

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

REVISED

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

LLS NO. 24-0058.01 Christopher McMichael x4775

HOUSE BILL 24-1315

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A BILL FOR AN ACT

101 **CONCERNING A STUDY REGARDING STANDARDS FOR THE REMEDIATION**
102 **OF RESIDENTIAL PREMISES AFTER A PROPERTY HAS BEEN**
103 **DAMAGED IN A FIRE, AND, IN CONNECTION THEREWITH,**
104 **STUDYING PROPERTIES DAMAGED BY SMOKE, SOOT, ASH, AND**
105 **OTHER CONTAMINANTS AS A RESULT OF THE FIRE AND MAKING**
106 **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 <http://leg.colorado.gov>.)

The bill requires the division of insurance (division) to conduct a

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
2nd Reading Unamended
May 6, 2024

HOUSE
3rd Reading Unamended
April 30, 2024

HOUSE
Amended 2nd Reading
April 29, 2024

study regarding the remediation of residential premises that have been damaged from smoke, soot, ash, and other contaminants as a result of a fire. The study focuses on existing practices for the remediation of homes that have been damaged by smoke, soot, ash, and other contaminants as a result of a fire and requires the division to make recommendations for establishing uniform standards related to such remediation. The division may contract with a third party to conduct all or part of the study. The division must submit a report of the study's findings and recommendations to certain committees of the general assembly by January 1, 2026.

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

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

4 (a) Colorado has experienced record-breaking wildfires in recent
5 years, including the Marshall Fire, which destroyed nearly 1,100 homes
6 and damaged thousands of homes as a result of contamination from
7 smoke, soot, ash, and other contaminants;

8 (b) Smoke, soot, ash, and other contaminants that emanate from
9 fires cause damage to homes by depositing particulate matter, volatile
10 organic compounds, and chemicals onto personal property and into the
11 walls, floors, furnishings, surfaces, and other infrastructure of a home.
12 Those contaminants not only compromise the integrity of the residential
13 premises, but they also may pose significant, long-term health issues for
14 residents long after the fire has been extinguished.

15 (c) As homeowners return to their homes and the areas that have
16 been damaged after a fire, many homeowners face uncertainty as to
17 whether their homes have been properly cleaned, repaired, or remediated
18 to the point where the homes are safe to inhabit;

19 (d) Residents whose homes are damaged from smoke, soot, ash,
20 and other contaminants as a result of a fire should be assured of the safety

1 and habitability of their homes, as well as their personal property and
2 furnishings, which should be returned to a pre-loss condition that is safe
3 and healthy for homeowners and residents;

4 (e) In addition, inadequate remediation of homes after a fire
5 exacerbates pressure on the housing market because it forces some
6 individuals to find new homes, takes residential premises off the market,
7 and extends the time that families and individuals are displaced;

8 (f) Consistent standards are needed regarding the inspection,
9 testing, and remediation of residential premises after a fire so that
10 homeowners and residents are able to have and insurance carriers are able
11 to insure safe and habitable homes after a fire;

12 (g) Furthermore, while homeowners insurance policies might
13 cover certain damage resulting from a fire, the extent to which insurance
14 carriers are covering the cleaning, repair, and remediation of homes is
15 inconsistent, and many homeowners are concerned that they will incur an
16 additional financial burden to remediate their homes to the point where
17 they are clean and safe to inhabit; and

18 (h) It is in the best interest of Colorado to protect the health and
19 safety of Colorado residents by ensuring that their homes are returned to
20 a healthy, habitable, and safe condition after suffering damage from fires,
21 including damage from residual smoke, soot, ash, and other contaminants.

22 (2) The general assembly further declares that in order to properly
23 clean, repair, and remediate homes and provide clarity and assurances to
24 the many stakeholders involved with the remediation of residential
25 premises that have been damaged due to fire, smoke, soot, ash, and other
26 contaminants, the division of insurance shall conduct a study and make
27 recommendations regarding the establishment of uniform standards for

1 the remediation of residential premises that have been damaged by fires,
2 including damage from smoke, soot, ash, and other contaminants, and
3 regarding the extent to which the cleaning, repair, and remediation of
4 those properties should be covered by homeowners insurance.

5 **SECTION 2.** In Colorado Revised Statutes, **add** 10-1-145 as
6 follows:

7 **10-1-145. Study regarding standards for the remediation of**
8 **residential premises after fire - required considerations - report -**
9 **repeal.** (1) (a) THE DIVISION SHALL CONDUCT OR CAUSE TO BE
10 CONDUCTED A STUDY THAT:

11 (I) EVALUATES METHODS OF INSPECTING, TESTING, AND
12 REMEDIATING RESIDENTIAL PREMISES THAT HAVE BEEN DAMAGED BY
13 SMOKE, SOOT, ASH, AND OTHER CONTAMINANTS AS A RESULT OF A FIRE;

14 (II) INCLUDES RECOMMENDATIONS REGARDING THE
15 ESTABLISHMENT OF UNIFORM STANDARDS FOR THE INSPECTION, TESTING,
16 AND REMEDIATION OF RESIDENTIAL PREMISES THAT HAVE BEEN DAMAGED
17 BY SMOKE, SOOT, ASH, AND OTHER CONTAMINANTS AS A RESULT OF A FIRE;
18 AND

19 (III) CONSIDERS THE EXTENT TO WHICH ANY RECOMMENDED
20 UNIFORM STANDARDS RELATED TO THE REMEDIATION OF RESIDENTIAL
21 PREMISES DAMAGED BY FIRE, INCLUDING DAMAGE FROM SMOKE, SOOT,
22 ASH, AND OTHER CONTAMINANTS, IMPACT THE COST AND AVAILABILITY OF
23 HOMEOWNERS INSURANCE.

24 (b) THE DIVISION MAY CONTRACT WITH A THIRD PARTY TO
25 CONDUCT ALL OR PART OF THE STUDY.

26 (2) THE STUDY CONDUCTED PURSUANT TO THIS SECTION MUST
27 CONSIDER:

1 (a) EXISTING PRACTICES AND METHODS FOR THE CLEANING,
2 REPAIR, AND REMEDIATION OF RESIDENTIAL PREMISES, STRUCTURES,
3 PERSONAL PROPERTY, AND HOME FURNISHINGS THAT HAVE BEEN
4 DAMAGED BY SMOKE, SOOT, ASH, AND OTHER CONTAMINANTS AS A
5 RESULT OF A FIRE;

6 (b) EXISTING STANDARDS, IF ANY, FOR THE TESTING, INSPECTION,
7 AND REMEDIATION OF RESIDENTIAL PREMISES, STRUCTURES, HOME
8 FURNISHINGS, AND PERSONAL PROPERTY THAT HAVE BEEN DAMAGED BY
9 SMOKE, SOOT, ASH, AND OTHER CONTAMINANTS AS A RESULT OF A FIRE,
10 INCLUDING ANY RELEVANT STANDARDS ESTABLISHED BY THE INSTITUTE
11 OF INSPECTION CLEANING AND RESTORATION CERTIFICATION OR A
12 SUCCESSOR ENTITY;

13 (c) GUIDELINES FOR DETERMINING WHETHER STRUCTURES, HOME
14 FURNISHINGS, AND PERSONAL PROPERTY CAN BE REMEDIATED AFTER
15 EXPERIENCING DAMAGE FROM SMOKE, SOOT, ASH, AND OTHER
16 CONTAMINANTS TO LEVELS THAT ARE PROTECTIVE OF HEALTH AND
17 SAFETY;

18 (d) EXISTING INDOOR AIR QUALITY HEALTH AND SAFETY
19 STANDARDS, IF AVAILABLE, REGARDING THE HABITABILITY OF
20 RESIDENTIAL PREMISES, SPECIFICALLY AFTER THOSE RESIDENTIAL
21 PREMISES HAVE BEEN DAMAGED BY SMOKE, SOOT, ASH, AND OTHER
22 CONTAMINANTS AS A RESULT OF A FIRE, INCLUDING, TO THE EXTENT
23 PRACTICABLE, INDOOR AIR QUALITY HEALTH AND SAFETY STANDARDS FOR
24 INDIVIDUALS WHO ARE MORE SUSCEPTIBLE TO HEALTH ISSUES DUE TO
25 EXPOSURE TO SMOKE, SOOT, ASH, AND OTHER CONTAMINANTS; AND

26 (e) THE EXTENT TO WHICH TYPICAL HOMEOWNERS INSURANCE
27 POLICIES COVER DAMAGES TO RESIDENTIAL PREMISES THAT ARE THE

1 RESULT OF A FIRE, INCLUDING DAMAGE FROM SMOKE, SOOT, ASH, AND
2 OTHER CONTAMINANTS, AND THE EXTENT TO WHICH THOSE INSURANCE
3 POLICIES EFFECTIVELY COVER THE COST OF CLEANING, REPAIR, AND
4 REMEDIATION OF THE RESIDENTIAL PREMISES.

5 (3) THE DIVISION, OR A THIRD PARTY THE DIVISION CONTRACTS
6 WITH, SHALL ENGAGE WITH RELEVANT STAKEHOLDERS IN CONDUCTING
7 THE STUDY PURSUANT TO SUBSECTIONS (1) AND (2) OF THIS SECTION.
8 RELEVANT STAKEHOLDERS MAY INCLUDE:

9 (a) REPRESENTATIVES FROM THE DEPARTMENT OF PUBLIC HEALTH
10 AND ENVIRONMENT;

11 (b) INDIVIDUALS WHO OWN HOMES OR OTHER RESIDENTIAL
12 PREMISES;

13 (c) REPRESENTATIVES FROM THE HOMEOWNERS INSURANCE
14 INDUSTRY IN COLORADO;

15 (d) PUBLIC HEALTH EXPERTS;

16 (e) REPRESENTATIVES FROM THE INDUSTRIAL HYGIENIST INDUSTRY
17 IN COLORADO; ■

18 (f) REPRESENTATIVES FROM THE RESIDENTIAL REMEDIATION AND
19 RESTORATION INDUSTRY IN COLORADO; AND

20 (g) REPRESENTATIVES FROM ORGANIZATIONS THAT ADVOCATE FOR
21 THE INTERESTS OF CONSUMERS OF HOMEOWNERS INSURANCE POLICIES.

22 (4) ON OR BEFORE JANUARY 1, 2026, THE DIVISION SHALL SUBMIT
23 A REPORT TO THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN
24 SERVICES COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND
25 HOUSING COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE REPORT
26 MUST INCLUDE THE RESEARCH, FINDINGS, AND RECOMMENDATIONS OF THE
27 STUDY CONDUCTED IN ACCORDANCE WITH SUBSECTIONS (1) AND (2) OF

1 THIS SECTION.

2 (5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2027.

3 **SECTION 3. Appropriation.** For the 2024-25 state fiscal year,
4 \$219,909 is appropriated to the department of regulatory agencies for use
5 by the division of insurance. This appropriation is from the division of
6 insurance cash fund created in section 10-1-103 (3)(a)(I), C.R.S., and is
7 based on an assumption that the division will require an additional 0.2
8 FTE. To implement this act, the division may use this appropriation for
9 personal services. Of the amount appropriated in this section, any amount
10 up to \$200,000 not expended prior to July 1, 2025, is further appropriated
11 to the division for the 2025-26 state fiscal year for the same purpose.

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.