

First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 21-1023.02 Bob Lackner x4350

**HOUSE BILL 21-1329**

**HOUSE SPONSORSHIP**

**Gonzales-Gutierrez and Woodrow,**

**SENATE SPONSORSHIP**

**Holbert and Gonzales,**

**House Committees**

Transportation & Local Government  
Appropriations

**Senate Committees**

**A BILL FOR AN ACT**

101 **CONCERNING THE USE OF MONEY THE STATE RECEIVES FROM THE**  
102 **FEDERAL GOVERNMENT UNDER THE "AMERICAN RESCUE PLAN**  
103 **ACT OF 2021" TO MAKE INVESTMENTS IN HOUSING TO ASSIST**  
104 **PERSONS DISPROPORTIONATELY IMPACTED BY THE COVID-19**  
105 **PUBLIC HEALTH EMERGENCY FACING HOUSING INSECURITY,**  
106 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

**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 federal government enacted the "American Rescue Plan Act

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  
Amended 2nd Reading  
June 3, 2021

of 2021" (federal act) to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and to assist them in their efforts to contain the effects of COVID-19 on their communities, residents, and businesses. Under the federal act, the state of Colorado receives over \$500 million to address the housing needs of populations, households, or geographic areas disproportionately affected by the COVID-19 public health emergency.

The bill creates the affordable housing and home ownership cash fund (fund) in the state treasury. To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, the bill authorizes the general assembly to appropriate money from the fund to a department for programs or services that benefit populations, households, or geographic areas disproportionately impacted by the COVID-19 public health emergency, focusing on programs or services that address housing insecurity, lack of affordable housing, or homelessness.

Three days after the effective date of the bill, the state treasurer is required to transfer \$550 million from the "American Rescue Plan Act of 2021" cash fund to the fund.

The bill requires the executive committee of the legislative council, by resolution, to create a task force to meet during the 2021 interim and issue a report with recommendations to the general assembly and the governor on policies to create transformative change in the area of housing using money the state receives from the federal act. The task force may include nonlegislative members and have working groups created to assist them.

For the 2021-22 state fiscal year, the bill appropriates \$100 million to the department of local affairs for use by the division of housing (division). This appropriation is from the fund. To implement the bill, the division may use the appropriation for programs and services that provide gap financing for projects financed through the housing investment trust fund or the housing development grant fund to assist populations, households, or geographic areas disproportionately affected by the COVID-19 public health emergency in order to obtain affordable housing by the acquisition, construction, or renovation of affordable housing projects or land acquisition, thus enabling individuals and families to relocate to neighborhoods with high levels of economic opportunity and reducing concentrated areas of low economic opportunity.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 24-75-229 as  
3 follows:

1           **24-75-229. Affordable housing and home ownership cash fund**

2           **- creation - allowable uses - task force - legislative declaration -**

3           **definitions - repeal.** (1) THE GENERAL ASSEMBLY FINDS, DETERMINES,

4           AND DECLARES THAT:

5           (a) AS A RESULT OF THE COVID-19 PUBLIC HEALTH EMERGENCY,  
6           A SIGNIFICANT SHARE OF HOUSEHOLDS ACROSS THE STATE NOW FACE  
7           VARIOUS FORMS OF HOUSING INSECURITY;

8           (b) ALTHOUGH THE IMPACTS OF THE COVID-19 PUBLIC HEALTH  
9           EMERGENCY HAVE BEEN WIDESPREAD, BOTH THE PUBLIC HEALTH AND  
10          ECONOMIC IMPACT OF THE PANDEMIC HAVE FALLEN MOST SEVERELY ON  
11          DISADVANTAGED COMMUNITIES AND POPULATIONS. LOW-INCOME  
12          COMMUNITIES, PEOPLE OF COLOR, AND TRIBAL COMMUNITIES HAVE FACED  
13          HIGHER RATES OF INFECTION, HOSPITALIZATION, AND DEATH, AS WELL AS  
14          HIGHER RATES OF UNEMPLOYMENT AND LACK OF BASIC NECESSITIES SUCH  
15          AS FOOD AND HOUSING. PREEXISTING SOCIAL VULNERABILITIES MAGNIFIED  
16          THE PANDEMIC IN THESE COMMUNITIES, WHERE A REDUCED ABILITY TO  
17          WORK FROM HOME AND DENSER HOUSING AMPLIFIED THE RISK OF  
18          INFECTION.

19          (c) THE FEDERAL GOVERNMENT ENACTED THE "AMERICAN RESCUE  
20          PLAN ACT OF 2021" TO PROVIDE SUPPORT TO STATE, LOCAL, AND TRIBAL  
21          GOVERNMENTS IN RESPONDING TO THE IMPACT OF COVID-19 AND TO  
22          ASSIST THEIR EFFORTS TO CONTAIN THE EFFECTS OF COVID-19 ON THEIR  
23          COMMUNITIES, RESIDENTS, AND BUSINESSES. UNDER THE FEDERAL ACT,  
24          THE STATE OF COLORADO RECEIVES OVER THREE BILLION DOLLARS TO BE  
25          USED FOR THE PURPOSES IDENTIFIED IN THE FEDERAL ACT.

26          (d) REGULATIONS CONSTRUING THE FEDERAL ACT PROMULGATED  
27          BY THE UNITED STATES TREASURY IDENTIFY A NONEXCLUSIVE LIST OF

1 USES THAT ADDRESS THE DISPROPORTIONATE NEGATIVE ECONOMIC  
2 EFFECTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY, INCLUDING  
3 BUILDING STRONGER COMMUNITIES THROUGH INVESTMENTS IN HOUSING  
4 AND NEIGHBORHOODS. SERVICES IN THIS CATEGORY ALLEVIATE THE  
5 IMMEDIATE ECONOMIC IMPACT OF THE COVID-19 PUBLIC HEALTH  
6 EMERGENCY ON HOUSING INSECURITY, WHILE ADDRESSING CONDITIONS  
7 THAT CONTRIBUTED TO POOR PUBLIC HEALTH AND ECONOMIC OUTCOMES  
8 DURING THE PANDEMIC, NAMELY CONCENTRATED AREAS WITH LIMITED  
9 ECONOMIC OPPORTUNITY AND INADEQUATE OR POOR QUALITY HOUSING.  
10 UNDER THESE REGULATIONS, FUNDS MAY BE USED FOR PROGRAMS OR  
11 SERVICES THAT ADDRESS HOUSING INSECURITY, LACK OF AFFORDABLE  
12 AND WORKFORCE HOUSING, OR HOMELESSNESS, INCLUDING:

13 (I) SUPPORTIVE HOUSING OR OTHER PROGRAMS OR SERVICES TO  
14 IMPROVE ACCESS TO STABLE, AFFORDABLE HOUSING AMONG UNHOUSED  
15 INDIVIDUALS;

16 (II) THE DEVELOPMENT OF AFFORDABLE HOUSING TO INCREASE  
17 THE SUPPLY OF AFFORDABLE HOUSING UNITS THAT ARE LIVABLE, VIBRANT,  
18 AND DRIVEN BY COMMUNITY BENEFITS; AND

19 (III) HOUSING VOUCHERS AND ASSISTANCE TO ALLOW  
20 INDIVIDUALS TO RELOCATE IN NEIGHBORHOODS WITH HIGH LEVELS OF  
21 ECONOMIC OPPORTUNITY AND TO REDUCE CONCENTRATED AREAS OF LOW  
22 ECONOMIC OPPORTUNITY.

23 (e) THE GENERAL ASSEMBLY FURTHER DETERMINES THAT THE  
24 PROGRAMS AND SERVICES FUNDED BY THE TRANSFERS IN THIS SECTION  
25 ARE APPROPRIATE USES OF THE MONEY TRANSFERRED TO COLORADO  
26 UNDER THE FEDERAL ACT. THIS MONEY WILL BE PUT TO EXPEDITIOUS AND  
27 EFFICIENT USE IN BUILDING STRONGER COMMUNITIES ACROSS THE STATE

1 BY MAKING INVESTMENTS IN HOUSING FOR POPULATIONS, HOUSEHOLDS,  
2 OR GEOGRAPHIC AREAS DISPROPORTIONATELY AFFECTED BY THE  
3 COVID-19 PUBLIC HEALTH EMERGENCY.

4 (f) BY THE ENACTMENT OF THIS BILL, THE GENERAL ASSEMBLY  
5 INTENDS THAT THE MONEY APPROPRIATED TO THE DEPARTMENT OF LOCAL  
6 AFFAIRS FOR USE BY THE DIVISION OF HOUSING FROM THE AFFORDABLE  
7 HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION  
8 24-75-229 (3)(a) BE USED TO FINANCE PROGRAMS AND SERVICES THAT  
9 PROVIDE GAP FINANCING FOR PROJECTS FINANCED THROUGH THE HOUSING  
10 INVESTMENT TRUST FUND CREATED IN SECTION 24-32-717, C.R.S., OR THE  
11 HOUSING DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721,  
12 C.R.S. THE GENERAL ASSEMBLY FURTHER INTENDS THAT THE PROGRAMS  
13 AND SERVICES FINANCED BY THIS APPROPRIATION ASSIST POPULATIONS,  
14 HOUSEHOLDS, OR GEOGRAPHIC AREAS DISPROPORTIONATELY AFFECTED BY  
15 THE COVID-19 PUBLIC HEALTH EMERGENCY IN ORDER TO OBTAIN  
16 AFFORDABLE HOUSING BY THE ACQUISITION, CONSTRUCTION, OR  
17 RENOVATION OF AFFORDABLE HOUSING PROJECTS OR LAND ACQUISITION,  
18 THUS ENABLING INDIVIDUALS AND FAMILIES TO RELOCATE TO  
19 NEIGHBORHOODS WITH HIGH LEVELS OF ECONOMIC OPPORTUNITY AND  
20 REDUCING CONCENTRATED AREAS OF LOW ECONOMIC OPPORTUNITY.

21 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
22 REQUIRES:

23 (a) "AMERICAN RESCUE PLAN ACT OF 2021" OR "FEDERAL ACT"  
24 MEANS THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L.  
25 117-2, AS THE ACT MAY BE SUBSEQUENTLY AMENDED.

26 (b) "DEPARTMENT" MEANS A PRINCIPAL DEPARTMENT IDENTIFIED  
27 IN SECTION 24-1-110, THE JUDICIAL DEPARTMENT, AND THE LEGISLATIVE

1 DEPARTMENT.

2 (c) "FUND" MEANS EITHER THE AFFORDABLE HOUSING AND HOME  
3 OWNERSHIP CASH FUND CREATED IN SUBSECTION (3)(a) OF THIS SECTION  
4 OR AN IDENTICAL COMPANION FUND CREATED IN SECTION 24-75-226  
5 (4)(c).

6 (3) (a) THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH  
7 FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS  
8 OF MONEY DEPOSITED IN THE FUND IN ACCORDANCE WITH SUBSECTION  
9 (3)(b) OF THIS SECTION AND ANY OTHER MONEY THAT THE GENERAL  
10 ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. TO RESPOND TO  
11 THE PUBLIC HEALTH EMERGENCY WITH RESPECT TO COVID-19 OR ITS  
12 NEGATIVE ECONOMIC IMPACTS, THE GENERAL ASSEMBLY MAY  
13 APPROPRIATE OR TRANSFER MONEY FROM THE FUND TO A DEPARTMENT OR  
14 CASH FUND FOR PROGRAMS OR SERVICES THAT BENEFIT POPULATIONS,  
15 HOUSEHOLDS, OR GEOGRAPHIC AREAS DISPROPORTIONATELY AFFECTED BY  
16 THE COVID-19 PUBLIC HEALTH EMERGENCY TO OBTAIN AFFORDABLE  
17 HOUSING, FOCUSING ON PROGRAMS OR SERVICES THAT ADDRESS HOUSING  
18 INSECURITY, LACK OF AFFORDABLE AND WORKFORCE HOUSING, OR  
19 HOMELESSNESS. MONEY FROM THE FUND MAY BE EXPENDED TO SUPPORT  
20 THE TASK FORCE CREATED IN SUBSECTION (5)(a) OF THIS SECTION.  
21 PERMISSIBLE USES OF SUCH MONEY INCLUDE COSTS ASSOCIATED WITH THE  
22 CREATION AND ADMINISTRATION OF THE TASK FORCE AND RELATED  
23 EXPENSES FOR RESEARCH AND EVALUATION UNDERTAKEN BY THE TASK  
24 FORCE.

25 (b) (I) THREE DAYS AFTER THE EFFECTIVE DATE OF THIS  
26 SUBSECTION (3)(b)(I), THE STATE TREASURER SHALL TRANSFER FIVE  
27 HUNDRED FIFTY MILLION DOLLARS FROM THE "AMERICAN RESCUE PLAN

1 ACT OF 2021" CASH FUND CREATED IN SECTION 24-75-226 TO THE FUND;  
2 AND

3 (II) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
4 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
5 FUND TO THE FUND.

6 (c) THE DIVISION OF HOUSING WITHIN THE DEPARTMENT OF LOCAL  
7 AFFAIRS SHALL USE THE APPROPRIATION MADE BY HOUSE BILL 21-1329,  
8 ENACTED IN 2021, FOR PROGRAMS OR SERVICES OF THE TYPE AND KIND  
9 FINANCED THROUGH THE HOUSING INVESTMENT TRUST FUND CREATED IN  
10 SECTION 24-32-717 OR THE HOUSING DEVELOPMENT GRANT FUND  
11 CREATED IN SECTION 24-32-721 TO SUPPORT THE PROGRAMS OR SERVICES  
12 THAT BENEFIT POPULATIONS, HOUSEHOLDS, OR GEOGRAPHIC AREAS  
13 DISPROPORTIONATELY AFFECTED BY THE COVID-19 PUBLIC HEALTH  
14 EMERGENCY TO OBTAIN AFFORDABLE HOUSING, FOCUSING ON PROGRAMS  
15 OR SERVICES THAT ADDRESS HOUSING INSECURITY, LACK OF AFFORDABLE  
16 AND WORKFORCE HOUSING, OR HOMELESSNESS, INCLUDING THE  
17 PROGRAMS OR SERVICES DESCRIBED IN SUBSECTION (1)(d) OF THIS  
18 SECTION. THE DIVISION MAY USE NOT MORE THAN THREE PERCENT OF ANY  
19 MONEY APPROPRIATED OR TRANSFERRED TO IT UNDER HOUSE BILL 1329,  
20 ENACTED IN 2021, TO COVER THE TOTAL ADMINISTRATIVE COSTS OF THE  
21 DIVISION IN ADMINISTERING THE PROGRAMS OR SERVICES FOR WHICH  
22 MONEY IS APPROPRIATED OR TRANSFERRED TO IT UNDER HOUSE BILL  
23 1329, ENACTED IN 2021.

24 (4) A DEPARTMENT MAY EXPEND MONEY APPROPRIATED FROM THE  
25 FUND FOR PURPOSES PERMITTED UNDER THE "AMERICAN RESCUE PLAN  
26 ACT OF 2021" AND SHALL NOT USE THE MONEY FOR ANY PURPOSE  
27 PROHIBITED BY THE ACT. A DEPARTMENT, NONPROFIT ORGANIZATION, OR

1 LOCAL GOVERNMENT, INCLUDING A COUNTY, MUNICIPALITY, SPECIAL  
2 DISTRICT, OR SCHOOL DISTRICT, OR ANY OTHER PERSON WHO RECEIVES  
3 MONEY FROM THE FUND SHALL COMPLY WITH ANY REQUIREMENTS SET  
4 FORTH IN SECTION 24-75-226.

5 (5) (a) THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL  
6 SHALL, BY RESOLUTION, CREATE A TASK FORCE TO MEET DURING THE 2021  
7 INTERIM AND ISSUE A REPORT WITH RECOMMENDATIONS TO THE GENERAL  
8 ASSEMBLY AND THE GOVERNOR ON POLICIES TO CREATE TRANSFORMATIVE  
9 CHANGE IN THE AREA OF HOUSING USING MONEY THE STATE RECEIVES  
10 FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND UNDER  
11 TITLE IX, SUBTITLE M OF THE "AMERICAN RESCUE PLAN ACT OF 2021".  
12 THE GENERAL ASSEMBLY SHALL ALSO REVIEW RECOMMENDATIONS FOR  
13 SUCH POLICIES SUBMITTED BY THE STRATEGIC HOUSING WORKING GROUP  
14 ASSEMBLED BY THE DEPARTMENT AND THE STATE HOUSING BOARD  
15 CREATED IN SECTION 24-32-706 (1).

16 (b) THE TASK FORCE MAY INCLUDE NONLEGISLATIVE MEMBERS  
17 AND CREATE WORKING GROUPS TO ASSIST THEM. THE EXECUTIVE  
18 COMMITTEE OF THE LEGISLATIVE COUNCIL SHALL HIRE A FACILITATOR TO  
19 GUIDE THE WORK OF THE TASK FORCE.

20 (c) THE TASK FORCE CREATED IN THIS SECTION IS NOT SUBJECT TO  
21 THE REQUIREMENTS SPECIFIED IN SECTION 2-3-303.3 OR RULE 24A OF THE  
22 JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES. THE  
23 EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL SHALL SPECIFY  
24 REQUIREMENTS GOVERNING MEMBERS' PARTICIPATION IN THE TASK FORCE.  
25 THE TASK FORCE SHALL NOT SUBMIT BILL DRAFTS AS PART OF THEIR  
26 RECOMMENDATIONS.

27 (d) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO



1 THE LEGISLATIVE BRANCH OF STATE GOVERNMENT FOR PAYMENT OF THE  
2 REASONABLE EXPENSES INCURRED BY THE TASK FORCE SUBJECT TO THE  
3 APPROVAL OF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL.

4 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

5 **SECTION 2.** In Colorado Revised Statutes, 24-32-721, **add** (5)  
6 as follows:

7 **24-32-721. Colorado affordable housing construction grants**  
8 **and loans - housing development grant fund - creation - housing**  
9 **assistance for persons with behavioral, mental health, or substance**  
10 **use disorders - cash fund - appropriation - report to general assembly**  
11 **- rules - definitions - repeal.** (5) ANY PRINCIPAL OR INTEREST PAYMENTS  
12 RECEIVED BY THE DIVISION FROM A BORROWER PURSUANT TO A LOAN  
13 ORIGINATED USING FUNDS APPROPRIATED FROM THE AFFORDABLE  
14 HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION  
15 24-75-229 (3)(a) MUST BE DEPOSITED IN THE THE HOUSING INVESTMENT  
16 TRUST FUND CREATED IN SECTION 24-32-717 (1).

17 **SECTION 3. Appropriation.** (1) For the 2021-22 state fiscal  
18 year, \$100,000,000 is appropriated to the department of local affairs for  
19 use by the division of housing. This appropriation is from the affordable  
20 housing and home ownership cash fund created in section 24-75-229  
21 (3)(a), C.R.S. and of money the state received from the federal  
22 coronavirus state fiscal recovery fund. To implement this act, the division  
23 may use the appropriation for purposes authorized in section 24-75-229  
24 (3), C.R.S. Any money appropriated in this subsection that is not  
25 expended or encumbered at the end of the 2021-22 state fiscal year  
26 remains available for expenditure in subsequent fiscal years without  
27 further appropriation, subject to the requirements for obligating and

1 expending money received under the federal "American Rescue Plan Act  
2 of 2021", Pub. L. 117-2, as the act may be subsequently amended as  
3 specified in section 24-75-226 (4)(d).

4 (2) For the 2021-22 state fiscal year, \$200,000 is appropriated to  
5 the legislative department. This appropriation is from the affordable  
6 housing and home ownership cash fund created in Section 24-75-229  
7 (3)(a), C.R.S., and originates from the general fund. The department may  
8 use this appropriation to implement this act.

9 **SECTION 4. Effective date.** This act takes effect only if Senate  
10 Bill 21-288 becomes law, and, in which case, this act takes effect either  
11 upon the effective date of this act or one day after the effective date of  
12 Senate Bill 21-288, whichever is later.

13 **SECTION 5. Safety clause.** The general assembly hereby finds,  
14 determines, and declares that this act is necessary for the immediate  
15 preservation of the public peace, health, or safety.