

An Act

SENATE BILL 25-313

BY SENATOR(S) Amabile and Bridges, Kirkmeyer;
also REPRESENTATIVE(S) Bird and Sirota, Taggart, Lindsay, McCluskie.

CONCERNING THE PERMISSIBLE USES OF STATE INCOME TAX REVENUE
RAISED IN CONNECTION WITH PROPOSITION 123.

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

SECTION 1. In Colorado Revised Statutes, 29-32-103, **amend** (1)
as follows:

29-32-103. Transfers of money - permitted uses of the fund - continuous appropriation. (1) (a) The affordable housing support fund is hereby created in the state treasury. The support fund ~~shall consist~~ **CONSISTS** of money deposited into it under subsection (3) of this section. The division of housing shall administer the support fund and expend the money in the support fund only for the purposes set forth in ~~sections~~ **SECTION 29-32-104 (3)(a) and (3)(b).** The division of local government in the department of local affairs created in section 24-32-103 shall expend the money in the support fund only for the purposes set forth in section 29-32-104 (3)(c). All money not expended or encumbered, and all interest earned on the investment or deposit of money in the support fund, ~~shall remain~~ **REMAINS**

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

in the support fund and ~~shall~~ DOES not revert to the general fund or any other fund at the end of any fiscal year. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(b) OF THIS SECTION AND SECTION 29-32-104 (3)(b)(II), all money transferred to the support fund pursuant to subsection (3) of this section is continuously appropriated to the division of housing for the purposes set forth in ~~sections~~ SECTION 29-32-104 (3)(a) and (3)(b) and, to the extent allocated by the division of housing, to the division of local government for the purposes set forth in section 29-32-104 (3)(c).

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, BEGINNING IN STATE FISCAL YEAR 2026-27, AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 29-32-104 (3)(a), (3)(b), AND (3)(c), THE DIVISION OF HOUSING OR THE DIVISION OF LOCAL GOVERNMENT MAY EXPEND MONEY FROM THE FUND FOR DIRECT AND INDIRECT COSTS OF ADMINISTERING THE PROGRAMS SET FORTH IN SECTION 29-32-104 (3)(a), (3)(b), AND (3)(c).

SECTION 2. In Colorado Revised Statutes, 29-32-104, **amend** (3) as follows:

29-32-104. Permissible expenditures - affordable housing programs - report - definitions. (3) The division of housing and the division of local government shall expend the money transferred to the support fund in section 29-32-103 (1) to support the following programs only:

(a) An affordable home ownership program administered by the division or one or more contractors of the division. The program shall offer home ownership down-payment assistance to first-time homebuyers and shall prioritize assistance, to the extent practicable, to first-generation homebuyers. The assistance shall be provided to households with income less than or equal to ~~120%~~ ONE HUNDRED TWENTY PERCENT of the area median income of households of that size in the territory or jurisdiction of local government or tribal government in which the housing is located, as calculated and published for a given year by the United States department of housing and urban development, and the cost of the monthly housing payment ~~towards~~ TOWARD mortgage principal, mortgage interest, property taxes, mortgage and homeowner's insurance, homeowner association fees, land lease fees, and metropolitan district fees shall not cost more than ~~35%~~ THIRTY-FIVE PERCENT of monthly household income. The program shall

also make grants to ~~non-profits~~ NONPROFIT ORGANIZATIONS, local governments, tribal governments, community development financial institutions, and community land trusts to support affordable home ownership. The program shall also make grants or loans to groups or associations of mobile home owners and their assignees to assist them with the purchase of a mobile home park pursuant to section 38-12-217. Said grants and loans shall be used to support affordable home ownership for households with income less than or equal to ~~100%~~ ONE HUNDRED PERCENT of the area median income of households of that size in the territory or jurisdiction of local government or tribal government in which the households are located, as calculated and published for a given year by the United States department of housing and urban development, and the cost of the monthly housing payment ~~towards~~ TOWARD mortgage principal, mortgage interest, property taxes, mortgage and homeowner's insurance, homeowner association fees, land lease fees, and metropolitan district fees shall not cost more than ~~35%~~ THIRTY-FIVE PERCENT of monthly household income. All principal and interest payments on loans made under this ~~paragraph (a)~~ SUBSECTION (3)(a) shall be paid to the division and used by the division for the purposes set forth in this subsection (3). Up to ~~50%~~ FIFTY PERCENT of ~~monies~~ MONEY transferred to the support fund annually may be used for the program. The division shall determine how much of the available funding shall be allocated to each aspect of the program. The division may utilize up to ~~5%~~ FIVE PERCENT of the funds it ~~allocates~~ RECEIVES from the fund for the program ~~each state fiscal year~~ to pay for the direct and indirect costs of administering the program.

(b) (I) A program serving persons experiencing homelessness to be administered by the division. The program shall provide rental assistance, housing vouchers, and eviction defense assistance, including legal, financial, and case management, to persons experiencing homelessness or at risk of experiencing homelessness. The program shall also make grants or loans to ~~non-profit~~ NONPROFIT organizations, local governments, tribal governments, or private entities to support the development and preservation of supportive housing for persons experiencing homelessness, and other homelessness related activities the division determines contribute to the resolution of or prevention of homelessness, including housing programs paid for by ~~non-profit~~ NONPROFIT organizations, local governments, tribal governments, or private entities on a ~~pay-for-success~~ PAY-FOR-SUCCESS basis, meaning an organization, local government, tribal government, or private entity would receive financial support from the

program upon achieving objectives contractually agreed upon with the division. All principal and interest payments on loans made under this ~~paragraph (b)~~ SUBSECTION (3)(b)(I) shall be paid to the division and used by the division for the purposes set forth in this subsection (3). Up to ~~45%~~ FORTY-FIVE PERCENT of ~~monies~~ MONEY transferred to the support fund annually may be used for the program. The division may utilize up to ~~5%~~ FIVE PERCENT of the funds it ~~allocates~~ RECEIVES from the fund for the program ~~each state fiscal year~~ to pay for the direct and indirect costs of administering the program.

(II) THE PROGRAM SET FORTH IN SUBSECTION (3)(b)(I) OF THIS SECTION MAY ALSO:

(A) BEGINNING IN STATE FISCAL YEAR 2025-26 AND SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, PROVIDE FUNDING TO THE STATE OR ANY OTHER ENTITY FOR CAPITAL CONSTRUCTION NEEDS AT THE RIDGE VIEW SUPPORTIVE RESIDENTIAL COMMUNITY AND THE FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY; AND

(B) PROVIDE FUNDING TO THE STATE OR ANY OTHER ENTITY FOR DIRECT AND INDIRECT COSTS OF OPERATING TO THE RIDGE VIEW SUPPORTIVE RESIDENTIAL COMMUNITY AND THE FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY AND, BEGINNING IN STATE FISCAL YEAR 2026-27, PROVIDE SUCH FUNDING SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY;

(III) AS USED IN SUBSECTION (3)(b)(II) OF THIS SECTION:

(A) "FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY" MEANS THE PORTION OF THE FORT LYON PROPERTY THAT IS DESIGNATED BY THE DIVISION FOR PROVIDING HOMELESSNESS-RELATED ACTIVITIES THAT THE DIVISION DETERMINES CONTRIBUTE TO THE RESOLUTION OF OR PREVENTION OF HOMELESSNESS.

(B) "RIDGE VIEW SUPPORTIVE RESIDENTIAL COMMUNITY" MEANS, AS SET FORTH IN SECTION 24-32-730 (2)(a), THE RIDGE VIEW CAMPUS THAT, AFTER JULY 1, 2022, IS DESIGNATED BY THE DIVISION FOR PROVIDING HOMELESSNESS-RELATED ACTIVITIES THAT THE DIVISION DETERMINES CONTRIBUTE TO THE RESOLUTION OF OR PREVENTION OF HOMELESSNESS.

(c) A local planning capacity development program administered by the division of local government. The program shall provide grants to local governments and tribal governments to increase the capacity of local government and tribal government planning departments responsible for processing land use, permitting and zoning applications for housing projects. Up to ~~5% of monies~~ FIVE PERCENT OF MONEY transferred to the support fund annually may be used for the program. The division of local government may utilize up to ~~5%~~ FIVE PERCENT of the funds that the division of housing allocates from the fund for the program ~~each state fiscal year~~ to pay for the direct and indirect costs of administering the program.

SECTION 3. In Colorado Revised Statutes, 29-32-106, **amend** (1); **add** (3); and **repeal** (2) as follows:

29-32-106. Appropriation requirement for affordable housing projects - definition. (1) For any state fiscal year in which money is appropriated from the financing fund or the support fund in accordance with the requirements of this ~~article~~ ARTICLE 32, any such money appropriated must supplement and shall not supplant the level of ~~general fund and cash fund appropriations~~ STATE FUNDING SUPPORT for affordable housing programs for the state fiscal year 2022-23.

~~(2) For purposes of determining the appropriations for affordable housing programs for the state fiscal year 2022-23, cash fund appropriations do not include any appropriations of money that originated from money the state received from the federal coronavirus state fiscal recovery fund.~~

(3) (a) THE GENERAL ASSEMBLY VIOLATES SUBSECTION (1) OF THIS SECTION ONLY IF, FOR A STATE FISCAL YEAR FOR WHICH THE LEGISLATIVE COUNCIL STAFF FORECAST FOR THE MARCH IMMEDIATELY PRECEDING THE STATE FISCAL YEAR PROJECTED THAT STATE REVENUE IN THE STATE FISCAL YEAR WOULD EXCEED THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, THE GENERAL ASSEMBLY APPROPRIATES MONEY FROM THE FINANCING FUND OR THE SUPPORT FUND IN ACCORDANCE WITH THE REQUIREMENTS OF THIS ARTICLE 32 FOR AFFORDABLE HOUSING PROGRAMS AND THE TOTAL AMOUNT OF STATE FUNDING SUPPORT FOR AFFORDABLE HOUSING PROGRAMS IS LESS IN THAT STATE FISCAL YEAR THAN THE TOTAL AMOUNT OF STATE FUNDING SUPPORT FOR AFFORDABLE HOUSING PROGRAMS DURING THE 2022-23 STATE FISCAL YEAR.

(b) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT OTHERWISE REQUIRES, "STATE FUNDING SUPPORT" MEANS, FOR A STATE FISCAL YEAR, THE TOTAL OF:

(I) THE AMOUNT OF STATE MONEY APPROPRIATED FOR AFFORDABLE HOUSING PROGRAMS BY THE GENERAL ASSEMBLY IN THAT STATE FISCAL YEAR THAT ARE NOT APPROPRIATIONS OF MONEY:

(A) FROM THE SUPPORT FUND OR THE FINANCING FUND;

(B) THAT ORIGINATED FROM THE CORONAVIRUS STATE FISCAL RECOVERY FUND;

(C) FROM THE GENERAL FUND THAT WERE REFINANCED IN HOUSE BILL 24-1466;

(D) THAT THE STATE TREASURER TRANSFERRED TO THE HOUSING DEVELOPMENT GRANT FUND PURSUANT TO SECTION 24-22-118 (2);

(E) THAT THE STATE TREASURER TRANSFERRED FROM THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND TO THE TRANSFORMATIONAL AFFORDABLE HOUSING REVOLVING FUND PURSUANT TO SECTION 24-32-731 (9)(d); OR

(F) THAT THE GENERAL ASSEMBLY APPROPRIATED FROM THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND PURSUANT TO SECTION 24-32-721.3.

(II) THE REDUCTION IN STATE REVENUE FOR THE STATE FISCAL YEAR THAT IS ATTRIBUTABLE TO TAX EXPENDITURES CONCERNING AFFORDABLE HOUSING PROGRAMS THAT THE OFFICE OF STATE PLANNING AND BUDGETING PROJECTS DURING THE MARCH REVENUE FORECAST THAT IMMEDIATELY PRECEDES THE STATE FISCAL YEAR WILL BE CLAIMED IN THE STATE FISCAL YEAR; AND

(III) THE REDUCTION IN STATE REVENUE FOR THE STATE FISCAL YEAR THAT IS ATTRIBUTABLE TO TAX EXPENDITURES CONCERNING AFFORDABLE HOUSING PROGRAMS, IS NOT INCLUDED IN THE PROJECTION DESCRIBED IN SUBSECTION (3)(b)(II) OF THIS SECTION, AND IS DESCRIBED IN FISCAL NOTES PROVIDED BY THE LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY

PURSUANT TO SECTION 2-2-322.

SECTION 4. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.



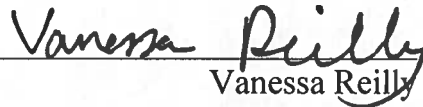
James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE



Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

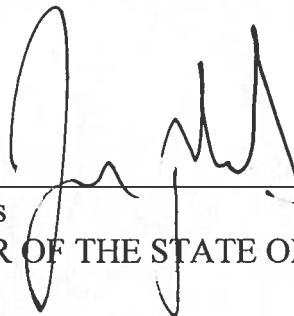


Esther van Mourik
SECRETARY OF
THE SENATE



Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED Friday May 30, 2025 at 9:00 am
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO