CHAPTER 175

GOVERNMENT - STATE

HOUSE BILL 23-1273

BY REPRESENTATIVE(S) Snyder and Joseph, Amabile, Bird, Bockenfeld, Brown, Dickson, English, Froelich, Gonzales-Gutierrez, Hamrick, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, McCormick, McLachlan, Michaelson Jenet, Story, Titone, Velasco, Young, McCluskie;

also SENATOR(S) Roberts, Bridges, Cutter, Danielson, Hansen, Priola, Winter F., Fenberg.

AN ACT

CONCERNING THE CREATION OF THE WILDFIRE RESILIENT HOMES GRANT PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

(a) Home ownership in the United States has long been a cornerstone of the American dream;

(b) Home ownership presents an opportunity to accumulate wealth, build community, reduce wealth inequality, and improve generational wealth;

(c) Wildfires in Colorado threaten the American dream;

(d) Wildfires have become one of the greatest threats to Coloradans, their homes, and their aspirations to build wealth and community as evidenced by the ever increasing devastating wildfires in the state;

(e) Over the last ten years, the most destructive wildfires in the state led to the loss of over 2,544 homes;

(f) These wildfires not only destroy homes and communities, but also contribute negatively to the environment and public health;

(g) The toxic chemicals released during wildfires include nitrogen oxides, sulfur

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dioxide, volatile organic chemicals, and polycyclic organic matter. Plastic and treated wood burns also release heavy metals and other 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;

(i) Air pollution from smoke can impact human health. People exposed to these air pollutants can experience eye and nose irritation, difficulty breathing, coughing, and headaches. People with heart disease, asthma, emphysema, or other respiratory diseases are especially sensitive to air pollutants. Other health problems aggravated by wildfires include 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;

(k) While no home is fireproof, a home constructed with mitigation measures can limit the catastrophic reach of wildfire into our neighborhoods;

(1) Natural hazard mitigation can save four times the amount that would have been spent on construction costs for rebuilding;

(m) Retrofitting a home can range from \$4,000 to \$80,000 and is far cheaper than rebuilding a home;

(n) According to the United Nations, the publicly recognized costs of wildfires are usually based on direct economic costs to the public sectors, including fire suppression costs, asset loss, loss of lives, and insurance costs. However, wildfires also have broad and long-lasting impacts on the economic, social, and environmental aspects of sustainable development. Traditionally, such costs have not been factored into the costs of fires, as they are difficult to assess and quantify. Underestimating the full costs of wildfires has often led to less political attention and inadequate budget allocations being devoted to address wildfires.

(o) Protecting Colorado homes from wildfires by retrofitting them with wildfire resilient strategies and technologies will lower the damage done by destructive wildfires and lessen the cost of these fires on our economy, environment, and society.

(2) Therefore, the general assembly finds and declares that it is necessary to create a wildfire resilient homes grant program to protect Coloradans and their homes and surrounding communities from the ever increasing threats and destruction of wildfires.

SECTION 2. In Colorado Revised Statutes, add 24-33.5-1239 as follows:

24-33.5-1239. Wildfire resilient homes grant program - fund - rules - report - **definitions - repeal.** (1) As used in this section, unless the context otherwise requires:

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(a) "Fund" means the wildfire resilient homes grant program cash fund created in subsection (4)(a) of this section.

(b) "Homeowner" means a person who owns property on which there is a house and on which there may also be other nonresidential structures that is in the state and located in an area that is susceptible to risk of wildfires.

(c) "PROGRAM" MEANS THE WILDFIRE RESILIENT HOMES GRANT PROGRAM CREATED IN SUBSECTION (2)(a) OF THIS SECTION.

(2) (a) THERE IS HEREBY CREATED WITHIN THE DIVISION THE WILDFIRE RESILIENT HOMES GRANT PROGRAM TO PROVIDE GRANTS TO HOMEOWNERS FOR THE PURPOSE OF RETROFITTING OR OTHERWISE IMPROVING A HOUSE OR OTHER EXISTING NONRESIDENTIAL STRUCTURES ON A HOMEOWNER'S PROPERTY WITH BEST PRACTICE TECHNIQUES FOR 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.

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

(c) IN AWARDING GRANTS PURSUANT TO THE PROGRAM, THE DIVISION SHALL CONSIDER THE LOCATION OF THE HOMEOWNER'S PROPERTY, WHETHER THE PROPERTY IS A PRIMARY RESIDENCE OF THE HOMEOWNER, THE INCOME OR ASSETS FROM ALL SOURCES OF THE HOMEOWNER, THE TYPE OF IMPROVEMENT PROPOSED BY THE HOMEOWNER, AND ANY OTHER CRITERIA ESTABLISHED BY THE DIVISION PURSUANT TO SUBSECTION (3) OF THIS SECTION. THE DIVISION MAY REQUIRE APPLICANTS TO PROVIDE INFORMATION ON THE APPLICANT'S INCOME, AND THE DIVISION MAY PRIORITIZE INCOME LEVELS OF APPLICANTS IN AWARDING GRANTS.

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

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

(4) (a) The wildfire resilient homes grant program cash fund is hereby created in the state treasury. The fund consists of money appropriated or transferred to the fund by the general assembly, all private and public money received through gifts, grants, or donations that are transmitted to the state treasurer and credited to the fund, and money transferred to the fund pursuant to subsection (5) of this section. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. (b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DIVISION MAY EXPEND MONEY FROM THE FUND FOR THE FOLLOWING PURPOSES:

(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.

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

SECTION 3. Appropriation. For the 2023-24 state fiscal year, \$100,000 is appropriated to the department of public safety for use by the division of fire prevention and control. This appropriation is from the wildfire resilient homes grant program cash fund created in section 24-33.5-1239 (4)(a), C.R.S. To implement this act, the division may use the appropriation for the wildfire resilient homes grant program.

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

Approved: May 12, 2023