

SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee

February 22, 2024
Date

Committee on Agriculture & Natural Resources.

After consideration on the merits, the Committee recommends the following:

SB24-126 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 2, after line 1 insert:
2
3 **"SECTION 1. Legislative declaration.** (1) The general
4 assembly hereby finds and declares that:
5 (a) Over the last sixty years, Colorado families have conserved
6 over three million three hundred thousand acres of working farms,
7 ranches, and private lands across the state;
8 (b) Since 2000, Colorado has proactively invested in conservation
9 through the conservation easement tax credit program;
10 (c) The conservation easement tax credit program incentivizes
11 private landowners to voluntarily protect their properties, which creates
12 public benefits to Colorado's lands, waters, wildlife, and people.
13 (d) The benefits of conservation are unique and wide-ranging.
14 Conservation has contributed significantly to the protection of wildlife
15 habitat, critical wetlands, urban open space, and working farms and
16 ranches.
17 (e) The conservation easement tax credit program has aided
18 Colorado in reducing its carbon emissions and accomplishing its
19 biodiversity goals, while supporting rural economic resiliency, benefiting
20 all Coloradans;
21 (f) In pursuit of greater equity in conservation, it is crucial to
22 enhance programs that promote public benefits for all Coloradans; and
23 (g) Equity in conservation requires ongoing collaboration with
24 private landowners, state and federal public land managers, and counties
25 and municipalities. Underscoring and investing in the inclusion of
26 underserved communities, tribes, and historically marginalized land
27 interests will further amplify these efforts.
28 (2) Therefore, it is in the best interests of Coloradans to enhance

1 the conservation easement tax credit program."

2 Renumber succeeding sections.

3 Page 2 , line 2, after "12-15-103," insert "**amend** (1) introductory portion,
4 (1)(d) introductory portion, (1)(d)(I), and (I)(d)(II);" and strike "(8)" and
5 substitute, "(1)(a) and (8); **add** (I)(d)(III) and (I)(d)(IV)".

6 Page 2, strike line 5 and substitute "**created.** (1) There is created in the
7 division a conservation easement oversight commission, referred to in this
8 article 15 as the "commission". The commission is a **type 2** entity, as
9 defined in section 24-1-105, and exercises its powers and performs its
10 duties and functions under the division. The commission consists of ~~eight~~
11 NINE members as follows:

12 (a) ~~One member representing the great outdoors Colorado~~
13 ~~program, appointed by and serving as an advisory, nonvoting member at~~
14 ~~the pleasure of the state board of the great outdoors Colorado trust fund~~
15 ~~established in article XXVII of the state constitution;~~

16 (d) ~~Three~~ FIVE voting members appointed by the governor as
17 follows:

18 (I) Two voting representatives of certified conservation easement
19 holders; ~~and~~

20 (II) A voting individual who is competent and qualified to analyze
21 the conservation purpose of conservation easements; ~~and~~

22 (III) A VOTING INDIVIDUAL WHO MEETS THE DEFINITION OF
23 "SOCIALY DISADVANTAGED FARMER OR RANCHER" IN 7 U.S.C. SEC. 2279;
24 AND

25 (IV) A VOTING INDIVIDUAL WHO REPRESENTS GREAT OUTDOORS
26 COLORADO; AND

27 (8) ~~This section is repealed, effective July 1, 2026."~~

28 Page 3, line 5, strike "(2.5);" and substitute "(2.5) and (4)(a)(II.7);".

29 Page 3, line 5, strike "(1)(c), (7.3) and".

30 Page 3, strike line 7 and substitute "**definitions.**".

31 Page 3, strike lines 8 through 17.

32 Page 3, line 24, strike "The division shall issue a".

33 Page 3, strike line 25 and substitute: "~~The division shall issue a certificate~~
34 ~~for the claims received in the order submitted.~~ THE DIVISION OF

1 CONSERVATION IN THE DEPARTMENT OF REGULATORY AGENCIES MUST
2 PRIORITIZE AND ISSUE TAX CREDIT CERTIFICATES IN THE ORDER IN WHICH
3 IT RECEIVES CLAIMS. THE DIVISION OF CONSERVATION MUST STAMP EACH
4 CLAIM WITH THE DATE AND TIME IT RECEIVES THE CLAIM AND SHALL
5 REVIEW A CLAIM ON THE BASIS OF THE ORDER IN WHICH THE CLAIM WAS
6 SUBMITTED BY DATE AND TIME. DISAPPROVED CLAIMS LOSE THEIR
7 PRIORITY IN THE REVIEW PROCESS. After certificates".

8 Page 4, line 7, strike "certificates in excess of the amounts".

9 Page 4, strike lines 8 and 9.

10 Page 4, line 10, strike "year." and substitute "certificates. ~~in excess of the~~
11 ~~amounts specified in this subsection (2.5); except that no more than~~
12 ~~fifteen million dollars in claims shall be placed on the wait list in any~~
13 ~~given calendar year"~~.

14 Page 4, after line 19 insert:

15 "(4) (a) (II.7) For a conservation easement in gross created in
16 accordance with article 30.5 of title 38 that is donated on or after January
17 1, 2021, to a governmental entity or a charitable organization described
18 in section 38-30.5-104 (2), the credit provided for in subsection (2) of this
19 section is an amount equal to ninety percent of the fair market value of
20 the donated portion of such conservation easement in gross when created;
21 except that in no case shall the credit exceed five million dollars per
22 donation. Credits shall be issued in increments of no more than one
23 million five hundred thousand dollars per year. Credits for easements
24 donated in a prior year are eligible for tax credit certificates in subsequent
25 years in order of application PRIORITY and before new applications. ~~and~~
26 ~~those credit applications, if any, on the wait list"~~.

27 Page 4, strike lines 20 through 27.

28 Strike page 5.

29 Page 6, strike lines 1 through 10.

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