

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1302.01 Yelana Love x2295

HOUSE BILL 20-1410

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HOUSE SPONSORSHIP

Gonzales-Gutierrez and Exum, Woodrow

SENATE SPONSORSHIP

Gonzales and Zenzinger,

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House Committees

State, Veterans, & Military Affairs  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING ASSISTANCE FOR INDIVIDUALS FACING A  
102 HOUSING-RELATED HARDSHIP DUE TO THE COVID-19  
103 PANDEMIC, AND, IN CONNECTION THEREWITH, TRANSFERRING  
104 MONEY RECEIVED FROM THE FEDERAL GOVERNMENT PURSUANT  
105 TO THE "CARES ACT" TO THE EVICTION LEGAL DEFENSE FUND  
106 AND THE HOUSING DEVELOPMENT GRANT FUND TO PROVIDE  
107 SUCH ASSISTANCE.

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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>.)*

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.

From money given to the state in the federal "Coronavirus Aid, Relief, and Economic Security Act", the bill allocates:

- ! \$350,000 to the eviction legal defense fund administered by the state court administrator, for the purpose of providing legal assistance to individuals facing eviction related to the COVID-19 pandemic; and
- ! \$19,650,000 to the housing development grant fund administered by the division of housing in the department of local affairs, for the purpose of providing housing assistance, including rental assistance, mortgage assistance, and guidance on other housing assistance, to households facing financial hardship due to the COVID-19 pandemic.

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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 hereby finds and declares that:

4 (a) Due to the COVID-19 pandemic that spread to Colorado in  
5 February of 2020 and the public health emergency resulting from the  
6 pandemic, on March 20, 2020, the governor issued executive order D  
7 2020 012, limiting evictions, foreclosures, and public utilities  
8 disconnections to Coloradans affected by COVID-19 for thirty days;

9 (b) On March 27, 2020, Congress enacted the "Coronavirus Aid,  
10 Relief, and Economic Security Act", Pub.L. 116-136, also referred to as  
11 the "CARES Act", to provide emergency assistance to state, local, and  
12 tribal governments;

13 (c) The CARES Act established the Coronavirus Relief Fund  
14 (CRF) and appropriated \$150 billion to the CRF for distribution, in part,  
15 to the states to cover costs that:

16 (I) Are necessary expenditures incurred due to the public health  
17 emergency with respect to the COVID-19 pandemic;

18 (II) Were not accounted for in the budget most recently approved

1 as of March 27, 2020, for the state; and

2 (III) Were incurred during the period that begins on March 1,  
3 2020, and ends on December 30, 2020;

4 (d) Approximately \$1.674 billion was transferred from the CRF  
5 to the Colorado state government to use for necessary expenditures  
6 incurred due to the current COVID-19 public health emergency, and in  
7 his executive order D 2020 070, dated May 18, 2020, the governor  
8 transferred \$70 million of that money to the general fund for  
9 disbursement by the general assembly;

10 (e) The federal department of the treasury has issued guidance on  
11 states' use of money allocated from the CRF, including the "Coronavirus  
12 Relief Fund Frequently Asked Questions" document issued on May 4,  
13 2020, and updated on May 28, 2020, in which the department indicated  
14 that "a program to assist individuals with payment of overdue rent or  
15 mortgage payments to avoid eviction or foreclosure" is an acceptable use  
16 of this money;

17 (f) The COVID-19 pandemic has led to extensive job losses  
18 throughout the state, where more than 450,000 claims for state and  
19 federal unemployment assistance have been filed since March 1, 2020,  
20 and many Coloradans have experienced a significant decline in their  
21 household incomes;

22 (g) With the extensive job losses and loss of income experienced  
23 by many tenants and mortgagors throughout the state, even after the  
24 expiration of executive order D 2020 012, there will still be Coloradans  
25 who, due to the COVID-19 pandemic and the resulting public health  
26 emergency, will require assistance with rent and mortgage payments and  
27 individuals in need of legal assistance with respect to eviction actions;

1 and

2 (h) Ensuring that people remain in their homes by paying rent or  
3 mortgages will keep more people from becoming homeless and allow  
4 those individuals and families to remain in safe environments,  
5 maintaining their health and safety from COVID-19.

6 (2) The general assembly declares that distributing a portion of the  
7 money that the state receives from the CRF to the housing development  
8 grant fund administered by the division of housing in the department of  
9 local affairs and to the eviction legal defense fund administered by the  
10 state court administrator to assist those entities in paying the costs  
11 incurred due to the current COVID-19 public health emergency, including  
12 the costs described in subsection (1) of this section, which assistance was  
13 not accounted for in the state's budget most recently approved as of  
14 March 27, 2020, is an appropriate, necessary, and lawful use of said  
15 money.

16 **SECTION 2.** In Colorado Revised Statutes, 13-40-127, **add** (7)  
17 as follows:

18 **13-40-127. Eviction legal assistance - fund - rules - report -**  
19 **definitions - repeal.** (7) (a) THE STATE TREASURER SHALL TRANSFER  
20 THREE HUNDRED FIFTY THOUSAND DOLLARS FROM THE GENERAL FUND TO  
21 THE EVICTION LEGAL DEFENSE FUND FOR THE PURPOSE OF PROVIDING  
22 LEGAL REPRESENTATION TO INDIGENT TENANTS TO RESOLVE CIVIL LEGAL  
23 MATTERS ARISING FROM MARCH 1, 2020, THROUGH DECEMBER 30, 2020,  
24 FOR AN EVICTION OR IMPENDING EVICTION RELATED TO THE PUBLIC  
25 HEALTH EMERGENCY CAUSED BY THE COVID-19 PANDEMIC. THE MONEY  
26 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (7)(a) SHALL  
27 BE MAINTAINED IN A SEPARATE ACCOUNT AND USED ONLY FOR THE

1 PURPOSES SPECIFIED IN THIS SUBSECTION (7)(a). THE GENERAL ASSEMBLY  
2 SHALL APPROPRIATE THE MONEY TRANSFERRED TO THE FUND PURSUANT  
3 TO THIS SUBSECTION (7)(a) TO THE ADMINISTRATOR FOR USE IN  
4 ACCORDANCE WITH THIS SUBSECTION (7)(a).

5 (b) AS USED IN THIS SUBSECTION (7), "COVID-19" MEANS THE  
6 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY  
7 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

8 (c) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
9 2021.

10 **SECTION 3.** In Colorado Revised Statutes, 24-32-721, **add** (1.7)  
11 as follows:

12 **24-32-721. Colorado affordable housing construction grants**  
13 **and loans - housing development grant fund - creation - housing**  
14 **assistance for persons with behavioral, mental health, or substance**  
15 **use disorders - cash fund - appropriation - report to general assembly**  
16 **- definitions - rules - repeal.** (1.7) (a) THE STATE TREASURER SHALL  
17 TRANSFER NINETEEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS  
18 FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT GRANT FUND  
19 FOR THE PURPOSE OF PROVIDING HOUSING ASSISTANCE AS SPECIFIED IN  
20 THIS SUBSECTION (1.7). MONEY TRANSFERRED PURSUANT TO THIS  
21 SUBSECTION (1.7)(a) SHALL BE MAINTAINED IN A SEPARATE ACCOUNT.

22 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE THE MONEY  
23 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (1.7) TO THE  
24 DIVISION FOR USE IN PROVIDING INDIVIDUALS AND HOUSEHOLDS WHO, ON  
25 OR AFTER MARCH 1, 2020, HAVE EXPERIENCED FINANCIAL NEED DUE TO  
26 THE FIRST- OR SECOND-ORDER EFFECTS OF THE COVID-19 PANDEMIC,  
27 WITH RENTAL ASSISTANCE, RESIDENTIAL MORTGAGE ASSISTANCE, AND

1 GUIDANCE ON HOW TO ACCESS ADDITIONAL HOUSING SERVICES. THE  
2 DIVISION MUST USE THE MONEY BY DECEMBER 30, 2020, FOR THE  
3 PURPOSES SPECIFIED IN THIS SUBSECTION (1.7).

4 (c) (I) IN DETERMINING HOW TO DISTRIBUTE THE RENTAL  
5 ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION SHALL  
6 PRIORITIZE:

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

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

11 (C) FAMILY UNIFICATION AND RELATED SERVICES;

12 (D) HOMELESS OR DISABLED VETERANS;

13 (E) LOW-INCOME HOUSEHOLDS WITH AN INCOME AT OR BELOW  
14 ONE HUNDRED PERCENT OF THE AREA MEDIAN INCOME;

15 (F) SURVIVORS OF DOMESTIC VIOLENCE;

16 (G) PEOPLE EXPERIENCING HOMELESSNESS WHO ARE AT A HIGHER  
17 RISK OF CONTRACTING COVID-19 ACCORDING TO THE FEDERAL CENTERS  
18 FOR DISEASE CONTROL; AND

19 (H) ENTITIES THAT PROVIDE DIRECT SERVICES TO YOUTH  
20 EXPERIENCING OR AT RISK OF EXPERIENCING HOMELESSNESS.

21 (II) (A) IN ACCORDANCE WITH POLICIES AND PROCEDURES  
22 ESTABLISHED BY THE DIVISION, A LANDLORD MAY SEEK RENTAL  
23 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) ON BEHALF OF THE  
24 LANDLORD'S TENANTS WHO HAVE EXPERIENCED FINANCIAL NEED ON OR  
25 AFTER MARCH 1, 2020, DUE TO THE FIRST- OR SECOND-ORDER EFFECTS OF  
26 THE COVID-19 PANDEMIC. THIS SUBSECTION (1.7) DOES NOT AUTHORIZE  
27 A LANDLORD TO OBTAIN INFORMATION ABOUT A TENANT THAT VIOLATES

1 THE TENANT'S RIGHT TO PRIVACY OR ANY OTHER LAW.

2 (B) IN ACCEPTING RENTAL ASSISTANCE ON BEHALF OF A TENANT  
3 IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II), THE LANDLORD IS  
4 PROHIBITED FROM COMMENCING EVICTION PROCEEDINGS AGAINST A  
5 TENANT FOR WHOM THE ASSISTANCE WAS PROVIDED FOR THE MONTH FOR  
6 WHICH THE ASSISTANCE WAS PROVIDED.

7 (C) A LANDLORD RECEIVING RENTAL ASSISTANCE ON BEHALF OF  
8 A TENANT IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II) SHALL  
9 PROVIDE THE TENANT WITH A RECEIPT ACKNOWLEDGING THE PAYMENT OF  
10 RENT AS REQUIRED BY SECTION 38-12-802.

11 (d) IN DETERMINING HOW TO PRIORITIZE THE RESIDENTIAL  
12 MORTGAGE ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION  
13 SHALL PRIORITIZE HOUSEHOLDS WITH AN INCOME AT OR BELOW ONE  
14 HUNDRED PERCENT OF THE AREA MEDIAN INCOME.

15 (e) THE DIVISION MAY PROMULGATE RULES NECESSARY TO  
16 IMPLEMENT THIS SUBSECTION (1.7).

17 (f) AN ASSOCIATION OR ORGANIZATION THAT RECEIVES  
18 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) IS NOT REQUIRED TO  
19 INDEPENDENTLY VERIFY THE TENANT'S OR BORROWER'S FINANCIAL NEED  
20 IF THE TENANT OR BORROWER OR LANDLORD ATTESTS THAT THE TENANT  
21 OR BORROWER, AS APPROPRIATE, HAS EXPERIENCED AN ADVERSE  
22 FINANCIAL IMPACT DUE TO THE FIRST- OR SECOND-ORDER EFFECTS OF THE  
23 COVID-19 PANDEMIC.

24 (g) HOUSING ASSISTANCE PROVIDED UNDER THIS SUBSECTION (1.7)  
25 IS SHORT-TERM, NONCASH, IN-KIND EMERGENCY DISASTER RELIEF.

26 (h) THE DIVISION SHALL NOT PROVIDE ASSISTANCE UNDER THIS  
27 SUBSECTION (1.7) FOR THE PURPOSE OF HOUSING DEVELOPMENT.

1           (i) AS USED IN THIS SUBSECTION (1.7), "COVID-19" MEANS THE  
2           CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY  
3           SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

4           (j) THIS SUBSECTION (1.7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
5           2021.

6           **SECTION 4. Safety clause.** The general assembly hereby finds,  
7           determines, and declares that this act is necessary for the immediate  
8           preservation of the public peace, health, or safety.