

CHAPTER 381

COURTS

HOUSE BILL 26-1250

BY REPRESENTATIVE(S) DeGraaf and Bacon, Bradley, Brooks, Brown, English, Garcia, Gonzalez R., Keltie, Lieder, Lindsay, Luck, Mabrey, Marshall, Nguyen, Ricks, Sirota, Slaugh, Soper, Story, Titone, Zokaie;
also SENATOR(S) Bright and Wallace, Baisley, Amabile, Benavidez, Bridges, Carson, Frizzell, Gonzales J., Hinrichsen, Jodeh, Kipp, Kolker, Snyder, Weissman, Zamora Wilson, Coleman.

AN ACT

CONCERNING PROCEDURES RELATING TO STATE ACTION RESULTING IN THE RELINQUISHMENT OF PRIVATE PROPERTY, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 16-13-307, **amend** (1.5), (1.6), (1.7) introductory portion, (1.7)(a)(II), (1.7)(b), (1.7)(c), (1.7)(d), (1.7)(e), (1.7)(f), and (5) as follows:

16-13-307. Jurisdiction - venue - parties - process.

(1.5) ~~No~~ A COURT SHALL NOT ENTER judgment of forfeiture of property in any forfeiture proceeding ~~shall be entered~~ unless and until an owner of the property is convicted of an offense listed in section 16-13-301 or 16-13-303, or a lesser included offense of an eligible offense if the conviction is the result of a negotiated guilty plea. Nothing in this section ~~shall be construed to require~~ **REQUIRES** the conviction to be obtained in the same jurisdiction as the jurisdiction in which the forfeiture action is brought. ~~In the event~~ **ONE OR MORE** criminal charges **MUST BE FILED** arising from the ~~same~~ activity giving rise to the forfeiture, ~~proceedings are filed against any individual claiming an interest in the property subject to the forfeiture proceeding, the trial and discovery phases of the forfeiture proceeding shall be stayed by the court~~ **AND THE COURT SHALL STAY THE FORFEITURE PROCEEDING** until the disposition of the criminal charges. A stay shall not be maintained during an appeal or post-conviction proceeding challenging a criminal conviction. Nothing in this section ~~shall be construed to prohibit or prevent~~ **PROHIBITS OR PREVENTS** the parties from contemporaneously resolving criminal charges and a forfeiture proceeding arising from the same activity.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(1.6) Upon acquittal or dismissal of a criminal action against a person named in a forfeiture action related to the criminal action; ~~unless the forfeiture action was brought pursuant to one or more of paragraphs (a) to (f) of subsection (1.7)~~ EXCEPT THAT, IF A PROVISION OF SUBSECTION (1.7) OF THIS SECTION APPLIES, the forfeiture claim shall be dismissed and the seized property shall be returned as respects the subject matter property or interest ~~therein~~ of that person, if the case has been adjudicated as to all other claims, interests, and owners, unless possession of the property is illegal. If the forfeiture action is dismissed or judgment is entered in favor of the claimant, the claimant ~~shall not be~~ IS NOT subject to any monetary charges by the state for storage of the property or expenses incurred in the preservation of the property, unless at the time of dismissal the plaintiff shows that those expenses would have been incurred to prevent waste of the property even if it had not been seized.

(1.7) Notwithstanding ~~the provisions of~~ subsection (1.5) of this section:

(a) (II) If a person lacks standing pursuant to this ~~paragraph (a)~~ SUBSECTION (1.7)(a), the forfeiture action may proceed AGAINST THE PERSON'S INTEREST IN THE PROPERTY, and a judgment of forfeiture may be entered without ~~a~~ THE PERSON'S criminal conviction, ~~of an owner~~, upon motion and notice as provided in the rules of civil procedure.

(b) If, following THE DISPOSITION OF THE CRIMINAL CASE AND notice to all persons known to have an interest, or who have asserted an interest in the property subject to forfeiture, ~~an NO owner fails to file~~ FILES an answer or other appropriate pleading with the court claiming an interest in the subject matter property, or no person establishes standing to contest the forfeiture action pursuant to section 16-13-303 (5), a forfeiture action may proceed and a judgment of forfeiture may be entered without a criminal conviction of an owner.

(c) If the plaintiff proves by clear and convincing evidence that the property was instrumental in the commission of an offense listed in section 16-13-303 (1) or that the property is traceable proceeds of the offense or related criminal activity by a nonowner and the plaintiff proves by clear and convincing evidence that an owner is not an innocent owner pursuant to section 16-13-303 (5.2)(a), a judgment of forfeiture may be entered ~~without~~ ONLY AFTER a criminal conviction of ~~an owner~~ THE NONOWNER IN THE UNDERLYING CRIMINAL OFFENSE RELATED TO THE PROPERTY SUBJECT TO THE FORFEITURE PROCEEDING.

(d) If an owner of the property who was involved in the public nuisance act or conduct giving rise to the claim of forfeiture subsequently dies, THE FORFEITURE ACTION MAY PROCEED AGAINST THE OWNER'S INTEREST IN THE PROPERTY, and IF THE PLAINTIFF PROVES THAT THE DECEASED OWNER was not an innocent owner pursuant to section 16-13-303 (5.2)(a), a judgment of forfeiture may be entered without ~~a~~ THE OWNER'S criminal conviction. ~~of an owner~~.

(e) If an owner received a deferred judgment, deferred sentence, or participated in a diversion program, or in the case of a juvenile a deferred adjudication or deferred sentence or participated in a diversion program for the offense, THE FORFEITURE ACTION MAY PROCEED AGAINST THE OWNER'S INTEREST IN THE

PROPERTY, AND a judgment of forfeiture may be entered without a criminal conviction.

(f) A defendant or claimant ~~shall be~~ is permitted to waive the requirement of a criminal conviction in order to settle a forfeiture action AS TO THE DEFENDANT'S OR CLAIMANT'S INTEREST IN THE PROPERTY.

(5) An action to abate a public nuisance, other than a class 4 public nuisance, and any action in which a temporary restraining order, temporary writ of injunction, or preliminary injunction is requested, ~~shall~~ MUST be commenced by the filing of a complaint, which ~~shall~~ MUST be verified or supported by affidavit. A summons ~~shall~~ MUST be issued and served as in civil cases; except that a copy of the complaint, ~~and~~ copies of any orders issued by the court at the time of filing, ~~shall~~ AND NOTICE OF THE ABILITY TO ACCESS LEGAL REPRESENTATION PURSUANT TO SECTION 16-13-318 MUST be served with the summons.

SECTION 2. In Colorado Revised Statutes, 16-13-311, **amend** (3)(a) introductory portion, (3)(a)(VII)(C), and (6); and **add** (3)(a)(VI.5) as follows:

16-13-311. Disposition of seized personal property.

(3) (a) If the prosecution prevails in the forfeiture action, the court shall order the property forfeited. ~~Such~~ THE COURT'S order perfects the state's right and interest in and title to ~~such~~ THE property and relates back to the date when title to the property vested in the state pursuant to section 16-13-316. Except as otherwise provided in subsection (3)(c) of this section, the court shall also order ~~such~~ THE property to be sold at a public sale by the law enforcement agency in possession of the property in the manner provided for sales on execution, or in another commercially reasonable manner. Property forfeited pursuant to this section or proceeds therefrom must be distributed or applied in the following order:

(VI.5) THE REMAINING PORTION OF THE BALANCE, UP TO FIFTY-FIVE THOUSAND DOLLARS PER FISCAL YEAR, TO THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-1-125 FOR GRANT AND PORTAL ADMINISTRATION RELATED TO CIVIL ASSET FORFEITURE PROCEEDS REQUIRED PURSUANT TO SECTION 16-13-701;

(VII) The balance must be delivered, upon order of the court, as follows:

(C) Twenty-five percent to the ~~law enforcement community services grant program fund, created pursuant to section 24-32-124 (5)~~ FORFEITURE DEFENSE COUNSEL FUND, CREATED IN SECTION 16-13-318 (3).

(6) The state shall issue a certificate of title for a vehicle to the purchaser or seizing agency if ~~said~~ THE vehicle is acquired pursuant to this part 3.

SECTION 3. In Colorado Revised Statutes, **add** 16-13-318 as follows:

16-13-318. Forfeiture defense counsel - fund - definitions.

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADMINISTRATOR" MEANS THE STATE COURT ADMINISTRATOR APPOINTED PURSUANT TO SECTION 13-3-101.

(b) "FORFEITURE DEFENDANT" MEANS A PERSON WHO CLAIMS AN INTEREST IN PROPERTY SUBJECT TO A FORFEITURE PROCEEDING.

(c) "FORFEITURE PROCEEDING" MEANS AN ACTION TO ABATE A PUBLIC NUISANCE PURSUANT TO THIS PART 3, OR AN ACTION FOR FORFEITURE DESCRIBED IN PART 5 OF THIS ARTICLE 13.

(d) "FUND" MEANS THE FORFEITURE DEFENSE COUNSEL FUND ESTABLISHED IN SUBSECTION (3) OF THIS SECTION.

(e) "PRIVATE CONTRACTOR" MEANS THE PRIVATE CONTRACTOR SELECTED BY THE ADMINISTRATOR PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION.

(2) (a) AN INDIGENT FORFEITURE DEFENDANT HAS THE ABILITY TO ACCESS TO LEGAL REPRESENTATION UTILIZING THE FUND.

(b) UPON A FORFEITURE DEFENDANT'S REQUEST, THE COURT SHALL CONTINUE THE FORFEITURE PROCEEDING FOR TWENTY-ONE DAYS OR MORE AFTER THE FORFEITURE DEFENSE COUNSEL BEGINS REPRESENTATION UNLESS THE FORFEITURE DEFENSE COUNSEL WAIVES THE CONTINUANCE. AT ANY TIME BEFORE THE CONTINUANCE ENDS, THE FORFEITURE DEFENDANT IS ALLOWED TO FILE AN INITIAL OR AMENDED ANSWER OR OTHER APPROPRIATE PLEADING TO THE COMPLAINT OR PETITION.

(c) A FORFEITURE DEFENDANT MAY CHOOSE TO APPOINT PRIVATE COUNSEL FOR A FORFEITURE PROCEEDING, OR MAY CHOOSE TO REPRESENT THEMSELF.

(d) THE PRIVATE CONTRACTOR SHALL, PURSUANT TO THE SERVICE AGREEMENT ENTERED INTO PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION, PAY THE FORFEITURE DEFENSE COUNSEL AN AMOUNT NOT TO EXCEED THREE THOUSAND FIVE HUNDRED DOLLARS FOR REPRESENTING THE FORFEITURE DEFENDANT IN A FORFEITURE PROCEEDING UNLESS THE COURT FINDS GOOD CAUSE FOR A HIGHER PAYMENT. IF THE COURT FINDS GOOD CAUSE FOR A HIGHER PAYMENT, THE PRIVATE CONTRACTOR SHALL PAY THE FORFEITURE DEFENSE COUNSEL THE AMOUNT ORDERED.

(e) NOTHING IN THIS SECTION PREVENTS FORFEITURE DEFENSE COUNSEL FROM WITHDRAWING REPRESENTATION OF AN INDIGENT FORFEITURE DEFENDANT IN ACCORDANCE WITH THE COLORADO RULES OF PROFESSIONAL CONDUCT. IF A FORFEITURE DEFENSE COUNSEL WITHDRAWS REPRESENTATION OF AN INDIGENT FORFEITURE DEFENDANT, THE COURT MAY REQUIRE THE PRIVATE CONTRACTOR TO APPOINT ANOTHER FORFEITURE DEFENSE COUNSEL FOR THE DEFENDANT IF THE COURT FINDS THE INTEREST OF JUSTICE REQUIRES ANOTHER APPOINTMENT.

(3) (a) THE FORFEITURE DEFENSE COUNSEL FUND IS CREATED IN THE STATE TREASURY.

(b) (I) THE FUND CONSISTS OF MONEY TRANSFERRED TO THE FUND PURSUANT TO SECTIONS 16-13-311 AND 24-32-124(8) AND ANY OTHER MONEY THAT THE GENERAL

ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE ADMINISTRATOR MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PUBLIC OR PRIVATE SOURCES FOR THE PURPOSES OF THIS SECTION. THE ADMINISTRATOR SHALL TRANSMIT ALL MONEY RECEIVED FROM GIFTS, GRANTS, OR DONATIONS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE ADMINISTRATOR MAY EXPEND ANY STATE MONEY FROM THE FUND TO MAKE PAYMENTS TO THE PRIVATE CONTRACTOR AND FOR DIRECT AND INDIRECT COSTS ASSOCIATED WITH ADMINISTERING THIS SECTION. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(II) NOTWITHSTANDING THIS SUBSECTION (3)(b), THE FUND'S MAXIMUM BALANCE IS FIVE HUNDRED THOUSAND DOLLARS. IF THE FUND'S BALANCE EXCEEDS THE MAXIMUM, THE ADMINISTRATOR SHALL TRANSMIT THE DIFFERENCE OF THE BALANCE OF THE FUND MINUS FIVE HUNDRED THOUSAND DOLLARS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM FUND, CREATED PURSUANT TO SECTION 24-32-124 (5).

(III) NOTWITHSTANDING THIS SUBSECTION (3)(b), BEGINNING IN THE 2027-28 STATE FISCAL YEAR, THE FUND MUST ONLY BE FUNDED THROUGH GIFTS, GRANTS, DONATIONS, AND MONEY TRANSMITTED PURSUANT TO SECTION 16-13-311 (3)(a)(VII)(C). THE GENERAL ASSEMBLY SHALL NOT APPROPRIATE MONEY FROM THE GENERAL FUND TO THE FUND.

(IV) THE SERVICE AGREEMENT BETWEEN THE ADMINISTRATOR AND THE PRIVATE CONTRACTOR MUST BE CONTINGENT ON MONEY BEING IN THE FUND. IF THE FUND DOES NOT HAVE MONEY, THE GENERAL ASSEMBLY IS NOT REQUIRED TO APPROPRIATE OR TRANSFER MONEY TO THE FUND. THE PRIVATE CONTRACTOR IS NOT REQUIRED TO PROVIDE LEGAL DEFENSE FOR INDIGENT CIVIL ASSET FORFEITURE DEFENDANTS IF THERE IS NO BALANCE REMAINING FROM THE MONEY THE PRIVATE CONTRACTOR RECEIVES FROM THE FUND.

(c) (I) ON OR BEFORE DECEMBER 1, 2026, THE ADMINISTRATOR SHALL ENTER INTO A SERVICE AGREEMENT WITH A PRIVATE CONTRACTOR WHO REGULARLY PROVIDES LEGAL SERVICES FOR INDIGENT CLIENTS OR LITIGANTS TO PROVIDE A LEGAL DEFENSE TO A CIVIL ASSET FORFEITURE PROCEEDING OR TO CONTRACT WITH AN ATTORNEY TO PROVIDE A LEGAL DEFENSE TO A CIVIL ASSET FORFEITURE PROCEEDING.

(II) UPON ENTERING INTO AN AGREEMENT WITH A PRIVATE CONTRACTOR, AND ON JULY 1 OF EACH YEAR THEREAFTER, THE ADMINISTRATOR SHALL DISTRIBUTE THE UNENCUMBERED MONEY IN THE FUND TO THE PRIVATE CONTRACTOR.

(III) THE PRIVATE CONTRACTOR SHALL MAINTAIN A LIST OF QUALIFIED ATTORNEYS THAT THE PRIVATE CONTRACTOR MAY PROVIDE OR CONTRACT WITH TO REPRESENT INDIGENT FORFEITURE DEFENDANTS. THE PRIVATE CONTRACTOR SHALL UPDATE AND PROVIDE THE LIST FOR THE ADMINISTRATOR OF CONTRACTED ATTORNEYS ON AN ANNUAL BASIS.

(d) UPON REQUEST OF A FORFEITURE DEFENDANT, THE PRIVATE CONTRACTOR SHALL APPOINT A FORFEITURE DEFENSE COUNSEL FOR THE FORFEITURE DEFENDANT. THE PRIVATE CONTRACTOR SHALL ROTATE THE ATTORNEYS, AS MUCH AS IS PRACTICABLE, TO DISTRIBUTE FORFEITURE DEFENSE COUNSEL CASES EVENLY AMONG QUALIFYING ATTORNEYS SELECTED BY THE PRIVATE CONTRACTOR.

(e) THE PRIVATE CONTRACTOR MAY RETAIN UNSPENT MONEY AT THE END OF A BUDGET YEAR FOR THE PURPOSES OF PROVIDING A LEGAL DEFENSE TO A CIVIL ASSET FORFEITURE PROCEEDING PURSUANT TO THIS SECTION.

(f) IF THERE IS ANY UNSPENT MONEY AT THE END OF THE SERVICE AGREEMENT, THE PRIVATE CONTRACTOR SHALL RETURN THE UNSPENT MONEY TO THE ADMINISTRATOR. THE ADMINISTRATOR SHALL TRANSMIT ALL MONEY RECEIVED FROM THE PRIVATE CONTRACTOR TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

(4) THE PRIVATE CONTRACTOR SHALL REPORT QUARTERLY TO THE ADMINISTRATOR THE FOLLOWING:

(a) THE NUMBER OF ATTORNEYS APPOINTED PURSUANT TO THIS SECTION;

(b) THE COSTS ASSOCIATED WITH EACH CASE;

(c) ANY CHALLENGES OR DIFFICULTIES IN RETAINING ATTORNEYS TO SERVE AS APPOINTED FORFEITURE DEFENSE COUNSEL; AND

(d) THE AMOUNT OF UNSPENT MONEY THE PRIVATE CONTRACTOR RETAINS AT THE END OF THE BUDGET YEAR.

SECTION 4. In Colorado Revised Statutes, 16-13-505, **amend** (1.5), (1.6), (1.7) introductory portion, (1.7)(a)(II), (1.7)(b), (1.7)(c), (1.7)(d), (1.7)(e), (1.7)(f), and (3) introductory portion; and **add** (3)(g) as follows:

16-13-505. Forfeiture proceedings.

(1.5) ~~NO~~ A COURT SHALL NOT ENTER judgment of forfeiture of property in any forfeiture proceeding ~~shall be entered~~ unless and until an owner of the property is convicted of an offense involving the conduct listed in section 16-13-503, or a lesser included offense of an eligible offense if the conviction is the result of a negotiated guilty plea. Nothing in this section ~~shall be construed to require~~ REQUIRES the conviction to be obtained in the same jurisdiction as the jurisdiction in which the forfeiture action is brought. ~~In the event~~ ONE OR MORE criminal charges MUST BE FILED arising from the same activity giving rise to the forfeiture, ~~proceedings are filed against any individual claiming an interest in the property subject to the forfeiture proceeding, the trial and discovery phases of the forfeiture proceeding shall be stayed by the court~~ AND THE COURT SHALL STAY THE FORFEITURE PROCEEDING until the disposition of the criminal charges. A stay shall not be maintained during an appeal or post-conviction proceeding challenging a criminal conviction. Nothing in this section ~~shall be construed to prohibit or prevent~~ PROHIBITS OR PREVENTS the parties from contemporaneously resolving criminal charges and a forfeiture proceeding arising from the same activity.

(1.6) Upon acquittal or dismissal of a criminal action against a person named in a forfeiture action related to the criminal action; ~~unless the forfeiture action was brought pursuant to one or more of paragraphs (a) to (f) of subsection (1.7)~~ EXCEPT THAT, IF A PROVISION OF SUBSECTION (1.7) OF THIS SECTION APPLIES, the forfeiture claim shall be dismissed and the seized property shall be returned as respects the subject matter property or interest ~~therein~~ of that person, if the case has been adjudicated as to all other claims, interests, and owners, unless possession of the property is illegal. If the forfeiture action is dismissed or judgment is entered in favor of the claimant, the claimant ~~shall not be~~ IS NOT subject to any monetary charges by the state for storage of the property or expenses incurred in the preservation of the property, unless at the time of dismissal the plaintiff shows that those expenses would have been incurred to prevent waste of the property even if it had not been seized.

(1.7) Notwithstanding ~~the provisions of~~ subsection (1.5) of this section:

(a) (II) If a person lacks standing pursuant to this ~~paragraph (a)~~ SUBSECTION (1.7)(a), the forfeiture action may proceed AGAINST THE PERSON'S INTEREST IN THE PROPERTY and a judgment of forfeiture may be entered without ~~a~~ THE PERSON'S criminal conviction, ~~of an owner~~, upon motion and notice as provided in the rules of civil procedure.

(b) If, following THE DISPOSITION OF THE CRIMINAL CASE AND notice to all persons known to have an interest or who have asserted an interest in the property subject to forfeiture, ~~an NO owner fails to file~~ FILES an answer or other appropriate response with the court claiming an interest in the subject matter property, or no person establishes standing to contest the forfeiture action pursuant to section 16-13-504 (2), a forfeiture action may proceed and a judgment of forfeiture may be entered without a criminal conviction of an owner.

(c) If the plaintiff proves by clear and convincing evidence that the property was instrumental in the commission of an offense listed in section 16-13-503 (1) or that the property is traceable proceeds of the offense or related criminal activity by a nonowner and the plaintiff proves by clear and convincing evidence that an owner is not an innocent owner pursuant to section 16-13-504 (2.2), a judgment of forfeiture may be entered ~~without~~ ONLY AFTER a criminal conviction of ~~an owner~~ THE NONOWNER IN THE UNDERLYING CRIMINAL OFFENSE RELATED TO THE PROPERTY SUBJECT TO THE FORFEITURE PROCEEDING.

(d) If an owner of the property who was involved in the public nuisance act or conduct giving rise to the claim of forfeiture subsequently dies, THE FORFEITURE ACTION MAY PROCEED AGAINST THE OWNER'S INTEREST IN THE PROPERTY, and IF THE PLAINTIFF PROVES THAT THE DECEASED OWNER was not an innocent owner pursuant to section 16-13-504 (2.2), a judgment of forfeiture may be entered without ~~a~~ THE OWNER'S criminal conviction. ~~of an owner~~.

(e) If an owner received a deferred judgment, deferred sentence, or participated in a diversion program, or in the case of a juvenile a deferred adjudication or deferred sentence or participated in a diversion program for the offense, THE FORFEITURE ACTION MAY PROCEED AGAINST THE OWNER'S INTEREST IN THE

PROPERTY, AND a judgment of forfeiture may be entered without a criminal conviction.

(f) A defendant or claimant ~~shall be~~ is permitted to waive the requirement of a criminal conviction in order to settle a forfeiture action AS TO THE DEFENDANT'S OR CLAIMANT'S INTEREST IN THE PROPERTY.

(3) The citation specified in ~~paragraph (b) of subsection (2)~~ SUBSECTION (2)(b) of this section ~~shall~~ MUST:

(g) ADVISE THE DEFENDANT OF THE ABILITY TO ACCESS FORFEITURE DEFENSE COUNSEL PURSUANT TO SECTION 16-13-318.

SECTION 5. In Colorado Revised Statutes, 24-32-124, **amend** (5)(b); and **add** (8) as follows:

24-32-124. Law enforcement community services grant program - committee - policies and procedures - fund - rules - report - definitions.

(5) (b) The law enforcement community services grant program fund is created in the state treasury. The fund consists of money transferred to the fund pursuant to ~~section 16-13-311~~; SECTION 16-13-318 (3)(b) AND any other money that the general assembly may appropriate or transfer to the fund and any gifts, grants, or donations received by the division. Subject to annual appropriation by the general assembly, the division may only expend money from the fund for the grants awarded pursuant to this section and for up to five percent of the money in the fund for the direct and indirect costs incurred in administering the program. Any unexpended and unencumbered money from an appropriation made for the purposes of this section remains available for expenditure by the division in the next fiscal year without further appropriation.

(8) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION TO THE CONTRARY, ON JULY 1, 2026, THE STATE TREASURER SHALL TRANSFER THE UNEXPENDED AND UNENCUMBERED MONEY IN THE LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM FUND TO THE FORFEITURE DEFENSE COUNSEL FUND CREATED IN SECTION 16-13-318.

SECTION 6. In Colorado Revised Statutes, 13-3-101, **add** (18) as follows:

13-3-101. State court administrator - duties - report - definitions - repeal.

(18) PURSUANT TO SECTION 16-13-318, THE STATE COURT ADMINISTRATOR SHALL CONTRACT WITH LEGAL COUNSEL THAT PROVIDES A LEGAL DEFENSE TO A CIVIL ASSET FORFEITURE PROCEEDING OR TO CONTRACT WITH AN ATTORNEY TO PROVIDE A LEGAL DEFENSE TO A CIVIL ASSET FORFEITURE PROCEEDING.

SECTION 7. Appropriation. (1) For the 2026-27 state fiscal year, \$556,750 is appropriated to the judicial department for use by state courts administration. This appropriation is from the forfeiture defense counsel fund created in section 16-13-318 (3)(a), C.R.S. To implement this act, the administration may use this appropriation for civil assets forfeiture defense contract.

(2) For the 2026-27 state fiscal year, \$55,000 is appropriated to the department of local affairs for use by the division of local government. This appropriation is from the proceeds of property forfeited pursuant to section 16-13-311 (3), C.R.S., that is allocated pursuant to section 16-13-311 (3)(a)(VI.5), C.R.S. To implement this act, the division may use this appropriation for civil asset forfeiture portal administration.

SECTION 8. Effective date - applicability. This act takes effect July 1, 2026, and applies to forfeiture actions commenced on or after said date.

SECTION 9. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 4, 2026