

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

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 19-1081.01 Bob Lackner x4350

HOUSE BILL 19-1322

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A BILL FOR AN ACT

101 **CONCERNING THE USE OF MONEY FROM CERTAIN STATE FUNDS TO**
102 **EXPAND THE SUPPLY OF AFFORDABLE HOUSING STATEWIDE.**

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>.)

Assuming certain conditions are satisfied affecting the state's fiscal situation, **section 1** of the bill requires the state treasurer to transfer a specified amount of money commencing with the 2019-20 state fiscal year and through and including the 2025-26 state fiscal year from the unclaimed property trust fund to the division of housing in the department of local affairs (division) to be deposited by the division into the housing

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.

HOUSE
3rd Reading Unamended
April 26, 2019

HOUSE
Amended 2nd Reading
April 25, 2019

development grant fund.

Section 2 makes parallel changes found in section 1 to the "Revised Uniform Unclaimed Property Act".

In addition to the other sources of money to be deposited into the housing development grant fund, **section 4** specifies that the fund also consists of money transferred by the state treasurer from the unclaimed property trust fund to the division to be deposited into the housing development grant fund to supplement existing money in such fund to be expended for any of the purposes specified in the bill. This section also expands the source of money that may be deposited into the housing development grant fund.

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

2

3 **SECTION 1.** In Colorado Revised Statutes, 38-13-801, **amend**
4 **as enacted by Senate Bill 19-088** (1)(b) and (2)(d); and **add** (3.5) as
5 follows:

6 **38-13-801. Unclaimed property trust fund - creation -**
7 **payments - interest - appropriations - records - rules.** (1) (b) Except
8 as provided in ~~subsections (2) and (3)~~ SUBSECTIONS (2), (3), AND (3.5) of
9 this section, the principal of the trust fund shall not be expended except
10 to pay claims made pursuant to this article 13. Money constituting the
11 principal of the trust fund is not fiscal year spending of the state for
12 purposes of section 20 of article X of the state constitution and is not
13 subject to appropriation by the general assembly.

14 (2) (d) The following amounts constitute fiscal year spending for
15 purposes of section 20 of article X of the state constitution:

16 (I) Any money that is appropriated to the department of the
17 treasury as required by this subsection (2); ~~and~~

18 (II) Any money that is credited to the adult dental fund created in
19 section 25.5-5-207 (4) as required by subsection (3) of this section; AND

1 (III) ANY MONEY THAT IS CREDITED TO THE HOUSING
2 DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) AS
3 REQUIRED BY SUBSECTION (3.5) OF THIS SECTION.

4 (3.5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
5 SECTION, IF, BASED UPON THE ESTIMATE DESCRIBED IN SUBSECTION
6 (3.5)(b)(I) OF THIS SECTION, STATE REVENUES FOR THE 2020-21 STATE
7 FISCAL YEAR THROUGH THE 2022-23 STATE FISCAL YEAR ARE LESS THAN
8 THE TRANSFER CUTOFF AMOUNT, THE STATE TREASURER SHALL TRANSFER
9 FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE DIVISION OF
10 HOUSING TO BE DEPOSITED INTO THE HOUSING DEVELOPMENT GRANT FUND
11 CREATED IN SECTION 24-32-721 (1) NO LATER THAN JUNE 30 OF THE YEAR
12 IN WHICH THE ECONOMIC AND REVENUE FORECAST IS MADE THE AMOUNT
13 OF THIRTY MILLION DOLLARS.

14 (b) (I) IN ITS ANNUAL JUNE FORECAST, LEGISLATIVE COUNCIL
15 STAFF SHALL REPORT ESTIMATES FOR THE CURRENT STATE FISCAL YEAR OF
16 STATE REVENUES, THE TRANSFER CUTOFF AMOUNT, AND THE AMOUNT OF
17 THE TRANSFER REQUIRED BY THIS SECTION BASED ON THOSE ESTIMATES.
18 LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE AMOUNT OF THE
19 ANTICIPATED TRANSFER IN ITS ESTIMATE OF FISCAL YEAR SPENDING FOR
20 THE STATE FISCAL YEAR.

21 (II) ON JUNE 1 OF EACH YEAR, THE STATE TREASURER SHALL
22 NOTIFY LEGISLATIVE COUNCIL STAFF OF THE AMOUNT AVAILABLE IN THE
23 UNCLAIMED PROPERTY TRUST FUND TO BE TRANSFERRED ON JUNE 30 OF
24 THE YEAR UNDER THIS SECTION IF THE AMOUNT IS LESS THAN THIRTY
25 MILLION DOLLARS.

26 (c) AS USED IN THIS SUBSECTION (3.5):

27 (I) "EXCESS STATE REVENUES CAP" HAS THE SAME MEANING AS

1 SET FORTH IN SECTION 24-77-103.6 (6)(b).

2 (II) "JUNE FORECAST" MEANS THE ECONOMIC AND REVENUE
3 FORECAST PREPARED BY LEGISLATIVE COUNCIL STAFF EACH JUNE.

4 (III) "STATE REVENUES" HAS THE SAME MEANING AS SET FORTH IN
5 SECTION 24-77-103.6 (6)(c); EXCEPT THAT IT DOES NOT INCLUDE ANY
6 AMOUNT FOR THE ANTICIPATED TRANSFER PERMITTED BY SUBSECTION
7 (3.5)(a) OF THIS SECTION.

8 (IV) "TRANSFER CUTOFF AMOUNT" MEANS, FOR A GIVEN FISCAL
9 YEAR, AN AMOUNT EQUAL TO THE EXCESS STATE REVENUES CAP FOR THE
10 FISCAL YEAR MINUS THIRTY MILLION DOLLARS.

11 (d) ALL OF THE MONEY TO BE TRANSFERRED PURSUANT TO
12 SUBSECTION (3.5)(a) OF THIS SECTION MUST BE DEPOSITED BY THE
13 DIVISION OF HOUSING INTO THE HOUSING DEVELOPMENT GRANT FUND
14 CREATED IN SECTION 24-32-721 (1) TO FINANCE THE USES DESCRIBED IN
15 SECTION 24-32-721.

16 (e) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
17 FOR EACH STATE FISCAL YEAR THAT A TRANSFER IS NOT MADE, THE LAST
18 YEAR IN WHICH A TRANSFER MAY BE MADE AS SPECIFIED IN SUBSECTION
19 (3.5)(a) OF THIS SECTION IS EXTENDED FOR AN ADDITIONAL STATE FISCAL
20 YEAR. ANY TRANSFER PERMITTED BY SUBSECTION (3.5)(a) OF THIS
21 SECTION SHALL NOT BE MADE IN MORE THAN THREE TOTAL STATE FISCAL
22 YEARS.

23

24 **SECTION 2.** In Colorado Revised Statutes, 24-32-705, **amend**
25 (1)(a) and (1)(n) as follows:

26 **24-32-705. Functions of division.** (1) The division has the
27 following functions:

1 (a) To encourage private enterprise and all public and private
2 agencies engaged in the planning, construction, and acquisition of
3 adequate housing or the rehabilitation or weatherization of existing
4 housing in Colorado by providing research, advisory, and liaison services
5 and rehabilitation, construction, acquisition, and weatherization grants
6 AND LOANS from appropriations made for this purpose by the general
7 assembly. For the purposes of this ~~paragraph (a)~~ SUBSECTION (1)(a),
8 "weatherization" means the provision and installation of materials and
9 devices ~~which~~ THAT improve the thermal performance of a residence so
10 as to conserve energy and reduce energy costs and includes those
11 structural, heating, electrical, and plumbing repairs and improvements
12 which are necessary to safely and effectively improve thermal
13 performance. All such grants AND LOANS to public and private agencies
14 ~~shall~~ MUST be at least equally matched from a nonstate source UNLESS
15 SUFFICIENT LOCAL SOURCES ARE NOT AVAILABLE BECAUSE OF OTHER
16 ESSENTIAL PUBLIC FUNCTIONS and ~~shall~~ MUST be for providing
17 energy-efficient housing to low-income households. None of these grants
18 OR LOANS shall be used for development, planning, or administration
19 which ~~shall~~ MUST be funded within the administrative budget of the
20 division.

21 (n) Pursuant to section 24-32-717, to administer loans to LOCAL
22 GOVERNMENTS, local housing authorities, and public and private
23 ~~nonprofit~~ corporations;

24 **SECTION 3.** In Colorado Revised Statutes, 24-32-721, **amend**
25 (1), (3)(a), and (4)(c); and **add** (1.5), (2)(d), (2)(e), (2)(f), and (3)(c) as
26 follows:

27 **24-32-721. Colorado affordable housing construction grants**

1 **and loans - housing development grant fund - creation - housing**
2 **assistance for a person with a behavioral or mental health disorder**
3 **in the criminal or juvenile justice system - cash fund - definition.**

4 (1) There is hereby created in the state treasury the housing development
5 grant fund, which fund ~~shall be~~ IS administered by the division and is
6 referred to in this section as the "fund". The fund ~~shall consist~~ CONSISTS
7 of ~~moneys~~ MONEY appropriated to the Colorado affordable housing
8 construction grants and loan fund by the general assembly, ALL MONEY
9 TRANSFERRED TO THE FUND FROM THE MARIJUANA TAX CASH FUND
10 CREATED IN SECTION 39-28.8-501 (1) AND ANY OTHER CASH FUND
11 MAINTAINED BY THE STATE, all ~~moneys~~ MONEY collected by the division
12 for purposes of this section from federal grants, from other contributions,
13 gifts, grants, and donations received from any other organization, entity,
14 or individual, public or private, and from any fees or interest earned on
15 such ~~moneys~~ MONEY. The division is hereby authorized and directed to
16 solicit, accept, expend, and disburse all ~~moneys~~ MONEY collected for the
17 fund from the sources specified in this subsection (1) for the purpose of
18 making grants or loans and for program administration as provided in this
19 section. All such ~~moneys shall~~ MONEY MUST be transmitted to the state
20 treasurer to be credited to the fund. The ~~moneys~~ MONEY in the fund are
21 hereby continuously appropriated to the division for the purposes of this
22 section. ~~The moneys in the fund may be expended for the purpose of~~
23 ~~funding activities initiated during the current state fiscal year that are to~~
24 ~~be completed in subsequent state fiscal years.~~

25 (1.5) IN ADDITION TO THE OTHER SOURCES OF MONEY TO BE
26 DEPOSITED INTO THE FUND THAT ARE SPECIFIED IN SUBSECTION (1) OF THIS
27 SECTION, THE FUND ALSO CONSISTS OF MONEY TRANSFERRED BY THE

1 STATE TREASURER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE
2 DIVISION IN ACCORDANCE WITH SECTION 38-13-801 (3.5) TO SUPPLEMENT
3 EXISTING FUNDS TO BE EXPENDED FOR ANY OF THE PURPOSES SPECIFIED IN
4 SUBSECTION (2)(d) OF THIS SECTION.

5 (2) (d) IN ADDITION TO ANY OTHER USE AUTHORIZED UNDER THIS
6 SECTION, MONEY MAY ALSO BE USED FOR THE FOLLOWING PURPOSES,
7 WITHOUT LIMITATION:

8 (I) GRANTS AND LOANS FOR THE ACQUISITION, RENOVATION, AND
9 CONSTRUCTION OF FOR-SALE HOMES IN NONURBAN AREAS FOR
10 PURCHASERS WHO RESIDE IN HOUSEHOLDS WITH AN ANNUAL INCOME UP
11 TO ONE HUNDRED TWENTY PERCENT OF THE AREA MEDIAN INCOME AND
12 DOWN PAYMENT ASSISTANCE PROGRAMS THAT ARE FINANCED IN
13 PARTNERSHIP WITH PRIVATE AND PUBLIC ENTITIES FOR THE DEVELOPMENT
14 OF HOUSING AND THE DELIVERY OF SERVICES THAT ASSIST PERSONS IN
15 HOUSEHOLDS WITH AN ANNUAL INCOME UP TO ONE HUNDRED PERCENT OF
16 THE AREA MEDIAN INCOME;

17 (II) PROGRAMS FOR HOME REHABILITATION;

18 (III) REPAIR, REPLACEMENT, AND DISPOSAL OF MOBILE HOMES IN
19 CONJUNCTION WITH PROGRAMS THAT ARE OPERATED BY LOCAL
20 GOVERNMENTS, LOCAL HOUSING AUTHORITIES, AND PRIVATE
21 ORGANIZATIONS;

22 (IV) GRANTS AND LOANS FOR THE FINANCING OF LAND
23 ACQUISITION AND INFRASTRUCTURE COSTS ASSOCIATED WITH THE
24 PROVISION OF UTILITIES TO SUPPORT DEVELOPMENT OF A PLANNED DEED
25 RESTRICTED RENTAL OR FOR-SALE AFFORDABLE HOUSING DEVELOPMENT;

26 (V) GRANTS AND LOANS TO PRIVATE AND PUBLIC ENTITIES TO
27 PROVIDE FUNDING FOR THE DEVELOPMENT, ACQUISITION, AND

1 REHABILITATION OF AFFORDABLE HOUSING TARGETED AT A SPECIFIC AREA
2 MEDIAN INCOME OR INCOME LEVEL; AND

3 (VI) RENTAL ASSISTANCE PROGRAMS THAT TARGET ONE OR MORE
4 OF THE FOLLOWING PERSONS OR USES:

5 (A) HOMELESS FAMILIES WITH DEPENDENTS OR OTHER CHILDREN
6 ENROLLED IN PRESCHOOL, ELEMENTARY, OR SECONDARY SCHOOLS;

7 (B) MEDICAID CLIENTS IN NURSING HOMES WHO ARE ABLE TO LIVE
8 IN THEIR COMMUNITIES WITH IN-HOME SERVICES;

9 (C) FAMILY UNIFICATION AND RELATED SERVICES;

10 (D) HOMELESS OR DISABLED VETERANS;

11 (E) LOW-INCOME HOUSEHOLDS WITH AN ANNUAL INCOME AT OR
12 BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME; AND

13 (F) SURVIVORS OF DOMESTIC VIOLENCE.

14 (e) IN DETERMINING HOW BEST TO ALLOCATE MONEY TO PROMOTE
15 THE VARIOUS PURPOSES SPECIFIED IN SUBSECTION (2)(d) OF THIS SECTION,
16 THE DIVISION SHALL CONSULT WITH STAKEHOLDERS FROM URBAN AND
17 RURAL COMMUNITIES AND REPRESENTATIVES FROM POPULATIONS OF
18 DIFFERENT INCOME LEVELS WITH DIVERSE HOUSING NEEDS AND SHALL
19 AWARD FUNDING TO MEET THE NEEDS OF LOCAL COMMUNITIES THAT WILL
20 OPTIMIZE THE RETURN ON MONEY INVESTED IN A PARTICULAR PROGRAM OR
21 FOR A PARTICULAR USE, LEVERAGE OTHER AVAILABLE SOURCES OF MONEY,
22 ADDRESS HOUSING NEEDS THROUGHOUT THE STATE, AND SERVE
23 POPULATIONS WITH THE GREATEST UNMET NEED.

24 (f) AS USED IN THIS SUBSECTION (2), "AREA MEDIAN INCOME" IS
25 DETERMINED IN ACCORDANCE WITH GUIDELINES OR OTHER STANDARDS
26 PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND
27 URBAN DEVELOPMENT.

1 (3) (a) Any ~~moneys~~ MONEY in the fund not expended or
2 encumbered from any appropriation at the end of any fiscal year, including
3 interest earned on the investment or deposit of ~~moneys~~ MONEY in the fund,
4 ~~shall~~ remain in the fund and ~~shall~~ DO not revert to the general fund or any
5 other fund and ~~shall~~ remain available for expenditure by the division in ~~the~~
6 ~~next fiscal year~~ SUBSEQUENT FISCAL YEARS for the purposes specified in
7 ~~subsection (2)~~ SUBSECTION (1.5) OR (2) of this section without further
8 appropriation.

9 (c) SUBJECT TO THE LIMITATION ON THE PERCENTAGE OF MONEY
10 APPROPRIATED FROM THE FUND THAT MAY BE EXPENDED FOR THE
11 ADMINISTRATIVE COSTS OF THE DIVISION IN ADMINISTERING THE FUND
12 SPECIFIED IN SUBSECTION (3)(b) OF THIS SECTION, THE DIVISION MAY
13 EXPEND MONEY FROM THE FUND TO HIRE AND EMPLOY INDIVIDUALS IN
14 ORDER TO FULFILL THE PURPOSES OF HOUSE BILL 19-1322, ENACTED IN
15 2019.

16 (4) (c) IN ADDITION TO ANY OTHER USES SPECIFIED IN THIS
17 SECTION, the division shall also provide grants or loans for the acquisition,
18 construction, or rehabilitation of rental housing for persons with
19 behavioral or mental health disorders.

20 **SECTION 4. Act subject to petition - effective date.** This act
21 takes effect at 12:01 a.m. on the day following the expiration of the
22 ninety-day period after final adjournment of the general assembly (August
23 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
24 referendum petition is filed pursuant to section 1 (3) of article V of the
25 state constitution against this act or an item, section, or part of this act
26 within such period, then the act, item, section, or part will not take effect
27 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. ■