

110TH CONGRESS
1ST SESSION

S. 1797

To reduce the risks to Colorado communities and water supplies from severe wildfires, especially in areas affected by insect infestations, to provide model legislation that may be applied to other States experiencing similar insect infestations or other forest-related problems, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 17, 2007

Mr. SALAZAR (for himself and Mr. ALLARD) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To reduce the risks to Colorado communities and water supplies from severe wildfires, especially in areas affected by insect infestations, to provide model legislation that may be applied to other States experiencing similar insect infestations or other forest-related problems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Colorado Forest Management Improvement Act of
6 2007”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Definitions.

TITLE I—HEALTHY FORESTS RESTORATION ACT OF 2003 AND
 RELATED LAWS

- Sec. 101. Community wildfire protection plan assistance.
- Sec. 102. Central collection points.
- Sec. 103. Biomass commercial utilization grant program.
- Sec. 104. Healthy forest partnerships.

TITLE II—COLORADO FOREST HEALTH MEASURES

- Sec. 201. Research and other activities.
- Sec. 202. Colorado Forest Health Fund.
- Sec. 203. Grants for Colorado fuels for schools program.
- Sec. 204. Stewardship contracts in Colorado.
- Sec. 205. Permanent authority for Federal and State cooperative restoration and protection in Colorado.
- Sec. 206. Preparation of fire-danger maps.
- Sec. 207. Truck weights on Colorado interstate highways.

TITLE III—TAX PROVISIONS

- Sec. 301. Extension of tax credit for electricity produced from biomass.
- Sec. 302. Partial exclusion from gross income of payments received for certain hazardous fuel reduction projects.
- Sec. 303. Deductibility of certain expenditures in connection with implementation of community wildfire protection plans.

3 **SEC. 2. PURPOSES.**

4 The purposes of this Act are—

- 5 (1) to facilitate a more coordinated response by
- 6 Federal and State agencies and local governments
- 7 and communities to the effects of insect infestations
- 8 in forest lands in Colorado so as to reduce the likeli-
- 9 hood of loss of life or damage to property or munic-
- 10 ipal water supplies from severe wildfires and to im-
- 11 prove the management of such lands; and

1 (2) to provide a model of legislation that could
2 be considered for application to other States experi-
3 encing similar insect infestations or other forest-re-
4 lated problems.

5 **SEC. 3. DEFINITIONS.**

6 In this Act:

7 (1) **FUND.**—The term “Fund” means the Colo-
8 rado Forest Health Fund.

9 (2) **SECRETARY CONCERNED.**—The term “Sec-
10 retary concerned” means—

11 (A) the Secretary of Agriculture (acting
12 through the Chief of the Forest Service), with
13 respect to National Forest System land; and

14 (B) the Secretary of the Interior, with re-
15 spect to land managed by the Bureau of Land
16 Management and with respect to land held for
17 the benefit of an Indian tribe.

18 (3) **STATE.**—The term “State” means the State
19 of Colorado.

1 **TITLE I—HEALTHY FORESTS**
 2 **RESTORATION ACT OF 2003**
 3 **AND RELATED LAWS**

4 **SEC. 101. COMMUNITY WILDFIRE PROTECTION PLAN AS-**
 5 **SISTANCE.**

6 (a) PLANNING ASSISTANCE FOR AT-RISK COMMU-
 7 NITIES.—

8 (1) IN GENERAL.—Section 103 of the Healthy
 9 Forests Restoration Act of 2003 (16 U.S.C. 6513)
 10 is amended by adding at the end the following new
 11 subsection:

12 “(e) PLANNING ASSISTANCE FOR AT-RISK COMMU-
 13 NITIES.—

14 “(1) IN GENERAL.—The Secretary, in consulta-
 15 tion with appropriate State agencies, shall make
 16 grants to at-risk communities in Colorado to assist
 17 the at-risk communities in preparing, revising, or
 18 implementing a community wildfire protection plan.

19 “(2) SOURCE OF FUNDS.—The Secretary shall
 20 use amounts made available under section 35(c) of
 21 the Mineral Leasing Act (30 U.S.C. 191(c)) to carry
 22 out this subsection.”.

23 (2) FUNDING SOURCE.—Section 35 of the Min-
 24 eral Leasing Act (30 U.S.C. 191) is amended by
 25 adding at the end the following new subsection:

1 “(d) ASSISTANCE FOR AT-RISK COMMUNITIES.—
2 Notwithstanding the first sentence of subsection (a),
3 \$10,000,000 of the amounts paid into the Treasury under
4 subsection (a) for each of fiscal years 2008 through 2012
5 shall be made available to the Secretary, without further
6 appropriation and until expended, for obligation and ex-
7 penditure under section 103(e) of the Healthy Forests
8 Restoration Act of 2003 (16 U.S.C. 6513(e)).”.

9 (b) ADDITIONAL ASSISTANCE FOR PREPARATION OF
10 PLANS.—Section 33(b)(3) of the Federal Fire Prevention
11 and Control Act of 1974 (15 U.S.C. 2229(b)(3)) is amend-
12 ed by striking subparagraph (L) and inserting the fol-
13 lowing:

14 “(L) To fund fire prevention programs, in-
15 cluding the development and implementation of
16 community wildfire protection plans (as defined
17 in section 101 of the Healthy Forests Restora-
18 tion Act of 2003 (16 U.S.C. 6511)).”.

19 **SEC. 102. CENTRAL COLLECTION POINTS.**

20 Title I of the Healthy Forests Restoration Act of
21 2003 is amended by adding at the end the following new
22 section:

23 **“SEC. 109. CENTRAL COLLECTION POINTS.**

24 “(a) ESTABLISHMENT.—To the maximum extent
25 practicable, and consistent with relevant land management

1 plans, the Secretary shall establish collection points in Col-
2 orado for the placement of vegetative material removed
3 from Federal or other land as part of a hazardous fuel
4 reduction project under this Act. Collection points shall
5 be located so as to be readily accessible to the public and
6 so as to take advantage of existing roads and other infra-
7 structure.

8 “(b) CONDITIONS FOR ESTABLISHMENT.—No collec-
9 tion point shall be established pursuant to this section—

10 “(1) if the Secretary determines that transpor-
11 tation of the vegetative material to or from the pro-
12 posed collection point would result in an increased
13 risk of infestation of insects; or

14 “(2) on any property not owned by the United
15 States without the consent of the owner of the prop-
16 erty.

17 “(c) MANAGEMENT.—The Secretary is not required
18 to manage use of a collection point established under this
19 section, but may enter into agreements with local govern-
20 ments, private landowners, or other relevant entities with
21 regard to such management, including the terms and con-
22 ditions under which material can be removed from a collec-
23 tion point.

24 “(d) USE.—Vegetative material placed at a collection
25 point established under this section may be sold, donated,

1 or otherwise made available to any individual or entity
 2 that agrees to remove the material from the collection
 3 point.

4 “(e) TREATMENT OF REVENUES.—Any revenue col-
 5 lected by the Secretary through sale of material from a
 6 collection point shall be retained by the Secretary and used
 7 for authorized hazardous fuel reduction projects in Colo-
 8 rado.”.

9 **SEC. 103. BIOMASS COMMERCIAL UTILIZATION GRANT PRO-**
 10 **GRAM.**

11 The Healthy Forests Restoration Act of 2003 is
 12 amended by striking section 203 (16 U.S.C. 6531) and
 13 inserting the following new section:

14 **“SEC. 203. BIOMASS COMMERCIAL UTILIZATION GRANT**
 15 **PROGRAM.**

16 “(a) PROGRAM AUTHORIZED.—The Secretary may
 17 provide to owners or operators of facilities that use bio-
 18 mass, on an annual basis, grants for use in accordance
 19 with subsection (d).

20 “(b) ELIGIBLE RECIPIENTS.—A grant shall be
 21 awarded under this section only to an owner or operator
 22 of a facility that uses biomass—

23 “(1) as a raw material to produce—

24 “(A) electricity;

25 “(B) sensible heat; or

1 “(C) transportation fuel;

2 “(2) for wood-based products; or

3 “(3) for other commercial purposes.

4 “(c) PRIORITY.—In making grants under this sec-
5 tion, the Secretary shall give priority to applications sub-
6 mitted by individuals or entities that purchase biomass re-
7 moved from land identified for hazardous fuel reduction
8 treatments in a community wildfire protection plan
9 through an authorized hazardous fuel reduction project
10 carried out under section 102.

11 “(d) USE OF GRANT FUNDS.—An owner or operator
12 who receives a grant under this section may use funds
13 from the grant to offset the costs of purchasing biomass.

14 “(e) RELATIONSHIP TO OTHER AUTHORITY.—The
15 Secretary may exercise the authority provided by this sec-
16 tion in conjunction with, or in addition to, any other au-
17 thority of the Secretary to support or stimulate the use
18 of biomass fuel.

19 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
20 is authorized to be appropriated to the Secretary to carry
21 out this section \$5,000,000 for each of fiscal years 2008
22 through 2012.”.

1 **SEC. 104. HEALTHY FOREST PARTNERSHIPS.**

2 The Healthy Forests Restoration Act of 2003 (16
3 U.S.C. 6501 et seq.) is amended by adding at the end
4 the following new title:

5 **“TITLE VII—COLORADO**
6 **HEALTHY FOREST PARTNER-**
7 **SHIPS**

8 **“SEC. 701. DEFINITIONS.**

9 “In this title:

10 “(1) **AT-RISK COMMUNITY.**—The term ‘at-risk
11 community’ has the meaning given the term in sec-
12 tion 101.

13 “(2) **IMPLEMENTATION PLAN.**—The term ‘im-
14 plementation plan’ means—

15 “(A) the plan entitled ‘Implementation
16 Plan for the Comprehensive Strategy for a Col-
17 laborative Approach for Reducing Wildland Fire
18 Risks to Communities and the Environment’
19 and dated May 2002; and

20 “(B) any amendments to the implementa-
21 tion plan.

22 “(3) **NONGOVERNMENTAL COLLABORATIVE**
23 **GROUP.**—The term ‘non-governmental collaborative
24 group’ means a nongovernmental organization, or a
25 coalition of organizations or individuals in the State

1 of Colorado that, as determined by the Secretary
2 concerned, represents—

3 “(A) a balance of viewpoints among inter-
4 ested public and private individuals, agencies,
5 or institutions;

6 “(B) a diverse range of knowledge and ex-
7 perience in issues relating to natural resources;
8 and

9 “(C) a commitment to timely and cost-ef-
10 fective results.

11 “(4) PARTNERING ENTITY.—The term
12 ‘partnering entity’ means—

13 “(A) the State of Colorado (including any
14 political subdivision of such State) operating
15 through the Colorado State Forest Service; or

16 “(B) an Indian tribe.

17 “(5) PROJECT.—The term ‘project’ means—

18 “(A) an authorized hazardous fuel reduc-
19 tion project, as defined in section 101(2) on
20 lands in Colorado;

21 “(B) an activity on lands in Colorado re-
22 lating to treatment of insect-infested trees; or

23 “(C) an activity on lands in Colorado relat-
24 ing to the restoration of a forest land, a range-
25 land, or a watershed.

1 “(6) SECRETARY CONCERNED.—The term ‘Sec-
2 retary concerned’ means—

3 “(A) the Secretary of Agriculture (acting
4 through the Chief of the Forest Service), with
5 respect to National Forest System land; and

6 “(B) the Secretary of the Interior, with re-
7 spect to land managed by the Bureau of Land
8 Management and land held for the benefit of an
9 Indian tribe that is managed by the Depart-
10 ment of the Interior.

11 **“SEC. 702. HEALTHY FOREST PARTNERSHIP ZONES.**

12 “(a) DESIGNATION.—

13 “(1) IN GENERAL.—The Secretary concerned
14 may designate as a Healthy Forest Partnership
15 Zone—

16 “(A) any parcel of Federal land in the
17 State of Colorado that, on the date on which
18 the designation is made, is under the jurisdic-
19 tion of the Secretary concerned; and

20 “(B) any non-Federal land located adja-
21 cent to the Federal land.

22 “(2) PROPOSALS.—In determining which par-
23 cels of land to designate as Healthy Forest Partner-
24 ship Zones under paragraph (1), the Secretary con-
25 cerned shall consider proposals submitted by—

1 “(A) the Governor of Colorado;

2 “(B) the Colorado State forester;

3 “(C) forest improvement districts, water
4 conservation districts, and soil conservation dis-
5 tricts; and

6 “(D) at-risk communities in Colorado.

7 “(b) CRITERIA FOR DESIGNATION.—The Secretary
8 concerned may designate a parcel of land as a Healthy
9 Forest Partnership Zone if the parcel of land to be so des-
10 ignated is—

11 “(1) at risk of uncharacteristically severe dam-
12 age to at-risk communities or community water sup-
13 ply facilities from a wildland fire or an outbreak of
14 insects or disease; and

15 “(2) requires 1 or more management activities
16 to reduce that risk.

17 “(c) PUBLIC NOTICE.—Before making a designation
18 of a parcel of land as a Healthy Forest Partnership Zone,
19 the Secretary concerned shall provide public notice and an
20 opportunity for receipt and consideration of public com-
21 ment relating to the designation.

22 “(d) DURATION OF DESIGNATION.—

23 “(1) IN GENERAL.—Subject to paragraph (2),
24 in making a designation of a parcel of land as a
25 Healthy Forest Partnership Zone under subsection

1 (a), the Secretary concerned shall specify the condi-
2 tions under which the designation will terminate.

3 “(2) EXCEPTION.—A designation of a parcel of
4 land as a Healthy Forest Partnership Zone under
5 subsection (a) shall remain in effect for a period of
6 not more than 5 years after the date on which the
7 designation is made.

8 “(e) PRIORITIZATION.—In designating a parcel of
9 land as a Healthy Forest Partnership Zone under sub-
10 section (a), the Secretary concerned shall give priority to
11 parcels of land in which there are located lands identified
12 in a community wildfire protection plan for implementa-
13 tion of hazardous fuel reduction projects.

14 “(f) APPLICATION OF OTHER LAWS.—Section 104
15 shall apply to designation of a parcel of land as a Healthy
16 Forest Partnership Zone to the same extent as such sec-
17 tion applies to conduct of an authorized hazardous fuel
18 reduction project.

19 **“SEC. 703. PARTNERSHIP PROJECTS.**

20 “(a) CONTRACTS AND OTHER AGREEMENTS.—The
21 Secretary concerned may enter into a contract (including
22 a sole source contract) or other agreement (including an
23 agreement for the mutual benefit of the Secretary con-
24 cerned and a partnering entity) with a partnering entity
25 to prepare and implement any hazardous fuel reduction

1 or other projects for the Secretary on Federal land in Col-
2 orado to complement any similar projects on bordering or
3 adjacent non-Federal land.

4 “(b) ADMINISTRATIVE PROVISIONS.—

5 “(1) NATIONAL FOREST MANAGEMENT ACT.—

6 Subsection (d) of section 14 of the National Forest
7 Management Act of 1976 (16 U.S.C. 472a) shall not
8 apply to a contract or other agreement entered into
9 by the Secretary concerned under this section. Sub-
10 section (g) of such section shall not apply to a con-
11 tract or other agreement with the State of Colorado
12 or the Colorado State Forest Service entered into by
13 the Secretary concerned under this section, and the
14 Secretary may agree to allow the State or the State
15 Forest Service to designate trees or other materials
16 to be removed and to supervise the removal thereof.

17 “(2) MATERIALS ACT OF 1947.—Section 2(a) of
18 the Act of July 31, 1947 (commonly known as the
19 ‘Materials Act of 1947’; 30 U.S.C. 602(a)) shall not
20 apply to a project carried out in accordance with a
21 contract or other agreement entered into by the Sec-
22 retary concerned under this section.

23 “(3) ASSUMPTION OF LIABILITY.—To the ex-
24 tent allowed by Federal, State, or local law, in pre-
25 paring or carrying out a contract or other agreement

1 under this section, a partnering entity shall assume
2 liability for the actions or omissions of the employees
3 or subcontractors of the partnering entity.

4 “(4) SUBCONTRACTING BY A PARTNERING EN-
5 TITY.—To the extent allowed by State and local law,
6 to prepare or carry out a contract or other agree-
7 ment under this section, a partnering entity may
8 subcontract to another entity the duties of the
9 partnering entity.

10 “(5) BOND.—Except as otherwise determined
11 by the Secretary concerned, no bond shall be re-
12 quired by the Secretary concerned from any party to
13 a contract or other agreement under this section.

14 “(6) ACQUISITION REQUIREMENTS.—In award-
15 ing a multi-year stewardship contract, the Secretary
16 of Agriculture may fulfill the requirements of the
17 Federal Acquisition Regulation, Part 17.104, by use
18 of—

19 “(A) appropriations originally available for
20 the performance of the contract concerned; or

21 “(B) appropriations currently available for
22 procurement of the type of services concerned
23 and not otherwise obligated; or

24 “(C) funds appropriated for these pay-
25 ments.

1 “(7) CANCELLATION LIABILITY.—Funds identi-
2 fied for the purpose of the cancellation liability of a
3 contract shall not be obligated at the time of con-
4 tract award.

5 “(c) PROJECT REQUIREMENTS.—Any project covered
6 under this section shall—

7 “(1) be consistent with the applicable land and
8 resource management plan developed under section
9 6 of the Forest and Rangeland Renewable Resources
10 Planning Act of 1974 (16 U.S.C. 1604) or the appli-
11 cable land use plan prepared for one or more units
12 of the public land;

13 “(2) improve the cost efficiency of managing
14 the Federal land covered by the project consistent
15 with best value principles, as determined by the Sec-
16 retary;

17 “(3) be approved by the Secretary concerned in
18 such Secretary’s sole discretion; and

19 “(4) be subject to the requirements of section
20 104 to the same extent as an approved hazardous
21 fuel reduction project.

22 “(d) PRIORITY FOR COLLABORATIVE PROJECTS.—
23 The Secretary concerned shall give priority to projects—

24 “(1) that are developed through cooperation
25 with non-governmental collaborative groups;

1 “(2) that are consistent with a community wild-
2 fire protection plan; and

3 “(3) that are prepared in a manner consistent
4 with the Implementation Plan or any amendment
5 thereto.

6 “(e) CONSENT OF LANDOWNER REQUIRED.—The
7 Secretary concerned shall not carry out any activity on
8 non-Federal land under this section without the consent
9 of the owner of the non-Federal land.”.

10 **TITLE II—COLORADO FOREST** 11 **HEALTH MEASURES**

12 **SEC. 201. RESEARCH AND OTHER ACTIVITIES.**

13 (a) RESEARCH.—To improve the long-term health of
14 forests in the State, the Secretary of Agriculture shall—

15 (1) provide financial assistance in the form of
16 grants to—

17 (A) the Colorado Wood Program of Colo-
18 rado State University for the conduct of re-
19 search and development and marketing of non-
20 traditional forest products;

21 (B) the Forest Restoration Institute at
22 Colorado State University, including assistance
23 for the conduct of research in higher elevation
24 forests; and

1 (C) any other entities, including entities
2 conducting research on utilization of wood and
3 other products from high-elevation forests that
4 the Secretary of Agriculture determines to be
5 appropriate; and

6 (2) acting through the Rocky Mountain Re-
7 search Station, collaborate with the Forest Restora-
8 tion Institute at Colorado State University in the
9 conduct of research on and the development and
10 transfer of broader landscape treatment strategies
11 and ways to integrate best science with community
12 needs.

13 (b) ASSESSMENTS AND COOPERATION.—The Sec-
14 retary concerned, in cooperation with the Colorado State
15 Forester and other applicable State agencies, shall—

16 (1) assess priorities in the State for use of
17 stewardship contracts to initiate revitalization of the
18 forest product industry; and

19 (2) otherwise cooperate with the Colorado State
20 Forest Service and the forest products industry in
21 the State to assist in the development of new mar-
22 kets for non-traditional forest products and mar-
23 keting of such products.

1 (c) FINANCIAL ASSISTANCE FOR STEWARDSHIP
2 PROJECTS AND SMALL BUSINESSES.—The Secretary con-
3 cerned shall—

4 (1) consider use of authority under the Healthy
5 Forests Restoration Act of 2003 (16 U.S.C. 6501 et
6 seq.), stewardship contracts, and other long-term
7 contracts to ensure a sustained supply of raw wood
8 materials in the State;

9 (2) provide financial assistance for the upfront
10 costs of long-term stewardship projects in areas in
11 which timber values do not provide for recovery
12 costs; and

13 (3) provide grants and low-cost loans to eligible
14 small business concerns in the forest product indus-
15 try in the State for the costs of start-up activities,
16 converting equipment, and modifying facilities to en-
17 able the small business concerns to use wood from
18 forests in the State.

19 (d) CONSULTATION.—The Secretary of Agriculture
20 shall consult with the Administrator of the Environmental
21 Protection Agency regarding possible steps to facilitate
22 use of raw wood materials in combination with other sub-
23 stances as fuels in existing facilities for the generation of
24 electricity or for other purposes. Consultation shall include
25 consideration of the possibility of modifying existing per-

1 mits issued to such facilities pursuant to the Clean Air
2 Act and other Federal laws.

3 (e) REPORT.—No later than 90 days after the date
4 of the enactment of this Act, the Secretary of Agriculture
5 shall submit to Congress a report regarding the results
6 of consultation under subsection (d). The report may in-
7 clude any recommendations regarding possible legislation
8 that the Secretary thinks appropriate and desirable.

9 (f) AUTHORIZATION OF APPROPRIATIONS.—To im-
10 plement this section, there are authorized to be appro-
11 priated not to exceed \$2,000,000 in each of fiscal years
12 2008 through 2012.

13 **SEC. 202. COLORADO FOREST HEALTH FUND.**

14 (a) ESTABLISHMENT.—There is established in the
15 Treasury of the United States a fund, to be known as the
16 “Colorado Forest Health Fund”, consisting of—

17 (1) such amounts as are appropriated to the
18 Fund under subsection (b) or any other law; and

19 (2) any interest earned on investment of
20 amounts in the Fund under subsection (d).

21 (b) TRANSFERS TO FUND.—Notwithstanding any
22 other provision of law, on October 1, 2008, and each Octo-
23 ber 1 thereafter, there is appropriated to the Fund an
24 amount equal to 50 percent of the proceeds during the

1 previous fiscal year from the Forest Service sales of timber
2 in the State, or \$2,000,000, whichever amount is greater.

3 (c) EXPENDITURES FROM FUND.—On request by the
4 Secretary of Agriculture, the Secretary of the Treasury
5 shall transfer from the Fund to the Secretary concerned
6 such amounts not exceeding \$2,000,000 in any fiscal year
7 as the Secretary of Agriculture determines are necessary
8 to carry out measures to improve forest health and reduce
9 hazardous fuels in the State.

10 (d) INVESTMENT OF AMOUNTS.—

11 (1) IN GENERAL.—The Secretary of the Treas-
12 ury shall invest such portion of the Fund as is not,
13 in the judgment of the Secretary of the Treasury,
14 required to meet current withdrawals.

15 (2) INTEREST-BEARING OBLIGATIONS.—Invest-
16 ments may be made only in interest-bearing obliga-
17 tions of the United States.

18 (3) ACQUISITION OF OBLIGATIONS.—For the
19 purpose of investments under subparagraph (A), ob-
20 ligations may be acquired—

21 (A) on original issue at the issue price; or

22 (B) by purchase of outstanding obligations
23 at the market price.

1 (e) SALE OF OBLIGATIONS.—Any obligation acquired
2 by the Fund may be sold by the Secretary of the Treasury
3 at the market price.

4 (f) CREDITS TO FUND.—The interest on, and the
5 proceeds from the sale or redemption of, any obligations
6 held in the Fund shall be credited to and form a part of
7 the Fund.

8 (g) TRANSFERS OF AMOUNTS.—

9 (1) IN GENERAL.—The amounts required to be
10 transferred to the Fund under this section shall be
11 transferred at least monthly from the general fund
12 of the Treasury to the Fund on the basis of esti-
13 mates made by the Secretary of the Treasury.

14 (2) ADJUSTMENTS.—Proper adjustment shall
15 be made in amounts subsequently transferred, to the
16 extent prior estimates were in excess of or less than,
17 the amounts required to be transferred.

18 **SEC. 203. GRANTS FOR COLORADO FUELS FOR SCHOOLS**
19 **PROGRAM.**

20 (a) GRANTS.—For each of fiscal years 2008 through
21 2012, the Secretary concerned shall provide not more than
22 \$5,000,000 in grants to the State for the Colorado fuels
23 for schools program under section 210(b) of the Energy
24 Policy Act of 2005 (42 U.S.C. 15855)—

1 (1) to conduct studies at eligible schools in
2 rural communities to determine the feasibility of in-
3 stalling and operating biomass boilers at the schools
4 and other public buildings; and

5 (2) to assist eligible schools and other public
6 buildings in rural communities in the installation
7 and operation of biomass boilers.

8 (b) DEFINITIONS.—In this section, the term “bio-
9 mass” has the same meaning as such term has in section
10 210 of the Energy Policy Act of 2005 and the term “rural
11 communities” has the same meaning as the term “pre-
12 ferred community” has in such section of such Act.

13 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
14 tion shall be construed to limit the applicability of the
15 Clean Air Act or any other Federal or State law or regula-
16 tion otherwise applicable to installation and operation of
17 a biomass boiler.

18 (d) AUTHORIZATION OF APPROPRIATIONS.—To im-
19 plement this section, there are authorized to be appro-
20 priated not to exceed \$5,000,000 for each of fiscal years
21 2008 through 2012.

22 **SEC. 204. STEWARDSHIP CONTRACTS IN COLORADO.**

23 Section 347(c) of the Department of the Interior and
24 Related Agencies Appropriations Act, 1999 (16 U.S.C.

1 2104 note; 112 Stat. 2681–299), is amended by adding
2 at the end the following new paragraph:

3 “(6) EXTENDED TERM FOR PROJECTS IN COLO-
4 RADO.—

5 “(A) IN GENERAL.—Notwithstanding para-
6 graph (2), any agreement or contract under
7 subsection (a) for a project to be carried out in
8 the State of Colorado may have a term of not
9 more than 20 years.

10 “(B) APPLICABILITY.—The Chief of the
11 Forest Service or the Director of the Bureau of
12 Land Management, as applicable, with the con-
13 sent of the other parties to the agreement or
14 contract, may modify any agreement or con-
15 tract for a project to be carried out in the State
16 of Colorado entered into before the date of en-
17 actment of this paragraph to provide for the
18 maximum term described in subparagraph (A).

19 “(C) CANCELLATION LIABILITY.—Fund-
20 ing, for the purpose of potential cancellation li-
21 ability in accordance with the Federal Acquisi-
22 tion Regulation Part 17.106–1, shall not be
23 identified nor obligated, in accordance with that
24 Part 17.106–1, at the time of award of a con-
25 tract under subsection (a) for a project to be

1 carried out in the State of Colorado, notwith-
2 standing the requirements of Part 17.104 of
3 such Regulation.”.

4 **SEC. 205. PERMANENT AUTHORITY FOR FEDERAL AND**
5 **STATE COOPERATIVE RESTORATION AND**
6 **PROTECTION IN COLORADO.**

7 Section 331 of the Department of the Interior and
8 Related Agencies Appropriations Act, 2001 (114 Stat.
9 996; 118 Stat. 3102), is amended by striking subsection
10 (e).

11 **SEC. 206. PREPARATION OF FIRE-DANGER MAPS.**

12 The Secretary of Agriculture, in cooperation with the
13 Colorado State Forest Service and utilizing to the max-
14 imum extent possible existing software, data, private-sec-
15 tor geospatial information technology, and information
16 from other sources, shall prepare and make available to
17 the public maps of forested lands in Colorado identifying
18 the relative degrees of susceptibility of such lands to severe
19 wildfires and the risks to communities and municipal
20 water supplies from such wildfires.

21 **SEC. 207. TRUCK WEIGHTS ON COLORADO INTERSTATE**
22 **HIGHWAYS.**

23 Section 127(a)(6) of title 23, United States Code, is
24 amended by inserting before the period at the end the fol-
25 lowing: “, and the State of Colorado may allow, by special

1 permit, the operation of vehicles with a gross vehicle
2 weight in excess of 80,000 pounds (up to such State’s
3 maximum gross weight limit) for the hauling of dead or
4 diseased timber and other forest materials removed from
5 the forests in such State in order to reduce fire hazards”.

6 **TITLE III—TAX PROVISIONS**

7 **SEC. 301. EXTENSION OF TAX CREDIT FOR ELECTRICITY** 8 **PRODUCED FROM BIOMASS.**

9 (a) IN GENERAL.—Clause (i) of section 45(d)(3)(A)
10 of the Internal Revenue Code of 1986 (relating to open-
11 loop biomass facilities) is amended by striking “January
12 1, 2009” both places it appears and inserting “January
13 1, 2030”.

14 (b) BIOMASS ELIGIBLE FOR FULL CREDIT RATE.—
15 Subparagraph (A) of section 45(b)(4) (relating to credit
16 rate) is amended by striking “(3),”.

17 (c) EFFECTIVE DATES.—

18 (1) The amendment made by subsection (a)
19 shall take effect the date of the enactment of this
20 Act.

21 (2) The amendment made by subsection (b)
22 shall apply to electricity produced and sold after the
23 date of the enactment of this Act in taxable years
24 ending after such date.

1 **SEC. 302. PARTIAL EXCLUSION FROM GROSS INCOME OF**
2 **PAYMENTS RECEIVED FOR CERTAIN HAZ-**
3 **ARDOUS FUEL REDUCTION PROJECTS.**

4 (a) IN GENERAL.—Part III of subchapter B of chap-
5 ter 1 of the Internal Revenue Code of 1986 is amended
6 by inserting after section 139A the following new section:

7 **“SEC. 139B. COMPENSATION FOR CERTAIN HAZARDOUS**
8 **FUEL REDUCTION PROJECTS.**

9 “(a) GENERAL RULE.—Gross income shall not in-
10 clude any hazardous fuel reduction payment in the State
11 of Colorado.

12 “(b) DOLLAR LIMITATION.—The aggregate of the
13 payments which may be taken into account under sub-
14 section (a) with respect to a taxpayer for a taxable year
15 shall not exceed \$10,000 (\$20,000 in the case of a joint
16 return).

17 “(c) HAZARDOUS FUEL REDUCTION PROJECTS PAY-
18 MENTS.—For purposes of this section, the term ‘haz-
19 ardoous fuel reduction payment’ means any amount re-
20 ceived by the taxpayer from the United States during the
21 taxable year as compensation for work performed in the
22 State of Colorado as part of an authorized hazardous fuels
23 reduction project conducted pursuant to section 102 of the
24 Healthy Forests Restoration Act of 2003 16 U.S.C.
25 6512).”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2007.

4 **SEC. 303. DEDUCTIBILITY OF CERTAIN EXPENDITURES IN**
5 **CONNECTION WITH IMPLEMENTATION OF**
6 **COMMUNITY WILDFIRE PROTECTION PLANS.**

7 (a) IN GENERAL.—Part VII of subchapter B of chap-
8 ter 1 of the Internal Revenue Code of 1986 is amended—

9 (1) by redesignating section 224 as section 225;
10 and

11 (2) by inserting after section 223 the following
12 new section:

13 **“SEC. 224. IMPLEMENTATION OF COMMUNITY WILDFIRE**
14 **PROTECTION PLANS.**

15 “(a) IN GENERAL.—In the case of a individual, there
16 shall be allowed as a deduction an amount equal to the
17 sum of the amounts expended during the taxable year for
18 carrying out an eligible hazardous fuel reduction project
19 on lands owned by such individual located in Colorado and
20 identified for such a project in a community wildfire pro-
21 tection plan.

22 “(b) DOLLAR LIMITATION.—The aggregate of the ex-
23 penditures which may be taken into account under sub-
24 section (a) with respect to a taxpayer for a taxable year

1 shall not exceed \$10,000 (\$20,000 in the case of a joint
2 return).

3 “(c) HAZARDOUS FUEL REDUCTION PROJECT.—For
4 purposes of this section, the terms ‘hazardous fuel reduc-
5 tion project’ and ‘Community Wildfire Protection Plan’
6 have the same meaning as such terms have in the Healthy
7 Forests Restoration Act of 2003 (16 U.S.C. 6512).

8 “(d) REGULATIONS.—The Secretary shall prescribe
9 such regulations as may be appropriate to carry out this
10 section.”.

11 (b) DEDUCTION ALLOWED WHETHER OR NOT TAX-
12 PAYER ITEMIZES OTHER DEDUCTIONS.—Subsection (a)
13 of section 62 of such Code is amended by inserting the
14 following new item:

15 “() IMPLEMENTATION OF COMMUNITY WILD-
16 FIRE PROTECTION PLANS.—The deduction allowed
17 by section 224.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2007.

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