

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 26-0620.01 Brita Darling x2241

SENATE BILL 26-155

SENATE SPONSORSHIP

Mullica and Marchman,

HOUSE SPONSORSHIP

McCluskie and Brown,

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING INCREASING THE AVAILABILITY OF HOMEOWNER'S**
102 **INSURANCE IN THE STATE.**

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>.)

The bill creates the strengthen Colorado homes enterprise (enterprise), which is a government-owned business created in the division of insurance (division) in the department of regulatory agencies. The enterprise is governed by a 7-member board (board), including the commissioner of insurance (commissioner), or their designee; members with expertise in home hardening and resilient roof systems; and members

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

SENATE
Amended 2nd Reading
April 28, 2026

representing the interests of insurance companies, consumers, and counties.

The primary purpose of the enterprise is to impose and collect an annual fee (fee) from an insurance company that offers multiperil homeowner's insurance policies in the state (insurer) to reduce risks and losses to insurers that pay the fee by using fee revenue to provide grants to homeowners (grants) to defray the cost of retrofitting residential property by purchasing and installing resilient roof systems. In awarding grants, the board shall prioritize homes that are the homeowner applicant's (applicant) primary residence and shall consider other criteria, including applicant income, the age of the roof, the size of the home, the number of grant applicants, and whether the applicant lives in a location that has historically had a higher susceptibility to extreme weather events. In order to ensure the necessary workforce, fee revenue may also be used to award grants to defray the costs of training and certification related to installing and certifying resilient roof systems. A contractor that is awarded bids and receives money from a grant is prohibited from waiving homeowner's insurance deductibles.

In addition, fee revenue shall be used for contracting with the division to conduct or contract for a study to analyze insurance risk in high-risk wildfire areas of the state, including an analysis of market competition in those areas and the impact of a high risk program on the potential losses and the availability of homeowner's insurance in those areas.

Beginning in the 2027 calendar year, the amount of the insurer fee imposed and collected by the enterprise is an amount equal to 0.5% of the total premium collected by an insurer on multiperil homeowner's insurance policies in the state in the immediately preceding calendar year. The insurer shall not surcharge the fee amount to policyholders. The enterprise may lower or cease collecting the fee from an insurer in any calendar year if the commissioner determines that the insurer paying the fee would become insolvent and notifies the board.

The board shall adopt rules and policies for the regulation of the enterprise's affairs and the conduct of enterprise business, including standards for resilient roof systems and standards for contractor-specialized training in the installation of impact-resistant roof systems.

Beginning with rate filings submitted on and after January 1, 2027, an insurer offering multiperil homeowner's insurance for property or risks located in the state shall demonstrate in the insurer's rate filings that savings from the installation of resilient roof systems are passed through to homeowners through the application of discounts or reduced premiums on homeowner's insurance policies.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 20 to article
3 4 of title 10 as follows:

4 **PART 20**

5 **STRENGTHEN COLORADO HOMES ENTERPRISE**

6 **10-4-2001. Legislative declaration.**

7 (1) THE GENERAL ASSEMBLY:

8 (a) FINDS AND DETERMINES THAT:

9 (I) INCREASED GREENHOUSE GAS EMISSIONS AND RAPIDLY RISING
10 TEMPERATURES ARE CHANGING THE CLIMATE IN WAYS THAT THREATEN
11 COLORADO'S ECONOMY, THE HEALTH OF ITS RESIDENTS, AND ITS NATURAL
12 LANDSCAPE;

13 (II) THESE TEMPERATURE INCREASES HAVE AN IMPACT ON
14 COLORADO'S ENVIRONMENT, WITH DROUGHT, HEAT WAVES, WINDSTORMS,
15 WILDFIRES, HAIL, AND OTHER EXTREME WEATHER EVENTS INCREASING IN
16 RECENT YEARS;

17 (III) THE ECONOMIC IMPACTS OF THESE INCREASINGLY FREQUENT
18 AND SEVERE WEATHER EVENTS ARE SIGNIFICANT;

19 (IV) COLORADO PROPERTY OWNERS ARE FACED WITH CHALLENGES
20 IN FINDING INSURANCE COVERAGE AND INCREASING INSURANCE
21 PREMIUMS, UNDERMINING THE ABILITY TO PURCHASE, SELL, AND OWN A
22 HOME;

23 (V) THERE IS A NEED IN THE STATE TO ENCOURAGE INVESTMENTS
24 IN HOME HARDENING, WHICH MEANS MAKING HOMES AND COMMUNITIES
25 MORE RESILIENT TO EXTREME WEATHER EVENTS SUCH AS HAIL,
26 WINDSTORMS, AND WILDFIRE, AND INCLUDES SCIENCE-BASED HAIL AND
27 WIND MITIGATION MEASURES DESIGNED TO REDUCE INSURER LOSSES;

1 (VI) MAKING INVESTMENTS IN HOME HARDENING WILL IMPROVE
2 INSURERS' FINANCIAL STABILITY BY DECREASING LOSSES THAT WOULD
3 OTHERWISE BE PAID BY THE INSURERS;

4 (VII) INVESTMENTS IN HOME HARDENING WILL ALSO ENCOURAGE
5 INSURER PARTICIPATION AND INCREASE COMPETITION IN THE INSURANCE
6 MARKET TO OFFER COVERAGE THROUGHOUT THE STATE TO ALL
7 COLORADANS, RESULTING IN LONG-TERM SAVINGS FOR HOMEOWNERS AND
8 INSURERS;

9 (VIII) TARGETING HOMES IN HIGH-RISK AREAS FOR INVESTMENTS
10 IN HOME HARDENING WILL IMPROVE THE OVERALL STABILITY OF THE
11 HOMEOWNER'S INSURANCE MARKET FOR INSURERS; ==

12 (IX) DATA FROM NORTH CAROLINA AND ALABAMA HAS SHOWN
13 THAT PROVIDING ASSISTANCE TO STRENGTHEN ROOFS RESULTS IN FEWER
14 CLAIMS AND LOWER ADMINISTRATIVE EXPENSES, WHICH DIRECTLY
15 INCREASES PROFITS FOR INSURERS;

16 (X) STUDYING WAYS TO REDUCE WILDFIRE RISK IN HIGH-RISK
17 AREAS OF THE STATE WILL HELP POLICYMAKERS IDENTIFY OPTIONS TO
18 REDUCE POTENTIAL LOSSES IN THOSE AREAS, WHICH BENEFITS INSURERS
19 BY REDUCING CLAIM LOSSES, ADMINISTRATIVE EXPENSES, AND MARKET
20 VOLATILITY; AND

21 (XI) ACCORDINGLY, IT IS APPROPRIATE TO FINANCE A HOME
22 HARDENING PROGRAM THROUGH A FEE IMPOSED ON INSURERS THAT OFFER
23 MULTIPERIL HOMEOWNER'S INSURANCE POLICIES IN THE STATE; AND

24 (b) DECLARES THAT:

25 (I) THE STRENGTHEN COLORADO HOMES ENTERPRISE PROVIDES
26 VALUABLE BUSINESS SERVICES AND BENEFITS TO INSURERS WHEN, IN
27 EXCHANGE FOR PAYMENT OF THE FEE DESCRIBED IN SECTION 10-4-2003,

1 THE ENTERPRISE USES THE FEE REVENUE TO PROVIDE GRANTS TO
2 HOMEOWNERS TO FORTIFY THE ROOFS OF INSURED PROPERTY AND
3 OTHERWISE MITIGATE THE RISK OF LOSSES TO INSURED PROPERTY
4 RESULTING FROM NATURAL DISASTERS AND EXTREME WEATHER,
5 INCLUDING HAIL AND WINDSTORMS, THUS REDUCING RISK AND LOSSES TO
6 INSURERS IN THE STATE THAT PAY THE FEE;

7 (II) BY PROVIDING THE BENEFITS AND SERVICES SPECIFIED IN THIS
8 PART 20, THE STRENGTHEN COLORADO HOMES ENTERPRISE ENGAGES IN
9 ACTIVITIES CONDUCTED IN THE PURSUIT OF A BENEFIT, GAIN, OR
10 LIVELIHOOD AND THEREFORE OPERATES AS A BUSINESS;

11 (III) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
12 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896
13 P.2d 859 (COLO. 1995), THAT THE POWER TO IMPOSE TAXES IS
14 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE
15 X OF THE STATE CONSTITUTION, THE GENERAL ASSEMBLY CONCLUDES
16 THAT THE REVENUE COLLECTED BY THE ENTERPRISE IS GENERATED BY
17 FEES, NOT TAXES, BECAUSE THE MONEY CREDITED TO THE ENTERPRISE IS:

18 (A) FOR THE SPECIFIC PURPOSE OF ALLOWING THE ENTERPRISE TO
19 DEFRAID THE COSTS OF PROVIDING THE SERVICES DESCRIBED IN THIS PART
20 20;

21 (B) COLLECTED AT RATES THAT ARE REASONABLY CALCULATED
22 BASED ON THE COSTS OF THE SERVICES PROVIDED BY THE ENTERPRISE;
23 AND

24 (C) NOT STATE FISCAL YEAR SPENDING, AS DEFINED IN SECTION
25 24-77-102(17), OR STATE REVENUES, AS DEFINED IN SECTION 24-77-103.6
26 (6)(c), AND DOES NOT COUNT AGAINST EITHER THE STATE FISCAL YEAR
27 SPENDING LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE

1 CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS DEFINED IN
2 SECTION 24-77-103.6 (6)(b), SO LONG AS THE ENTERPRISE QUALIFIES AS
3 AN ENTERPRISE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE
4 CONSTITUTION; AND

5 (IV) NO OTHER ENTERPRISE CREATED SIMULTANEOUSLY OR
6 WITHIN THE PRECEDING FIVE YEARS SERVES PRIMARILY THE SAME PURPOSE
7 AS THE ENTERPRISE, AND THE ENTERPRISE WILL GENERATE REVENUE FROM
8 FEES AND SURCHARGES OF LESS THAN ONE HUNDRED MILLION DOLLARS
9 TOTAL IN ITS FIRST FIVE FISCAL YEARS. ACCORDINGLY, THE CREATION OF
10 THE ENTERPRISE DOES NOT REQUIRE VOTER APPROVAL PURSUANT TO
11 SECTION 24-77-108.

12 **10-4-2002. Definitions.**

13 AS USED IN THIS PART 20, UNLESS THE CONTEXT OTHERWISE
14 REQUIRES:

15 (1) "BOARD" OR "ENTERPRISE BOARD" MEANS THE GOVERNING
16 BOARD OF THE STRENGTHEN COLORADO HOMES ENTERPRISE.

17 (2) "FEE" MEANS THE FEE THAT THE ENTERPRISE BOARD IMPOSES
18 AND COLLECTS PURSUANT TO SECTION 10-4-2003 (4).

19 (3) "FUND" MEANS THE STRENGTHEN COLORADO HOMES
20 ENTERPRISE FUND CREATED IN SECTION 10-4-2003 (5).

21 (4) "GRANT PROGRAM" MEANS THE STRENGTHEN COLORADO
22 HOMES ENTERPRISE GRANT PROGRAM CREATED IN SECTION 10-4-2004.

23 (5) (a) "INSURER" MEANS AN ADMITTED OR AUTHORIZED
24 INSURANCE COMPANY THAT OFFERS MULTIPERIL HOMEOWNER'S
25 INSURANCE POLICIES IN THE STATE AND IS SUBJECT TO THE COLORADO
26 DIVISION OF INSURANCE STATISTICAL REPORT, LINE 4.

27 (b) "INSURER" DOES NOT INCLUDE THE FAIR ACCESS TO INSURANCE

1 REQUIREMENTS PLAN ASSOCIATION CREATED IN SECTION 10-4-1804.

2 (6) "RESILIENT ROOF SYSTEM" MEANS A ROOF THAT HAS OBTAINED
3 A VERIFIED WIND AND HAIL CERTIFICATION FROM THE INSURANCE
4 INSTITUTE FOR BUSINESS AND HOME SAFETY "FORTIFIED" PROGRAM OR
5 A SIMILAR SCIENCE-BASED, VERIFIABLE CERTIFICATION, AS DETERMINED
6 BY THE BOARD BY RULE.

7 (7) "STRENGTHEN COLORADO HOMES ENTERPRISE" OR
8 "ENTERPRISE" MEANS THE STRENGTHEN COLORADO HOMES ENTERPRISE
9 CREATED IN SECTION 10-4-2003 (1).

10 **10-4-2003. Strengthen Colorado homes enterprise - creation**
11 **- purpose - enterprise board - powers and duties - fee - fund - gifts,**
12 **grants, or donations - rules - reporting - repeal.**

13 (1) **Enterprise - creation - purpose.**

14 (a) (I) THE STRENGTHEN COLORADO HOMES ENTERPRISE IS
15 CREATED IN THE DIVISION. THE ENTERPRISE IS A **TYPE 1** ENTITY, AS
16 DEFINED IN SECTION 24-1-105, AND EXERCISES ITS POWERS AND PERFORMS
17 ITS DUTIES AND FUNCTIONS UNDER THE DIVISION. THE ENTERPRISE IS AND
18 OPERATES AS A GOVERNMENT-OWNED BUSINESS WITHIN THE DIVISION.

19 (II) THE BUSINESS PURPOSE OF THE ENTERPRISE, ACTING THROUGH
20 THE BOARD, IS TO IMPOSE AND COLLECT A FEE CHARGED TO INSURERS
21 THAT OFFER MULTIPERIL HOMEOWNER'S INSURANCE POLICIES AND TO USE
22 THE REVENUE FROM THE FEE TO PROVIDE THE FOLLOWING BUSINESS
23 SERVICES, AS DETERMINED BY THE BOARD, TO INSURERS PAYING THE FEE:

24 (A) REDUCING INSURER AND HOMEOWNER LOSSES DUE TO
25 COMMON PERILS, INCLUDING HAIL AND WINDSTORMS, BY AWARDED
26 GRANTS TO INSURED HOMEOWNERS PURSUANT TO SECTION 10-4-2004 TO
27 DEFRAID THE COST OF RETROFITTING RESIDENTIAL PROPERTY BY

1 PURCHASING AND INSTALLING RESILIENT ROOF SYSTEMS;

2 (B) AWARDING GRANTS TO INDIVIDUALS TO DEFRAY THE COSTS OF
3 TRAINING AND CERTIFICATION RELATING TO INSTALLING AND CERTIFYING
4 RESILIENT ROOF SYSTEMS AND TO DEVELOP THE WORKFORCE FOR
5 INSTALLING AND CERTIFYING RESILIENT ROOF SYSTEMS;

6 (C) REDUCING THE FREQUENCY OF WIND AND HAIL DAMAGE
7 CLAIMS ON INSURED RESIDENCES;

8 (D) IMPROVING INSURANCE MARKET STABILITY THROUGHOUT THE
9 STATE; AND

10 (E) CONTRACTING WITH THE DIVISION TO CONDUCT OR CAUSE TO
11 BE CONDUCTED A STUDY PURSUANT TO SECTION 10-1-146 TO ANALYZE
12 INSURANCE RISK IN HIGH-RISK WILDFIRE AREAS OF THE STATE, WHICH
13 ANALYSIS INCLUDES THE DEGREE OF MARKET COMPETITION AMONG
14 INSURERS IN THOSE AREAS AND THE IMPACT OF A HIGH RISK PROGRAM ON
15 THE POTENTIAL LOSSES IN AND THE AVAILABILITY OF HOMEOWNER'S
16 INSURANCE IN HIGH-RISK WILDFIRE AREAS OF THE STATE.

17 (b) THE ENTERPRISE IS AUTHORIZED TO ISSUE REVENUE BONDS.

18 (c) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR PURPOSES
19 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS IT
20 RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND RECEIVES LESS
21 THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS FROM ALL
22 COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. SO LONG AS IT
23 CONSTITUTES AN ENTERPRISE PURSUANT TO THIS SUBSECTION (1), THE
24 ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE
25 CONSTITUTION.

26 (2) **Enterprise board.**

27 (a) THE ENTERPRISE IS GOVERNED BY THE ENTERPRISE BOARD.

1 (b) THE BOARD CONSISTS OF THE FOLLOWING SEVEN VOTING
2 MEMBERS:

3 (I) THE COMMISSIONER OR THE COMMISSIONER'S DESIGNEE; AND

4 (II) THE FOLLOWING SIX MEMBERS APPOINTED BY THE GOVERNOR
5 AND CONFIRMED BY THE SENATE TO SERVE THREE-YEAR TERMS:

6 (A) TWO MEMBERS WHO REPRESENT INSURERS WITH EXPERTISE IN
7 HOMEOWNER'S INSURANCE;

8 (B) ONE MEMBER WHO IS A COUNTY COMMISSIONER OR A COUNTY
9 EMPLOYEE WHO HAS EXPERTISE OR EXPERIENCE IN HOME HARDENING OR
10 OTHER RISK MITIGATION ACTIVITIES;

11 (C) ONE MEMBER WHO REPRESENTS CONSUMERS;

12 (D) ONE MEMBER WITH EXPERTISE IN HOME HARDENING, ROOFING
13 CONSTRUCTION, OR MANUFACTURING RESILIENT ROOF SYSTEMS OR
14 MATERIALS; AND

15 (E) ONE MEMBER WITH TECHNICAL EXPERTISE IN HOMEOWNER'S
16 INSURANCE, SUCH AS EXPERTISE IN UNDERWRITING, ACTUARIAL ANALYSIS,
17 OR CLAIMS HANDLING, OR EXPERTISE IN HOME HARDENING.

18 (c) OF THE FIRST MEMBERS APPOINTED TO THE BOARD PURSUANT
19 TO SUBSECTION (2)(b)(II) OF THIS SECTION, THE GOVERNOR SHALL SELECT
20 TWO MEMBERS TO SERVE AN INITIAL TERM OF TWO YEARS.

21 (d) (I) THE GOVERNOR SHALL MAKE THE INITIAL APPOINTMENTS TO
22 THE BOARD NO LATER THAN JANUARY 1, 2027.

23 (II) SUBSECTION (2)(c) OF THIS SECTION AND THIS SUBSECTION
24 (2)(d) ARE REPEALED, EFFECTIVE JULY 1, 2027.

25 (e) THE COMMISSIONER OR THE COMMISSIONER'S DESIGNEE IS THE
26 CHAIR OF THE BOARD.

27 (f) MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION BUT

1 MUST BE REIMBURSED FROM MONEY IN THE FUND FOR ACTUAL AND
2 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES
3 PURSUANT TO THIS PART 20.

4 (g) EACH MEMBER OF THE BOARD SHALL DISCLOSE ANY ACTUAL OR
5 POTENTIAL CONFLICT OF INTEREST, INCLUDING ANY FINANCIAL INTEREST
6 IN CONTRACTS, GRANTS, OR STANDARDS CONSIDERED, AWARDED,
7 ADOPTED, OR RECOMMENDED BY THE BOARD.

8 (h) THE ENTERPRISE BOARD IS SUBJECT TO THE OPEN MEETINGS
9 PROVISIONS OF THE "COLORADO SUNSHINE ACT OF 1972" CONTAINED IN
10 PART 4 OF ARTICLE 6 OF TITLE 24. EXCEPT AS MAY OTHERWISE BE
11 PROVIDED BY FEDERAL LAW OR STATE LAW, THE RECORDS OF THE
12 ENTERPRISE ARE PUBLIC RECORDS, AS DEFINED IN SECTION 24-72-202 (6),
13 AND ARE SUBJECT TO THE "COLORADO OPEN RECORDS ACT", PART 2 OF
14 ARTICLE 72 OF TITLE 24.

15 (3) **Powers and duties.**

16 (a) THE PRIMARY POWERS AND DUTIES OF THE ENTERPRISE, ACTING
17 THROUGH THE BOARD, ARE TO:

18 (I) IMPOSE AND COLLECT THE FEE PURSUANT TO SUBSECTION (4)
19 OF THIS SECTION;

20 (II) AWARD GRANTS FROM MONEY IN THE FUND IN ACCORDANCE
21 WITH THE GRANT PROGRAM REQUIREMENTS SPECIFIED IN SECTION
22 10-4-2004;

23 (III) ISSUE REVENUE BONDS FOR THE EXPENSES OF THE
24 ENTERPRISE, SECURED BY REVENUE OF THE ENTERPRISE;

25 (IV) INVEST THE REVENUE FROM THE ISSUANCE AND SALE OF
26 REVENUE BONDS AND THE IMPOSITION AND COLLECTION OF THE FEE. IN
27 INVESTING THE REVENUE, THE ENTERPRISE MAY:

1 (A) INVEST THE REVENUE WITHOUT REGARD TO THE LIMITATIONS
2 SET FORTH IN SECTION 24-36-103, 24-75-601.1, OR 24-75-603; AND

3 (B) ENTER INTO CONTRACTS WITH PRIVATE PROFESSIONAL FUND
4 MANAGERS TO PROVIDE EXPERTISE, TECHNICAL SUPPORT, AND ADVICE ON
5 INVESTMENT MARKET CONDITIONS. IN SEEKING BIDS FOR SUCH
6 CONTRACTS, THE ENTERPRISE SHALL EMPLOY STANDARD PUBLIC BIDDING
7 PRACTICES, INCLUDING THE USE OF REQUESTS FOR INFORMATION,
8 REQUESTS FOR PROPOSALS, OR ANY OTHER STANDARD VENDOR SELECTION
9 PRACTICES DETERMINED BY THE ENTERPRISE TO BE BEST SUITED TO
10 SELECTING AN APPROPRIATE PRIVATE PROFESSIONAL FUND MANAGER.

11 (V) PAY THE ADMINISTRATIVE EXPENSES OF THE ENTERPRISE;

12 (VI) ENGAGE THE SERVICES OF PUBLIC OR PRIVATE ENTITIES,
13 CONTRACTORS, OR CONSULTANTS FOR PROFESSIONAL AND TECHNICAL
14 ASSISTANCE AND TO PROVIDE ADVICE AND OTHER SERVICES RELATED TO
15 CONDUCTING THE AFFAIRS OF THE ENTERPRISE, WITHOUT REGARD TO THE
16 "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24. IN
17 CONDUCTING ITS AFFAIRS, THE ENTERPRISE SHALL:

18 (A) ENGAGE THE ATTORNEY GENERAL'S OFFICE FOR LEGAL
19 SERVICES;

20 (B) ENTER INTO A CONTRACT OR CONTRACTS WITH THE DIVISION
21 AT FAIR MARKET RATES FOR OFFICE SPACE AND ADMINISTRATIVE STAFF
22 FOR THE ENTERPRISE; AND

23 (C) ENTER INTO A CONTRACT WITH THE DIVISION TO CONDUCT OR
24 CAUSE TO BE CONDUCTED THE STUDY DESCRIBED IN SECTION 10-1-146
25 REGARDING INSURANCE RISK IN HIGH-RISK WILDFIRE AREAS OF THE STATE;

26 (VII) PREPARE AND SUBMIT AN ANNUAL FINANCIAL REPORT
27 PURSUANT TO SUBSECTION (7) OF THIS SECTION CONCERNING THE

1 ADMINISTRATION OF THE ENTERPRISE AND THE GRANT PROGRAM AND POST
2 THE REPORT ON THE ENTERPRISE'S PUBLIC-FACING WEBSITE; AND

3 (VIII) EXERCISE ALL RIGHTS AND POWERS NECESSARY OR
4 INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS AND DUTIES
5 GRANTED IN THIS PART 20.

6 (b) THE ENTERPRISE, ACTING THROUGH THE BOARD, MAY SEEK,
7 ACCEPT, AND EXPEND GRANTS OR OTHER MONEY FROM THE FEDERAL
8 GOVERNMENT AND GIFTS, GRANTS, OR DONATIONS FROM OTHER PUBLIC
9 AND PRIVATE SOURCES TO SUPPORT AND ENHANCE ENTERPRISE
10 ACTIVITIES; EXCEPT THAT THE ENTERPRISE SHALL NOT ACCEPT GRANTS
11 FROM THE STATE OR FROM LOCAL GOVERNMENTS UNLESS THE COMBINED
12 TOTAL OF ALL GRANTS FROM SUCH SOURCES IS UNDER TEN PERCENT OF
13 THE ENTERPRISE'S ANNUAL REVENUE.

14 (4) **Fee.**

15 (a) BEGINNING IN THE 2027 CALENDAR YEAR, ON OR BEFORE A
16 DATE DETERMINED BY THE ENTERPRISE BOARD, AND ANNUALLY EACH
17 CALENDAR YEAR THEREAFTER ON OR BEFORE THE SAME DATE, THE
18 ENTERPRISE BOARD SHALL IMPOSE AND COLLECT A FEE ON EACH INSURER
19 IN AN AMOUNT EQUAL TO ONE-HALF OF ONE PERCENT OF THE TOTAL
20 PREMIUM COLLECTED BY THE INSURER ON MULTIPERIL HOMEOWNER'S
21 INSURANCE POLICIES ISSUED IN THE STATE IN THE IMMEDIATELY
22 PRECEDING CALENDAR YEAR.

23 (b) EACH INSURER SHALL PAY THE FEE TO THE ENTERPRISE AND
24 SHALL NOT SURCHARGE THE FEE AMOUNT TO POLICYHOLDERS.

25 (c) THE STATE TREASURER SHALL CREDIT THE FEES COLLECTED TO
26 THE FUND. A FEE COLLECTED BY THE ENTERPRISE IS EXCLUDED FROM THE
27 STATE'S FISCAL YEAR SPENDING.

1 (d) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, THE
2 ENTERPRISE MAY LOWER THE FEE OR CEASE COLLECTING THE FEE IN ANY
3 CALENDAR YEAR TO ENSURE THAT THE TOTAL AMOUNT OF FEE REVENUE
4 DOES NOT EXCEED ONE HUNDRED MILLION DOLLARS OVER THE FIRST FIVE
5 FISCAL YEARS OF THE ENTERPRISE'S EXISTENCE.

6 (e) THE BOARD MAY REQUEST INFORMATION FROM INSURERS
7 ABOUT POLICIES AND CONTRACTS ONLY TO THE EXTENT THE INFORMATION
8 IS REASONABLY NECESSARY TO ADMINISTER THE GRANT PROGRAM, IMPOSE
9 AND COLLECT THE FEE, OR IMPLEMENT OTHER REQUIREMENTS IN THIS PART
10 20. INSURER DATA REQUESTS SHALL BE COORDINATED THROUGH THE
11 DIVISION AND, TO THE EXTENT PRACTICABLE, BE LIMITED TO INFORMATION
12 ALREADY COLLECTED BY THE DIVISION OR AVAILABLE THROUGH EXISTING
13 REGULATORY REPORTING. ==

14 (f) THE BOARD SHALL ADOPT ANY RULES NECESSARY FOR THE
15 IMPOSITION AND COLLECTION OF THE FEE.

16 (5) **Fund.**

17 (a) THE STRENGTHEN COLORADO HOMES ENTERPRISE FUND IS
18 CREATED IN THE STATE TREASURY.

19 (b) THE FUND CONSISTS OF:

20 (I) FEES IMPOSED AND COLLECTED PURSUANT TO SUBSECTION (4)
21 OF THIS SECTION;

22 (II) GRANTS OR OTHER MONEY RECEIVED FROM THE FEDERAL
23 GOVERNMENT OR GIFTS, GRANTS, AND DONATIONS RECEIVED FROM PUBLIC
24 OR PRIVATE SOURCES TO SUPPORT OR ENHANCE ENTERPRISE ACTIVITIES;

25 ==

26 (III) ANY MONEY FROM REVENUE BONDS ISSUED PURSUANT TO
27 SUBSECTION (3)(a)(III) OF THIS SECTION; AND

1 (IV) ANY MONEY THAT THE GENERAL ASSEMBLY MAY
2 APPROPRIATE OR TRANSFER TO THE FUND.

3 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
4 ENTERPRISE FOR THE PURPOSES SET FORTH IN THIS PART 20 AND TO PAY
5 THE ENTERPRISE'S REASONABLE AND NECESSARY ADMINISTRATIVE AND
6 OPERATING EXPENSES.

7 (d) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
8 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
9 FUND TO THE FUND.

10 (6) **Rules.** THE ENTERPRISE BOARD MAY ADOPT, AMEND, OR
11 REPEAL RULES OR POLICIES THAT ARE REASONABLE AND NECESSARY FOR
12 THE REGULATION OF THE ENTERPRISE'S AFFAIRS AND THE CONDUCT OF THE
13 ENTERPRISE'S BUSINESS CONSISTENT WITH THIS PART 20, INCLUDING
14 GRANT PROGRAM RULES SPECIFIED IN SECTION 10-4-2004 (7).

15 (7) **Reporting.**

16 (a) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), BEGINNING
17 JULY 1, 2028, AND EACH JULY 1 THEREAFTER, THE ENTERPRISE SHALL
18 SUBMIT A REPORT TO THE COMMITTEES OF REFERENCE OF THE GENERAL
19 ASSEMBLY TO WHICH THE DEPARTMENT IS ASSIGNED PURSUANT TO
20 SECTION 2-7-203 CONCERNING THE IMPLEMENTATION AND
21 ADMINISTRATION OF THE ENTERPRISE AND THE GRANT PROGRAM.

22 (b) THE ANNUAL REPORT MUST INCLUDE:

23 (I) THE AMOUNT OF FEES COLLECTED FROM INSURERS AND THE
24 UNOBLIGATED BALANCE OF THE FUND;

25 (II) THE NUMBER OF GRANT PROGRAM APPLICATIONS AND THE
26 AMOUNT OF GRANTS AWARDED;

27 (III) THE AREAS OF THE STATE WHERE GRANT PROGRAM

1 RECIPIENTS RESIDE;

2 (IV) IF THE BOARD AWARDS GRANTS FOR WORKFORCE TRAINING,
3 INFORMATION ABOUT THE STRUCTURE OF THE TRAINING PROGRAMS AND
4 THE NUMBER OF CONTRACTORS TRAINED; AND

5 (V) ANY OTHER INFORMATION RELEVANT TO THE SUCCESS OF THE
6 ENTERPRISE AND THE GRANT PROGRAM.

7 **10-4-2004. Strengthen Colorado homes enterprise grant**
8 **program - application - eligibility criteria - award of grants - rules.**

9 (1) THERE IS CREATED IN THE ENTERPRISE THE STRENGTHEN
10 COLORADO HOMES ENTERPRISE GRANT PROGRAM TO PROVIDE GRANTS TO
11 COLORADO HOMEOWNERS TO RETROFIT RESIDENTIAL PROPERTY TO
12 REDUCE INSURER LOSSES DUE TO COMMON PERILS, INCLUDING HAIL AND
13 WINDSTORMS.

14 (2) (a) SUBJECT TO AVAILABLE REVENUE IN THE FUND, THE BOARD
15 SHALL AWARD GRANTS, IN ACCORDANCE WITH THIS SECTION, FROM THE
16 FUND. THE BOARD MAY ESTABLISH PROCEDURES AND CRITERIA FOR THE
17 AWARD OF GRANTS IF THERE IS INSUFFICIENT MONEY IN THE FUND TO
18 AWARD GRANTS TO ALL ELIGIBLE HOMEOWNER APPLICANTS.

19 (b) THE BOARD MAY CONTRACT WITH A THIRD-PARTY VENDOR TO
20 ADMINISTER THE GRANT PROGRAM.

21 (3) IN ADDITION TO ANY GRANT PROGRAM CRITERIA ESTABLISHED
22 BY THE BOARD BY RULE, A HOMEOWNER AWARDED A GRANT SHALL, AS
23 APPLICABLE:

24 (a) HAVE AN INSURABLE RESIDENTIAL PROPERTY LOCATED IN
25 COLORADO THAT IS COVERED BY A HOMEOWNER'S INSURANCE POLICY;

26 (b) OBTAIN ALL PERMITS REQUIRED BY LAW FOR INSTALLATION OR
27 RETROFITTING;

- 1 (c) COMPLY WITH ALL APPLICABLE BUILDING CODES;
- 2 (d) ARRANGE AND PAY FOR INSPECTIONS REQUIRED BY LAW AND
3 THE TERMS OF THE GRANT PROGRAM;
- 4 (e) CONSTRUCT A ROOF THAT MEETS RESILIENT ROOF SYSTEM
5 STANDARDS; AND
- 6 (f) SELECT A CONTRACTOR LICENSED IN THE STATE THAT:
- 7 (I) IS A MEMBER OF THE COLORADO ROOFING ASSOCIATION OR AN
8 EQUIVALENT QUALIFYING BODY THAT MAINTAINS STANDARDS FOR
9 LICENSING, INSURANCE, AND PROFESSIONAL CONDUCT;
- 10 (II) ATTESTS THAT THE CONTRACTOR DOES NOT WAIVE
11 DEDUCTIBLES AND AGREES TO REPAIR, RATHER THAN REPLACE, ROOFS
12 WHEN APPROPRIATE IN ACCORDANCE WITH RULES ADOPTED BY THE
13 BOARD; AND
- 14 (III) MEETS ANY OTHER CRITERIA ESTABLISHED BY THE BOARD.
- 15 (4) A CONTRACTOR THAT IS AWARDED BIDS AND RECEIVES GRANT
16 MONEY FROM THE GRANT PROGRAM IS PROHIBITED FROM WAIVING
17 HOMEOWNER'S INSURANCE DEDUCTIBLES.
- 18 (5) THE BOARD MAY PERFORM AUDITS TO VERIFY:
- 19 (a) THE ACCURACY OF THE INFORMATION INCLUDED IN AN
20 APPLICATION; AND
- 21 (b) THAT THE APPLICANT MEETS ALL ELIGIBILITY CRITERIA.
- 22 (6) A HOMEOWNER SHALL NOT USE MONEY THAT IS AWARDED AS
23 A GRANT TO PAY FOR GENERAL ROOF MAINTENANCE OR REPAIR BUT MAY
24 USE GRANT PROGRAM MONEY IN CONJUNCTION WITH REPAIRS OR
25 RECONSTRUCTION NECESSITATED BY DAMAGE FROM WIND OR HAIL OR FOR
26 PROACTIVE RETROFITTING NECESSITATED BY OR DESIGNED TO PREVENT
27 SUCH DAMAGE, CONSISTENT WITH STANDARDS ADOPTED BY THE BOARD

1 PURSUANT TO SUBSECTION (7) OF THIS SECTION.

2 (7) (a) THE BOARD SHALL ADOPT RULES FOR THE ADMINISTRATION
3 AND IMPLEMENTATION OF THE GRANT PROGRAM, INCLUDING THE
4 STANDARDS FOR A RESILIENT ROOF SYSTEM, THE CRITERIA USED TO
5 DETERMINE WHETHER AN APPLICANT IS ELIGIBLE FOR A GRANT UNDER THIS
6 SECTION, AND THE AMOUNT AND TIMING OF THE GRANT AWARD. IN
7 AWARDING GRANTS, THE BOARD SHALL PRIORITIZE HOMES THAT ARE AN
8 APPLICANT'S PRIMARY RESIDENCE. IN ESTABLISHING ELIGIBILITY
9 REQUIREMENTS FOR THE GRANTS, THE BOARD SHALL CONSIDER APPLICANT
10 INCOME; WHETHER AN APPLICANT LIVES IN A LOCATION THAT, BASED ON
11 HISTORICAL DATA, HAS A HIGHER SUSCEPTIBILITY TO EXTREME WEATHER
12 EVENTS; THE AGE OF THE ROOF; THE SIZE OF THE HOME; WHETHER THE
13 HOME IS LOCATED IN A LOCALITY WITH HAIL-RESISTANT BUILDING CODE
14 REQUIREMENTS; THE NUMBER OF APPLICANTS FOR THE GRANT PROGRAM;
15 AND ANY OTHER CRITERIA THE BOARD DETERMINES IS APPROPRIATE TO
16 MEET THE PURPOSE OF THE ENTERPRISE AND THE MONEY AVAILABLE FOR
17 GRANTS.

18 (b) IN ESTABLISHING RESILIENT ROOF SYSTEM STANDARDS, THE
19 BOARD MAY PRIORITIZE THE USE OF MATERIALS THAT ARE
20 IMPACT-RESISTANT AND PROVEN TO OFFER SUPERIOR PROTECTIONS
21 AGAINST EXTREME WEATHER EVENTS AND MAY INCENTIVIZE MATERIALS
22 WITH REDUCED ENVIRONMENTAL IMPACTS.

23 (c) THE BOARD MAY ALSO ESTABLISH STANDARDS FOR
24 CONTRACTOR-SPECIALIZED TRAINING IN THE INSTALLATION OF
25 IMPACT-RESISTANT ROOFING SYSTEMS.

26 (8) (a) IN ORDER TO DEVELOP THE NECESSARY WORKFORCE FOR
27 INSTALLING AND CERTIFYING RESILIENT ROOF SYSTEMS, THE BOARD MAY

1 ALSO AWARD GRANTS TO DEFRAY THE COSTS TO INDIVIDUALS FOR
2 TRAINING AND CERTIFICATION RELATED TO INSTALLING AND CERTIFYING
3 RESILIENT ROOF SYSTEMS; EXCEPT THAT BOARD RULES MUST REQUIRE
4 THAT AT LEAST NINETY PERCENT OF FEE REVENUE IS ALLOCATED TO
5 GRANTS TO COLORADO HOMEOWNERS TO RETROFIT RESIDENTIAL
6 PROPERTY TO REDUCE INSURER LOSSES DUE TO HAIL AND WINDSTORMS.

7 (b) NOTWITHSTANDING SUBSECTION (8)(a) OF THIS SECTION, THE
8 ENTERPRISE MAY USE UP TO THREE PERCENT OF FEE REVENUE FOR
9 DEVELOPING THE NECESSARY WORKFORCE FOR INSTALLING AND
10 CERTIFYING RESILIENT ROOF SYSTEMS, FOR A STUDY TO ANALYZE
11 INSURANCE RISK IN HIGH-RISK WILDFIRE AREAS OF THE STATE, AND FOR
12 THE ADMINISTRATIVE EXPENSES OF THE ENTERPRISE.

13 (9) NOTHING IN THIS SECTION CREATES:

14 (a) AN ENTITLEMENT FOR A HOMEOWNER TO RECEIVE GRANT
15 PROGRAM MONEY TO INSPECT OR RETROFIT RESIDENTIAL PROPERTY; OR

16 (b) AN OBLIGATION FOR THE STATE TO APPROPRIATE MONEY TO
17 INSPECT OR RETROFIT RESIDENTIAL PROPERTY.

18 **10-4-2005. Severability.**

19 IF ANY PROVISION OF THIS PART 20 OR THE APPLICATION OF THIS
20 PART 20 TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE
21 INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF
22 THIS PART 20 THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID
23 PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS
24 PART 20 ARE DECLARED TO BE SEVERABLE.

25 **SECTION 2.** In Colorado Revised Statutes, **add** 10-1-146 as
26 follows:

27 **10-1-146. Study regarding insurance risk in high-risk wildfire**

1 **areas of the state - repeal.**

2 (1) THE STRENGTHEN COLORADO HOMES ENTERPRISE CREATED IN
3 PART 20 OF ARTICLE 4 OF THIS TITLE 10 SHALL CONTRACT WITH THE
4 DIVISION TO CONDUCT OR CAUSE TO BE CONDUCTED A STUDY TO ANALYZE:

5 (a) THE INSURANCE RISK IN HIGH-RISK WILDFIRE AREAS OF THE
6 STATE, INCLUDING AN ANALYSIS OF THE DEGREE OF MARKET COMPETITION
7 AMONG INSURERS IN THOSE AREAS; AND

8 (b) THE IMPACT OF A HIGH RISK PROGRAM ON THE POTENTIAL
9 LOSSES IN THE HIGH-RISK WILDFIRE AREAS OF THE STATE AND ON THE
10 AVAILABILITY OF HOMEOWNER'S INSURANCE IN THOSE AREAS.

11 (2) IN CONDUCTING OR CAUSING THE CONDUCTING OF THE STUDY,
12 THE DIVISION SHALL EVALUATE AND MAKE RECOMMENDATIONS
13 REGARDING THE STRUCTURE OF A HIGH RISK PROGRAM, APPROPRIATE
14 ATTACHMENT POINTS AND CAPS, AND WAYS TO AVOID COMPETITION WITH
15 THE PRIVATE INSURANCE MARKET. THE STUDY MAY EXPLORE POTENTIAL
16 FUNDING MECHANISMS FOR THE PROGRAM.

17 (3) THE DIVISION MAY CONTRACT WITH A THIRD PARTY TO
18 CONDUCT ALL OR PART OF THE STUDY. THE DIVISION, OR A THIRD PARTY
19 THE DIVISION ENTERS INTO A CONTRACT WITH TO CONDUCT THE STUDY,
20 SHALL ENGAGE WITH RELEVANT STAKEHOLDERS IN CONDUCTING THE
21 STUDY. RELEVANT STAKEHOLDERS MUST INCLUDE, AT A MINIMUM:

22 (a) REPRESENTATIVES OF REINSURERS;

23 (b) REPRESENTATIVES OF INSURERS WRITING HOMEOWNER'S
24 INSURANCE CONTRACTS OR POLICIES IN COLORADO;

25 (c) REPRESENTATIVES OF REINSURANCE BROKERS;

26 (d) INDIVIDUALS WITH EXPERTISE IN COMPLEX FINANCIAL
27 INSTRUMENTS AND DEBT INSTRUMENTS; AND

1 (e) CONSUMERS OR INDIVIDUALS WITH EXPERIENCE IN WILDFIRE
2 MITIGATION.

3 (4) THE DIVISION SHALL SUBMIT THE STUDY REQUIRED BY
4 SUBSECTIONS (1) AND (2) OF THIS SECTION TO THE HOUSE OF
5 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT
6 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING
7 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, AND SHALL PUBLISH THE
8 STUDY ON THE DIVISION'S WEBSITE.

9 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2031.

10 **SECTION 3.** In Colorado Revised Statutes, 10-4-405, **add** (1.2)
11 as follows:

12 **10-4-405. Filing of rating information - certain coverages -**
13 **rules.**

14 (1.2) NO SOONER THAN JANUARY 1, 2027, AND UPON THE
15 COMMISSIONER ADOPTING RULES, AN INSURER OFFERING MULTIPERIL
16 HOMEOWNER'S INSURANCE FOR PROPERTY OR RISKS LOCATED IN THE
17 STATE SHALL SUBMIT AN ANNUAL FILING TO THE COMMISSIONER. THE
18 ANNUAL FILING MUST INCLUDE AN EXHIBIT REPORTING:

19 (a) THE NUMBER OF POLICIES IN FORCE;

20 (b) THE NUMBER OF HOMES THAT HAVE INSTALLED A RESILIENT
21 ROOF SYSTEM;

22 (c) THE DISCOUNT APPLIED TO HOMES DUE TO THE PRESENCE OF A
23 RESILIENT ROOF SYSTEM; AND

24 (d) THE WIND AND HAIL CLAIMS FREQUENCY AND SEVERITY FOR
25 HOMES WITH AND WITHOUT A RESILIENT ROOF SYSTEM.

26 **SECTION 4. Act subject to petition - effective date.** This act
27 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly (August
2 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
3 referendum petition is filed pursuant to section 1 (3) of article V of the
4 state constitution against this act or an item, section, or part of this act
5 within such period, then the act, item, section, or part will not take effect
6 unless approved by the people at the general election to be held in
7 November 2026 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor.