

Wildfire Matters Review Committee

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December 2021

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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

Table of Contents

Committee Charge	1
Committee Activities.....	1
Forest Management Efforts.....	2
Homeowner and Utility Mitigation Efforts	2
Wildfire Response.....	3
Wildfire Workforce Issues	3
Environmental Impact of Wildfire	4
Summary of Recommendations.....	5
Bill A — Wildfire Mitigation and Recovery	5
Bill B — Increase Wildfire Risk Mitigation Outreach Efforts	5
Bill C — Resources for Volunteer Firefighters	5
Bill D — Assistance Landowner Wildfire Mitigation	5
Bill E — Wildfire Incentives for Local Governments.....	6
Resource Materials	7
Meeting Date and Topics Discussed	7

This report is also available online at:

<http://leg.colorado.gov/committees/wildfire-matters-review-committee/2021-regular-session>

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