



Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

Revised Fiscal Note

(replaces fiscal note dated November 17, 2023)

Drafting Number:	LLS 23B-0015	Date:	November 18, 2023
Prime Sponsors:	Rep. Lindsay; Herod Sen. Gonzales	Bill Status:	House Third Reading
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Bill Topic: EMERGENCY RENTAL ASSISTANCE GRANT PROGRAM

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates an emergency rent assistance grant program in the Department of Local Affairs. The bill transfers General Fund money for the program and increases state expenditures in the current FY 2023-24 only.

Appropriation Summary: No appropriation is required; costs from the bill will be paid from a continuously appropriated cash fund.

Fiscal Note Status: This revised fiscal note reflects the engrossed bill.

**Table 1
State Fiscal Impacts Under HB 23B-1001**

		Current Year FY 2023-24	Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-	-
Expenditures	Cash Funds	\$30,000,000	-	-
	Total Expenditures	\$30,000,000	-	-
	Total FTE	3.0 FTE		
Transfers	General Fund	(\$15,100,000)	-	-
	Cash Funds	(\$14,900,000)	-	-
	Cash Fund	\$30,000,000		
	Net Transfer	\$0	-	-
Other Budget Impacts		-	-	-

Summary of Legislation

The bill creates the Emergency Rent Assistance Grant Program in the Division of Housing in the Department of Local Affairs (DOLA) to provide grants to tenants who meet certain income requirements and are at risk of eviction or displacement. DOLA must administer the program and contract with nonprofit organizations to award grants.

To receive a grant, tenants must apply through an online application portal. DOLA must then assign applicants to a nonprofit that will facilitate awarding grants to eligible applicants. The bill outlines criteria for DOLA to prioritize grant awards and grant eligibility, as well as allowable uses of grant funds. Each nonprofit must report each grant facilitated to DOLA, and DOLA must report this information to the General Assembly. Landlords sending late rent notices or demands for payment of rent are encouraged to inform tenants about the grant program.

Within three days of the bill's effective date, the treasurer must transfer \$15.1 million from the General Fund, and \$14.9 million from the Revenue Loss Restoration Cash Fund, to the Housing Development Grant Cash Fund. Any money unspent at the end of the current FY 2023-24 reverts to the source fund from which it was transferred. The program is repealed June 30, 2025.

State Transfers

In the current FY 2023-24, the bill transfers \$15.1 million from the General Fund, and \$14.9 million from the Revenue Loss Restoration Cash Fund, to the Housing Development Cash Fund.

State Expenditures

In the current FY 2023-24, cash fund expenditures in DOLA will increase by up to \$30 million to administer the program and contract with nonprofit organizations to award grants. DOLA currently has staff from the Emergency Rental Assistance program established to distribute federal aid during the COVID-19 Pandemic. Federal funding is slated to be exhausted; therefore, part of the \$30 million transferred will be used to continue 3.0 FTE to administer the program. In addition, part of the money will cover nonprofits' administrative expenses. This is estimated at \$154,000. In total, administrative costs are estimated to be \$463,000, leaving \$29.5 million for grants. Money in the Housing Development Cash Fund is continuously appropriated to DOLA.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Local Affairs

Legislative Council Staff