



Legislative Council Staff

Research Note

Version: House Agriculture
Date: 5/5/2016

Bill Number

Senate Bill 16-003

Sponsors

**Senators Roberts & Jones
Representative Becker K.**

Short Title

***Broadcast Burns Wildfire Risk
Reduction Funding***

Research Analyst

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Status

The bill is currently pending before the House Agriculture, Livestock, and Natural Resources Committee. This research note reflects the reengrossed bill.

Summary

The bill, **recommended by the interim Wildfire Matters Review Committee**, adds broadcast burning to the types of projects and methods for which the Department of Natural Resources (DNR) may award grants from the Wildfire Risk Reduction Cash Fund. It authorizes the transfer of \$1 million from the General Fund into the Wildfire Risk Reduction Cash Fund. It also allows the Wildfire Matters Review Committee to take up to 2 field trips during the interim and amends the charge of the committee to allow it cooperate with appropriate federal agencies and local governments. The committee is also required to consider in 2016 potential marketable uses for hazardous fuels in forests, including biochar, energy, liquid fuel, heat, wood waste products, and combined uses, for the purpose of maintaining and improving watershed health, forest health, job creation, impacts on carbon emissions. The committee is also required to examine the costs consider the effects of structures and a warmer climate on forests and firefighter safety. The bill also requires the committee to examine an updated report prepared by the Colorado State Forest Service concerning the issues examined by the Colorado Forest Use Work Group prior to its repeal in 2012. The work group was charged with identifying ways to protect critical forested areas of the state, including the wildland-urban interface, electric utility infrastructure, transportation corridors, water supply and quality, and watersheds. Finally, the bill also requires the Senate President to appoint the chair of the Wildfire Matters Review Committee in even-number years and the vice-chair in odd-numbered years. The House Speaker is required to appoint the chair of the Wildfire Matters Review Committee in odd-number years and the vice-chair in even-numbered years.

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Background

Also called “prescribed burns,” broadcast burns involve the controlled application of fire to wildland fuels in their natural or modified state over a predetermined area. Broadcast burns are conducted to reduce wildland fire fuel loads, restore the ecological health of an area, or to clear weeds.

To date, the Wildfire Risk Reduction Grant Program has awarded 4 rounds of grants totaling approximately \$10.7 million to 106 projects across 27 counties. DNR anticipates awarding an additional \$300,000 to projects in April 2016, contingent on additional funding being received from Tier 2 of the Severance Tax Operational Fund. The program is authorized until July 1, 2018.

The Severance Tax Operational Fund receives 25 percent of severance tax receipts. Current law provides a mechanism for balancing spending from the operational fund by making proportional reductions to the fund's Tier 2 programs when insufficient funds exist to fully fund those programs and still meet the account's statutory reserve requirement. Tier 2 programs include water-related programs, agriculture-related programs, clean and renewable energy development, soil conservation, the control of invasive species, low-income energy assistance, and the Species Conservation Trust Fund. Based on the December 2015 Legislative Council Economic Forecast, the DNR will be required to make a 41 percent proportional reduction across all existing Tier 2 programs funded from the operational fund under current law. This reduction is primarily due to recent declines in the price of oil and gas and related severance tax reductions. This bill authorizes the transfer of an additional \$1.5 million from the operational fund. This transfer increases the required proportional reduction for Tier 2 programs to approximately 43 percent, and results in a reduction in actual funding for these programs by approximately \$850,000 for deposit in the Wildfire Risk Reduction Cash Fund.

Senate Action

Senate Judiciary Committee (February 8, 2016). At the hearing, a representative of the Natural Conservancy, as well as representatives of several public water providers, local governments, public land management agencies, water shed protections groups, fire protection agencies, and business interests spoke in support of the bill. There was no opposition to the bill. The committee referred the bill without amendment to the Senate Appropriations Committee.

Senate Appropriations Committee (May 3, 2016). The Senate Appropriations Committee approved Amendment L.001 to reduce by \$1 million the General Fund appropriation to the Wildfire Risk Reduction Fund for a total transfer of \$500,000. It also authorized the Wildfire Matters Review Committee to take up to two field trips during the interim.

Senate second reading (May 3, 2016). The Senate adopted the Senate Appropriations Committee report with amendments. Amendment No. 2 (L.004) amended the Wildfire Matters Review Committee's charge with respect to cooperation with federal state agencies and requires it to review potential marketable uses for hazardous fuels in forests during 2016. It also changed the process for appointing the chair and vice-chair of the committee from an election process to appointment by the Speaker and President. Amendment No. 2 amended the Appropriations Committee report to authorize the transfer of \$1 million from the General Fund to the Wildfire Risk Reduction Fund. The Senate passed the bill on second reading, as amended.

Senate third reading (May 4, 2016). The Senate passed the bill on third reading with no amendments.



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Relevant Research

Legislative Council Staff, *Wildfire Matters Review Committee Report to the General Assembly*, December 2015: <http://tinyurl.com/h2ma2ck>

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