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**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1899**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Volz, Schmidt, Chapman, Graham, Rule, Leavitt, Waters, Low, Christian, Couture, McClintock, Barnard, Jacobsen, Timmons, Schmick, Dent, Cheney, Sandlin, and Griffey)

AN ACT Relating to facilitating reconstruction of communities damaged or destroyed by wildfires; amending RCW 19.27A.015; adding a new section to chapter 43.31 RCW; adding a new section to chapter 19.27 RCW; creating new sections; providing an expiration date; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  In recent years, devastating wildfires have destroyed homes, businesses, and infrastructure. These wildfires have become more frequent and more destructive due to the effects of climate change. Since the original construction of many of the lost structures, technological advances have made possible more energy efficient buildings, greater use of electric vehicles, and more opportunities to utilize solar energy. The insurance coverage for the destroyed structures, however, may not cover reconstruction utilizing new methods and technologies. As a result, many buildings may be rebuilt in less efficient ways that require greater use of greenhouse gases. These greenhouse gases, in turn, will exacerbate the threat of wildfires.

It is the intent of the legislature to assist in disrupting this cycle. By making disaster relief payments available to local governments, businesses, and individuals to repair or replace damaged or destroyed buildings in more energy efficient and environmentally friendly ways, the legislature will encourage a more sustainable use of resources and increased climate resilience with resulting environmental benefits for all of the people of the state. It is the intent of the legislature that the assistance provided in this act be considered disaster relief payments by the internal revenue service.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the department of commerce shall establish and administer a disaster relief payment program to provide assistance to qualifying property owners and local governments that had buildings destroyed or damaged in a wildfire after January 1, 2023. The department shall develop a system for the submission and evaluation of disaster relief payment applications in consultation with the emergency management division of the state military department and tribal and local government emergency management authorities. The system developed by the department must ensure that the disaster relief payments are only used for the purposes specified in this section.

(2) Disaster relief payments may only be awarded to property owners who had buildings damaged or destroyed during a wildfire and that meet the following criteria:

(a) The area in which the building was damaged or destroyed was under a state of emergency declared by the governor or a local government due to wildfires;

(b) The building that was damaged or destroyed was a residential home, including manufactured homes, a multifamily building, a commercial building, or a public building;

(c) The same type of building as was damaged or destroyed in the wildfire is being constructed or repaired; and

(d) The new or repaired building will comply with all current state building and state energy code requirements in effect at the time of the permit application for the construction or repair.

(3) Disaster relief payments awarded under this section may only be used for the purpose of meeting increased energy efficiency standards, providing or increasing electric vehicle charging capacity, and the installation and use of solar panels on a building that did not, prior to being damaged or destroyed, utilize solar panels.

(4) The department shall develop criteria for awarding disaster relief payments under this section that is consistent with RCW 38.52.030(9) and, as appropriate, with other disaster response and recovery programs. When awarding disaster relief payments, the department must prioritize any building that is owned or rented by a low-income to moderate-income household. Thereafter, the department must award disaster relief payments based upon the amount of energy efficiency, electric vehicle charging capacity, or solar panels installation that will occur, with disaster relief payments going first to those buildings which will yield the greatest environmental benefits.

(5) For the purposes of this section:

(a) "Increased energy efficiency standards" means energy code standards under chapter 19.27A RCW that have increased between the time the building was originally constructed and the time that it is to be repaired or rebuilt.

(b) "Local government" means a city, town, county, or special purpose district.

(c) "Low-income or moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(d) "Public building" means a building or building wholly owned and used by a local government.

NEW SECTION. **Sec.**  A new section is added to chapter 19.27 RCW to read as follows:

(1) The provisions of this chapter do not apply to the permitting, repair, or reconstruction of a rebuilt residential building to the extent that they would require additional energy efficiencies or offsets on, restrict, or prohibit the construction or use of a propane tank as a secondary heating source for the rebuilt residential building. The provisions of this chapter shall apply to rebuilt residential buildings in all other respects that do not conflict with this section.

(2) Counties and cities may not prohibit the construction or use of a propane tank as a secondary heating source in a rebuilt residential building.

(3) For the purposes of this section, "rebuilt residential building" means a residential building damaged or destroyed by wildfire between July 1, 2023, and September 1, 2023, in a location that was subject to an emergency declaration from the governor or a local government.

**Sec.**  RCW 19.27A.015 and 1990 c 2 s 2 are each amended to read as follows:

(1) Except as provided in RCW 19.27A.020((~~(7)~~)) (6) and in subsection (2) of this section, the Washington state energy code for residential buildings shall be the maximum and minimum energy code for residential buildings in each city, town, and county and shall be enforced by each city, town, and county no later than July 1, 1991. The Washington state energy code for nonresidential buildings shall be the minimum energy code for nonresidential buildings enforced by each city, town, and county.

(2)(a) The provisions of the Washington state energy code for residential structures shall not apply to the permitting, repair, or construction of rebuilt residential buildings to the extent that it would require additional energy efficiencies or offsets on, restrict, or prohibit the construction or use of a propane tank as a secondary heating source for the rebuilt residential building. The provisions of Washington state energy code for residential structures shall apply to rebuilt residential buildings in all other respects that do not conflict with this section.

(b) For the purposes of this section, "rebuilt residential building" has the same meaning as in section 3 of this act.

NEW SECTION. **Sec.**  Sections 3 and 4 of this act expire June 30, 2026.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. **Sec.**  If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2024, in the omnibus appropriations act, this act is null and void.

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