

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 24-1164.01 Richard Sweetman x4333

HOUSE BILL 24-1457

HOUSE SPONSORSHIP

Brown and Winter T., Soper

SENATE SPONSORSHIP

Liston and Marchman,

House Committees

Energy & Environment
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A PILOT GRANT PROGRAM TO AWARD GRANTS TO LOCAL**
102 **GOVERNMENTS IN RURAL AREAS TO HELP PAY COSTS**
103 **ASSOCIATED WITH THE ABATEMENT OF DANGEROUS MATERIALS**
104 **IN CERTAIN STRUCTURES.**

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 rural housing and development asbestos and lead paint abatement pilot grant program (pilot grant program) in the department of public health and environment (department) to award

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.

HOUSE
Amended 2nd Reading
May 2, 2024

grants, beginning July 1, 2025, to local governments in rural areas to offset costs associated with the abatement of asbestos and lead paint in housing, commercial buildings, and other development projects. To receive a grant, a local government must submit an application to the department. The application must:

- Describe a voluntary clean-up plan that satisfies existing statutory requirements concerning clean-up of hazardous materials; and
- Include an assessment of needs of rural communities.

The owner of any property that receives asbestos or lead paint abatement, the costs of which abatement are paid in full or in part by grant money from the pilot grant program, is ineligible to apply for a no action determination concerning the property.

A local government that receives a grant from the pilot grant program must either acquire any necessary permits from the air pollution control division before commencing asbestos or lead paint abatement or require any person that proceeds with asbestos or lead paint abatement on behalf of the local government to first acquire such permits.

The bill creates the rural housing and development asbestos and lead paint abatement fund (fund) in the state treasury. The fund consists of money generated from penalties and fines collected in association with violations of laws concerning hazardous materials and any other money that the general assembly may appropriate or transfer to the fund. The department may expend money in the fund to award grants.

The pilot grant program and the fund are repealed, effective July 1, 2027.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25-16-312 as
3 follows:

4 **25-16-312. Rural housing and development asbestos and lead**
5 **paint abatement pilot grant program - fund created - definition -**
6 **rules - repeal.** (1) THE RURAL HOUSING AND DEVELOPMENT ASBESTOS
7 AND LEAD PAINT ABATEMENT PILOT GRANT PROGRAM, REFERRED TO IN
8 THIS SECTION AS THE "PILOT GRANT PROGRAM", IS ESTABLISHED IN THE
9 DEPARTMENT. THE PILOT GRANT PROGRAM MAY AWARD GRANTS,
10 BEGINNING JULY 1, 2025, TO LOCAL GOVERNMENTS IN RURAL

1 COMMUNITIES TO OFFSET COSTS ASSOCIATED WITH THE ABATEMENT OF
2 ASBESTOS AND LEAD PAINT IN:

- 3 (a) HOUSING;
- 4 (b) COMMERCIAL BUILDINGS; AND
- 5 (c) OTHER DEVELOPMENT PROJECTS.

6 (2) TO BE ELIGIBLE FOR A GRANT FROM THE PILOT GRANT
7 PROGRAM, A LOCAL GOVERNMENT MUST SUBMIT AN APPLICATION TO THE
8 DEPARTMENT. THE APPLICATION MUST:

9 (a) FOR RENOVATION OR DEMOLITION SITES, INCLUDE AN
10 INSPECTION REPORT CONSISTENT WITH THE RULES ADOPTED PURSUANT TO
11 SECTION 25-7-503 DETAILING ASBESTOS-CONTAINING MATERIALS IN
12 EXCESS OF TRIGGER LEVELS;

13 (b) FOR RENOVATION OF LEAD-BASED PAINT ABATEMENT SITES,
14 INCLUDE A DESCRIPTION OF ELIGIBILITY THAT THE FACILITY MEETS THE
15 DEFINITION IN SECTION 25-7-1102 (2) OR (7);

16 (c) FOR BOTH ASBESTOS AND LEAD-BASED PAINT ABATEMENT,
17 RENOVATION, OR DEMOLITION, INCLUDE DOCUMENTATION
18 DEMONSTRATING THAT THE APPLICANT HAS ACQUIRED ANY NECESSARY
19 PERMITS AND REGULATORY APPROVAL FROM THE AIR POLLUTION CONTROL
20 DIVISION; AND

21 (d) INCLUDE AN ASSESSMENT OF THE NEEDS OF THE LOCAL
22 GOVERNMENT'S RURAL COMMUNITIES SPECIFIC TO:

23 (I) THE HEALTH AND ENVIRONMENTAL IMPACTS OF ASBESTOS- AND
24 LEAD-PAINT-CONTAMINATED STRUCTURES;

25 (II) THE PRESENCE OR LACK OF CERTIFIED ASBESTOS ABATEMENT
26 OR LEAD PAINT ABATEMENT PERSONNEL OR SUPERVISORS OPERATING
27 WITHIN, OR TRAVELING TO, RURAL COMMUNITIES FOR ABATEMENT

1 PROJECTS;

2 (III) THE COST OF ACQUIRING CERTIFIED ASBESTOS ABATEMENT OR
3 LEAD PAINT ABATEMENT PERSONNEL OR SUPERVISORS WITHIN RURAL
4 COMMUNITIES;

5 (IV) THE PROXIMITY TO, AND AVAILABILITY OF, ASBESTOS AND
6 LEAD PAINT DISPOSAL FACILITIES; AND

7 (V) COMMUNITY IMPACTS ON ECONOMIC DEVELOPMENT AND
8 AFFORDABLE HOUSING.

9

10 (3) (a) THE RURAL HOUSING AND DEVELOPMENT ASBESTOS AND
11 LEAD PAINT ABATEMENT FUND, REFERRED TO IN THIS SECTION AS THE
12 "FUND", IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
13 MONEY GENERATED FROM PENALTIES AND FINES COLLECTED PURSUANT TO
14 SECTIONS 25-15-309 AND 25-15-310, AS DESCRIBED IN SECTION
15 25-15-311; PENALTIES COLLECTED PURSUANT TO SECTION 25-7-511; AND
16 ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
17 TRANSFER TO THE FUND.

18 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
19 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
20 FUND TO THE FUND.

21 (c) THE STATE TREASURER SHALL CREDIT ANY UNEXPENDED AND
22 UNENCUMBERED MONEY REMAINING IN THE FUND AT THE END OF A STATE
23 FISCAL YEAR TO THE FUND; EXCEPT THAT, ON JUNE 30, 2027, THE STATE
24 TREASURER SHALL CREDIT ANY UNEXPENDED AND UNENCUMBERED
25 MONEY REMAINING IN THE FUND TO THE GENERAL FUND.

26 (d) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
27 ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY TO AWARD GRANTS AS

1 DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

2

3 (4) AS USED IN THIS SECTION, UNLESS THE CONTEXT REQUIRES
4 OTHERWISE, "RURAL COMMUNITY" HAS THE MEANING SET FORTH IN
5 SECTION 39-22-526 (1)(b)(II).

6 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

7 **SECTION 2.** In Colorado Revised Statutes, 25-7-511, **amend** (6)
8 as follows:

9 **25-7-511. Enforcement - repeal.** (6) (a) EXCEPT AS DESCRIBED
10 IN SUBSECTION (6)(b) OF THIS SECTION, all penalties collected pursuant to
11 this section shall be transmitted to the state treasurer, who shall credit the
12 same to the general fund.

13 (b) (I) ON AND AFTER JULY 1, 2025, ALL RECEIPTS FROM
14 PENALTIES COLLECTED UNDER THIS SECTION SHALL BE CREDITED TO THE
15 RURAL HOUSING AND DEVELOPMENT ASBESTOS AND LEAD PAINT
16 ABATEMENT FUND CREATED IN SECTION 25-16-312; EXCEPT THAT, FOR THE
17 2025-26 STATE FISCAL YEAR AND THE 2026-27 STATE FISCAL YEAR, THE
18 CREDITS DESCRIBED IN THIS SUBSECTION (6)(b) CONTINUE ONLY UNTIL
19 SUCH TIME AS THE TOTAL AMOUNT OF PENALTIES AND FINES COLLECTED
20 PURSUANT TO THIS SECTION AND SECTIONS 25-15-309 AND 25-15-310 AND
21 CREDITED TO THE RURAL HOUSING AND DEVELOPMENT ASBESTOS AND
22 LEAD PAINT ABATEMENT FUND EQUALS TWO HUNDRED THOUSAND
23 DOLLARS.

24 (II) THIS SUBSECTION (6)(b) IS REPEALED, EFFECTIVE JUNE 30,
25 2027.

26 **SECTION 3.** In Colorado Revised Statutes, **amend** 25-15-311 as
27 follows:

1 **25-15-311. Disposition of fines and penalties - repeal.**

2 (1) EXCEPT AS DESCRIBED IN SUBSECTION (2) OF THIS SECTION, all
3 receipts from penalties or fines collected under ~~the provisions of~~ sections
4 25-15-309 and 25-15-310 shall be credited to the general fund of the
5 state.

6 (2) (a) ON AND AFTER JULY 1, 2025, ALL RECEIPTS FROM
7 PENALTIES OR FINES COLLECTED UNDER SECTIONS 25-15-309 AND
8 25-15-310 SHALL BE CREDITED TO THE RURAL HOUSING AND
9 DEVELOPMENT ASBESTOS AND LEAD PAINT ABATEMENT FUND CREATED IN
10 SECTION 25-16-312; EXCEPT THAT, FOR THE 2025-26 STATE FISCAL YEAR
11 AND THE 2026-27 STATE FISCAL YEAR, THE CREDITS DESCRIBED IN THIS
12 SUBSECTION (2) CONTINUE ONLY UNTIL SUCH TIME AS THE TOTAL AMOUNT
13 OF PENALTIES AND FINES COLLECTED PURSUANT TO SECTIONS 25-7-511,
14 25-15-309, AND 25-15-310 AND CREDITED TO THE RURAL HOUSING AND
15 DEVELOPMENT ASBESTOS AND LEAD PAINT ABATEMENT FUND EQUALS TWO
16 HUNDRED THOUSAND DOLLARS.

17 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JUNE 30, 2027.

18

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