

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0826.01 Pierce Lively x2059

HOUSE BILL 20-1142

HOUSE SPONSORSHIP

Cutter and Soper,

SENATE SPONSORSHIP

(None),

House Committees

Energy & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN ENTERPRISE THAT IS EXEMPT FROM**
102 **THE REQUIREMENTS OF SECTION 20 OF ARTICLE X OF THE STATE**
103 **CONSTITUTION TO ADMINISTER A FEE-BASED HAZARD**
104 **MITIGATION GRANT PROGRAM.**

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>.)

Section 1 of the bill creates the hazard mitigation enterprise (enterprise). The enterprise collects a fee on insurance companies that offer certain insurance policies and use the fee revenue to finance the

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

hazard mitigation grant program, provide public education on the importance of insurance in buying down risk and for the continuity of business operations, and provide local governments technical information and support on natural hazard mitigation through land use and building codes. The enterprise awards hazard mitigation grants to assist entities that apply for federal grants that require matching funds and are dedicated to assisting in the implementation of pre-disaster hazard mitigation measures.

Section 2 sets the fee at .05% of the insurance premiums collected by insurance companies that offer certain insurance policies.

The enterprise shall submit a report by July 1 of each year to the committees of reference of the general assembly to which the department of public safety is assigned regarding the grant program.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-33.5-1618 as
3 follows:

4 **24-33.5-1618. Hazard mitigation enterprise - fund - goals -**
5 **grant program - gifts, grants, or donations - legislative declaration -**
6 **definitions. (1) Legislative declaration.** THE GENERAL ASSEMBLY
7 HEREBY:

8 (a) FINDS AND DETERMINES THAT:

9 (I) THERE IS NO LONG-TERM, CONSISTENT SOURCE OF FUNDS TO
10 MITIGATE HAZARD EXPOSURE IN COLORADO;

11 (II) THIS LACK OF FUNDS LIMITS THE ABILITY OF LOCAL
12 GOVERNMENTS, PARTICULARLY SMALLER JURISDICTIONS, TO TAKE
13 ADVANTAGE OF FEDERAL FUNDING AVAILABLE TO MITIGATE KNOWN
14 HAZARDS BECAUSE OF FEDERAL GRANT MATCH REQUIREMENTS;

15 (III) THERE IS A CLEAR RELATIONSHIP BETWEEN HAZARD
16 INSURANCE AND MITIGATING HAZARD EXPOSURE AND INSURERS ARE
17 TAKING AN INCREASINGLY ACTIVE ROLE IN ENCOURAGING, AND IN SOME
18 CASES REQUIRING, MITIGATION EFFORTS AMONG THEIR CUSTOMERS;

1 (IV) FOR EXAMPLE, COLORADO INSURANCE COMPANIES WILL
2 OFTEN REQUIRE HOMEOWNERS WHO LIVE IN WILDFIRE PRONE AREAS TO
3 MITIGATE FIRE HAZARDS ON THEIR PROPERTY; AND

4 (V) ACCORDINGLY, FUNDING FOR ONGOING MITIGATION EFFORTS
5 SHOULD BE RELATED TO PROPERTY AND CASUALTY INSURANCE PRODUCTS;
6 AND

7 (b) DECLARES THAT:

8 (I) THE HAZARD MITIGATION ENTERPRISE PROVIDES VALUABLE
9 SERVICES, BENEFITS, AND USEFUL BUSINESS SERVICES TO INSURERS, WHEN,
10 IN EXCHANGE FOR PAYMENT OF THE FEE DESCRIBED IN SECTION 10-3-209

11 (4), THE ENTERPRISE USES THE FEES TO:

12 (A) ASSIST ENTITIES THAT APPLY FOR FEDERAL GRANTS
13 DEDICATED TO ASSISTING IN THE IMPLEMENTATION OF PRE-DISASTER
14 HAZARD MITIGATION MEASURES BY ISSUING GRANTS TO HELP THE ENTITIES
15 PROVIDE THE MATCHING FUNDS REQUIRED FOR THE FEDERAL GRANTS;

16 (B) PROVIDE PUBLIC EDUCATION ON THE IMPORTANCE OF
17 INSURANCE IN BUYING DOWN RISK AND FOR THE CONTINUITY OF BUSINESS
18 OPERATIONS; AND

19 (C) PROVIDE LOCAL GOVERNMENTS TECHNICAL INFORMATION AND
20 SUPPORT ON NATURAL HAZARD MITIGATION THROUGH LAND USE AND
21 BUILDING CODES;

22 (II) BY PROVIDING THE BENEFITS AND SERVICES SPECIFIED IN
23 SUBSECTION (1)(b)(I) OF THIS SECTION, THE HAZARD MITIGATION
24 ENTERPRISE ENGAGES IN AN ACTIVITY CONDUCTED IN THE PURSUIT OF A
25 BENEFIT, GAIN, OR LIVELIHOOD AND THEREFORE OPERATES AS A BUSINESS;

26 (III) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
27 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896

1 P.2d 859 (COLO. 1995), THE POWER TO IMPOSE TAXES IS INCONSISTENT
2 WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE X OF THE STATE
3 CONSTITUTION, THE USER FEE COLLECTED BY THE ENTERPRISE IS A FEE,
4 NOT A TAX, BECAUSE THE FEE IS IMPOSED FOR THE SPECIFIC PURPOSE OF
5 ALLOWING THE ENTERPRISE TO DEFRAY THE COSTS OF PROVIDING THE
6 BUSINESS SERVICES SPECIFIED IN SUBSECTION (1)(b)(I) OF THIS SECTION TO
7 INSURERS THAT PAY THE FEE AND THE FEE IS COLLECTED AT RATES THAT
8 ARE REASONABLY CALCULATED BASED ON THE BENEFITS RECEIVED BY
9 THOSE INSURERS; AND

10 (IV) SO LONG AS THE HAZARD MITIGATION ENTERPRISE QUALIFIES
11 AS AN ENTERPRISE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE
12 STATE CONSTITUTION, THE REVENUE FROM THE USER FEES COLLECTED BY
13 THE ENTERPRISE IS NOT STATE FISCAL YEAR SPENDING, AS DEFINED IN
14 SECTION 24-77-102 (17), OR STATE REVENUES, AS DEFINED IN SECTION
15 24-77-103.6 (6)(c), AND DOES NOT COUNT AGAINST EITHER THE STATE
16 FISCAL YEAR SPENDING LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF
17 THE STATE CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS
18 DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(B).

19 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (a) "ELIGIBLE ENTITY" MEANS A STATE AGENCY OR POLITICAL
22 SUBDIVISION OF THE STATE THAT IS APPLYING FOR A FEDERAL GRANT THAT
23 BOTH REQUIRES MATCHING FUNDS AND IS DEDICATED TO ASSISTING IN THE
24 IMPLEMENTATION OF PRE-DISASTER HAZARD MITIGATION MEASURES.

25 (b) "ENTERPRISE" MEANS THE HAZARD MITIGATION ENTERPRISE
26 CREATED IN SUBSECTION (3) OF THIS SECTION.

27 (c) "FEE" MEANS THE FEE IMPOSED BY SECTION 10-3-209 (4.5).

1 (d) "FUND" MEANS THE HAZARD MITIGATION CASH FUND CREATED
2 IN SUBSECTION (4) OF THIS SECTION.

3 (e) "GRANT PROGRAM" MEANS THE HAZARD MITIGATION GRANT
4 PROGRAM CREATED IN SUBSECTION (6) OF THIS SECTION.

5 (f) "HAZARD MITIGATION" MEANS TAKING MEASURES THAT
6 REDUCE THE RISK OF LOSS OF LIFE AND PROPERTY FROM FUTURE NATURAL
7 HAZARD DISASTERS AND DECREASING COSTS ASSOCIATED WITH DISASTER
8 RECOVERY.

9 (3) **Enterprise.** (a) THERE IS HEREBY CREATED IN THE
10 DEPARTMENT THE HAZARD MITIGATION ENTERPRISE. THE ENTERPRISE IS
11 AND OPERATES AS A GOVERNMENT-OWNED BUSINESS WITHIN THE
12 DEPARTMENT FOR THE BUSINESS PURPOSE OF COLLECTING THE FEE
13 CHARGED TO CERTAIN INSURERS, AND UTILIZING THE FEE REVENUE TO
14 ADMINISTER THE GRANT PROGRAM, TO PROVIDE PUBLIC EDUCATION ON
15 THE IMPORTANCE OF INSURANCE IN BUYING DOWN RISK AND FOR THE
16 CONTINUITY OF BUSINESS OPERATIONS, AND TO PROVIDE LOCAL
17 GOVERNMENTS TECHNICAL INFORMATION AND SUPPORT ON NATURAL
18 HAZARD MITIGATION THROUGH LAND USE AND BUILDING CODES. THE
19 ENTERPRISE EXERCISES ITS POWERS AND PERFORMS ITS DUTIES AND
20 FUNCTIONS UNDER THE DEPARTMENT AS IF TRANSFERRED TO THE
21 DEPARTMENT BY A **TYPE 2** TRANSFER, AS DEFINED IN THE
22 "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF THIS TITLE
23 24.

24 (b) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR PURPOSES
25 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS IT
26 RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND RECEIVES LESS
27 THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS FROM ALL

1 COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. SO LONG AS IT
2 CONSTITUTES AN ENTERPRISE PURSUANT TO THIS SUBSECTION (3)(b), THE
3 ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE
4 CONSTITUTION.

5 (c) THE ENTERPRISE'S PRIMARY POWERS AND DUTIES ARE TO:

6 (I) COLLECT THE FEE;

7 (II) PROMOTE HAZARD MITIGATION BY ISSUING GRANTS AS
8 SPECIFIED IN SUBSECTION (6) OF THIS SECTION;

9 (III) PROVIDE PUBLIC EDUCATION ON THE IMPORTANCE OF
10 INSURANCE IN BUYING DOWN RISK AND FOR THE CONTINUITY OF BUSINESS
11 OPERATIONS;

12 (IV) PROVIDE LOCAL GOVERNMENTS TECHNICAL INFORMATION
13 AND SUPPORT ON NATURAL HAZARD MITIGATION THROUGH LAND USE AND
14 BUILDING CODES;

15 (V) BY RESOLUTION, AUTHORIZE AND ISSUE REVENUE BONDS THAT
16 ARE PAYABLE ONLY FROM THE MONEY IN THE FUND. THESE REVENUE
17 BONDS MAY BE ISSUED ONLY AFTER APPROVAL BY BOTH HOUSES OF THE
18 GENERAL ASSEMBLY EITHER BY BILL OR JOINT RESOLUTION AND AFTER
19 APPROVAL BY THE GOVERNOR IN ACCORDANCE WITH SECTION 39 OF
20 ARTICLE V OF THE STATE CONSTITUTION; AND

21 (VI) ADOPT, AMEND, OR REPEAL POLICIES FOR THE REGULATION
22 OF ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS CONSISTENT WITH THIS
23 SECTION, INCLUDING ESTABLISHING APPLICATION, REVIEW, APPROVAL,
24 REPORTING, AND OTHER REQUIREMENTS FOR GRANTS.

25 (d) THE DIRECTOR, OR HIS OR HER DESIGNEE, GOVERNS THE
26 ENTERPRISE.

27 (4) **Fund.** (a) THERE IS HEREBY CREATED IN THE STATE TREASURY

1 THE HAZARD MITIGATION CASH FUND. THE FUND CONSISTS OF MONEY
2 CREDITED TO THE FUND PURSUANT TO SECTION 10-3-209 (4.5).

3 (b) THE MONEY IN THE FUND SHALL NOT BE DEPOSITED IN OR
4 TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. THE STATE
5 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
6 DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY
7 UNENCUMBERED MONEY IN THE FUND SHALL REMAIN IN THE FUND AND
8 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR
9 ANOTHER FUND.

10 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
11 ENTERPRISE FOR THE PURPOSES OF:

12 (I) ADMINISTERING THE GRANT PROGRAM AND AWARDING GRANTS
13 IN ACCORDANCE WITH SUBSECTION (6) OF THIS SECTION;

14 (II) PROVIDING PUBLIC EDUCATION ON THE IMPORTANCE OF
15 INSURANCE IN BUYING DOWN RISK AND FOR THE CONTINUITY OF BUSINESS
16 OPERATIONS;

17 (III) PROVIDING LOCAL GOVERNMENTS TECHNICAL INFORMATION
18 AND SUPPORT ON NATURAL HAZARD MITIGATION THROUGH LAND USE AND
19 BUILDING CODES; AND

20 (IV) FOR ANY DIRECT AND INDIRECT ADMINISTRATIVE EXPENSES
21 INCURRED BY THE ENTERPRISE.

22 (d) THE ENTERPRISE MAY SEEK, ACCEPT, AND EXPEND GIFTS,
23 GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE
24 PURPOSES OF THIS SECTION, SO LONG AS THE COMBINATION OF GRANTS
25 FROM THE STATE AND LOCAL GOVERNMENTS DOES NOT EXCEED TEN
26 PERCENT OF THE ENTERPRISE'S TOTAL REVENUE.

27 (5) **Hazard mitigation goals.** THE ENTERPRISE SHALL ADMINISTER

1 THE GRANT PROGRAM AND AWARD GRANTS, PROVIDE PUBLIC EDUCATION
2 ON THE IMPORTANCE OF INSURANCE IN BUYING DOWN RISK AND FOR THE
3 CONTINUITY OF BUSINESS OPERATIONS, AND PROVIDE LOCAL
4 GOVERNMENTS TECHNICAL INFORMATION AND SUPPORT ON NATURAL
5 HAZARD MITIGATION THROUGH LAND USE AND BUILDING CODES TO
6 ACHIEVE THE FOLLOWING HAZARD MITIGATION GOALS:

7 (a) REDUCE THE NEGATIVE IMPACTS FROM FUTURE DISASTERS ON
8 LIVES, PROPERTY, AND THE ECONOMY;

9 (b) ENGAGE IN MITIGATION ACTIVITIES THAT ARE COST-EFFECTIVE,
10 TECHNICALLY FEASIBLE, AND ENVIRONMENTALLY SOUND AS WELL AS
11 ALLOWING STRATEGIC INVESTMENT OF LIMITED RESOURCES;

12 (c) REDUCE REPETITIVE LOSSES;

13 (d) FULLY UTILIZE FEDERAL FUNDING AVAILABLE FOR HAZARD
14 MITIGATION PROJECTS;

15 (e) INCREASE COMMUNITY RESILIENCY BY BUYING DOWN RISK
16 THROUGH APPROPRIATE INSURANCE; AND

17 (f) DECREASE LOSSES BY ENCOURAGING BUILDING CODES AND
18 LAND USE POLICY THAT MITIGATE RISK.

19 (6) **Grant program.** (a) THE ENTERPRISE SHALL ADMINISTER THE
20 HAZARD MITIGATION GRANT PROGRAM AND, SUBJECT TO AVAILABLE
21 APPROPRIATIONS AND REVENUES, SHALL AWARD GRANTS FROM THE FUND
22 AS PROVIDED IN THIS SUBSECTION (6).

23 (b) THE PURPOSE OF THE GRANT PROGRAM IS TO ACHIEVE THE
24 GOALS SPECIFIED IN SUBSECTION (5) OF THIS SECTION BY ASSISTING
25 ENTITIES THAT HAVE APPLIED FOR FEDERAL GRANTS THAT BOTH REQUIRE
26 MATCHING FUNDS AND ARE DEDICATED TO ASSISTING IN THE
27 IMPLEMENTATION OF PRE-DISASTER HAZARD MITIGATION MEASURES. THE

1 ENTERPRISE SHALL ESTABLISH CRITERIA TO EVALUATE AND PRIORITIZE
2 APPLICATIONS FOR GRANTS, BASED ON:

3 (I) THE FEDERAL EMERGENCY MANAGEMENT AGENCY'S
4 STANDARDIZED BENEFIT-COST ANALYSIS IN ACCORDANCE WITH CURRENT
5 PUBLISHED FEDERAL GUIDANCE; A DIFFERENT METHODOLOGY MAY ONLY
6 BE USED WHEN IT ADDRESSES A NONCORRECTABLE FLAW IN THE FEDERAL
7 EMERGENCY MANAGEMENT AGENCY'S APPROVED METHODOLOGY, AS
8 IDENTIFIED BY THE ENTERPRISE; AND

9 (II) THE FINANCIAL NEED OF THE ELIGIBLE ENTITY.

10 (c) AN ELIGIBLE ENTITY MAY SUBMIT AN APPLICATION TO THE
11 ENTERPRISE FOR A GRANT PURSUANT TO THE POLICIES AND PROCEDURES
12 SPECIFIED BY THE ENTERPRISE.

13 (d) GRANT RECIPIENTS SHALL ONLY USE THE MONEY RECEIVED
14 THROUGH THE GRANT PROGRAM TO OFFSET THE RECIPIENT'S FEDERAL
15 MATCH REQUIREMENT FOR FEDERAL GRANTS DEDICATED TO ASSISTING IN
16 THE IMPLEMENTATION OF PRE-DISASTER HAZARD MITIGATION MEASURES.

17 (e) GRANT RECIPIENTS MUST COMPLY WITH THE REQUIREMENTS OF
18 THE FEDERAL GRANTS THEY RECEIVE PURSUANT TO THIS SECTION.

19 (f) THE ENTERPRISE SHALL REVIEW THE APPLICATIONS RECEIVED
20 PURSUANT TO THIS SECTION AND SHALL NEITHER AWARD MORE THAN
21 EIGHTY PERCENT OF THE ANNUAL FUND REVENUE FOR GRANT AWARDS NOR
22 AWARD MORE THAN TWENTY-FIVE PERCENT OF THE ANNUAL REVENUE IN
23 ANY SINGLE GRANT AWARD.

24 (g) (I) A GRANTEE SHALL REPORT QUARTERLY TO THE ENTERPRISE
25 ON THE PROGRESS OF THE PROJECT FINANCED BY THE GRANT PURSUANT TO
26 TERMS SPECIFIED IN THE GRANT AWARD AGREEMENT.

27 (II) THE ENTERPRISE SHALL DEVELOP A POLICY REGARDING A

1 GRANTEE'S NONCOMPLIANCE WITH THE GRANT AGREEMENT ENTERED INTO
2 BY THE GRANTEE AND THE ENTERPRISE, WHICH POLICY MAY INCLUDE A
3 MECHANISM FOR THE ENTERPRISE TO CONVERT THE GRANTEE'S GRANT TO
4 A LOAN WITH INTEREST.

5 (h) THE AWARD OF ANY GRANT UNDER THIS SUBSECTION (6) IS
6 CONTINGENT UPON THE APPLICANT BEING AWARDED THE FEDERAL GRANT
7 THAT THE APPLICANT SOUGHT ASSISTANCE WITH IN ITS GRANT
8 APPLICATION.

9 (7) **Reporting.** NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I),
10 THE ENTERPRISE SHALL SUBMIT A REPORT BY JULY 1 OF EACH YEAR TO THE
11 COMMITTEES OF REFERENCE OF THE GENERAL ASSEMBLY TO WHICH THE
12 DEPARTMENT IS ASSIGNED PURSUANT TO SECTION 2-7-204 (1). THE
13 REPORT MUST INCLUDE:

14 (a) THE UNOBLIGATED BALANCE OF THE FUND, THE NUMBER OF
15 GRANT APPLICATIONS, AND THE NUMBER AND VALUE OF GRANTS
16 AWARDED;

17 (b) THE ELIGIBLE ENTITIES THAT HAVE APPLIED FOR A GRANT, THE
18 ACTIONS TAKEN BY EACH GRANTEE, OTHER MEASUREMENTS OF SUCCESS,
19 AND THE AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANTEE;

20 (c) THE PROGRESS TOWARD ACHIEVEMENT OF THE HAZARD
21 MITIGATION GOALS SPECIFIED IN SUBSECTION (5) OF THIS SECTION AND THE
22 PRIMARY FACTORS FACILITATING AND INHIBITING THAT PROGRESS; AND

23 (d) ANY SUGGESTED LEGISLATION OR POLICY CHANGES.

24 **SECTION 2.** In Colorado Revised Statutes, 10-3-209, **add** (4.5)
25 as follows:

26 **10-3-209. Tax on premiums collected - exemptions - penalties**
27 **- fee - repeal.** (4.5) (a) IN ADDITION TO THE TAX COLLECTED UNDER

1 SUBSECTION (1)(b) OF THIS SECTION, THE DIVISION SHALL ALSO COLLECT
2 A FEE TO FINANCE THE HAZARD MITIGATION ENTERPRISE CREATED IN
3 SECTION 24-33.5-1618 (3).

4 (b) THE FEE IS EQUAL TO FIVE HUNDREDTHS PERCENT OF THE
5 GROSS AMOUNT OF ALL PREMIUMS COLLECTED OR CONTRACTED FOR ON
6 POLICIES OR CONTRACTS OF INSURANCE COVERING PROPERTY OR RISKS IN
7 THE STATE DURING THE PREVIOUS CALENDAR YEAR, AFTER DEDUCTING
8 FROM SUCH GROSS AMOUNT THE AMOUNT RECEIVED AS REINSURANCE
9 PREMIUMS ON BUSINESS IN THE STATE AND THE AMOUNTS PAID TO
10 POLICYHOLDERS AS RETURN PREMIUMS, WHICH SHALL INCLUDE DIVIDENDS
11 OR UNABSORBED PREMIUMS OR PREMIUM DEPOSITS RETURNED OR
12 CREDITED TO POLICYHOLDERS.

13 (c) ONLY THE INSURANCE COMPANIES, AS LISTED IN THE DIVISION'S
14 COLORADO INSURANCE INDUSTRY STATISTICAL REPORT, THAT PROVIDE
15 THE FOLLOWING TYPES OF INSURANCE ARE LIABLE FOR THE FEE DESCRIBED
16 IN SUBSECTION (4.5)(b) OF THIS SECTION:

- 17 (I) FIRE;
- 18 (II) ALLIED LINES;
- 19 (III) MULTIPLE PERIL CROP;
- 20 (IV) PRIVATE CROP;
- 21 (V) PRIVATE FLOOD;
- 22 (VI) FARMERS MULTIPLE PERIL;
- 23 (VII) HOMEOWNERS MULTIPLE PERIL;
- 24 (VIII) COMMERCIAL MULTIPLE PERIL;
- 25 (IX) EARTHQUAKE;
- 26 (X) COMBINED PRIVATE PASSENGER AUTO;
- 27 (XI) AIRCRAFT; AND

1 (XII) BOILER AND MACHINERY.

2 (d) THE DIVISION SHALL TRANSMIT ANY FEE COLLECTED IN
3 ACCORDANCE WITH THIS SUBSECTION (4.5) TO THE STATE TREASURER,
4 WHO SHALL CREDIT THE SAME TO THE HAZARD MITIGATION CASH FUND
5 CREATED IN SECTION 24-33.5-1618 (4). ANY FEE TRANSMITTED TO THE
6 STATE TREASURER THAT IS COLLECTED ON BEHALF OF THE HAZARD
7 MITIGATION ENTERPRISE IS EXCLUDED FROM THE STATE'S FISCAL YEAR
8 SPENDING.

9 (e) AN INSURANCE COMPANY SUBJECT TO THIS SUBSECTION (4.5)
10 SHALL TRANSMIT THE FEE PRESCRIBED IN THIS SUBSECTION (4.5) TO THE
11 DIVISION AT THE SAME TIME THAT THE INSURANCE COMPANY IS REQUIRED
12 UNDER SUBSECTION (1)(b)(III) OF THIS SECTION TO TRANSMIT THE TAX
13 PRESCRIBED IN SUBSECTION (1)(b) OF THIS SECTION TO THE DIVISION.
14 NOTWITHSTANDING THIS SUBSECTION (4.5), AN INSURANCE COMPANY
15 THAT PAYS QUARTERLY ESTIMATES OF THE TAX PRESCRIBED IN
16 SUBSECTION (1)(b) OF THIS SECTION TO THE DIVISION IN ACCORDANCE
17 WITH SUBSECTION (3) OF THIS SECTION SHALL TRANSMIT THE FEE AT THE
18 SAME TIME TO THE DIVISION.

19 **SECTION 3. 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 (August
22 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2020 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.