims concerning the outreach efforts implemented pursuant to the bill, including the amount and use of money appropriated for outreach efforts and the impact of those efforts in increasing awareness of wildfire risk mitigation in the WUI.

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

SECTION 1. In Colorado Revised Statutes, 23-31-313, add (3)(h) and (9.5) as follows:

23-31-313. Healthy forests - vibrant communities - funds
created - outreach working group - definitions - legislative declaration - repeal. (3) Definitions. As used in this section, unless the context otherwise requires:

(h) "WILDLAND-URBAN INTERFACE" MEANS AN AREA WHERE STRUCTURES OR OTHER HUMAN DEVELOPMENT MEET OR INTERMINGLE WITH WILDLAND VEGETATION.

(9.5) Wildfire risk mitigation public outreach and educational campaign - legislative declaration. (a) (I) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(A) WILDFIRES INCREASINGLY POSE A THREAT TO HOMES AND COMMUNITIES IN COLORADO AS MORE PEOPLE MOVE INTO THE WILDLAND AREAS OF OUR STATE, AND LONG-TERM WEATHER AND CLIMATE TRENDS, INCLUDING DROUGHT AND WARMER TEMPERATURES, AS WELL AS THE BUILDUP OF WILDLAND FUELS, FURTHER INCREASE WILDFIRE RISK;

(B) IN 2020, COLORADO EXPERIENCED THE THREE LARGEST WILDFIRES IN ITS HISTORY, WITH THE FIRES BURNING OVER SIX HUNDRED THOUSAND ACRES, CAUSING SIGNIFICANT DISPLACEMENT, DEVASTATING COMMUNITIES, DEGRADING WATER AND AIR QUALITY, AND ULTIMATELY RESULTING IN THE LOSS OF HUMAN LIFE AND HUNDREDS OF MILLIONS OF DOLLARS IN PROPERTY LOSS AND DAMAGE;

(C) LOCAL, STATE, AND FEDERAL AGENCIES AND ENTITIES CONTINUE TO ADDRESS THE SHORT- AND LONG-TERM SOCIAL, ECONOMIC, AND ENVIRONMENTAL IMPACTS OF THESE FIRES;

(D) WITH MORE THAN HALF OF ALL COLORADANS LIVING IN THE WILDLAND-URBAN INTERFACE, THERE IS AN URGENT NEED FOR WILDFIRE PREVENTION AND PREPAREDNESS AT BOTH THE COMMUNITY AND INDIVIDUAL HOMEOWNER AND PROPERTY OWNER LEVELS;
(E) Coordinated education concerning how, where, and why wildfires burn, as well as collaborative efforts to increase survivability of homes and property, is paramount to co-existing in a wildfire environment; and

(F) While homeowners and property owners in Colorado bear the ultimate responsibility to prepare their homes and property for wildfire, many still do not understand this responsibility, the risk they face living in the wildland-urban interface, or the necessary steps to reduce their wildfire risk.

(II) Therefore, the General Assembly declares that it is vital to the health and safety of Colorado’s citizens, communities, and forests for local, state, and federal agencies in Colorado, in partnership with organizations engaged in wildfire risk mitigation in the state, to enhance outreach efforts to residents in the wildland-urban interface to educate and motivate those residents to engage in effective wildfire risk mitigation and wildfire preparedness activities.

(b) (I) The Forest Service shall convene a working group of local, state, and federal partners engaged in wildfire risk mitigation, referred to in this subsection (9.5) as the "working group", to enhance outreach efforts to residents in the wildland-urban interface concerning effective wildfire risk mitigation and to coordinate the financial and other resources that may be available for such work. State and federal partners include the Division of Fire Prevention and Control in the Department of Public Safety and the United States Forest Service. The Forest Service may invite other partners to join the
WORKING GROUP AND SEEK INPUT FROM ENTITIES ENGAGED IN WILDFIRE RISK MITIGATION IN THE WILDLAND-URBAN INTERFACE.

(II) THE WORKING GROUP SHALL:

(A) PRIOR TO THE ANNUAL WILDFIRE AWARENESS MONTH OUTREACH CAMPAIGNS IN 2023 AND 2024, CONSIDER HOW BEST TO CONDUCT AN ENHANCED OUTREACH CAMPAIGN FOR THE PUBLIC THAT EDUCATES AND MOTIVATES RESIDENTS IN THE WILDLAND-URBAN INTERFACE TO ENGAGE IN MORE WILDFIRE RISK MITIGATION;

(B) CONSIDER HOW BEST TO DISTRIBUTE EDUCATIONAL RESOURCES AND INFORMATION TO RESIDENTS IN THE WILDLAND-URBAN INTERFACE, INCLUDING THE FOREST SERVICE'S PUBLICATION, "THE HOME IGNITION ZONE" OR A SUCCESSOR PUBLICATION, AND WHETHER OTHER EDUCATIONAL AND MARKETING TOOLS COULD BE DEVELOPED TO EDUCATE RESIDENTS AND MOTIVATE INCREASED WILDFIRE RISK MITIGATION;

(C) CONSIDER WHICH LOCAL, STATEWIDE, OR REGIONAL OUTREACH EFFORTS, INCLUDING DIRECT MAIL, WEB-BASED MATERIAL, TELEPHONE OUTREACH, SOCIAL MEDIA, PRINT MEDIA, TELEVISION AND RADIO SPOTS, BILLBOARDS, AND COMMUNITY EVENTS, ARE MOST EFFECTIVE IN INCREASING AWARENESS AMONG THE TARGETED RESIDENTS IN THE WILDLAND-URBAN INTERFACE OF THE IMPORTANCE OF WILDFIRE RISK MITIGATION AND HOW TO PREPARE FOR WILDFIRES;

(D) CONSIDER HOW BEST TO COORDINATE EFFORTS BY WORKING GROUP PARTNERS AND OTHER ENTITIES ENGAGED IN WILDFIRE RISK MITIGATION TO DISSEMINATE WEB-BASED EDUCATIONAL RESOURCES AND INFORMATION CONCERNING EFFECTIVE WILDFIRE RISK MITIGATION AND WILDFIRE PREPAREDNESS ACTIVITIES THROUGH LINKS TO THE FOREST SERVICE'S WEB-BASED CLEARINGHOUSE FOR TECHNICAL ASSISTANCE AND
TO WEB-BASED RESOURCES OF OTHER WORKING GROUP PARTNERS AND
ENTITIES ENGAGED IN WILDFIRE RISK MITIGATION;

(E) CONSIDER HOW BEST TO LEVERAGE EXISTING STATE, LOCAL,
AND FEDERAL RESOURCES AND EXPERTISE TO IMPLEMENT THE ENHANCED
OUTREACH EFFORTS CONSIDERED BY THE WORKING GROUP; AND

(F) CONSIDER WHAT FUNDING OR ADDITIONAL RESOURCES WOULD
BE NECESSARY FOR THE FOREST SERVICE AND OTHER PARTNERS TO BUILD
UPON THE ENHANCED WILDFIRE AWARENESS MONTH OUTREACH
CAMPAIGN, AS WELL AS OTHER POTENTIAL OUTREACH EFFORTS, IN
SUBSEQUENT YEARS.

(c) AFTER CONSIDERING FEEDBACK FROM THE WORKING GROUP,
AND SUBJECT TO AVAILABLE APPROPRIATIONS, THE FOREST SERVICE:

(I) SHALL IMPLEMENT AN ENHANCED WILDFIRE AWARENESS
MONTH OUTREACH CAMPAIGN IN CONJUNCTION WITH THE DIVISION OF FIRE
PREVENTION AND CONTROL IN THE DEPARTMENT OF PUBLIC SAFETY AND
THE UNITED STATES FOREST SERVICE IN 2023 AND 2024, AND, SUBJECT TO
AVAILABLE APPROPRIATIONS, MAY IMPLEMENT ENHANCED WILDFIRE
AWARENESS MONTH OUTREACH CAMPAIGNS IN SUBSEQUENT YEARS; AND

(II) MAY IMPLEMENT OTHER OUTREACH EFFORTS DURING THE
2022-23 AND 2023-24 STATE FISCAL YEARS AND SUBSEQUENT STATE
FISCAL YEARS THAT ARE EXPECTED TO INCREASE AWARENESS OF WILDFIRE
RISK MITIGATION BY RESIDENTS IN THE WILDLAND-URBAN INTERFACE.

(d) TO IMPLEMENT THIS SUBSECTION (9.5), THE FOREST SERVICE,
SUBJECT TO AVAILABLE APPROPRIATIONS, MAY:

(I) DEVELOP OR CONTRACT FOR THE DEVELOPMENT OR PLACEMENT
OF MARKETING AND EDUCATIONAL MATERIALS, INCLUDING VIDEOS,
DIRECT MAIL, SOCIAL MEDIA, PRINT MEDIA, TELEVISION AND RADIO SPOTS,
AND BILLBOARDS;

(II) CONDUCT OR CONTRACT FOR EDUCATIONAL EVENTS TARGETED TO RESIDENTS IN THE WILDLAND-URBAN INTERFACE;

(III) RETAIN CONSULTANTS, AS NECESSARY, TO IMPLEMENT ALL OR PART OF AN OUTREACH CAMPAIGN, AS WELL AS OTHER OUTREACH EFFORTS;

(IV) MAKE ENHANCEMENTS TO THE FOREST SERVICE’S WEB-BASED CLEARINGHOUSE FOR TECHNICAL ASSISTANCE AND FUNDING RESOURCES CREATED PURSUANT TO SUBSECTION (9) OF THIS SECTION, AS NECESSARY, TO BETTER IMPLEMENT OUTREACH EFFORTS DESCRIBED IN THIS SUBSECTION (9.5), AND COORDINATE WITH WORKING GROUP PARTNERS AND OTHER ENTITIES ENGAGED IN WILDFIRE RISK MITIGATION TO PROVIDE LINKS TO WEB-BASED EDUCATIONAL RESOURCES AND INFORMATION; AND

(V) SECURE NECESSARY STAFF TO IMPLEMENT THE OUTREACH EFFORTS DESCRIBED IN THIS SUBSECTION (9.5).

(e) (I) DURING THE 2023 AND 2024 LEGISLATIVE INTERIMS, THE STATE FORESTER SHALL SUBMIT A REPORT TO THE WILDFIRE MATTERS REVIEW COMMITTEE CREATED IN SECTION 2-3-1602 CONCERNING OUTREACH EFFORTS IMPLEMENTED PURSUANT TO THIS SUBSECTION (9.5).

(II) THE REPORT MUST INCLUDE:

(A) A DESCRIPTION OF THE OUTREACH EFFORTS;

(B) THE AMOUNT AND USE OF MONEY APPROPRIATED TO IMPLEMENT THIS SUBSECTION (9.5);

(C) DATA AND INFORMATION RECEIVED BY THE FOREST SERVICE OR ITS PARTNERS RELATING TO THE IMPACT OF THE OUTREACH EFFORTS IN INCREASING AWARENESS OF WILDFIRE RISK MITIGATION BY RESIDENTS IN THE WILDLAND-URBAN INTERFACE; AND
(D) Proposed future outreach efforts, including any additional funding or other resources needed to implement those outreach efforts.

SECTION 2. 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.
A BILL FOR AN ACT

Concerning increasing the resources available for fire protection services provided by volunteer and seasonal firefighters.

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 allows fire departments, including fire protection districts and volunteer fire departments, to be compensated from state funding sources for wildland fire suppression activities conducted in the fire department's jurisdiction if the fire department relies primarily or solely on volunteer firefighters,
the fire exceeds the department's capacity to extinguish or control, and the period of mutual aid has ended. The fire department must use money received to compensate volunteer firefighters in accordance with guidelines adopted by the division of fire prevention and control (division) in the annual wildfire preparedness plan. Boards of county commissioners are authorized to reimburse fire departments from county funds for wildland fire suppression activities conducted within the fire department's jurisdiction in the same circumstances.

The bill amends the existing local firefighter safety and disease prevention fund grant program (program) to allow grants to be spent to provide access to mental health services for seasonal and volunteer firefighters involved in wildland fire suppression in addition to purchasing equipment and providing training. The bill requires the program to give priority in awarding grants to governing bodies and volunteer fire departments that:

- Have lost tax revenues as a result of decreased assessment values due to a wildland fire within their jurisdiction in the previous 5 years;
- Rely solely or primarily on volunteer firefighters and serve communities affected by wildland fires; or
- Demonstrate the greatest need for additional funding to ensure the safety of volunteer and seasonal firefighters.

The general assembly is required to annually appropriate $5 million to the program and may appropriate additional money as necessary to meet the needs of governing bodies and volunteer fire departments. On or before September 1, 2032, the staff of the joint budget committee is required to report on whether the amount of the annual appropriation should be adjusted based on current needs.

In addition, the division may use money in the firefighter safety and disease prevention fund to reimburse mental and behavioral health-care specialists for services provided to firefighters who have served as volunteer or seasonal wildland firefighters, in accordance with rules adopted by the division.

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

SECTION 1. In Colorado Revised Statutes, 24-33.5-1220, add (6) as follows:

24-33.5-1220. Funds available - emergency fire fund - wildland fire equipment repair fund - wildland fire cost recovery fund - creation - gifts, grants, and donations authorized - rules.
(6) (a) Notwithstanding any other provision of law, a fire department is eligible for reimbursement for wildland fire suppression activities within the jurisdiction or designated boundaries of the fire department from the Governor's Emergency Fund, the Emergency Fire Fund, and the Wildland Cost Recovery Fund if:

(I) The fire department relies solely or primarily on volunteer firefighters to provide fire protection services, as determined under guidelines adopted by the Division in the annual wildfire preparedness plan required by section 24-33.5-1227 (2)(a);

(II) The wildland fire exceeds the capabilities of the fire department to control or extinguish; and

(III) The mutual aid period for that fire has ended.

(b) The fire department must use money received pursuant to this subsection (6) to compensate volunteer firefighters pursuant to guidelines adopted by the Division in the annual wildfire preparedness plan required by section 24-33.5-1227 (2)(a).

(c) The Division and each county sheriff's office shall modify any intergovernmental agreements governing reimbursement for wildland fire suppression activities as necessary to allow reimbursement in accordance with this subsection (6).

(d) The Director may promulgate rules as necessary to implement this subsection (6).

SECTION 2. In Colorado Revised Statutes, 24-33.5-1226,
amend (2.5) as follows:

24-33.5-1226. Wildfire emergency response fund - creation - gifts, grants, and donations authorized - rules. (2.5) In addition to any other purpose for the use of money in the wildfire emergency preparedness response fund specified in this section, the division may use money in the fund to provide wildfire suppression assistance to county sheriffs, municipal fire departments, or fire protection districts throughout the state at no cost to such entities pursuant to annual guidelines published by the division in the wildfire preparedness plan required by section 24-33.5-1227 (2)(a).

SECTION 3. In Colorado Revised Statutes, 24-33.5-1231, amend (1), (2), (3) introductory portion, (3)(a), (3)(b), and (4); and add (3.5) as follows:

24-33.5-1231. Local firefighter safety and disease prevention fund - creation - grants - rules. (1) There is hereby created in the state treasury the local firefighter safety and disease prevention fund. The fund consists of all moneys that may be appropriated or transferred to the fund by the general assembly and all private and public moneys received through gifts, grants, or donations that are transmitted to the state treasurer and credited to the fund. The state treasurer shall credit all interest earned from the investment of moneys in the fund to the fund. The moneys in the fund are hereby continuously appropriated to the division for the purposes indicated in this section. Any moneys not expended at the end of each fiscal year remain in the fund and shall not be transferred to or revert to the general fund.

(2) (a) The division shall use the moneys in the fund to:
(I) Award need-based grants to governing bodies and volunteer fire departments to provide funding or reimbursement for:

(A) purchasing equipment and or replacing damaged or obsolete equipment, including the costs of disposal of damaged and obsolete equipment;

(B) providing training designed to increase firefighter safety and prevent occupation-related diseases; and

(C) providing access to behavioral and mental health-care services for seasonal and volunteer firefighters involved in wildland fire suppression; and

(II) reimburse mental and behavioral health-care specialists who provide services to firefighters who have provided documentation to the specialist that they have served as a volunteer or seasonal wildland firefighter in Colorado, pursuant to rules adopted by the division.

(b) The division may expend up to three percent per year from the fund for its direct and indirect costs in administering the grant program programs authorized by this section. The general assembly intends that the need-based grants from the fund are in addition to, and do not supplant, other sources of funding regarding firefighting.

(3) The director shall promulgate rules governing the reimbursement of mental and behavioral health-care specialists and the award of grants pursuant to subsection (2) of this section, including consideration of:

(a) The recommendations of the fire service training, certification, and firefighter safety advisory board, created in section 24-33.5-1204 (1), concerning the grant application process, funding priorities, and the
criteria for awarding grants, SUBJECT TO THE REQUIREMENTS OF SUBSECTION (3.5) OF THIS SECTION;

(b) How to structure the grant application process, which must include a merit-based, peer-review process with grant reviewers from the Colorado state fire chiefs, Colorado professional fire fighters association, and the Colorado state fire fighters association, AND INDIVIDUALS WITH EXPERIENCE AS VOLUNTEER FIREFIGHTERS in equal representation. The peer reviewers shall make recommendations to the director on the award of grants under the program.

(3.5) IN AWARDING GRANTS, THE DIVISION SHALL GIVE PRIORITY TO GOVERNING BODIES AND VOLUNTEER FIRE DEPARTMENTS THAT:

(a) RELY PRIMARILY OR SOLELY ON VOLUNTEER FIREFIGHTERS AND ARE SERVING COMMUNITIES AFFECTED BY WILDLAND FIRES;

(b) DEMONSTRATE A LOSS OF TAX REVENUE DUE TO DECREASED ASSESSMENT VALUES AS A RESULT OF A WILDLAND FIRE IN THE FIRE DEPARTMENT’S JURISDICTION IN THE PREVIOUS FIVE YEARS; OR

(c) DEMONSTRATE THE GREATEST NEED FOR ADDITIONAL FUNDING TO ENSURE THE SAFETY OF VOLUNTEER AND SEASONAL FIREFIGHTERS.

(4) (a) (I) On July 1, 2018, the state treasurer shall transfer two hundred fifty thousand dollars from the general fund to the fund FOR EACH FISCAL YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND FOR THE IMPLEMENTATION OF THIS SECTION. THE GENERAL ASSEMBLY MAY APPROPRIATE ADDITIONAL MONEY TO THE FUND AS NECESSARY TO MEET THE NEEDS OF FIRE DEPARTMENTS ACROSS THE STATE.

(II) ON OR BEFORE SEPTEMBER 1, 2032, THE STAFF OF THE JOINT BUDGET COMMITTEE SHALL REVIEW THE IMPLEMENTATION OF THE GRANT
PROGRAM AND MAKE A RECOMMENDATION TO THE JOINT BUDGET COMMITTEE AND TO THE WILDFIRE MATTERS REVIEW COMMITTEE OR ANY SUCCESSOR COMMITTEE AS TO WHETHER THE ANNUAL APPROPRIATION REQUIRED BY SUBSECTION (4)(a)(I) OF THIS SECTION SHOULD BE ADJUSTED BASED ON THE CURRENT NEEDS OF FIRE DEPARTMENTS ACROSS THE STATE.

(b) Subject to available appropriations, the division shall use this money to make AWARD grants under subsection (2) of AT LEAST ONCE ANNUALLY IN ACCORDANCE WITH this section In no event shall any individual grant be in excess of the amount of twenty-five thousand dollars AND SHALL ALLOW GOVERNING BODIES AND VOLUNTEER FIRE DEPARTMENTS TO SUBMIT APPLICATIONS THROUGHOUT THE YEAR ON AN AS-NEEDED BASIS DUE TO EMERGENT CIRCUMSTANCES.

SECTION 4. In Colorado Revised Statutes, 29-22.5-103, amend (1)(d) as follows:

29-22.5-103. Wildland fires - general authority and responsibilities. (1) (d) The fire chief shall not seek reimbursement from the county for expenses incurred by the district for their own apparatus, equipment, and personnel used in containing or suppressing a wildfire occurring on private property within the boundaries of the district, EXCEPT AS PROVIDED IN SECTION 30-10-513 (3)(b).

SECTION 5. In Colorado Revised Statutes, 30-10-513, amend (3) as follows:

30-10-513. Duties of sheriff - coordination of fire suppression efforts for forest, prairie, or wildland fire - expenses. (3) (a) The board of county commissioners of any county may allow the sheriff, undersheriffs, deputies, municipal or county fire departments, fire protection districts, fire authorities, and such other persons as may be
called upon to assist in controlling or extinguishing a prairie, forest, or
wildland fire such compensation and reimbursement for other expenses
necessarily incurred as the board deems just.

(b) The board of county commissioners of any county may
allow a fire department, fire protection district, or volunteer
fire department compensation and reimbursement from a county
funding source for other expenses necessarily incurred in
controlling or extinguishing a prairie, forest, or wildland fire
within the jurisdiction or boundaries of the fire department, fire
protection district, or volunteer fire department if the
circumstances set forth in section 24-33.5-1220 (6)(a)(I), (6)(a)(II),
and (6)(a)(III) are met, as the board deems just.

SECTION 6. In Colorado Revised Statutes, 30-10-513.5, add
(1)(c) as follows:

30-10-513.5. Authority of sheriff relating to fires within
unincorporated areas of county - liability for expenses. (1) (c) This
section does not prohibit a county from reimbursing a fire
protection district, fire department, or volunteer fire
department for expenses necessarily incurred in controlling or
extinguishing a prairie, forest, or wildland fire from a county
funding source in accordance with section 30-10-513 (3)(b).

SECTION 7. 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.
A BILL FOR AN ACT

CONCERNING WILDFIRE MITIGATION ASSISTANCE FOR LANDOWNERS.

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. Section 1 of the bill establishes the wildfire mitigation resources and best practices grant program (grant program) within the Colorado state forest service (forest service). To be eligible to receive a grant, a recipient must be an agency of local government, a county, municipality, special district, a tribal agency or program, or a nonprofit organization.

The forest service is tasked with reviewing grant applications. Grants must be awarded to applicants proposing to conduct outreach.
among landowners in high wildfire hazard areas and the forest service must consider the potential impact of the applicants' proposed outreach when awarding grants.

The forest service must report to the wildfire matters review committee on the grant program.

Section 2 repeals the existing income tax deduction created to offset the landowner's costs incurred in performing wildfire mitigation measures for the 2023 and subsequent income tax years.

Section 3 creates a state income tax credit to reimburse a landowner for the costs incurred in performing wildfire mitigation measures on the landowner's property. Specifically, a landowner with a federal taxable income at or below $120,000 for the income tax year commencing on or after January 1, 2023, as adjusted for inflation and rounded to the nearest hundred dollar amount for each income tax year thereafter, is allowed a state income tax credit in an amount equal to 25% of up to $2,500 in costs for wildfire mitigation measures. The maximum total credit in a taxable year is $625.

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

SECTION 1. In Colorado Revised Statutes, add 23-31-310.5 as follows:

23-31-310.5. Wildfire mitigation resources and best practices grant program - creation - report - definitions - repeal. (1) There is hereby created in the Forest Service the wildfire mitigation resources and best practices grant program, referred to in this section as the "grant program". Grant recipients may use the money to conduct outreach among landowners to inform them of resources available for wildfire mitigation and best practices for wildfire mitigation.

(2) As used in this section, unless the context otherwise requires:

(a) "Director" means the director of the forest service.

(b) "Forest service" means the Colorado state forest service identified in section 23-31-302 and the division of
FORESTRY CREATED IN SECTION 24-33-104.

(3) THE FOREST SERVICE SHALL ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD GRANTS AS PROVIDED IN THIS SECTION. THE FOREST SERVICE SHALL DEVELOP AND PUBLISH POLICIES AND PROCEDURES TO IMPLEMENT THE GRANT PROGRAM IN ACCORDANCE WITH THIS SECTION. AT A MINIMUM, THE POLICIES AND PROCEDURES MUST SPECIFY THE TIME FRAMES FOR APPLYING FOR GRANTS, THE FORM OF THE GRANT PROGRAM APPLICATION, AND THE GRANT PROGRAM EVALUATION AND REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(4) TO BE ELIGIBLE TO RECEIVE A GRANT, AN ENTITY MUST BE AN AGENCY OF LOCAL GOVERNMENT, A COUNTY, A MUNICIPALITY, A SPECIAL DISTRICT, A TRIBAL AGENCY OR PROGRAM, OR A NONPROFIT ORGANIZATION THAT IS REGISTERED AND IN GOOD STANDING WITH THE SECRETARY OF STATE'S OFFICE. APPLICANTS MUST MEET ANY OTHER CRITERIA SPECIFIED IN THE FOREST SERVICE'S POLICIES AND PROCEDURES.

(5) THE FOREST SERVICE SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION. THE FOREST SERVICE SHALL ONLY AWARD GRANTS TO APPLICANTS PROPOSING TO CONDUCT OUTREACH AMONG LANDOWNERS IN HIGH WILDFIRE HAZARD AREAS AND SHALL CONSIDER THE POTENTIAL IMPACT OF THE APPLICANTS' PROPOSED OUTREACH WHEN AWARDING GRANTS.

(6) SUBJECT TO AVAILABLE APPROPRIATIONS, NOT LATER THAN JANUARY 1, 2024, AND ON OR BEFORE JANUARY 1 EACH YEAR THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE DIRECTOR SHALL AWARD GRANTS AS PROVIDED IN THIS SECTION. GRANTS ARE AWARDED AT THE SOLE DISCRETION OF THE DIRECTOR IN ACCORDANCE
WITH THIS SECTION.

(7) ON OR BEFORE SEPTEMBER 1, 2025, AND ON OR BEFORE SEPTEMBER 1 EACH YEAR THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE FOREST SERVICE SHALL SUBMIT A REPORT TO THE WILDFIRE MATTERS REVIEW COMMITTEE, OR ANY SUCCESSOR COMMITTEE, ON THE GRANT PROGRAM. NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE REPORTING REQUIREMENT CONTINUES UNTIL THE GRANT PROGRAM IS REPEALED PURSUANT TO SUBSECTION (9) OF THIS SECTION.

(8) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE MONEY FROM THE GENERAL FUND TO THE FOREST SERVICE TO IMPLEMENT THE GRANT PROGRAM. THE FOREST SERVICE MAY USE A PORTION OF THE MONEY ANNUALLY APPROPRIATED FOR THE GRANT PROGRAM TO PAY THE DIRECT AND INDIRECT COSTS THAT THE FOREST SERVICE INCURS TO ADMINISTER THE GRANT PROGRAM.

(9) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2029.

SECTION 2. In Colorado Revised Statutes, 39-22-104, amend (4)(n.5)(I)(A) and (4)(n.5)(IV) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - report - legislative declaration - definitions - repeal. (4) There shall be subtracted from federal taxable income:

(n.5) (I) (A) For income tax years commencing on or after January 1, 2014, but prior to January 1, 2017, and for income tax years commencing on or after January 1, 2020, but prior to January 1, 2025, January 1, 2023, an amount equal to fifty percent of a landowner's costs incurred in performing wildfire mitigation measures in that income tax year on his or her property located within the state; except that the amount of the deduction claimed in an income tax year shall not exceed two
thousand five hundred dollars or the total amount of the landowner's federal taxable income for the income tax year for which the deduction is claimed, whichever is less.

(IV) This paragraph (n.5) subsection (4)(n.5) is repealed, effective January 1, 2026 JANUARY 1, 2025.

SECTION 3. In Colorado Revised Statutes, add 39-22-543 as follows:

39-22-543. Credit for wildfire hazard mitigation expenses - legislative declaration - definitions - repeal. (1) The General Assembly declares that the purpose of the tax expenditure in this section is to reimburse a landowner for the costs incurred in performing wildfire mitigation measures on the landowner's property located within the state.

(2) As used in this section, unless the context otherwise requires:

(a) "Costs" means any actual out-of-pocket expense incurred and paid by the landowner, documented by receipt, for performing wildfire mitigation measures. "Costs" does not include any inspection or certification fees, in-kind contributions, donations, incentives, or cost sharing associated with performing wildfire mitigation measures. "Costs" does not include expenses paid by the landowner from any grants awarded to the landowner for performing wildfire mitigation measures.

(b) "Inflation" means the annual percentage change in the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index for Denver-Aurora-Lakewood for all
ITEMS PAID BY ALL URBAN CONSUMERS, OR ITS APPLICABLE PREDECESSOR
OR SUCCESSOR INDEX.

(c) "LANDOWNER" MEANS ANY OWNER OF RECORD OF PRIVATE
LAND LOCATED WITHIN THE STATE, INCLUDING ANY EASEMENT,
RIGHT-OF-WAY, OR ESTATE IN THE LAND, AND INCLUDES THE HEIRS,
SUCCESSORS, AND ASSIGNS OF SUCH LAND. "LANDOWNER" SHALL NOT
INCLUDE ANY PARTNERSHIP, S CORPORATION, OR OTHER SIMILAR ENTITY
THAT OWNS PRIVATE LAND AS AN ENTITY, UNLESS THERE IS A DWELLING
ON THAT LAND THAT IS DESIGNED FOR RESIDENTIAL OCCUPANCY.

(d) "WILDFIRE MITIGATION MEASURES" MEANS THE CREATION OF
A DEFENSIBLE SPACE AROUND STRUCTURES; THE ESTABLISHMENT OF FUEL
BREAKS; THE THINNING OF WOODY VEGETATION FOR THE PRIMARY
PURPOSE OF REDUCING RISK TO STRUCTURES FROM WILDLAND FIRE; OR
THE SECONDARY TREATMENT OF WOODY FUELS BY LOPPING AND
SCATTERING, PILING, CHIPPING, REMOVING FROM THE SITE, OR PRESCRIBED
BURNING; SO LONG AS SUCH ACTIVITIES MEET OR EXCEED ANY COLORADO
STATE FOREST SERVICE STANDARDS OR ANY OTHER APPLICABLE STATE
RULES.

(3) (a) IN THE CASE OF TWO TAXPAYERS FILING A JOINT RETURN,
THE AMOUNT OF THE CREDIT SHALL NOT EXCEED SIX HUNDRED
TWENTY-FIVE DOLLARS IN ANY TAXABLE YEAR. IN THE CASE OF TWO
TAXPAYERS WHO MAY LEGALLY FILE A JOINT RETURN BUT ACTUALLY FILE
SEPARATE RETURNS, ONLY ONE OF THE TAXPAYERS MAY CLAIM THE
CREDIT SPECIFIED IN THIS SECTION.

(b) IN THE CASE OF REAL PROPERTY OWNED BY TENANTS IN
COMMON OR JOINT TENANTS, THE CREDIT ALLOWED PURSUANT TO THIS
SECTION IS ONLY ALLOWED FOR ONE OF THE INDIVIDUALS OF THE
OWNERSHIP GROUP.

(4) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2023, BUT PRIOR TO JANUARY 1, 2026, A LANDOWNER WITH A FEDERAL TAXABLE INCOME AT OR BELOW ONE HUNDRED TWENTY THOUSAND DOLLARS FOR THE INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2023, AS ADJUSTED FOR INFLATION AND ROUNDED TO THE NEAREST HUNDRED DOLLAR AMOUNT FOR EACH INCOME TAX YEAR THEREAFTER, IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO TWENTY-FIVE PERCENT OF UP TO TWO THOUSAND FIVE HUNDRED DOLLARS IN COSTS FOR WILDFIRE MITIGATION MEASURES. THE MAXIMUM TOTAL CREDIT IN A TAXABLE YEAR IS SIX HUNDRED TWENTY-FIVE DOLLARS.

(5) IF THE AMOUNT OF A CREDIT UNDER THIS SECTION EXCEEDS A TAXPAYER'S ACTUAL TAX LIABILITY FOR AN INCOME TAX YEAR, THE AMOUNT OF THE CREDIT NOT USED TO OFFSET THE TAXPAYER'S INCOME TAX LIABILITY IS NOT REFUNDED TO THE TAXPAYER AND SHALL NOT BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE TAXPAYER'S INCOME TAX LIABILITY IN ANY SUBSEQUENT TAX YEAR.

(6) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2029.

SECTION 4. 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.
A BILL FOR AN ACT

Concerning the establishment of a state grant program that provides funding to local governments that dedicate 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
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 polices, 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.

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) "Eligible recipient" means a local government that is eligible to receive a grant through the grant program.

(b) "Forest service" means the Colorado state forest service identified in section 23-31-302.

(c) "Fund" means the wildfire mitigation incentives for local government grant program fund created in subsection (7)(a) of this section.

(d) "Grant program" means the wildfire mitigation incentives for local government grant program established in subsection (2) of this section.

(e) "Local government" means a county, a municipality, a city and county, or a home rule county.

(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 match revenue raised by such governments from a dedicated revenue source that is 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 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.

(5) In awarding grants, the Forest Service shall give preference to the following eligible recipients:

(a) Recipients with territorial boundaries located within priority areas for wildfire mitigation as determined by the Forest Service;

(b) Funding that is intended to benefit people residing in a community that ranks high on the Social Vulnerability Index developed by the Forest Service;

(c) Recipients that make available dedicated and full-time employees to collaborate with private landowners to implement wildfire mitigation measures;

(d) Initiatives of a longer duration that are intended to give eligible recipients a stable source of revenue for forest management and wildfire mitigation efforts; and

(e) Initiatives emphasizing a regional approach to promoting forest management and wildfire mitigation.

(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.

(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.

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

(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 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.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in
November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.