## First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

# PREAMENDED

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

LLS NO. 23-0968.01 Megan McCall x4215

HOUSE BILL 23-1273

**HOUSE SPONSORSHIP** 

Snyder and Joseph,

(None),

### SENATE SPONSORSHIP

House Committees Agriculture, Water & Natural Resources Appropriations **Senate Committees** 

## A BILL FOR AN ACT

#### 101 CONCERNING THE CREATION OF THE WILDFIRE RESILIENT HOMES

102 GRANT PROGRAM, AND, IN CONNECTION THEREWITH, MAKING

103 AN APPROPRIATION.

#### **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 <u>http://leg.colorado.gov</u>.)

The bill creates the wildfire resilient homes grant program (program) within the division of fire prevention and control (division). The program allows homeowners to apply to receive a grant for retrofitting or improving a house or other structure on the homeowner's property with strategies and technologies for structure hardening in order to make the house or structure more resilient to the risk of wildfire.

The bill also creates the wildfire resilient homes grant program cash fund (fund) for use by the division to award grants and to promote best practices for structure hardening, and on August 15, 2023, the state treasurer is required to transfer \$2 million from the general fund to the fund. The division is required to annually report to the wildfire matters review committee on expenditures made from the fund and grants that are awarded pursuant to the program.

| 1  | <i>Be it enacted by the General Assembly of the State of Colorado:</i>     |
|----|--|
| 2  | <b>SECTION 1. Legislative declaration.</b> (1) The general assembly        |
| 3  | finds and declares that:   |
| 4  | (a) Home ownership in the United States has long been a                    |
| 5  | cornerstone of the American dream;   |
| 6  | (b) Home ownership presents an opportunity to accumulate                   |
| 7  | wealth, build community, reduce wealth inequality, and improve             |
| 8  | generational wealth;   |
| 9  | (c) Wildfires in Colorado threaten the American dream;                     |
| 10 | (d) Wildfires have become one of the greatest threats to                   |
| 11 | Coloradans, their homes, and their aspirations to build wealth and         |
| 12 | community as evidenced by the ever increasing devastating wildfires in     |
| 13 | the state;   |
| 14 | (e) Over the last ten years, the most destructive wildfires in the         |
| 15 | state led to the loss of over 2,544 homes;                                 |
| 16 | (f) These wildfires not only destroy homes and communities, but            |
| 17 | also contribute negatively to the environment and public health;           |
| 18 | (g) The toxic chemicals released during wildfires include nitrogen         |
| 19 | oxides, sulfur dioxide, volatile organic chemicals, and polycyclic organic |
| 20 | matter. Plastic and treated wood burns also release heavy metals and other |
| 21 | toxic chemicals, such as dioxin.   |

(h) When household waste, like wood and leaves, burn, it
 produces smoke-containing vapors and particulate matter, both solid and
 liquid droplets suspended in the air;

- 4 (i) Air pollution from smoke can impact human health. People
  5 exposed to these air pollutants can experience eye and nose irritation,
  6 difficulty breathing, coughing, and headaches. People with heart disease,
  7 asthma, emphysema, or other respiratory diseases are especially sensitive
  8 to air pollutants. Other health problems aggravated by wildfires include
  9 lung infections, pneumonia, bronchiolitis, and allergies.
- (j) Our climate continues to trend towards warmer and drier
  temperatures, coupled with the fact that the average homes in Colorado
  are decades old, creating optimum conditions for destructive wildfires;
- 13 (k) While no home is fireproof, a home constructed with
  14 mitigation measures can limit the catastrophic reach of wildfire into our
  15 neighborhoods;
- 16 (1) Natural hazard mitigation can save four times the amount that17 would have been spent on construction costs for rebuilding;
- 18 (m) Retrofitting a home can range from \$4,000 to \$80,000 and is
  19 far cheaper than rebuilding a home;
- 20 (n) According to the United Nations, the publicly recognized costs 21 of wildfires are usually based on direct economic costs to the public 22 sectors, including fire suppression costs, asset loss, loss of lives, and 23 insurance costs. However, wildfires also have broad and long-lasting 24 impacts on the economic, social, and environmental aspects of sustainable 25 development. Traditionally, such costs have not been factored into the 26 costs of fires, as they are difficult to assess and quantify. Underestimating 27 the full costs of wildfires has often led to less political attention and

1 inadequate budget allocations being devoted to address wildfires. 2 (o) Protecting Colorado homes from wildfires by retrofitting them 3 with wildfire resilient strategies and technologies will lower the damage 4 done by destructive wildfires and lessen the cost of these fires on our 5 economy, environment, and society. 6 (2) Therefore, the general assembly finds and declares that it is 7 necessary to create a wildfire resilient homes grant program to protect 8 Coloradans and their homes and surrounding communities from the ever 9 increasing threats and destruction of wildfires. 10 **SECTION 2.** In Colorado Revised Statutes, add 24-33.5-1236 as 11 follows: 12 24-33.5-1236. Wildfire resilient homes grant program - fund 13 - rules - report - definitions - repeal. (1) As used in this section, 14 UNLESS THE CONTEXT OTHERWISE REQUIRES: 15 "FUND" MEANS THE WILDFIRE RESILIENT HOMES GRANT (a) 16 PROGRAM CASH FUND CREATED IN SUBSECTION (4)(a) OF THIS SECTION. (b) "HOMEOWNER" MEANS A PERSON WHO OWNS PROPERTY ON 17 18 WHICH THERE IS A HOUSE AND ON WHICH THERE MAY ALSO BE OTHER 19 NONRESIDENTIAL STRUCTURES THAT IS IN THE STATE AND LOCATED IN AN 20 AREA THAT IS SUSCEPTIBLE TO RISK OF WILDFIRES. 21 (c) "PROGRAM" MEANS THE WILDFIRE RESILIENT HOMES GRANT PROGRAM CREATED IN SUBSECTION (2)(a) OF THIS SECTION. 22 23 (2) (a) THERE IS HEREBY CREATED WITHIN THE DIVISION THE 24 WILDFIRE RESILIENT HOMES GRANT PROGRAM TO PROVIDE GRANTS TO 25 HOMEOWNERS FOR THE PURPOSE OF RETROFITTING OR OTHERWISE 26 IMPROVING A HOUSE OR OTHER EXISTING NONRESIDENTIAL STRUCTURES 27 ON A HOMEOWNER'S PROPERTY WITH BEST PRACTICE TECHNIQUES FOR

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STRUCTURE HARDENING IN ORDER TO MAKE THEM MORE RESILIENT TO
 WILDFIRE RISK. TO IMPLEMENT THE PROGRAM, THE DIVISION MAY USE
 FEDERAL FUNDS THAT ARE OR BECOME AVAILABLE TO THE DIVISION FOR
 THE SAME PURPOSES AS THE PURPOSES OF THE PROGRAM.

5 (b) TO RECEIVE A GRANT, A HOMEOWNER MUST SUBMIT AN
6 APPLICATION TO THE DIVISION IN A FORM AND MANNER PRESCRIBED BY
7 THE DIVISION.

8 (c) IN AWARDING GRANTS PURSUANT TO THE PROGRAM, THE 9 DIVISION SHALL CONSIDER THE LOCATION OF THE HOMEOWNER'S 10 PROPERTY, THE TYPE OF IMPROVEMENT PROPOSED BY THE HOMEOWNER. 11 AND ANY OTHER CRITERIA ESTABLISHED BY THE DIVISION PURSUANT TO 12 SUBSECTION (3) OF THIS SECTION. THE DIVISION MAY REQUIRE APPLICANTS 13 TO PROVIDE INFORMATION ON THE APPLICANT'S INCOME, AND THE 14 DIVISION MAY CONSIDER OR PRIORITIZE INCOME LEVELS OF APPLICANTS IN 15 AWARDING GRANTS.

16 (d) A HOMEOWNER WHO RECEIVES A GRANT PURSUANT TO THIS 17 SUBSECTION (2) SHALL NOT USE THE MONEY FOR ANY PURPOSE THAT IS 18 NOT AUTHORIZED BY THIS SECTION OR BY ANY RULES PROMULGATED BY 19 THE DIRECTOR PURSUANT TO SUBSECTION (3) OF THIS SECTION. UPON 20 COMPLETION OF THE RETROFIT OR IMPROVEMENTS FOR WHICH THE GRANT 21 WAS AWARDED, A HOMEOWNER SHALL SUBMIT TO THE DIVISION A 22 CERTIFICATION OF COSTS AND ANY OTHER DOCUMENTATION THE DIVISION 23 MAY REQUIRE.

24 (3) THE DIRECTOR MAY ADOPT RULES FOR THE IMPLEMENTATION25 AND ADMINISTRATION OF THE PROGRAM.

26 (4) (a) THE WILDFIRE RESILIENT HOMES GRANT PROGRAM CASH
27 FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS

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1 OF MONEY APPROPRIATED OR TRANSFERRED TO THE FUND BY THE 2 GENERAL ASSEMBLY, ALL PRIVATE AND PUBLIC MONEY RECEIVED 3 THROUGH GIFTS, GRANTS, OR DONATIONS THAT ARE TRANSMITTED TO THE 4 STATE TREASURER AND CREDITED TO THE FUND, AND MONEY 5 TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (5) OF THIS 6 SECTION. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND 7 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE 8 FUND TO THE FUND.

9 (b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
10 ASSEMBLY, THE DIVISION MAY EXPEND MONEY FROM THE FUND FOR THE
11 FOLLOWING PURPOSES:

12

21

#### (I) TO AWARD GRANTS FOR THE PROGRAM; OR

(II) TO PROMOTE STRATEGIES AND TECHNOLOGIES THAT INCREASE
RESILIENCY AGAINST WILDFIRES FOR A HOUSE OR OTHER NONRESIDENTIAL
STRUCTURES ON A PROPERTY, INCLUDING FOR NEW BUILDS, NEW
CONSTRUCTION, OR REBUILDS, THROUGH OUTREACH TO HOMEOWNERS
AND BY PREPARING EDUCATIONAL MATERIALS FOR HOMEOWNERS.

18 (5) (a) ON AUGUST 15, 2023, THE STATE TREASURER SHALL
19 TRANSFER ONE HUNDRED THOUSAND DOLLARS FROM THE GENERAL FUND
20 TO THE FUND.

(b) This subsection (5) is repealed, effective July 1, 2024.

(6) THE DIVISION SHALL SUBMIT AN ANNUAL REPORT ON THE
EXPENDITURES FROM THE FUND TO THE WILDFIRE MATTERS REVIEW
COMMITTEE CREATED IN SECTION 2-3-1602. THE REPORT MUST INCLUDE
INFORMATION ON THE NUMBER OF GRANTS MADE, OUTREACH THE DIVISION
UNDERTAKES TO EDUCATE HOMEOWNERS ON BEST PRACTICES FOR
STRUCTURE HARDENING, DETAILS ON THE RETROFITS OR IMPROVEMENTS

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MADE BY GRANT RECIPIENTS, AND ANY FEDERAL FUNDS THE DIVISION
 USED IN CONNECTION WITH IMPLEMENTATION OF THE PROGRAM.
 NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I),
 THE REQUIREMENT TO SUBMIT THE REPORT REQUIRED IN THIS SUBSECTION
 (6) CONTINUES FOR THE DURATION OF THE PROGRAM.

6 **SECTION 3. Appropriation.** For the 2023-24 state fiscal year, 7 \$100,000 is appropriated to the department of public safety for use by the 8 division of fire prevention and control. This appropriation is from the 9 wildfire resilient homes grant program cash fund created in section 10 24-33.5-1236 (4)(a), C.R.S. To implement this act, the division may use 11 the appropriation for the wildfire resilient homes grant program.

12 **SECTION 4.** Act subject to petition - effective date. This act 13 takes effect at 12:01 a.m. on the day following the expiration of the 14 ninety-day period after final adjournment of the general assembly; except 15 that, if a referendum petition is filed pursuant to section 1 (3) of article V 16 of the state constitution against this act or an item, section, or part of this 17 act within such period, then the act, item, section, or part will not take 18 effect unless approved by the people at the general election to be held in 19 November 2024 and, in such case, will take effect on the date of the 20 official declaration of the vote thereon by the governor.

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