

**Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-1001.01 Chelsea Princell x4335

HOUSE BILL 22-1377

HOUSE SPONSORSHIP

Woodrow and Exum,

SENATE SPONSORSHIP

Kolker and Gonzales,

House Committees

Transportation & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE CONNECTING COLORADANS**
102 **EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY**
103 **CARE, AND HOUSING SUPPORTS GRANT PROGRAM.**

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 bill creates the connecting Coloradans experiencing homelessness with services, treatment, and housing supports grant program (grant program), administered by the division of housing (division) in the department of local affairs (department).

*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.*

The grant program provides grants to local governments and nonprofit organizations to enable those entities to make investments and improvements in their communities or regions of the state to address and respond to the needs of people experiencing homelessness.

The bill requires the division to develop policies, procedures, and guidelines governing the administration of the grant program. The bill specifies how grant funding is to be awarded and the eligible uses of grant money awarded under the grant program. The bill specifies requirements for grant recipients.

The bill creates the connecting Coloradans experiencing homelessness with services, treatment, and housing supports fund (fund) in the department. The bill specifies requirements pertaining to the administration of the fund. The bill requires a transfer of \$105 million from the economic recovery and relief cash fund to the fund to administer the grant program.

The bill sets forth specified reporting requirements pertaining to the grant program.

The bill requires the department, in conjunction with the department of health care policy and financing, to report to the house of representatives public and behavioral health and human services committee and the senate health and human services committee, and to its committee of reference during its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" hearing, any results, recommendations, and federal implications concerning any supportive housing pilot program currently being administered by the department in conjunction with the department of health care policy and financing.

The bill requires the division to report on the activities of the grant program as part of the regular annual public report prepared by the division on affordable and emergency housing spending.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds, determines, and declares that:

4 (a) The state of Colorado is focused on supporting communities
5 to create proven responses to homelessness that are designed to connect
6 people without stable housing to services, care, and housing to help
7 ensure that when homelessness occurs, it is rare and brief, and that no one
8 gets left behind;

1 (b) The COVID-19 pandemic has exacerbated Colorado's
2 homelessness and behavioral health crisis. Many communities do not
3 have sufficient responses to address housing and behavioral health needs
4 for their community members.

5 (c) People experiencing homelessness with chronic behavioral
6 health issues face many challenges in accessing long-term treatment and
7 are far more likely to receive care in hospital emergency departments.
8 Without trained and dedicated providers or advocates, people
9 experiencing homelessness often end up in a cycle of expensive treatment
10 with little or no follow-up.

11 (d) Housing and support services are crucial for the safety, health,
12 and well-being of Coloradans. Extensive research shows that housing is
13 an essential social determinant of health. Stable housing improves health
14 outcomes and decreases health-care costs.

15 (2) Therefore, it is the intent of the general assembly to facilitate
16 investments in local communities across the state of Colorado to quickly
17 connect people experiencing homelessness with services, treatment, and
18 temporary and permanent housing to put them on a path to economic
19 self-sufficiency.

20 (3) The general assembly further finds and declares that the grant
21 program described in this act is an important government service.

22 **SECTION 2.** In Colorado Revised Statutes, **add** 24-32-726 as
23 follows:

24 **24-32-726. Connecting Coloradans experiencing homelessness**
25 **with services, recovery care, and housing supports grant program -**
26 **funding - report - definitions - repeal. (1) Definitions.** AS USED IN THIS
27 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1 (a) "COMMUNITY PARTNER" MEANS A NONPROFIT ORGANIZATION
2 THAT UNDERTAKES ANY OF THE ACTIVITIES OR SERVICES DESCRIBED IN
3 SUBSECTION (2)(c) OF THIS SECTION.

4 (b) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

5 (c) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT OR A
6 COMMUNITY PARTNER THAT APPLIES FOR A GRANT THROUGH THE GRANT
7 PROGRAM.

8 (d) "FUND" MEANS THE CONNECTING COLORADANS EXPERIENCING
9 HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS
10 FUND CREATED IN SUBSECTION (5)(a) OF THIS SECTION.

11 (e) "GRANT PROGRAM" MEANS THE CONNECTING COLORADANS
12 EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND
13 HOUSING SUPPORTS GRANT PROGRAM CREATED IN SUBSECTION (2)(a) OF
14 THIS SECTION.

15 (f) "LOCAL GOVERNMENT" MEANS A COUNTY, MUNICIPALITY, CITY
16 AND COUNTY, TRIBAL GOVERNMENT, SPECIAL DISTRICT ORGANIZED
17 PURSUANT TO TITLE 32, SCHOOL DISTRICT, DISTRICT, HOUSING AUTHORITY,
18 COUNCIL OF GOVERNMENTS, REGIONAL PLANNING COMMISSION
19 ORGANIZED PURSUANT TO TITLE 30, OR ANY OTHER POLITICAL
20 SUBDIVISION OF THE STATE.

21 (g) "MATCH" MEANS MONETARY AND NONMONETARY
22 CONTRIBUTIONS TO A PROJECT.

23 (2) **Creation of the grant program - projects or programs**
24 **eligible for funding.** (a) THERE IS CREATED IN THE DIVISION THE
25 CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH
26 SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM TO
27 PROVIDE GRANTS TO ELIGIBLE RECIPIENTS TO ENABLE THEM TO MAKE

1 INVESTMENTS OR IMPROVEMENTS IN THEIR COMMUNITIES OR REGIONS OF
2 THE STATE TO:

3 (I) QUICKLY CONNECT PEOPLE EXPERIENCING HOMELESSNESS TO
4 SERVICES, VOCATIONAL OPPORTUNITIES, RECOVERY CARE, AND
5 TEMPORARY AND PERMANENT HOUSING IN ACCORDANCE WITH THE
6 REQUIREMENTS OF THIS SECTION; AND

7 (II) ENSURE COLORADO HAS A COMMUNITY-BASED CONTINUUM OF
8 RESPONSES FOR PEOPLE EXPERIENCING HOMELESSNESS, INCLUDING
9 OUTREACH SUPPORT, EMERGENCY SHELTERS, TRANSITIONAL HOUSING,
10 RECOVERY CARE AND RELATED RESIDENTIAL PROGRAMS, TRAINING AND
11 EMPLOYMENT SERVICE PROGRAMS, AND PERMANENT HOUSING WITH
12 WRAPAROUND SUPPORTIVE SERVICES.

13 (b) THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM.

14 (c) THE DIVISION MAY AWARD GRANTS UNDER THE GRANT
15 PROGRAM TO SUPPORT ELIGIBLE RECIPIENTS IN PROJECTS OR PROGRAMS
16 THAT:

17 (I) PROVIDE GAP FINANCING FOR THE PURCHASE OR CONVERSION
18 OF UNDERUTILIZED PROPERTIES IN COMMUNITIES WHERE EFFORTS HAVE
19 BEEN MADE TO ENCOURAGE CONVERSION OF UNDERUTILIZED PROPERTIES
20 INTO TRANSITIONAL OR SUPPORTIVE HOUSING THAT PROVIDES
21 WRAPAROUND SERVICES;

22 (II) PROVIDE SUPPORTIVE SERVICES SO LONG AS THE SUPPORTIVE
23 SERVICES MEET THE GRANT PROGRAM GOALS OUTLINED IN SUBSECTION (4)
24 OF THIS SECTION. SUCH SUPPORTIVE SERVICES INCLUDE THOSE DESCRIBED
25 IN 42 CFR 578.53, OR ANY SUCCESSOR REGULATION, AND THOSE
26 DETERMINED BY THE DIVISION. FUNDS MAY BE USED TO PROVIDE
27 SUPPORTIVE SERVICES IN CONJUNCTION WITH CAPITAL IMPROVEMENTS

1 AND HOUSING DEVELOPMENT PROJECTS OR AS STANDALONE SERVICES
2 THAT ARE PROVIDED TO AN INDIVIDUAL THROUGH A SERVICE PROVIDER.

3 (III) INVEST IN DATA COLLECTION, MANAGEMENT, AND ANALYSIS
4 PROCESSES TO UNDERSTAND THE SCALE OF THE NEED THROUGHOUT
5 THE STATE AND WHETHER THE ACTIVITIES AND INVESTMENTS THROUGH
6 THIS GRANT AND OTHER STATEWIDE PROGRAMS COULD BE EFFECTIVE AT
7 REDUCING THE NUMBER OF PEOPLE EXPERIENCING HOMELESSNESS;

8 (IV) SUPPORT THE COORDINATION AND INTEGRATION OF SYSTEMS
9 TO HELP CONNECT PEOPLE EXPERIENCING HOMELESSNESS WITH SERVICES
10 AND PROGRAMS THAT BEST FIT THEIR INDIVIDUAL NEEDS; AND

11 (V) FUND HOUSING DEVELOPMENT PROJECTS AND HOMELESS
12 RESPONSE PROGRAMS THAT INCLUDE BUT ARE NOT LIMITED TO:

13 (A) EMERGENCY HOMELESS SHELTERS;

14 (B) TRANSITIONAL AND BRIDGE HOUSING;

15 (C) LONG-TERM HOUSING;

16 (D) PERMANENT SUPPORTIVE HOUSING WITH SUPPORTIVE
17 SERVICES;

18 (E) RECOVERY CARE AND RELATED RESIDENTIAL PROGRAMS;

19 (F) AFFORDABLE HOME OWNERSHIP ASSISTANCE;

20 (G) AFFORDABLE RENTAL HOUSING, INCLUDING SECURITY DEPOSIT
21 ASSISTANCE;

22 (H) EDUCATIONAL AND VOCATIONAL OPPORTUNITIES; AND

23 (I) WORK-BASED LEARNING OPPORTUNITIES.

24 (d) IN ORDER TO RECEIVE A GRANT, AN ELIGIBLE RECIPIENT MUST
25 PROVIDE A MATCH IN RESOURCES, AS DETERMINED BY THE DIVISION.

26 (3) **Policies, procedures, and guidelines.** (a) THE DIVISION
27 SHALL DEVELOP POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT

1 PROGRAM THAT, WITHOUT LIMITATION:

2 (I) DETERMINE HOW GRANTS FUNDED BY THE GRANT PROGRAM
3 MUST BE USED;

4 (II) ESTABLISH CRITERIA THAT THE DIVISION MUST CONSIDER IN
5 AWARDING GRANTS PURSUANT TO THIS SECTION. AT A MINIMUM, THE
6 CRITERIA MUST INCLUDE THE CONSIDERATION OF:

7 (A) THE POTENTIAL IMPACT OF A PROJECT THAT AN ELIGIBLE
8 RECIPIENT FUNDS WITH A GRANT AWARD AND HOW THE PROJECT MEETS
9 THE GOALS OF THE GRANT PROGRAM; AND

10 (B) BEST PRACTICES, DATA, AND REGIONAL AND LOCAL
11 COLLABORATION.

12 (III) ESTABLISH THE PROCEDURES AND TIMELINES BY WHICH AN
13 ELIGIBLE RECIPIENT MAY APPLY FOR A GRANT;

14 (IV) REQUIRE GRANT RECIPIENTS TO OFFER A MATCH;

15 (V) REQUIRE ELIGIBLE RECIPIENTS TO DEMONSTRATE HOW THE
16 GRANT FUNDS WILL BE USED TO INCREASE HOUSING AND ECONOMIC
17 SECURITY FOR INDIVIDUALS BEING SERVED THROUGH THE GRANT
18 PROGRAM ACTIVITIES AND EFFORTS;

19 (VI) ESTABLISH REPORTING REQUIREMENTS FOR GRANT
20 RECIPIENTS;

21 (VII) ESTABLISH PERFORMANCE CRITERIA FOR GRANT RECIPIENTS'
22 PROJECTS;

23 (VIII) PROVIDE ANY ADDITIONAL REQUIREMENTS THAT THE
24 DIVISION DEEMS NECESSARY TO ADMINISTER THE GRANT PROGRAM; AND

25 (IX) DEMONSTRATE THE ABILITY TO LEVERAGE PRIVATE CAPITAL,
26 WHEN POSSIBLE.

27 (b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,

1 THE AMOUNT OF ANY GRANT AWARDED UNDER THE GRANT PROGRAM AND
2 ANY RESTRICTIONS OR CONDITIONS PLACED UPON THE USE OF GRANT
3 MONEY AWARDED IS WITHIN THE DISCRETION OF THE DIVISION IN
4 ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION.

5 (4) **Grant program goals.** THE GRANT PROGRAM MUST BE
6 ADMINISTERED WITH THE GOAL OF REDUCING THE RATE AND EXPERIENCE
7 OF HOMELESSNESS BY SUPPORTING COMMUNITIES TO DEVELOP AND
8 IMPLEMENT ADEQUATE SUPPORT SYSTEMS TO EFFECTIVELY RESPOND TO
9 THE BARRIERS PEOPLE EXPERIENCING HOMELESSNESS FACE.

10 (5) **Connecting Coloradans experiencing homelessness with**
11 **services, recovery care, and housing supports fund - transfer of**
12 **money to the fund - appropriation.** (a) THE CONNECTING COLORADANS
13 EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND
14 HOUSING SUPPORTS FUND IS CREATED IN THE DEPARTMENT. THE FUND
15 CONSISTS OF MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH
16 SUBSECTION (5)(c) OF THIS SECTION; MONEY APPROPRIATED TO THE FUND
17 BY THE GENERAL ASSEMBLY; AND ANY GIFTS, GRANTS, OR DONATIONS
18 FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL
19 ENTITIES, THAT THE DIVISION IS AUTHORIZED TO SEEK AND ACCEPT.

20 (b) THE DEPARTMENT SHALL CREDIT ALL INTEREST AND INCOME
21 DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO
22 THE FUND. ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL
23 INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE
24 FUND, REMAINS IN THE FUND AND DOES NOT REVERT TO THE GENERAL
25 FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. THE MONEY
26 IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT FOR
27 THE PURPOSES SPECIFIED IN THIS SECTION.

1 (c) THE DIVISION MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS,
2 OR DONATIONS FROM ANY PUBLIC OR PRIVATE RESOURCE FOR THE
3 PURPOSES OF THIS SECTION. THE DIVISION SHALL TRANSMIT ALL MONEY
4 RECEIVED FROM GIFTS, GRANTS, OR DONATIONS TO THE DEPARTMENT, AND
5 THE DEPARTMENT SHALL CREDIT THE MONEY TO THE FUND.

6 (d) ON THE EFFECTIVE DATE OF THIS SECTION, OR AS SOON AS
7 PRACTICABLE THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE
8 TO THE DEPARTMENT FOR THE PURPOSES OF IMPLEMENTING THIS SECTION
9 ONE HUNDRED FIVE MILLION DOLLARS FROM THE ECONOMIC RELIEF AND
10 RECOVERY CASH FUND CREATED IN SECTION 24-75-228 TO THE FUND. THE
11 MONEY APPROPRIATED PURSUANT TO THIS SUBSECTION (5)(d) MUST ONLY
12 BE USED FOR:

13 (I) MAKING GRANTS TO ELIGIBLE RECIPIENTS PURSUANT TO THE
14 GRANT PROGRAM; AND

15 (II) THE COSTS OF ADMINISTERING THE GRANT PROGRAM AS MAY
16 BE INCURRED BY THE DIVISION. THE DIVISION MAY EXPEND UP TO SEVEN
17 PERCENT OF THE MONEY APPROPRIATED OR TRANSFERRED TO THE FUND TO
18 PAY FOR THE DIRECT AND INDIRECT COSTS IN ADMINISTERING THE GRANT
19 PROGRAM. ALL ADMINISTRATIVE COSTS MUST BE PAID OUT OF THE MONEY
20 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (5)(d)(II).

21 (e) THE DIVISION MAY EXPEND UP TO FIVE MILLION DOLLARS OF
22 THE MONEY APPROPRIATED TO THE FUND FOR DATA COLLECTION AND
23 OUTREACH EFFORTS DETAILED IN SUBSECTION (2)(c)(III) OF THIS SECTION.

24 (f) MONEY SPENT PURSUANT TO THIS SUBSECTION (5)(f) MUST
25 CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL
26 "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.
27 THE DIVISION SHALL SPEND OR OBLIGATE SUCH APPROPRIATION PRIOR TO

1 DECEMBER 30, 2024, AND EXPEND THE APPROPRIATION ON OR BEFORE
2 DECEMBER 31, 2026.

3 (g) THE EXPENDITURES MADE PURSUANT TO THIS SECTION
4 CONSTITUTE GOVERNMENT SERVICES.

5 (h) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE DECEMBER 31,
6 2026.

7 (6) **Reporting.** (a) THE DIVISION SHALL INCLUDE IN THE PUBLIC
8 REPORT THE DIVISION PREPARES IN ACCORDANCE WITH SECTION
9 24-32-705.5 (1) INFORMATION SUMMARIZING THE USE OF ALL THE MONEY
10 THAT WAS AWARDED AS GRANTS FROM THE GRANT PROGRAM IN THE
11 PRECEDING STATE FISCAL YEAR. AT A MINIMUM, THE INFORMATION MUST
12 SPECIFY:

13 (I) THE NUMBER OF LOCAL GOVERNMENTS OR COMMUNITY
14 PARTNERS THAT APPLIED FOR A GRANT, INCLUDING THE NUMBER OF LOCAL
15 GOVERNMENTS OR COMMUNITY PARTNERS THAT WERE NOT AWARDED A
16 GRANT;

17 (II) THE AMOUNT OF THE GRANT MONEY DISTRIBUTED TO EACH
18 GRANT RECIPIENT;

19 (III) A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE
20 GRANT MONEY;

21 (IV) HOW THE USE OF THE GRANT AWARDED FURTHERED THE
22 GOALS OF THE GRANT PROGRAM DESCRIBED IN SUBSECTION (4) OF THIS
23 SECTION; AND

24 (V) RECOMMENDATIONS CONCERNING FURTHER ADMINISTRATION
25 OF THE GRANT PROGRAM.

26 (b) THE DIVISION AND ANY ENTITY THAT RECEIVES MONEY FROM
27 THE DIVISION SHALL COMPLY WITH THE COMPLIANCE, REPORTING,

1 RECORD-KEEPING, AND PROGRAM EVALUATION REQUIREMENTS
2 ESTABLISHED BY THE OFFICE OF STATE PLANNING AND BUDGETING AND
3 THE STATE CONTROLLER IN ACCORDANCE WITH SECTION 24-75-226 (5).

4 (c) IN THE 2023 LEGISLATIVE SESSION, THE DEPARTMENT, IN
5 CONJUNCTION WITH THE DEPARTMENT OF HEALTH CARE POLICY AND
6 FINANCING, SHALL SHARE ANY RESULTS, RECOMMENDATIONS, AND
7 FEDERAL IMPLICATIONS CONCERNING ANY CURRENT SUPPORTIVE HOUSING
8 PILOT PROGRAMS BEING ADMINISTERED BY THE DEPARTMENT AND
9 DIVISION AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
10 AS PART OF ITS "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE,
11 AND TRANSPARENT (SMART) GOVERNMENT ACT" HEARING PURSUANT
12 TO SECTION 2-7-203. IN THE 2023 LEGISLATIVE SESSION, THE DEPARTMENT
13 AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING SHALL
14 SUBMIT A REPORT DETAILING ANY SUCH RESULTS, RECOMMENDATIONS,
15 AND FEDERAL IMPLICATIONS CONCERNING ANY CURRENT SUPPORTIVE
16 HOUSING PILOT PROGRAMS BEING OPERATED BY THE DEPARTMENT AND
17 DIVISION AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
18 TO THE HOUSE OF REPRESENTATIVES PUBLIC AND BEHAVIORAL HEALTH
19 AND HUMAN SERVICES COMMITTEE AND THE SENATE HEALTH AND HUMAN
20 SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES.

21 (7) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

22 **SECTION 3.** In Colorado Revised Statutes, 24-32-705, **amend**
23 (7) as follows:

24 **24-32-705. Functions of division.** (7) The division shall
25 administer:

26 (a) The affordable housing guided toolkit and local officials guide
27 program in accordance with ~~section 24-32-721.5~~ SECTION 24-32-721.7;

1 AND

2 (b) THE CONNECTING COLORADANS EXPERIENCING HOMELESSNESS
3 WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT
4 PROGRAM CREATED IN SECTION 24-32-726.

5 **SECTION 4.** In Colorado Revised Statutes, 24-32-705.5, **add**
6 (3.5) as follows:

7 **24-32-705.5. Annual public report on funding of affordable**
8 **housing preservation and production - definition.** (3.5) FOR THE
9 PUBLIC REPORT REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE
10 DIVISION SHALL INCLUDE IN THE REPORT FOR EACH YEAR OF THE
11 CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH
12 SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM'S
13 OPERATION, THE INFORMATION REQUIRED PURSUANT TO SECTION
14 24-32-726.

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