

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 25-0276.04 Jed Franklin x5484

SENATE BILL 25-002

SENATE SPONSORSHIP

Bridges and Exum,

HOUSE SPONSORSHIP

Boesenecker and Stewart R.,

Senate Committees

Local Government & Housing

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE DEVELOPMENT OF REGIONAL BUILDING CODES THAT**
102 **ACCOUNT FOR LOCAL CLIMATIC AND GEOGRAPHIC CONDITIONS**
103 **FOR THE CONSTRUCTION AND INSTALLATION OF RESIDENTIAL**
104 **AND NONRESIDENTIAL FACTORY-BUILT 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 provides that after the state housing board (board) adopts rules about any activity required to undertake or complete the construction or installation of a factory-built nonresidential structure, 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.

factory-built residential structure, or a factory-built tiny home (factory-built structure), the state plumbing board, the state electrical board, and the state fire suppression administrator do not have jurisdiction over and their rules do not apply to a factory-built structure.

On or before July 1, 2026, the advisory committee on factory-built structures (advisory committee) is required to develop regional building codes for factory-built structures and implementation requirements and submit the recommended codes to the board.

On or before July 1, 2026, the board must adopt rules:

- Implementing regional building code recommendations from the advisory committee that account for local climatic and geographic conditions for the construction and installation of factory-built structures, which supersede any conflicting ordinance, code, regulation, or other law of a local government unless the local government adopts the rules of the board;
- Covering the implementation requirements developed by the advisory committee, including authorizing a local government certified by the division of housing (division) to perform inspections of factory-built structures on behalf of the division and registration, responsibility, and accountability requirements for a manufacturer, installer, seller, or general contractor who develops the installation site or completes the construction of a factory-built structure at the installation site;
- Covering electrical, plumbing, or fire suppression activity required to undertake or complete the construction or installation of a factory-built structure;
- Allowing the division to contract for third-party review and approval of a final design plan for a factory-built structure on behalf of the division;
- Allowing the division to create a process for vetting and approving the ability of a third party to review and approve a final design plan for a factory-built structure on behalf of the division; and
- Requiring the division to cause an audit to be performed on a third party that reviews and approves design plans.

On or before July 1, 2026, the advisory committee is required to conduct a study on behalf of the division about whether the international building code or residential code standards that apply to site requirements should be incorporated into state statutes and rules and to determine whether the state should regulate non-factory-built components that are connected to a factory-built structure at the installation site and are currently under local jurisdiction. The division is required to deliver the study to the board when complete.

A county or municipality may not:

- Enact a regulation that excludes factory-built structures and manufactured homes from the county or municipality;
- Impose more restrictive standards on factory-built structures and manufactured homes than those that the county or municipality applies to site-built homes in the same residential zones in the county or municipality; or
- Enact or enforce a regulation, law, or ordinance affecting the installation or construction of a factory-built structure or manufactured home.

A county or municipality may:

- Enact land use regulations to the extent that the regulations are applicable to existing housing or structures or new site-built housing in the county or municipality; and
- Enact a building code provision for unique public safety requirements unless the provision applies to a factory-built structure or manufactured home.

A county or municipality must comply with the requirements established by the division for factory-built structures and by the United States department of housing and urban development for manufactured homes.

The bill requires the state treasurer to transfer \$600,000 on July 1, 2025, from the innovative housing incentive program fund to the building regulation fund.

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) Coloradans are overwhelmingly burdened with the cost of
5 housing;

6 (b) Forty-five percent of renters, 329,000 residents, spend more
7 than 30% of their income on rent;

8 (c) A household in Colorado must earn at least \$70,840 annually
9 to afford the median rent of \$1,771 without being cost-burdened;

10 (d) To purchase a median-priced home, which is \$550,300, with
11 a 20% down payment, and avoid being cost-burdened, a household must
12 earn \$129,178 annually;

1 (e) The average cost of construction of a new home as of
2 November 2024 was approximately \$483,000, which is an increase from
3 \$419,000 in 2023;

4 (f) In 2021, the general assembly enacted House Bill 21-1329,
5 which directed the executive committee of the legislative council to create
6 a task force to meet during 2021 and issue a report with recommendations
7 to the general assembly and the governor on policies to create
8 transformative changes in the area of housing;

9 (g) In 2022, the general assembly enacted House Bill 22-1282,
10 which authorized investment in companies pursuing innovative
11 construction methods, resulting in the establishment of the innovative
12 housing incentive program;

13 (h) Innovative housing incentive program investments are
14 intended to create new housing units, which lower housing costs and
15 encourage innovation; and

16 (i) Off-site construction partners participating in the innovative
17 housing incentive program, including modular manufacturers, have
18 expressed concerns that regulatory barriers are preventing intended
19 growth in housing units, reducing the cost and time-saving potential of
20 off-site construction.

21 (2) Therefore, the general assembly further finds and declares that
22 it seeks to address the shortage and cost of housing by enacting regional
23 standards for factory-built structures, rather than standards related to a
24 specific address, which will increase the supply of housing and lower
25 housing costs by lowering the cost of construction and encouraging
26 partners to take advantage of the economies of scale afforded through
27 factory-built construction.

1 **SECTION 2.** In Colorado Revised Statutes, 12-115-106, **add** (6)
2 as follows:

3 **12-155-106. Colorado plumbing code - amendments -**
4 **variances - Colorado fuel gas code.** (6) NOTWITHSTANDING ANY
5 AUTHORITY GRANTED TO THE BOARD BY THIS SECTION AND AFTER RULES
6 ARE ADOPTED BY THE STATE HOUSING BOARD PURSUANT TO SECTION
7 24-32-3304 (1)(h)(III), THE BOARD DOES NOT HAVE JURISDICTION OVER
8 AND THE RULES OF THE BOARD DO NOT APPLY TO ANY ACTIVITY REQUIRED
9 TO UNDERTAKE OR COMPLETE THE CONSTRUCTION OR INSTALLATION OF
10 A FACTORY-BUILT STRUCTURE, AS DEFINED IN SECTION 24-32-3302 (11).

11 **SECTION 3.** In Colorado Revised Statutes, 12-115-107, **add** (5)
12 as follows:

13 **12-115-107. Board powers and duties - rules - definition.**
14 (5) NOTWITHSTANDING ANY AUTHORITY GRANTED TO THE BOARD BY THIS
15 SECTION AND AFTER RULES ARE ADOPTED BY THE STATE HOUSING BOARD
16 PURSUANT TO SECTION 24-32-3304 (1)(h)(III), THE BOARD DOES NOT
17 HAVE JURISDICTION OVER AND THE RULES OF THE BOARD DO NOT APPLY
18 TO ACTIVITY REQUIRED TO UNDERTAKE OR COMPLETE THE CONSTRUCTION
19 OR INSTALLATION OF A FACTORY-BUILT STRUCTURE, AS DEFINED IN
20 SECTION 24-32-3302 (11).

21 **SECTION 4.** In Colorado Revised Statutes, 24-33.5-1204.5, **add**
22 (3) as follows:

23 **24-33.5-1204.5. Powers and duties of administrator - rules.**
24 (3) NOTWITHSTANDING ANY AUTHORITY GRANTED TO THE
25 ADMINISTRATOR BY THIS SECTION AND AFTER RULES ARE ADOPTED BY THE
26 STATE HOUSING BOARD PURSUANT TO SECTION 24-32-3304 (1)(h)(III), THE
27 ADMINISTRATOR DOES NOT HAVE JURISDICTION OVER AND THE RULES OF

1 THE ADMINISTRATOR DO NOT APPLY TO ACTIVITY REQUIRED TO
2 UNDERTAKE OR COMPLETE THE CONSTRUCTION OR INSTALLATION OF A
3 FACTORY-BUILT STRUCTURE, AS DEFINED IN SECTION 24-32-3302 (11).

4 **SECTION 5.** In Colorado Revised Statutes, 24-32-3304, **amend**
5 (1)(f) and (1)(g); and **add** (1)(h) as follows:

6 **24-32-3304. State housing board - powers and duties - rules.**

7 (1) The board has the following powers and duties pursuant to this part
8 33:

9 (f) To promulgate rules establishing standards for tiny homes that
10 cover the manufacture of, assembly of, and installation of tiny homes; ~~and~~

11 (g) To promulgate uniform foundation construction standards for
12 manufactured homes, factory-built structures, or tiny homes in those areas
13 of the state where no standards exist; AND

14 (h) ON OR BEFORE JULY 1, 2026, TO ADOPT RULES:

15 (I) IMPLEMENTING REGIONAL BUILDING CODE RECOMMENDATIONS
16 ACCOUNTING FOR LOCAL CLIMATIC AND GEOGRAPHIC CONDITIONS FOR THE
17 CONSTRUCTION AND INSTALLATION OF FACTORY-BUILT STRUCTURES
18 DEVELOPED BY THE ADVISORY COMMITTEE CREATED IN SECTION
19 24-32-3305 (3), WHICH SHALL SUPERSEDE A CONFLICTING ORDINANCE,
20 CODE, REGULATION, OR OTHER LAW OF A LOCAL GOVERNMENT UNLESS A
21 LOCAL GOVERNMENT ADOPTS THE RULES ISSUED BY THE BOARD;

22 (II) COVERING THE IMPLEMENTATION REQUIREMENTS DEVELOPED
23 BY THE ADVISORY COMMITTEE CREATED IN SECTION 24-32-3305 (3),
24 INCLUDING AUTHORIZING A LOCAL GOVERNMENT CERTIFIED BY THE
25 DIVISION TO PERFORM INSPECTIONS OF A FACTORY-BUILT STRUCTURE ON
26 BEHALF OF THE DIVISION, AND REGISTRATION, RESPONSIBILITY, AND
27 ACCOUNTABILITY REQUIREMENTS FOR A MANUFACTURER, INSTALLER,

1 SELLER, OR GENERAL CONTRACTOR WHO DEVELOPS THE INSTALLATION
2 SITE OR COMPLETES THE CONSTRUCTION OF A FACTORY-BUILT STRUCTURE
3 AT THE INSTALLATION SITE, INCLUDING OFFERING EDUCATION, TRAINING,
4 AND CERTIFICATION OPPORTUNITIES;

5 (III) COVERING ELECTRICAL, PLUMBING, OR FIRE SUPPRESSION
6 ACTIVITY REQUIRED TO UNDERTAKE OR COMPLETE THE CONSTRUCTION OR
7 INSTALLATION OF A FACTORY-BUILT STRUCTURE;

8 (IV) ALLOWING THE DIVISION TO CONTRACT FOR THIRD-PARTY
9 REVIEW AND APPROVAL OF A FINAL DESIGN PLAN FOR A FACTORY-BUILT
10 STRUCTURE ON BEHALF OF THE DIVISION;

11 (V) ALLOWING THE DIVISION TO CREATE A PROCESS FOR VETTING
12 AND APPROVING THE ABILITY OF A THIRD PARTY TO REVIEW AND APPROVE
13 A FINAL DESIGN PLAN FOR A FACTORY-BUILT STRUCTURE ON BEHALF OF
14 THE DIVISION; AND

15 (VI) REQUIRING THE DIVISION TO CAUSE AN AUDIT TO BE
16 PERFORMED ON A THIRD PARTY THAT REVIEWS AND APPROVES DESIGN
17 PLANS.

18 **SECTION 6.** In Colorado Revised Statutes, 24-32-3305, **add**
19 (3)(c), (3)(d), and (3)(e) as follows:

20 **24-32-3305. Rules - advisory committee - enforcement -**
21 **regional building codes - study.** (3) (c) ON OR BEFORE JULY 1, 2026,
22 THE ADVISORY COMMITTEE SHALL DEVELOP REGIONAL BUILDING CODES
23 FOR FACTORY-BUILT STRUCTURES AND SUBMIT THE RECOMMENDED
24 REGIONAL BUILDING CODES IN THE FORM OF RECOMMENDED
25 ADMINISTRATIVE RULES FOR CONSIDERATION AND ADOPTION BY THE
26 BOARD.

27 (d) ON OR BEFORE JULY 1, 2026, THE ADVISORY COMMITTEE SHALL

1 DEVELOP IMPLEMENTATION REQUIREMENTS, INCLUDING AUTHORIZING A
2 LOCAL GOVERNMENT TO PERFORM INSPECTIONS OF FACTORY-BUILT
3 STRUCTURES ON BEHALF OF THE DIVISION OF HOUSING, AND
4 REGISTRATION, RESPONSIBILITY, AND ACCOUNTABILITY REQUIREMENTS
5 FOR MANUFACTURERS, INSTALLERS, SELLERS, OR GENERAL CONTRACTORS
6 WHO DEVELOP THE INSTALLATION SITE OR COMPLETE THE CONSTRUCTION
7 OF FACTORY-BUILT STRUCTURES AT THE INSTALLATION SITE, INCLUDING
8 OFFERING EDUCATION, TRAINING, AND CERTIFICATION OPPORTUNITIES,
9 AND SUBMIT THE IMPLEMENTATION REQUIREMENTS IN THE FORM OF
10 RECOMMENDED ADMINISTRATIVE RULES FOR CONSIDERATION AND
11 ADOPTION BY THE BOARD.

12 (e) ON OR BEFORE JULY 1, 2026, THE ADVISORY COMMITTEE SHALL
13 CONDUCT A STUDY ON BEHALF OF THE DIVISION ABOUT WHETHER THE
14 INTERNATIONAL BUILDING CODE OR RESIDENTIAL CODE STANDARDS THAT
15 APPLY TO SITE REQUIREMENTS SHOULD BE INCORPORATED INTO STATE
16 STATUTES AND RULES AND TO DETERMINE WHETHER THE STATE SHOULD
17 REGULATE NON-FACTORY-BUILT COMPONENTS THAT ARE CONNECTED TO
18 THE FACTORY-BUILT STRUCTURE AT THE INSTALLATION SITE AND ARE
19 CURRENTLY UNDER LOCAL JURISDICTION. WHEN COMPLETE, THE DIVISION
20 SHALL DELIVER THE STUDY TO THE STATE HOUSING BOARD.

21 **SECTION 7.** In Colorado Revised Statutes, 30-28-115, **amend**
22 (3)(b)(I) introductory portion, (3)(b)(I)(A), (3)(b)(I)(B), (3)(b)(II), and
23 (3)(b)(III); and **add** (3)(b)(I.5) and (3)(b)(V) as follows:

24 **30-28-115. Public welfare to be promoted - legislative**
25 **declaration - construction - definition.** (3) (b) (I) No county may have
26 or enact zoning regulations, subdivision regulations, or any other
27 regulation affecting development, which exclude or have the effect of

1 excluding homes OR STRUCTURES from the county that are:

2 (A) ~~Homes~~ FACTORY-BUILT STRUCTURES, AS DEFINED IN SECTION
3 24-32-3302 (11) AND certified by the division of housing created in
4 section 24-32-704 or a party authorized to act on its behalf;

5 (B) MANUFACTURED homes certified by the United States
6 department of housing and urban development through its office of
7 manufactured housing programs, a successor agency, or a party
8 authorized to act on its behalf; or

9 (I.5) A COUNTY SHALL NOT IMPOSE MORE RESTRICTIVE
10 STANDARDS ON FACTORY-BUILT STRUCTURES AND MANUFACTURED
11 HOMES THAN THOSE THE COUNTY APPLIES TO SITE-BUILT HOMES IN THE
12 SAME RESIDENTIAL ZONES. AS USED IN THIS SUBSECTION (3)(b)(I.5),
13 "RESTRICTIVE STANDARDS" MEANS ZONING REGULATIONS, SUBDIVISION
14 REGULATIONS, AND ANY OTHER REGULATION AFFECTING DEVELOPMENT,
15 INCLUDING STANDARDS RELATED TO:

16 (A) HOME SIZE OR SECTIONAL REQUIREMENTS;

17 (B) IMPROVEMENT LOCATION;

18 (C) MINIMUM FLOOR SPACE;

19 (D) PERMANENT FOUNDATIONS;

20 (E) SETBACK STANDARDS; AND

21 (F) SIDE-YARD STANDARDS.

22 (II) Nothing in this subsection (3) ~~shall prevent~~ PREVENTS a
23 county from enacting any zoning, developmental, use, aesthetic, or
24 historical standard, including, but not limited to, requirements relating to
25 permanent foundations, minimum floor space, unit size or sectional
26 requirements, and improvement location, side yard, and setback standards
27 to the extent that such standards or requirements are applicable to existing

1 HOUSING OR STRUCTURES or new SITE-BUILT housing within the specific
2 use district of the county.

3 (III) Nothing in this subsection (3) ~~shall preclude~~ PRECLUDES any
4 county from enacting county building code provisions for unique public
5 safety requirements such as snow load roof, wind shear, WILDFIRE RISK,
6 and energy conservation factors, unless ~~the home is~~ IT IS A
7 FACTORY-BUILT STRUCTURE certified by the division of housing created
8 in section 24-32-704 or a party authorized to act on its behalf or A
9 MANUFACTURED HOME CERTIFIED BY the United States department of
10 housing and urban development through its office of manufactured
11 housing programs, a successor agency, or a party authorized to act on its
12 behalf. A county must comply with ~~section 24-32-3318 when enacting~~
13 ~~building code provisions for a manufactured home as defined in section~~
14 ~~24-32-3302 (20)~~ THE REQUIREMENTS ESTABLISHED BY THE DIVISION OF
15 HOUSING FOR FACTORY-BUILT STRUCTURES AND THE UNITED STATES
16 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR
17 MANUFACTURED HOMES.

18 (V) A COUNTY MAY NOT ENACT OR ENFORCE A ZONING
19 REGULATION, SUBDIVISION REGULATION, OR ANY OTHER REGULATION,
20 ORDINANCE, OR LAW AFFECTING THE INSTALLATION OR CONSTRUCTION OF
21 A FACTORY-BUILT STRUCTURE OR A MANUFACTURED HOME.

22 **SECTION 8.** In Colorado Revised Statutes, 31-23-301, **amend**
23 (5)(b)(I) introductory portion, (5)(b)(I)(A), (5)(b)(I)(B), (5)(b)(II), and
24 (5)(b)(III); and **add** (5)(b)(I.5) and (6) as follows:

25 **31-23-301. Grant of power - definition.** (5) (b) (I) No
26 municipality may have or enact zoning regulations, subdivision
27 regulations, or any other regulation affecting development that exclude

1 or have the effect of excluding homes OR STRUCTURES from the
2 municipality that are:

3 (A) ~~Homes~~ FACTORY-BUILT STRUCTURES, AS DEFINED IN SECTION
4 24-32-3302 (11) AND certified by the division of housing created in
5 section 24-32-704 or a party authorized to act on its behalf;

6 (B) MANUFACTURED homes certified by the United States
7 department of housing and urban development through its office of
8 manufactured housing programs, a successor agency, or a party
9 authorized to act on its behalf; or

10 (I.5) A MUNICIPALITY SHALL NOT IMPOSE MORE RESTRICTIVE
11 STANDARDS ON FACTORY-BUILT STRUCTURES AND MANUFACTURED
12 HOMES THAN THOSE THE MUNICIPALITY APPLIES TO SITE-BUILT HOMES IN
13 THE SAME RESIDENTIAL ZONES. AS USED IN THIS SUBSECTION (5)(b)(I.5),
14 "RESTRICTIVE STANDARDS" MEANS ZONING REGULATIONS, SUBDIVISION
15 REGULATIONS, AND ANY OTHER REGULATION AFFECTING DEVELOPMENT,
16 INCLUDING STANDARDS RELATED TO:

17 (A) HOME SIZE OR SECTIONAL REQUIREMENTS;

18 (B) IMPROVEMENT LOCATION;

19 (C) MINIMUM FLOOR SPACE;

20 (D) PERMANENT FOUNDATIONS;

21 (E) SETBACK STANDARDS; AND

22 (F) SIDE-YARD STANDARDS.

23 (II) Nothing in this subsection (5) ~~shall prevent~~ PREVENTS a
24 municipality from enacting any zoning, developmental, use, aesthetic, or
25 historical standard, including, but not limited to, requirements relating to
26 permanent foundations, minimum floor space, unit size or sectional
27 requirements, and improvement location, side yard, and setback standards

1 to the extent that such standards or requirements are applicable to existing
2 HOUSING OR STRUCTURES or new SITE-BUILT housing within the specific
3 use district of the municipality.

4 (III) Nothing in this subsection (5) ~~shall preclude~~ PRECLUDES any
5 municipality from enacting municipal building code provisions for unique
6 public safety requirements such as snow load roof, wind shear, WILDFIRE
7 RISK, and energy conservation factors, unless ~~the home is~~ IT IS A
8 FACTORY-BUILT STRUCTURE certified by the division of housing created
9 in section 24-32-704 or a party authorized to act on its behalf OR A
10 MANUFACTURED HOME CERTIFIED BY the United States department of
11 housing and urban development through its office of manufactured
12 housing programs, a successor agency, or a party authorized to act on its
13 behalf. A municipality must comply with ~~section 24-32-3318 when~~
14 ~~enacting building code provisions for a manufactured home as defined in~~
15 ~~section 24-32-3302 (20)~~ THE REQUIREMENTS ESTABLISHED BY THE
16 DIVISION OF HOUSING FOR FACTORY-BUILT STRUCTURES AND THE UNITED
17 STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR
18 MANUFACTURED HOMES.

19 (6) A MUNICIPALITY MAY NOT ENACT OR ENFORCE A ZONING
20 REGULATION, SUBDIVISION REGULATION, OR ANY OTHER REGULATION,
21 ORDINANCE, OR LAW AFFECTING THE INSTALLATION OR CONSTRUCTION OF
22 A FACTORY-BUILT STRUCTURE OR A MANUFACTURED HOME.

23 **SECTION 9.** In Colorado Revised Statutes, 24-32-3309, **amend**
24 (1)(b)(II) and (1)(b)(III); and **add** (1)(b)(IV) as follows:

25 **24-32-3309. Fees - building regulation fund - rules.**

26 (1) (b) Notwithstanding any provision of this section to the contrary:

27 (II) On April 1, 2015, the state treasurer must deduct three

1 hundred thousand dollars from the general fund and transfer such sum to
2 the fund; and

3 (III) On July 1, 2016, the state treasurer must deduct two hundred
4 thousand dollars from the general fund and transfer such sum to the fund;
5 AND

6 (IV) ON JULY 1, 2025, THE STATE TREASURER SHALL DEDUCT SIX
7 HUNDRED THOUSAND DOLLARS FROM THE INNOVATIVE HOUSING
8 INCENTIVE PROGRAM FUND CREATED IN SECTION 24-48.5-132 (5)(a) AND
9 TRANSFER THE MONEY TO THE FUND.

10 **SECTION 10. Safety clause.** The general assembly finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, or safety or for appropriations for
13 the support and maintenance of the departments of the state and state
14 institutions.