

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0482.02 Caroline Martin x5902

**HOUSE BILL 26-1206**

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**HOUSE SPONSORSHIP**

**Joseph,**

**SENATE SPONSORSHIP**

**Lindstedt,**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING IMPROVED FUNDING TO SUPPORT DEVELOPMENT.**

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**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 gives city and county housing authorities (housing authority) the power to provide for the levy of a sales tax, sales and use tax, or property tax within the jurisdiction of the authority, the resulting revenue of which will be directed to the housing authority, subject to the following conditions:

- The city or county has adopted a resolution determining that the levying of the tax will fairly distribute the costs of the housing authority's activities among the beneficiaries of

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.

the housing authority's activities and will not impose an undue burden on any particular group of people; and

- A ballot question has been submitted to a vote of the registered electors of the city or county and subsequently approved by a majority of such registered electors, and the ballot question describes the purposes for which the tax will be used by the housing authority and complies with section 20 of article X of the state constitution.

If a sales or sales and use tax is approved by the voters of a housing authority:

- The rate of the sales or sales and use tax must not exceed 1% on any transaction taxable by the state;
- The authority shall designate a liaison to coordinate with the department of revenue to implement the collection of the tax and to identify people eligible to collect the sales and use tax; and
- The tax revenue must be directed to a fund of the authority.

If an ad valorem property tax is approved by the voters of a housing authority:

- The rate of the ad valorem property tax must not exceed 5 mills on each dollar of valuation for assessment of the taxable property within the authority's jurisdiction;
- The board of county commissioners of the county in which the housing authority is located shall levy the ad valorem property tax upon the valuation for assessment of all taxable property within the authority's jurisdiction;
- The officials charged with collecting ad valorem property taxes for the county in which the housing authority is located shall collect the taxes at the time and in the form and manner and with like interest and penalties as other property taxes collected within the county;
- The property tax revenue must be directed to a fund of the authority; and
- All property tax revenue, together with interest thereon and penalties for default in payment thereof, and all costs of collecting the same shall constitute, until paid, a perpetual lien on and against the property taxed, and such lien shall be on a parity with the tax lien of other general taxes.

The bill gives county housing authorities the power to issue revenue or general obligation bonds and to pledge the authority's revenues and revenue-raising powers for the payment of such bonds.

The bill allows an urban renewal authority to enter into a shortfall guaranty contract with an urban renewal project developer (developer) specifying that, if the tax increment revenue is insufficient to pay the indebtedness incurred by the authority that is due, the developer is

obligated to make a direct payment covering the full amount of the insufficiency. A shortfall guaranty contract:

- Constitutes a lien on the urban renewal project property the same as, and equal in priority to, a tax lien;
- Has priority over any mortgage, lien that is not a tax lien, or other encumbrance;
- Constitutes a covenant running with the land for the term of the contract; and
- May be recorded against the real property upon which the urban renewal project is developed.

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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) Access to safe, stable, and affordable housing is essential for  
5 all Coloradans. Access to housing supports individual well-being, family  
6 stability, workforce participation, and long-term economic growth for the  
7 state.

8           (b) There is a severe housing supply shortfall in Colorado, which  
9 represents the gap between the number of homes needed and those  
10 available, estimated at approximately 106,000 units;

11           (c) Based on current population projections, to prevent further  
12 growth of the housing supply shortfall, developers would need to  
13 construct approximately 34,100 new homes annually in Colorado over the  
14 next decade;

15           (d) The housing supply shortfall is particularly acute for renters  
16 who earn an extremely low income (those who earn at or below 30% of  
17 Area Median Income), since Colorado has a deficit of roughly 134,000  
18 rental homes that are affordable for such households;

19           (e) Many households are cost-burdened, with 46.8% of renters and  
20 21.5% of homeowners spending over 30% of their income on housing.

1 Only 11% of renters could afford to purchase a typical home in Colorado  
2 as of 2025.

3 (f) The affordability gap is not solely due to low supply; housing  
4 prices and rents have increased faster than incomes, deepening the  
5 challenge of obtaining stable, affordable homes, particularly for working  
6 families, seniors, and other vulnerable populations;

7 (g) The work of public housing authorities and developers is  
8 essential to expanding the stock of deeply affordable housing. However,  
9 current financing tools and incentive structures do not sufficiently  
10 prioritize or support these entities.

11 (h) Allowing housing authorities to collect tax revenue within  
12 their jurisdictions will help these mission-driven entities more quickly  
13 expand the supply of deeply affordable housing;

14 (i) Providing statutory authorization for shortfall guaranty  
15 contracts in urban renewal areas that use tax increment financing protects  
16 public entities from financial risk, ensuring those entities can continue to  
17 support housing-focused projects effectively; and

18 (j) The measures proposed in this act will enhance Colorado's  
19 capacity to finance, build, preserve, and sustain affordable housing and  
20 equitable community development projects in a manner that maximizes  
21 public return, addresses urgent housing needs, and ensures access to  
22 housing for all Coloradans.

23 (2) Therefore, the general assembly finds and declares that  
24 expanding and modernizing affordable housing funding tools:

25 (a) Is a matter of mixed statewide and local concern; and

26 (b) Will increase housing availability, affordability, and stability,  
27 promote equitable development, and strengthen the public benefit of

1 development investments in Colorado communities.

2 **SECTION 2.** In Colorado Revised Statutes, 29-4-209, **amend**  
3 (1)(x) and (1)(y); and **add** (1)(z), (4), (5), (6), and (7) as follows:

4 **29-4-209. Powers of authority - definition.**

5 (1) An authority shall constitute a body both corporate and politic,  
6 exercising public powers and having all the powers necessary or  
7 convenient to carry out and effectuate the purposes and provisions of this  
8 part 2, including the following powers in addition to others granted in this  
9 section:

10 (x) To make available to such agencies, boards, or commissions  
11 as are charged with the duty of abating nuisances or demolishing unsafe  
12 structures within its territorial limits its findings and recommendations  
13 with regard to any building or property where conditions exist which are  
14 dangerous to the public health, morals, safety, or welfare; ~~and~~

15 (y) To do all things necessary or convenient to carry out the  
16 powers given in this part 2; AND

17 (z) TO PROVIDE FOR THE LEVY OF A SALES TAX, SALES AND USE  
18 TAX, OR PROPERTY TAX IN ACCORDANCE WITH SUBSECTION (4) OF THIS  
19 SECTION.

20 (4) AN AUTHORITY MAY PROVIDE FOR THE LEVY OF A SALES TAX,  
21 SALES AND USE TAX, OR PROPERTY TAX, THE REVENUE OF WHICH WILL BE  
22 DIRECTED TO THE AUTHORITY, SUBJECT TO THE FOLLOWING CONDITIONS:

23 (a) THE COUNCIL CONSENTS TO THE LEVY OF THE SALES TAX,  
24 SALES AND USE TAX, OR PROPERTY TAX;

25 (b) THE AUTHORITY HAS ADOPTED A RESOLUTION DETERMINING  
26 THAT THE LEVYING OF A SALES TAX, SALES AND USE TAX, OR PROPERTY  
27 TAX WILL FAIRLY DISTRIBUTE THE COSTS OF THE AUTHORITY'S ACTIVITIES

1 AMONG THE BENEFICIARIES OF THE AUTHORITY'S ACTIVITIES AND WILL  
2 NOT IMPOSE AN UNDUE BURDEN ON ANY PARTICULAR GROUP OF PEOPLE OR  
3 BUSINESSES;

4 (c) A BALLOT QUESTION HAS BEEN SUBMITTED TO A VOTE OF THE  
5 REGISTERED ELECTORS OF THE CITY IN WHICH THE HOUSING AUTHORITY  
6 IS LOCATED AND SUBSEQUENTLY APPROVED BY A MAJORITY OF SUCH  
7 REGISTERED ELECTORS VOTING THEREON, AND THE BALLOT QUESTION:

8 (I) DESCRIBES THE PURPOSES FOR WHICH THE TAX WILL BE USED  
9 BY THE AUTHORITY; AND

10 (II) COMPLIES WITH SECTION 20 OF ARTICLE X OF THE STATE  
11 CONSTITUTION;

12 (d) IF A SALES OR SALES AND USE TAX IS APPROVED BY VOTERS  
13 PURSUANT TO THIS SECTION:

14 (I) THE RATE OF THE SALES OR SALES AND USE TAX MUST NOT  
15 EXCEED ONE PERCENT ON ANY TRANSACTION TAXABLE BY THE STATE,  
16 EXCLUDING THE SALE OR USE OF CIGARETTES;

17 (II) THE AUTHORITY SHALL APPLY THE MONTHLY TAX COLLECTION  
18 DISTRIBUTIONS RECEIVED FROM THE DEPARTMENT OF REVENUE UNDER  
19 SECTION 29-2-207 SOLELY TO THE PLANNING, FINANCING, ACQUISITION,  
20 CONSTRUCTION, RECONSTRUCTION OR REPAIR, MAINTENANCE,  
21 MANAGEMENT, OR OPERATION OF HOUSING PROJECTS OR PROGRAMS  
22 WITHIN THE MEANS OF HOUSEHOLDS OF LOW OR MODERATE INCOME;

23 (III) THE AUTHORITY SHALL DESIGNATE A LIAISON TO COORDINATE  
24 WITH THE DEPARTMENT OF REVENUE TO IMPLEMENT THE COLLECTION OF  
25 THE SALES OR SALES AND USE TAX PURSUANT TO PART 2 OF ARTICLE 2 OF  
26 THIS TITLE 29 AND TO IDENTIFY PEOPLE ELIGIBLE TO COLLECT THE SALES  
27 AND USE TAX; AND

1 (IV) THE TAX REVENUE COLLECTED PURSUANT TO THIS  
2 SUBSECTION (4)(c) MUST BE DIRECTED TO THE AUTHORITY;

3 (e) IF AN AD VALOREM PROPERTY TAX IS APPROVED BY VOTERS  
4 PURSUANT TO THIS SECTION:

5 (I) THE RATE OF THE AD VALOREM PROPERTY TAX MUST NOT  
6 EXCEED FIVE MILLS ON EACH DOLLAR OF VALUATION FOR ASSESSMENT OF  
7 THE TAXABLE PROPERTY;

8 (II) THE BOARD OF THE AUTHORITY SHALL LEVY THE AD VALOREM  
9 PROPERTY TAX UPON THE VALUATION FOR ASSESSMENT OF ALL TAXABLE  
10 PROPERTY LOCATED WITHIN THE JURISDICTION OF THE AUTHORITY;

11 (III) THE OFFICIALS CHARGED WITH COLLECTING AD VALOREM  
12 PROPERTY TAXES FOR THE COUNTY IN WHICH THE AUTHORITY IS LOCATED  
13 SHALL COLLECT THE TAXES AT THE TIME AND IN THE FORM AND MANNER  
14 AND WITH LIKE INTEREST AND PENALTIES AS OTHER PROPERTY TAXES  
15 COLLECTED WITHIN THE COUNTY;

16 (IV) THE AUTHORITY HAS COMPLIED WITH THE REQUIREMENTS OF  
17 SECTION 39-1-110 (1)(c);

18 (V) THE TAX REVENUE COLLECTED PURSUANT TO THIS SUBSECTION  
19 (4)(d) MUST BE DIRECTED TO THE AUTHORITY; AND

20 (VI) ALL TAX REVENUE COLLECTED PURSUANT TO THIS  
21 SUBSECTION (4)(d), TOGETHER WITH INTEREST THEREON AND PENALTIES  
22 FOR DEFAULT IN PAYMENT THEREOF, AND ALL COSTS OF COLLECTING THE  
23 SAME SHALL CONSTITUTE, UNTIL PAID, A PERPETUAL LIEN ON AND AGAINST  
24 THE PROPERTY TAXED, AND SUCH LIEN SHALL BE ON A PARITY WITH THE  
25 TAX LIEN OF OTHER GENERAL TAXES.

26 (5)(a) FOR THE PURPOSE OF DETERMINING AN AUTHORITY'S FISCAL  
27 YEAR SPENDING LIMIT UNDER SECTION 20 (7)(b) OF ARTICLE X OF THE

1 STATE CONSTITUTION, THE INITIAL SPENDING BASE OF THE AUTHORITY IS  
2 THE AMOUNT OF REVENUES COLLECTED BY THE AUTHORITY FROM  
3 SOURCES NOT EXCLUDED FROM FISCAL YEAR SPENDING PURSUANT TO  
4 SECTION 20 (2)(e) OF ARTICLE X OF THE STATE CONSTITUTION DURING THE  
5 FIRST FULL FISCAL YEAR FOR WHICH THE AUTHORITY COLLECTED  
6 REVENUES.

7 (b) AS USED IN THIS SUBSECTION (5), "FISCAL YEAR" MEANS ANY  
8 YEAR-LONG PERIOD USED BY AN AUTHORITY FOR FISCAL ACCOUNTING  
9 PURPOSES.

10 (6) THE DEPARTMENT OF REVENUE MAY SEEK, ACCEPT, AND  
11 EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES  
12 TO ADMINISTER A SALES OR SALES AND USE TAX THAT IS LEVIED IN  
13 ACCORDANCE WITH THIS SECTION. THE DEPARTMENT OF REVENUE IS NOT  
14 REQUIRED TO ADMINISTER A SALES OR SALES AND USE TAX THAT IS LEVIED  
15 IN ACCORDANCE WITH THIS SECTION UNTIL THE DEPARTMENT HAS  
16 RECEIVED SUFFICIENT MONEY TO DO SO. FOR STATE FISCAL YEAR 2027-28  
17 AND ANY SUBSEQUENT STATE FISCAL YEAR, THE GENERAL ASSEMBLY MAY  
18 APPROPRIATE MONEY FROM THE GENERAL FUND FOR THE  
19 IMPLEMENTATION OF THIS SECTION.

20 (7) SUBSECTIONS (1)(z), (4), AND (5) OF THIS SECTION WILL TAKE  
21 EFFECT IF THE DEPARTMENT OF REVENUE RECEIVES AN AMOUNT OF GIFTS,  
22 GRANTS, AND DONATIONS SUFFICIENT TO PAY FOR THE DEPARTMENT'S  
23 COSTS IN ADMINISTERING A SALES OR SALES AND USE TAX LEVIED IN  
24 ACCORDANCE WITH THIS SECTION. THE EXECUTIVE DIRECTOR OF THE  
25 DEPARTMENT OF REVENUE SHALL NOTIFY THE REVISOR OF STATUTES IN  
26 WRITING OF THE DATE WHEN THE CONDITION SPECIFIED IN THIS  
27 SUBSECTION (7) HAS OCCURRED BY EMAILING THE NOTICE TO

1 REVISOROFSTATUTES.GA@COLEG.GOV. SUBSECTIONS (1)(z), (4), AND (5)  
2 OF THIS SECTION TAKE EFFECT UPON THE DATE IDENTIFIED IN THE NOTICE  
3 THAT THE DEPARTMENT RECEIVED AN AMOUNT OF GIFTS, GRANTS, AND  
4 DONATIONS SUFFICIENT TO PAY FOR THE DEPARTMENT'S COSTS IN  
5 ADMINISTERING A SALES OR SALES AND USE TAX LEVIED IN ACCORDANCE  
6 WITH THIS SECTION OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE,  
7 UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

8 **SECTION 3.** In Colorado Revised Statutes, 29-4-505, **amend** (1)  
9 introductory portion and (1)(g); and **add** (1)(h), (1)(i), (2), (3), (4), and (5)  
10 as follows:

11 **29-4-505. Powers of authority - definition.**

12 (1) A housing authority shall constitute a public body, corporate  
13 and politic, exercise public and essential governmental functions, and  
14 have all the powers necessary and convenient to carry out and effectuate  
15 the purposes and provisions of this part 5, (~~but not the power to levy and~~  
16 ~~collect taxes or special assessments~~) including the following powers:

17 (g) To do all acts and things necessary or convenient to carry out  
18 the powers ~~given~~ AND THE PURPOSES DESCRIBED in this part 5; ~~or the~~  
19 ~~purposes hereof.~~

20 (h) TO PROVIDE FOR THE LEVY OF A SALES TAX, SALES AND USE  
21 TAX, OR PROPERTY TAX IN ACCORDANCE WITH SUBSECTION (2) OF THIS  
22 SECTION; AND

23 (i) TO ISSUE REVENUE OR GENERAL OBLIGATION BONDS AND TO  
24 PLEDGE THE AUTHORITY'S REVENUES AND REVENUE-RAISING POWERS FOR  
25 THE PAYMENT OF SUCH BONDS. SUCH BONDS MUST BE ISSUED ON THE  
26 TERMS AND SUBJECT TO THE CONDITIONS SET FORTH IN SECTION 43-4-609.

27 (2) A HOUSING AUTHORITY MAY PROVIDE FOR THE LEVY OF A

1 SALES TAX, SALES AND USE TAX, OR PROPERTY TAX, THE REVENUE OF  
2 WHICH WILL BE DIRECTED TO THE AUTHORITY, SUBJECT TO THE  
3 FOLLOWING CONDITIONS:

4 (a) THE BOARD CONSENTS TO THE LEVY OF THE SALES TAX, SALES  
5 AND USE TAX, OR PROPERTY TAX;

6 (b) THE AUTHORITY HAS ADOPTED A RESOLUTION DETERMINING  
7 THAT THE LEVYING OF A SALES TAX, SALES AND USE TAX, OR PROPERTY  
8 TAX WILL FAIRLY DISTRIBUTE THE COSTS OF THE AUTHORITY'S ACTIVITIES  
9 AMONG THE BENEFICIARIES OF THE AUTHORITY'S ACTIVITIES AND WILL  
10 NOT IMPOSE AN UNDUE BURDEN ON ANY PARTICULAR GROUP OF PEOPLE OR  
11 BUSINESSES;

12 (c) A BALLOT QUESTION HAS BEEN SUBMITTED TO A VOTE OF THE  
13 REGISTERED ELECTORS OF THE COUNTY IN WHICH THE HOUSING  
14 AUTHORITY IS LOCATED AND SUBSEQUENTLY APPROVED BY A MAJORITY  
15 OF THE REGISTERED ELECTORS VOTING THEREON, AND THE BALLOT  
16 QUESTION:

17 (I) DESCRIBES THE PURPOSES FOR WHICH THE TAX WILL BE USED  
18 BY THE AUTHORITY; AND

19 (II) COMPLIES WITH SECTION 20 OF ARTICLE X OF THE STATE  
20 CONSTITUTION;

21 (d) IF A SALES OR SALES AND USE TAX IS APPROVED BY VOTERS  
22 PURSUANT TO THIS SECTION:

23 (I) THE RATE OF THE SALES OR SALES AND USE TAX MUST NOT  
24 EXCEED ONE PERCENT ON ANY TRANSACTION TAXABLE BY THE STATE,  
25 EXCLUDING THE SALE OR USE OF CIGARETTES; AND

26 (II) THE AUTHORITY SHALL APPLY THE MONTHLY TAX COLLECTION  
27 DISTRIBUTIONS RECEIVED FROM THE DEPARTMENT OF REVENUE UNDER

1 SECTION 29-2-207 SOLELY TO THE PLANNING, FINANCING, ACQUISITION,  
2 CONSTRUCTION, RECONSTRUCTION OR REPAIR, MAINTENANCE,  
3 MANAGEMENT, OR OPERATION OF HOUSING PROJECTS OR PROGRAMS  
4 WITHIN THE MEANS OF HOUSEHOLDS OF LOW OR MODERATE INCOME;

5 (III) THE AUTHORITY SHALL DESIGNATE A LIAISON TO COORDINATE  
6 WITH THE DEPARTMENT OF REVENUE TO IMPLEMENT THE COLLECTION OF  
7 A SALES OR SALES AND USE TAX PURSUANT TO PART 2 OF ARTICLE 2 OF  
8 THIS TITLE 29 AND TO IDENTIFY PEOPLE ELIGIBLE TO COLLECT THE SALES  
9 AND USE TAX; AND

10 (IV) THE TAX REVENUE COLLECTED PURSUANT TO THIS  
11 SUBSECTION (2)(c) MUST BE DIRECTED TO THE AUTHORITY;

12 (e) IF AN AD VALOREM PROPERTY TAX IS APPROVED BY VOTERS  
13 PURSUANT TO THIS SECTION:

14 (I) THE RATE OF THE AD VALOREM PROPERTY TAX MUST NOT  
15 EXCEED FIVE MILLS ON EACH DOLLAR OF VALUATION FOR ASSESSMENT;

16 (II) THE AUTHORITY SHALL LEVY THE AD VALOREM PROPERTY TAX  
17 UPON THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY  
18 LOCATED WITHIN THE JURISDICTION OF THE AUTHORITY;

19 (III) THE OFFICIALS CHARGED WITH COLLECTING AD VALOREM  
20 PROPERTY TAXES FOR THE COUNTY SHALL COLLECT THE TAXES AT THE  
21 TIME AND IN THE FORM AND MANNER AND WITH LIKE INTEREST AND  
22 PENALTIES AS OTHER PROPERTY TAXES COLLECTED WITHIN THE COUNTY;

23 (IV) THE TAX REVENUE COLLECTED PURSUANT TO THIS  
24 SUBSECTION (2)(d) MUST BE DIRECTED TO THE AUTHORITY; AND

25 (V) ALL TAX REVENUE COLLECTED PURSUANT TO THIS SUBSECTION  
26 (2)(d), TOGETHER WITH INTEREST THEREON AND PENALTIES FOR DEFAULT  
27 IN PAYMENT THEREOF, AND ALL COSTS OF COLLECTING THE SAME SHALL

1 CONSTITUTE, UNTIL PAID, A PERPETUAL LIEN ON AND AGAINST THE  
2 PROPERTY TAXED, AND SUCH LIEN SHALL BE ON A PARITY WITH THE TAX  
3 LIEN OF OTHER GENERAL TAXES.

4 (3)(a) FOR THE PURPOSE OF DETERMINING AN AUTHORITY'S FISCAL  
5 YEAR SPENDING LIMIT UNDER SECTION 20 (7)(b) OF ARTICLE X OF THE  
6 STATE CONSTITUTION, THE INITIAL SPENDING BASE OF THE AUTHORITY IS  
7 THE AMOUNT OF REVENUES COLLECTED BY THE AUTHORITY FROM  
8 SOURCES NOT EXCLUDED FROM FISCAL YEAR SPENDING PURSUANT TO  
9 SECTION 20 (2)(e) OF ARTICLE X OF THE STATE CONSTITUTION DURING THE  
10 FIRST FULL FISCAL YEAR FOR WHICH THE AUTHORITY COLLECTED  
11 REVENUES.

12 (b) AS USED IN THIS SUBSECTION (3), "FISCAL YEAR" MEANS ANY  
13 YEAR-LONG PERIOD USED BY AN AUTHORITY FOR FISCAL ACCOUNTING  
14 PURPOSES.

15 (4) THE DEPARTMENT OF REVENUE MAY SEEK, ACCEPT, AND  
16 EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES  
17 TO ADMINISTER A SALES OR SALES AND USE TAX THAT IS LEVIED IN  
18 ACCORDANCE WITH THIS SECTION. THE DEPARTMENT OF REVENUE IS NOT  
19 REQUIRED TO ADMINISTER A SALES OR SALES AND USE TAX THAT IS LEVIED  
20 IN ACCORDANCE WITH THIS SECTION UNTIL THE DEPARTMENT HAS  
21 RECEIVED SUFFICIENT MONEY TO DO SO. FOR STATE FISCAL YEAR 2027-28  
22 AND ANY SUBSEQUENT STATE FISCAL YEAR, THE GENERAL ASSEMBLY MAY  
23 APPROPRIATE MONEY FROM THE GENERAL FUND FOR THE  
24 IMPLEMENTATION OF THIS SECTION.

25 (7) SUBSECTIONS (1)(h), (1)(i), (2), AND (3) OF THIS SECTION WILL  
26 TAKE EFFECT IF THE DEPARTMENT OF REVENUE RECEIVES AN AMOUNT OF  
27 GIFTS, GRANTS, AND DONATIONS SUFFICIENT TO PAY FOR THE

1 DEPARTMENT'S COSTS IN ADMINISTERING A SALES OR SALES AND USE TAX  
2 LEVIED IN ACCORDANCE WITH THIS SECTION. THE EXECUTIVE DIRECTOR OF  
3 THE DEPARTMENT OF REVENUE SHALL NOTIFY THE REVISOR OF STATUTES  
4 IN WRITING OF THE DATE WHEN THE CONDITION SPECIFIED IN THIS  
5 SUBSECTION (7) HAS OCCURRED BY EMAILING THE NOTICE TO  
6 REVISOROFSTATUTES.GA@COLEG.GOV. SUBSECTIONS (1)(h), (1)(i), (2),  
7 AND (3) OF THIS SECTION TAKE EFFECT UPON THE DATE IDENTIFIED IN THE  
8 NOTICE THAT THE DEPARTMENT RECEIVED AN AMOUNT OF GIFTS, GRANTS,  
9 AND DONATIONS SUFFICIENT TO PAY FOR THE DEPARTMENT'S COSTS IN  
10 ADMINISTERING A SALES OR SALES AND USE TAX LEVIED IN ACCORDANCE  
11 WITH THIS SECTION OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE,  
12 UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

13 **SECTION 4.** In Colorado Revised Statutes, 31-25-107, **add**  
14 (11.5) as follows:

15 **31-25-107. Approval of urban renewal plans by local**  
16 **governing body - definitions.**

17 (11.5) (a) AS USED IN THIS SUBSECTION (11.5), "PROPERTY  
18 TAXPAYER" MEANS A PERSON THAT PAYS PROPERTY TAXES ON PROPERTY  
19 SUBJECT TO A DULY EXECUTED AND RECORDED AGREEMENT DESCRIBED IN  
20 SUBSECTION (11.5)(b) OF THIS SECTION.

21 (b) AN AGREEMENT ENTERED INTO BETWEEN A PROPERTY  
22 TAXPAYER AND A GOVERNING BODY OR AN AUTHORITY CONSTITUTES THE  
23 PROPERTY TAXPAYER'S BINDING PAYMENT OBLIGATION AND DOES NOT  
24 CONSTITUTE A PLEDGE OF THE CREDIT OR TAXING POWER OF THE  
25 GOVERNING BODY OR THE AUTHORITY IF THE AGREEMENT GUARANTEES,  
26 ENHANCES, OR SECURES THE REPAYMENT OF BONDS, NOTES, OR OTHER  
27 MULTIPLE FISCAL YEAR OBLIGATIONS ISSUED BY THE GOVERNING BODY OR

1 THE AUTHORITY TO FINANCE URBAN RENEWAL PROJECT COSTS BY:

2 (I) PROVIDING FOR PAYMENTS IN LIEU OF OR IN ADDITION TO TAX

3 INCREMENT REVENUES; OR

4 (II) PROVIDING FOR PAYMENT OBLIGATIONS DESIGNED TO SUPPORT

5 THE FINANCING OR REFINANCING OF URBAN RENEWAL PROJECT COSTS.

6 (c) IF AN AGREEMENT DESCRIBED IN SUBSECTION (11.5)(b) OF THIS

7 SECTION OR A PAYMENT DUE IN ACCORDANCE WITH SUCH AN AGREEMENT

8 IS SECURED BY A LIEN ON REAL PROPERTY, THE LIEN ON REAL PROPERTY:

9 (I) IS EFFECTIVE AND FULLY ENFORCEABLE AUTOMATICALLY UPON

10 THE EXECUTION OF THE AGREEMENT;

11 (II) CONSTITUTES AND IS TREATED AS A PROPERTY TAX;

12 (III) HAS PARITY WITH A REAL PROPERTY TAX LIEN AND HAS

13 PRIORITY OVER AN EXISTING OR SUBSEQUENT MORTGAGE, JUDGMENT,

14 LIEN, OR ENCUMBRANCE EXCEPT FOR A PREVIOUSLY FILED REAL PROPERTY

15 TAX LIEN; AND

16 (IV) MAY BE ENFORCED, COLLECTED, AND FORECLOSED IN THE

17 SAME MANNER AS PROPERTY TAXES, INCLUDING TAX FORECLOSURE,

18 SHERIFF'S SALE, OR JUDICIAL FORECLOSURE, EXCEPT AS LIMITED BY THE

19 PROPERTY TAXPAYER'S RIGHTS TO CHALLENGE THE LIEN OR ASSESSMENT.

20 (d) AN AGREEMENT DESCRIBED IN SUBSECTION (11.5)(b) OF THIS

21 SECTION AND ANY LIEN CREATED THEREUNDER MAY BE ASSIGNED BY THE

22 GOVERNING BOARD OR AUTHORITY TO A TRUSTEE OR PURCHASER OF

23 BONDS, NOTES, OR OTHER INDEBTEDNESS SECURED BY THE AGREEMENT.

24 IF THE AGREEMENT IS ASSIGNED, THE ASSIGNEE HOLDS ALL ENFORCEMENT

25 RIGHTS WHICH WOULD OTHERWISE BE HELD BY THE GOVERNING BOARD OR

26 AUTHORITY.

27 (e) NOTHING IN THIS SUBSECTION (11.5) MAY BE CONSTRUED TO

1 REQUIRE A GOVERNING BODY, AUTHORITY, OR PROPERTY TAXPAYER TO  
2 ENTER INTO AN AGREEMENT DESCRIBED IN SUBSECTION (11.5)(a) OF THIS  
3 SECTION.

4 **SECTION 5.** In Colorado Revised Statutes, 39-1-110, add (1)(c)  
5 as follows:

6 **39-1-110. Notice - formation of political subdivision -**  
7 **boundary change of special district - housing authority intent to levy.**

8 (1)(c) A HOUSING AUTHORITY THAT INTENDS TO PROVIDE FOR THE  
9 LEVY OF A PROPERTY TAX WITHIN ITS JURISDICTION IN ACCORDANCE WITH  
10 SECTION 29-4-209 (4) SHALL NOTIFY THE ASSESSOR AND THE BOARD OF  
11 COUNTY COMMISSIONERS OF EACH COUNTY IN WHICH THE PROPERTY TAX  
12 WILL BE LEVIED, AND SUCH NOTICE MUST SPECIFY THE BOUNDARIES OF THE  
13 AREA IN WHICH PROPERTY WILL BE TAXED. A HOUSING AUTHORITY SHALL  
14 NOT LEVY PROPERTY TAX FOR A CALENDAR YEAR UNLESS THE ASSESSOR  
15 AND THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY WITHIN  
16 WHICH THE PROPERTY TAX WILL BE LEVIED HAVE BEEN NOTIFIED OF THE  
17 INTENT TO LEVY BEFORE JULY 1 OF THAT CALENDAR YEAR AND HAVE  
18 RECEIVED FROM THE AUTHORITY THE FOLLOWING:

19 (I) OFFICIAL NOTICE THAT A TAX WILL BE LEVIED FOR SUCH YEAR;

20 (II) A LEGAL DESCRIPTION; AND

21 (III) A MAP OF THE LEGAL BOUNDARIES OF THE AREA IN WHICH  
22 PROPERTY WILL BE TAXED.

23 **SECTION 6. Effective date.** This act takes effect January 1,  
24 2027.

25 **SECTION 7. Safety clause.** The general assembly finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.