

**Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 20-0382.01 Pierce Lively x2059

**HOUSE BILL 20-1004**

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**HOUSE SPONSORSHIP**

**Cutter and Will**, McCluskie, Snyder

**SENATE SPONSORSHIP**

**Lee**, Fenberg, Ginal

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**House Committees**

Rural Affairs & Agriculture  
Finance

**Senate Committees**

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**A BILL FOR AN ACT**

101 **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.** The bill establishes the wildfire mitigation resources and best practices grant program (grant program) within the division of local government in the department of local affairs. Grant recipients use grant money to conduct outreach among landowners to inform them of resources available for wildfire mitigation and best practices for wildfire mitigation. The grant program only awards grants to applicants conducting outreach to landowners in high wildfire hazard areas and prioritizes applications based on the potential impact of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

the applicant's proposed outreach.

The bill also extends the increased wildfire mitigation income tax deduction that allows a landowner to claim 100%, rather than 50%, of the costs they incur in performing wildfire mitigation measures.

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

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

4 **23-31-310.5. Wildfire mitigation resources and best practices**  
5 **grant program - creation - report - definitions - repeal.** (1) THERE IS  
6 HEREBY CREATED IN THE FOREST SERVICE THE WILDFIRE MITIGATION  
7 RESOURCES AND BEST PRACTICES GRANT PROGRAM, REFERRED TO IN THIS  
8 SECTION AS THE "GRANT PROGRAM". GRANT RECIPIENTS MAY USE THE  
9 MONEY TO CONDUCT OUTREACH AMONG LANDOWNERS TO INFORM THEM  
10 OF RESOURCES AVAILABLE FOR WILDFIRE MITIGATION AND BEST  
11 PRACTICES FOR WILDFIRE MITIGATION.

12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
13 REQUIRES:

14 (a) "DIRECTOR" MEANS THE DIRECTOR OF THE FOREST SERVICE.

15 (b) "FOREST SERVICE" MEANS THE COLORADO STATE FOREST  
16 SERVICE IDENTIFIED IN SECTION 23-31-302 AND THE DIVISION OF  
17 FORESTRY CREATED IN SECTION 24-33-104.

18 (3) THE FOREST SERVICE SHALL ADMINISTER THE GRANT PROGRAM  
19 AND, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD GRANTS AS  
20 PROVIDED IN THIS SECTION. THE FOREST SERVICE SHALL DEVELOP AND  
21 PUBLISH POLICIES AND PROCEDURES TO IMPLEMENT THE GRANT PROGRAM  
22 IN ACCORDANCE WITH THIS SECTION. AT A MINIMUM, THE POLICIES AND  
23 PROCEDURES MUST SPECIFY THE TIME FRAMES FOR APPLYING FOR GRANTS,

1 THE FORM OF THE GRANT PROGRAM APPLICATION, AND THE GRANT  
2 PROGRAM EVALUATION AND REPORTING REQUIREMENTS FOR GRANT  
3 RECIPIENTS.

4 (4) TO BE ELIGIBLE TO RECEIVE A GRANT, AN ENTITY MUST BE AN  
5 AGENCY OF LOCAL GOVERNMENT, A COUNTY, A MUNICIPALITY, A SPECIAL  
6 DISTRICT, A TRIBAL AGENCY OR PROGRAM, [REDACTED] OR A NONPROFIT OR  
7 NOT-FOR-PROFIT ORGANIZATION THAT IS REGISTERED AND IN GOOD  
8 STANDING WITH THE SECRETARY OF STATE'S OFFICE. APPLICANTS MUST  
9 MEET ANY OTHER CRITERIA SPECIFIED IN THE FOREST SERVICE'S POLICIES  
10 AND PROCEDURES.

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

17 (6) SUBJECT TO AVAILABLE APPROPRIATIONS, ON OR BEFORE  
18 JANUARY 1 AND EACH YEAR THEREAFTER FOR THE DURATION OF THE  
19 GRANT PROGRAM, THE DIRECTOR SHALL AWARD GRANTS AS PROVIDED IN  
20 THIS SECTION. GRANTS ARE AWARDED AT THE SOLE DISCRETION OF THE [REDACTED]  
21 DIRECTOR IN ACCORDANCE WITH THIS SECTION.

22 (7) ON OR BEFORE SEPTEMBER 1, 2021, AND ON OR BEFORE  
23 SEPTEMBER 1 EACH YEAR THEREAFTER, THE FOREST SERVICE SHALL  
24 SUBMIT A REPORT TO THE WILDFIRE MATTERS REVIEW COMMITTEE, OR ANY  
25 SUCCESSOR COMMITTEE, ON THE GRANT PROGRAM. NOTWITHSTANDING  
26 SECTION 24-1-136 (11)(a)(I), THE REPORTING REQUIREMENT CONTINUES  
27 UNTIL THE GRANT PROGRAM REPEALS PURSUANT TO SUBSECTION (8) OF

1 THIS SECTION.

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

8 (9) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2025.

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

11 39-22-104. Income tax imposed on individuals, estates, and  
12 trusts - single rate - legislative declaration - definitions - repeal.

13 (4) There shall be subtracted from federal taxable income:

14 (n.5) (I) (A) For income tax years commencing on or after January  
15 1, 2014, but prior to January 1, 2017, and for income tax years  
16 commencing on or after January 1, 2020, but prior to ~~January 1, 2025,~~  
17 JANUARY 1, 2021, an amount equal to fifty percent of a landowner's costs  
18 incurred in performing wildfire mitigation measures in that income tax  
19 year on his or her property located within the state; except that the amount  
20 of the deduction claimed in an income tax year shall not exceed two  
21 thousand five hundred dollars or the total amount of the landowner's  
22 federal taxable income for the income tax year for which the deduction  
23 is claimed, whichever is less.

24 (IV) This ~~paragraph (n.5)~~ SUBSECTION (4)(n.5) is repealed,  
25 effective ~~January 1, 2026~~ JANUARY 1, 2025.

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

1           **39-22-543. Credit for wildfire hazard mitigation expenses -**  
2 **legislative declaration - definitions - repeal.** (1) THE GENERAL  
3 ASSEMBLY DECLARES THAT THE PURPOSE OF THE TAX EXPENDITURE IN  
4 THIS SECTION IS TO REIMBURSE A LANDOWNER FOR THE COSTS INCURRED  
5 IN PERFORMING WILDFIRE MITIGATION MEASURES ON HIS OR HER  
6 PROPERTY LOCATED WITHIN THE STATE.

7           (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
8 REQUIRES:

9           (a) "COSTS" MEANS ANY ACTUAL OUT-OF-POCKET EXPENSE  
10 INCURRED AND PAID BY THE LANDOWNER, DOCUMENTED BY RECEIPT, FOR  
11 PERFORMING WILDFIRE MITIGATION MEASURES. "COSTS" DO NOT INCLUDE  
12 ANY INSPECTION OR CERTIFICATION FEES, IN-KIND CONTRIBUTIONS,  
13 DONATIONS, INCENTIVES, OR COST SHARING ASSOCIATED WITH  
14 PERFORMING WILDFIRE MITIGATION MEASURES. "COSTS" DO NOT INCLUDE  
15 EXPENSES PAID BY THE LANDOWNER FROM ANY GRANTS AWARDED TO THE  
16 LANDOWNER FOR PERFORMING WILDFIRE MITIGATION MEASURES.

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

24           (c) "WILDFIRE MITIGATION MEASURES" MEANS THE CREATION OF  
25 A DEFENSIBLE SPACE AROUND STRUCTURES; THE ESTABLISHMENT OF FUEL  
26 BREAKS; THE THINNING OF WOODY VEGETATION FOR THE PRIMARY  
27 PURPOSE OF REDUCING RISK TO STRUCTURES FROM WILDLAND FIRE; OR

1 THE SECONDARY TREATMENT OF WOODY FUELS BY LOPPING AND  
2 SCATTERING, PILING, CHIPPING, REMOVING FROM THE SITE, OR PRESCRIBED  
3 BURNING; SO LONG AS SUCH ACTIVITIES MEET OR EXCEED ANY COLORADO  
4 STATE FOREST SERVICE STANDARDS OR ANY OTHER APPLICABLE STATE  
5 RULES.

6 (3) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
7 1, 2020, BUT PRIOR TO JANUARY 1, 2025, A LANDOWNER IS ALLOWED A  
8 CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN AN  
9 AMOUNT EQUAL TO TWENTY-FIVE PERCENT OF UP TO TWO THOUSAND FIVE  
10 HUNDRED DOLLARS IN COSTS FOR WILDFIRE MITIGATION MEASURES. THE  
11 MAXIMUM TOTAL CREDIT IN A TAXABLE YEAR IS SIX HUNDRED TWENTY  
12 FIVE DOLLARS.

13 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

14 **SECTION 4. Safety clause.** The general assembly hereby finds,  
15 determines, and declares that this act is necessary for the immediate  
16 preservation of the public peace, health, or safety.