



Land Use & Natural Resources Steering Committee Friday, February 25, 2022 | 11:15—1:30pm (approx.)

Agenda as of 2/18/2022

Welcome/Introductions

Chair: Commissioner Mike Freeman, Weld County
 Vice Chair: Commissioner Matt Scherr, Eagle County
 CCI Staff: Daphne Gervais (dgervais@ccionline.org | M: 720-635-4705)

New Legislation for Discussion (5 Bills)

<u>HB22-1151, Turf Replacement Program</u>			
H-Spon	M. Catlin & D. Roberts	S-Spon	J. Bridges & C. Simpson
Summary	The bill requires the Colorado water conservation board (board) to develop a statewide program to provide financial incentives for the voluntary replacement of irrigated turf with water-wise landscaping (turf replacement program). The bill defines water-wise landscaping as a water- and plant-management practice that emphasizes using plants with lower water needs. Local governments, certain districts, Native American tribes, and nonprofit organizations with their own turf replacement programs may apply to the board for money to help finance their turf replacement programs. The board will contract with one or more third parties to administer one or more turf replacement programs in areas where local turf replacement programs do not exist.		
Status	Introduced In House - Assigned to Agriculture, Livestock, & Water		
Position	Pending		

<u>HB22-1242, Regulate Tiny Home Manufacture Sale & Install</u>			
H-Spon		S-Spon	
Summary	<p>Current law regulates the manufacturers, sellers, and installers of manufactured homes. This regulation includes requirements for the installation of manufactured homes, contract and disclosure requirements, and the registration, escrow, reimbursement, bonding, and inspections of the manufacturers, installers, and sellers. In addition, the state housing board (board) sets standards for the proper manufacture and installation of manufactured homes. The board consults with an advisory committee when promulgating rules.</p> <p>The bill adds tiny homes, which are typically manufactured, to this regulation on substantially similar terms. This includes adding 2 representatives of the tiny home industry to the advisory committee. The board is given the duty to regulate foundations for manufactured homes and factory-built structures where no construction standards otherwise exist.</p> <p>In addition to adding tiny homes to these provisions, the bill addresses tiny home regulation in the following manner:</p> <ul style="list-style-type: none"> The board shall promulgate rules establishing specific standards for tiny homes. When the national or international standard is created, the board may use that standard. The board may modify these standards as necessary. 		

	<ul style="list-style-type: none"> • The board shall establish standards for connecting a tiny home to utilities, including water, sewer, natural gas, and electricity; • A local government may require the inspection of a tiny home manufactured before July 1, 2023, if the tiny home is not manufactured in accordance with the board's standards; • A state electrical inspector or a local government may approve the connection of a tiny home for electric utility service if the tiny home is in compliance with applicable codes and standards for connection for electric utility service; and • A state plumbing inspector or a local government may approve the connection of a tiny home for water, gas, or sewer utility service if the tiny home is in compliance with applicable codes and standards for connection for water, gas, or sewer utility service. <p>If a tiny home is approved for connection to utilities through the process described above, the tiny home may be connected to the appropriate utilities. Current law governing the connection to each utility is amended to avoid conflicts with the process established in the bill.</p> <p>Selling or installing a tiny home without complying with the bill is declared a deceptive trade practice, which subjects a violator to damages in a lawsuit, a class 1 misdemeanor, and civil penalties of:</p> <ul style="list-style-type: none"> • Up to \$20,000 per violation; • Up to \$10,000 for violating a court order or injunction; and • Up to \$50,000 per violation if the victim is an elderly person. <p>Current law regulates mobile home parks, including notice requirements, lease termination limits and requirements, security deposit regulations, entry fee prohibitions, antitrust prohibitions, selling fee prohibitions, kickback prohibitions, retaliation prohibitions, regulation of how and if park rules are established, a right of first refusal when the owner wants to sell the mobile home park, a peaceful enjoyment right, and remedy provisions. The bill includes tiny homes under these provisions.</p> <p>Current law exempts manufactured homes from sales and use tax. The bill adds tiny homes to this exemption.</p>
Status	Introduced In House - Assigned to Transportation & Local Government
Position	Pending

<u>SB22-110, Equip Wind Turbine Aircraft Detection Lighting System</u>			
H-Spon	R. Pelton	S-Spon	J. Sonnenberg
Summary	<p>The bill requires that, on or before September 1, 2024, an owner or operator of a wind-powered energy generation facility (facility) that is required to obtain a land-use permit from a local government equip the facility with an aircraft detection lighting system (system). The bill defines a system as a sensor-based system that is designed to detect approaching aircraft and that meets federal aviation administration requirements. An owner or operator of a facility is solely responsible for the costs of installing, operating, or maintaining a system and may request from the governing body of the local government an extension of time up to one year to equip a facility with a system. A local government may revoke an existing land-use permit or, if an application for permit renewal is pending, refuse to renew a land-use permit if a facility owner or operator fails to comply with the bill. The board of county commissioners in the county in which a facility is located may adopt and enforce an ordinance or resolution to authorize the board to impose civil penalties against a facility owner or operator if the board determines that the owner or operator has failed to comply with the bill.</p>		

Status	Introduced In Senate - Assigned to State, Veterans, & Military Affairs
Position	Pending

<u>SB22-114, Fire Suppression Ponds Water Rights</u>			
H-Spon	M. Catlin & D. Roberts	S-Spon	T. Story & D. Hisey
Summary	<p>Section 1 of the bill makes legislative findings and declarations. Section 2 allows a board of county commissioners (board) to apply to the state engineer for the designation of a pond as a fire suppression pond. The director of the division of fire prevention and control (director) in the department of public safety is required to promulgate rules to establish criteria for boards, in consultation with fire protection districts, to use to identify and evaluate potential fire suppression ponds. For each pond that is identified and under consideration as a potential fire suppression pond, a board must provide notice of such fact to the state engineer and to interested parties included in the substitute water supply plan notification list established for the water division in which the pond is located. Section 2 also prohibits the state engineer from draining any pond:</p> <ul style="list-style-type: none"> • While the pond is under consideration for designation as a fire suppression pond; • If the state engineer has designated the pond as a fire suppression pond; or • On and after the effective date of the bill, and until the date upon which the director promulgates rules, with exceptions. <p>Section 2 also states that a fire suppression pond and the water associated with it:</p> <ul style="list-style-type: none"> • Are not considered a water right; • Do not have a priority for the purpose of determining water rights; and • May not be adjudicated as a water right. <p>Section 3 requires the state engineer to review applications received from boards and, at the state engineer's discretion, designate ponds as fire suppression ponds. An application is presumed to be approved if the state engineer does not respond to the application within 63 days after the application is received by the state engineer. The state engineer may not designate any pond as a fire suppression pond unless the pond existed as of January 1, 1975. Section 3 also allows the state engineer to impose reasonable requirements on a board as a condition of designating a pond as a fire suppression pond and requires a board and a fire protection district to inspect a fire suppression pond at least annually.</p> <p>The designation of a pond as a fire suppression pond expires 20 years after the date of the designation. Before the expiration, the board and the fire protection district must perform a needs assessment of the pond. If the needs assessment demonstrates that the pond is in compliance with criteria established in the director's rules, the board and fire protection district shall notify the state engineer of such fact, and the state engineer shall redesignate the pond as a fire suppression pond. If the needs assessment demonstrates that the pond is not in compliance with the criteria, the board and fire protection district may either:</p> <ul style="list-style-type: none"> • Notify the state engineer that the designation of the pond as a fire suppression pond should be rescinded or allowed to expire; or • Provide to the state engineer a plan and a timeline for bringing the pond back into compliance with such criteria. <p>Section 4 states that the designation of fire suppression ponds by the state engineer does not cause material injury to vested water rights.</p>		
Status	Senate Committee on Agriculture & Natural Resources Witness Testimony and/or Committee Discussion Only		
Position	Pending (CCI Priority Bill)		

SB22-138, Reduce Greenhouse Gas Emissions in Colorado			
H-Spon	A. Valdez	S-Spon	C. Hansen
Summary	<p>Section 1 of the bill requires each insurance company issued a certificate of authority to transact insurance business to prepare and file an annual report with the insurance commissioner providing a climate-risk assessment for the insurance company's investment portfolio from the previous 12 months. The commissioner of insurance is required to post the reports on the division of insurance's website. Section 1 defines "climate-risk assessment" as a determination of the economic and business risks that climate change poses to an investment. Section 2 requires the board of trustees of the public employees' retirement association (PERA board) to prepare a similar annual report and post it on the PERA board's website. Section 3 updates the statewide greenhouse gas (GHG) emission reduction goals to add a 40% reduction goal for 2028 compared to 2005 GHG pollution levels and a 75% reduction goal for 2040 compared to 2005 GHG pollution levels. Section 4 defines a small off-road engine as a gasoline-powered engine of 50 horsepower or less used to fuel small off-road equipment like lawn mowers and leaf blowers. Section 4 phases out the use of small off-road engines by prohibiting their sale in nonattainment areas of the state on or after January 1, 2030, and by providing financial incentives to promote the replacement of small off-road engines with electric-powered, small off-road equipment before 2030. Section 11 establishes a state income tax credit in an amount equal to 30% of the purchase price for new, electric-powered, small off-road equipment for purchases made in income tax years 2023 through 2029. Section 6 gives the oil and gas conservation commission authority over class VI injection wells used for sequestration of GHG, including through the issuance and enforcement of permits. Section 7 requires the commissioner of agriculture or the commissioner's designee, in consultation with the Colorado energy office and the air quality control commission, to conduct a study examining carbon reduction and sequestration opportunities in the agricultural sector in the state, including the potential development of certified carbon offset programs or credit instruments. On or before December 15, 2022, the commissioner of agriculture or the commissioner's designee is required to submit a report summarizing the study, including any legislative recommendations, to the general assembly.</p> <p>In support of the use of agrivoltaics, which is the colocation of solar energy generation facilities on a parcel of land with agricultural activities, section 8 authorizes the Colorado agriculture value-added development board (board) to provide financing, including grants or loans, for agricultural research on the use of agrivoltaics. For a research project for which the board awards money to study the use of agrivoltaics, sections 5 and 8 require the director of the division of parks and wildlife to consult on the research project regarding the wildlife impacts of agrivoltaic use. Section 9 authorizes the board to seek, accept, and expend gifts, grants, and donations, including donations of in-kind resources such as solar panels, for use in agricultural research projects. Section 9 also updates the statutory definition of "agrivoltaics" to list additional agricultural activities on the parcel of land on which solar panel generation facilities may be colocated, including animal husbandry, cover cropping for soil health, and carbon sequestration. Section 10 amends the statutory definition of "solar energy facility" used in determining the valuation of public utilities for property tax purposes to include agrivoltaics.</p>		
Status	Introduced In Senate - Assigned to Transportation & Energy		
Position	Pending		

Legislation to Revisit (2 bills)

HB22-1104, Powerline Trails			
H-Spon	A.Boesenecker	S-Spon	K. Priola
Summary	<p>The bill:</p> <ul style="list-style-type: none"> • Allows transmission providers to enter into contracts with public entities or private landowners to construct and maintain public recreational trails (powerline trails) covering a tract of land where transmission lines are or will be constructed (transmission corridor); • Allows transmission providers to include certain contractual provisions in powerline trail contracts; • Allows transmission providers to recover costs incurred in implementing and complying with the bill through an increase in rates; • Requires transmission providers to develop and maintain informational resources to encourage the construction of new powerline trails; • Requires a transmission provider, when siting or expanding a transmission line, to notify local governments of the potential for a powerline trail in the associated transmission corridor; • Requires a transmission provider, when applying for a permit with a local government to develop in an area of state interest, to demonstrate compliance with the requirement to notify local governments of the potential for a powerline trail and to develop and maintain informational resources encouraging construction of new powerline trails; • Requires the public utilities commission to amend its rules to also require electric public utilities in the state to consider plans for the construction of new powerline trails and with the requirement to develop and maintain informational resources on powerline trails; • Requires the Colorado electric transmission authority (CETA) to arrange for the continuation of any existing powerline trail contracts before entering into a project or divesting a facility; and • Requires the CETA to give priority for project solicitations to electric utilities and other entities that demonstrate an interest in continuing or creating a powerline trail. 		
Status	House Committee on Transportation & Local Government Refer Amended to House Committee of the Whole		
Position	Oppose		

HB22-1012, Wildfire Mitigation & Recovery			
H-Spon	D. Valdez & L. Cutter	S-Spon	P. Lee & J. Ginal
Summary	<p>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.</p>		
Status	House Committee on Energy & Environment Refer Amended to Appropriations		

Position	Amend (An amendment was adopted to fold the initial grant concept into the existing Forest Restoration and Wildfire Risk Mitigation (FRWRM) Grant Program. As such, language requiring grant recipients to ensure projects are performed in a manner that minimizes the amount of carbon released into the atmosphere was removed.)
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Legislation with Updates (3 bills)

<u>HB22-1011, Wildfire Mitigation Incentives for Local Governments</u>			
H-Spon	L. Cutter & M. Snyder	S-Spon	P. Lee & T. Story
Summary	<p>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.</p> <p>The grant program is administered by the forest service.</p> <p>On or before March 1, 2023, the forest service is required to adopt policies, procedures, and guidelines for the grant program that include, without limitation:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>In allocating funding under the grant program, preference will be given to certain eligible recipients based on prioritization factors enumerated in the bill.</p> <p>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.</p> <p>The bill creates the wildfire mitigation incentives local government grant program fund in the state treasury.</p> <p>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</p>		

	<p>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.</p> <p>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.</p>
Status	House Committee on Energy & Environment Refer Amended to Appropriations
Position	Amend (An amendment was adopted to specify that local governments without dedicated revenue can qualify for grants by demonstrating an existing local program, project, or other funding mechanism (such as recurring general fund contributions) dedicated to wildfire mitigation.)

HB22-1132, Regulation And Services For Wildfire Mitigation

H-Spon	R. Holtorf	S-Spon	L. Liston
Summary	The bill requires that a fire department (defined to include a fire protection district as well as a county or municipality) be notified prior to conducting a controlled burn on private property and prohibits a person from conducting a controlled burn under certain conditions. The bill also sets forth civil and criminal penalties for a person who does not provide notice prior to conducting a controlled burn or otherwise violates the bill's requirements.		
Status	Introduced In House - Assigned to Energy & Environment		
Position	Monitor		

SB22-002, Resources for Volunteer Firefighters

H-Spon	L. Cutter & P. Will	S-Spon	J. Ginal & T. Story
Summary	<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • 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 		

	<ul style="list-style-type: none"> • Demonstrate the greatest need for additional funding to ensure the safety of volunteer and seasonal firefighters. <p>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.</p> <p>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.</p>
Status	Introduced In Senate - Assigned to Local Government
Position	Support

Other Business

- Model Energy Code Adoption
 - [View bill draft](#)
 - [View fact sheet](#)
- Protections for Mobile Home Park Residents
 - [View bill draft](#)

Past Legislation for Updates and/or Reference

<u>HB22-1007, Assistance Landowner Wildfire Mitigation</u>			
H-Spon	D. Valdez & M. Lynch	S-Spon	P. Lee & C. Simpson
Summary	<p>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.</p> <p>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.</p> <p>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.</p>		

Status	House Committee on Energy & Environment Refer Amended to Finance
Position	Support

<u>SB22-015, Douglas County On Urban Drainage Flood Control District</u>			
H-Spon	B. Titone	S-Spon	C. Holbert
Summary	The bill adds to the board of directors of the urban drainage and flood control district one director from Douglas county to be appointed by the governor as with existing director appointments representing various counties.		
Status	Introduced In Senate - Assigned to Local Government		
Position	Support		

Adjourn