First Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 19-1081.01 Bob Lackner x4350

HOUSE BILL 19-1322

HOUSE SPONSORSHIP

Roberts and Will,

SENATE SPONSORSHIP

Moreno and Coram,

House Committees

Senate Committees

Finance Appropriations

A BILL FOR AN ACT

101 CONCERNING THE USE OF MONEY FROM CERTAIN STATE FUNDS TO
102 EXPAND THE SUPPLY OF AFFORDABLE HOUSING STATEWIDE.

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.)

Assuming certain conditions are satisfied affecting the state's fiscal situation, **section 1** of the bill requires the state treasurer to transfer a specified amount of money commencing with the 2019-20 state fiscal year and through and including the 2025-26 state fiscal year from the unclaimed property trust fund to the division of housing in the department of local affairs (division) to be deposited by the division into the housing

development grant fund.

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Section 2 makes parallel changes found in section 1 to the "Revised Uniform Unclaimed Property Act".

In addition to the other sources of money to be deposited into the housing development grant fund, **section 4** specifies that the fund also consists of money transferred by the state treasurer from the unclaimed property trust fund to the division to be deposited into the housing development grant fund to supplement existing money in such fund to be expended for any of the purposes specified in the bill. This section also expands the source of money that may be deposited into the housing development grant fund.

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

SECTION 1. In Colorado Revised Statutes, 38-13-116.5, amend

(1)(b) and (2)(d); and add (3.5) as follows:

38-13-116.5. Unclaimed property trust fund - creation - payments - interest - appropriations - records - rules. (1) (b) Except as provided in subsection (2) SUBSECTIONS (2), (2.8), AND (3.5) of this section, the principal of the trust fund shall not be expended except to pay claims made pursuant to this article 13. Money comprising the principal of the trust fund shall not constitute fiscal year spending of the state for

(2) (d) The following amounts constitute fiscal year spending for purposes of section 20 of article X of the state constitution:

purposes of section 20 of article X of the state constitution and is not

subject to appropriation by the general assembly.

- (I) Any money that is appropriated to the department of the treasury as required by this subsection (2);
- (II) Any money that is credited to the general fund as required by subsection (2.6) of this section; and
- (III) Any money that is credited to the adult dental fund created in section 25.5-5-207 (4), C.R.S., as required by subsection (2.8) of this

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1	section; AND
2	(IV) ANY MONEY THAT IS CREDITED TO THE HOUSING
3	DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) AS
4	REQUIRED BY SUBSECTION (3.5) OF THIS SECTION.
5	(3.5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
6	SECTION, IF, BASED UPON THE ESTIMATE DESCRIBED IN SUBSECTION
7	(3.5)(b)(I) OF THIS SECTION, STATE REVENUES FOR THE 2018-19 STATE
8	FISCAL YEAR AND FOR ALL SUCCEEDING STATE FISCAL YEARS, ARE LESS
9	THAN THE TRANSFER CUTOFF AMOUNT, THE STATE TREASURER SHALL
10	TRANSFER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE DIVISION
11	OF HOUSING TO BE DEPOSITED INTO THE HOUSING DEVELOPMENT GRANT
12	fund created in Section 24-32-721 (1) no later than June 30 of the
13	YEAR IN WHICH THE ECONOMIC AND REVENUE FORECAST IS PREPARED AN
14	AMOUNT THAT IS EQUAL TO THE LESSER OF FORTY MILLION DOLLARS OR
15	FIFTY PERCENT OF THE BALANCE OF FUNDS IN THE UNCLAIMED PROPERTY
16	TRUST FUND AFTER RESERVING THE AMOUNTS DESCRIBED IN SUBSECTION
17	(2.8)(b) OF THIS SECTION. NOTWITHSTANDING ANY OTHER PROVISION OF
18	THIS SECTION, THE TRANSFER PERMITTED BY THIS SUBSECTION (3.5)(a)
19	SHALL NOT BE MADE IN MORE THAN SEVEN TOTAL STATE FISCAL YEARS.
20	(b) (I) IN ITS ANNUAL JUNE FORECAST, LEGISLATIVE COUNCIL
21	STAFF SHALL REPORT ESTIMATES FOR THE CURRENT STATE FISCAL YEAR OF
22	STATE REVENUES, THE TRANSFER CUTOFF AMOUNT, AND THE AMOUNT OF
23	THE TRANSFER REQUIRED BY THIS SECTION BASED ON THOSE ESTIMATES.
24	LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE AMOUNT OF THE
25	ANTICIPATED TRANSFER IN ITS ESTIMATE OF FISCAL YEAR SPENDING FOR
26	THE STATE FISCAL YEAR

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(II) ON JUNE 1 OF EACH YEAR, THE STATE TREASURER SHALL

27	38-13-801. Unclaimed property trust fund - creation -								
26	follows:								
25	as enacted by Senate Bill 19-088 (1)(b) and (2)(d); and add (3.5) as								
24	SECTION 2. In Colorado Revised Statutes, 38-13-801, amend								
23	SECTION 24-32-721.								
22	CREATED IN SECTION 24-32-721 (1) TO FINANCE THE USES DESCRIBED IN								
21	DIVISION OF HOUSING INTO THE HOUSING DEVELOPMENT GRANT FUND								
20	SUBSECTION (3.5)(a) OF THIS SECTION SHALL BE DEPOSITED BY THE								
19	(d) All of the money to be transferred pursuant to								
18	39-3-207 (4)(a)(I).								
17	GOVERNMENTS FOR PROPERTY TAXES LOST IN ACCORDANCE WITH SECTION								
16	FISCAL YEAR PLUS THE AMOUNT BY WHICH THE STATE REIMBURSES LOCAL								
15	YEAR, AN AMOUNT EQUAL TO THE EXCESS STATE REVENUES CAP FOR THE								
14	(IV) "TRANSFER CUTOFF AMOUNT" MEANS, FOR A GIVEN FISCAL								
13	(3.5)(a) OF THIS SECTION.								
12	AMOUNT FOR THE ANTICIPATED TRANSFER REQUIRED BY SUBSECTION								
11	SECTION 24-77-103.6 (6)(c); EXCEPT THAT IT DOES NOT INCLUDE ANY								
10	(III) "STATE REVENUES" HAS THE SAME MEANING AS SET FORTH IN								
9	FORECAST PREPARED BY LEGISLATIVE COUNCIL STAFF EACH JUNE.								
8	(II) "JUNE FORECAST" MEANS THE ECONOMIC AND REVENUE								
7	SET FORTH IN SECTION 24-77-103.6 (6)(b).								
6	(I) "EXCESS STATE REVENUES CAP" HAS THE SAME MEANING AS								
5	(c) As used in this subsection (3.5):								
4	MILLION DOLLARS.								
3	THE YEAR UNDER THIS SECTION IF THE AMOUNT IS LESS THAN FORTY								
2	UNCLAIMED PROPERTY TRUST FUND TO BE TRANSFERRED ON JUNE 30 OF								
1	NOTIFY LEGISLATIVE COUNCIL STAFF OF THE AMOUNT AVAILABLE IN THE								

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- payments interest appropriations records rules. (1) (b) Except as provided in subsections (2) and (3) SUBSECTIONS (2), (3), AND (3.5) of this section, the principal of the trust fund shall not be expended except to pay claims made pursuant to this article 13. Money constituting the principal of the trust fund is not fiscal year spending of the state for purposes of section 20 of article X of the state constitution and is not subject to appropriation by the general assembly.
 - (2) (d) The following amounts constitute fiscal year spending for purposes of section 20 of article X of the state constitution:

- (I) Any money that is appropriated to the department of the treasury as required by this subsection (2); and
- (II) Any money that is credited to the adult dental fund created in section 25.5-5-207 (4) as required by subsection (3) of this section; AND
- (III) ANY MONEY THAT IS CREDITED TO THE HOUSING DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) AS REQUIRED BY SUBSECTION (3.5) OF THIS SECTION.

(3.5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IF, BASED UPON THE ESTIMATE DESCRIBED IN SUBSECTION (3.5)(b)(I) OF THIS SECTION, STATE REVENUES FOR THE 2018-19 STATE FISCAL YEAR AND FOR ALL SUCCEEDING STATE FISCAL YEARS, ARE LESS THAN THE TRANSFER CUTOFF AMOUNT, THE STATE TREASURER SHALL TRANSFER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE DIVISION OF HOUSING TO BE DEPOSITED INTO THE HOUSING DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) NO LATER THAN JUNE 30 OF THE YEAR IN WHICH THE ECONOMIC AND REVENUE FORECAST IS PREPARED AN AMOUNT THAT IS EQUAL TO THE LESSER OF FORTY MILLION DOLLARS OR FIFTY PERCENT OF THE BALANCE OF FUNDS IN THE UNCLAIMED PROPERTY

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1	TRUST FUND AFTER RESERVING THE AMOUNTS DESCRIBED IN SUBSECTION
2	(2)(d) OF THIS SECTION. NOTWITHSTANDING ANY OTHER PROVISION OF
3	THIS SECTION, THE TRANSFER PERMITTED BY THIS SUBSECTION (3.5)(a)
4	SHALL NOT BE MADE IN MORE THAN SEVEN TOTAL STATE FISCAL YEARS.
5	(b) (I) IN ITS ANNUAL JUNE FORECAST, LEGISLATIVE COUNCIL
6	STAFF SHALL REPORT ESTIMATES FOR THE CURRENT STATE FISCAL YEAR OF
7	STATE REVENUES, THE TRANSFER CUTOFF AMOUNT, AND THE AMOUNT OF
8	THE TRANSFER REQUIRED BY THIS SECTION BASED ON THOSE ESTIMATES.
9	LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE AMOUNT OF THE
10	ANTICIPATED TRANSFER IN ITS ESTIMATE OF FISCAL YEAR SPENDING FOR
11	THE STATE FISCAL YEAR.
12	(II) ON JUNE 1 OF EACH YEAR, THE STATE TREASURER SHALL
13	NOTIFY LEGISLATIVE COUNCIL STAFF OF THE AMOUNT AVAILABLE IN THE
14	UNCLAIMED PROPERTY TRUST FUND TO BE TRANSFERRED ON JUNE 30 OF
15	THE YEAR UNDER THIS SECTION IF THE AMOUNT IS LESS THAN FORTY
16	MILLION DOLLARS.
17	(c) As used in this subsection (3.5):
18	(I) "EXCESS STATE REVENUES CAP" HAS THE SAME MEANING AS
19	SET FORTH IN SECTION 24-77-103.6 (6)(b).
20	(II) "JUNE FORECAST" MEANS THE ECONOMIC AND REVENUE
21	FORECAST PREPARED BY LEGISLATIVE COUNCIL STAFF EACH JUNE.
22	(III) "STATE REVENUES" HAS THE SAME MEANING AS SET FORTH IN
23	SECTION 24-77-103.6 (6)(c); EXCEPT THAT IT DOES NOT INCLUDE ANY
24	AMOUNT FOR THE ANTICIPATED TRANSFER REQUIRED BY SUBSECTION
25	(3.5)(a) OF THIS SECTION.
26	(IV) "Transfer cutoff amount" means, for a given fiscal
27	YEAR, AN AMOUNT EQUAL TO THE EXCESS STATE REVENUES CAP FOR THE

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1	FISCAL YEAR PLUS THE AMOUNT BY WHICH THE STATE REIMBURSES LOCAL
2	GOVERNMENTS FOR PROPERTY TAXES LOST IN ACCORDANCE WITH SECTION
3	39-3-207 (4)(a)(I).
4	(d) All of the money to be transferred pursuant to
5	SUBSECTION (3.5)(a) OF THIS SECTION SHALL BE DEPOSITED BY THE
6	DIVISION OF HOUSING INTO THE HOUSING DEVELOPMENT GRANT FUND
7	CREATED IN SECTION 24-32-721 (1) TO FINANCE THE USES DESCRIBED IN
8	SECTION 24-32-721.
9	SECTION 3. In Colorado Revised Statutes, 24-32-705, amend
10	(1)(a) and (1)(n) as follows:
11	24-32-705. Functions of division. (1) The division has the
12	following functions:
13	(a) To encourage private enterprise and all public and private
14	agencies engaged in the planning, construction, and acquisition of
15	adequate housing or the rehabilitation or weatherization of existing
16	housing in Colorado by providing research, advisory, and liaison services
17	and rehabilitation, construction, acquisition, and weatherization grants
18	AND LOANS from appropriations made for this purpose by the general
19	assembly. For the purposes of this paragraph (a) SUBSECTION (1)(a),
20	"weatherization" means the provision and installation of materials and
21	devices which THAT improve the thermal performance of a residence so
22	as to conserve energy and reduce energy costs and includes those
23	structural, heating, electrical, and plumbing repairs and improvements
24	which are necessary to safely and effectively improve thermal
25	performance. All such grants AND LOANS to public and private agencies
26	shall MUST be at least equally matched from a nonstate source UNLESS
27	SUFFICIENT LOCAL SOURCES ARE NOT AVAILABLE BECAUSE OF OTHER

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1 ESSENTIAL PUBLIC FUNCTIONS and shall MUST be for providing 2 energy-efficient housing to low-income households. None of these grants 3 OR LOANS shall be used for development, planning, or administration 4 which shall MUST be funded within the administrative budget of the 5 division. 6 (n) Pursuant to section 24-32-717, to administer loans to LOCAL 7 GOVERNMENTS, local housing authorities, and public and private 8 nonprofit corporations; 9 **SECTION 4.** In Colorado Revised Statutes, 24-32-721, amend 10 (1), (3)(a), and (4)(c); and **add** (1.5), (2)(d), (2)(e), (2)(f), and (3)(c) as 11 follows: 12 24-32-721. Colorado affordable housing construction grants 13 and loans - housing development grant fund - creation - housing 14 assistance for a person with a behavioral or mental health disorder 15 in the criminal or juvenile justice system - cash fund - definition. 16 (1) There is hereby created in the state treasury the housing development 17 grant fund, which fund shall be IS administered by the division and is 18 referred to in this section as the "fund". The fund shall consist CONSISTS 19 of moneys MONEY appropriated to the Colorado affordable housing 20 construction grants and loan fund by the general assembly, ALL MONEY 21 TRANSFERRED TO THE FUND FROM THE MARIJUANA TAX CASH FUND 22 CREATED IN SECTION 39-28.8-501 (1) AND ANY OTHER CASH FUND 23 MAINTAINED BY THE STATE, all moneys MONEY collected by the division for purposes of this section from federal grants, from other contributions, 24 25 gifts, grants, and donations received from any other organization, entity, 26 or individual, public or private, and from any fees or interest earned on

such moneys MONEY. The division is hereby authorized and directed to

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solicit, accept, expend, and disburse all moneys MONEY collected for the fund from the sources specified in this subsection (1) for the purpose of making grants or loans and for program administration as provided in this section. All such moneys shall MONEY MUST be transmitted to the state treasurer to be credited to the fund. The moneys MONEY in the fund are hereby continuously appropriated to the division for the purposes of this section. The moneys in the fund may be expended for the purpose of funding activities initiated during the current state fiscal year that are to be completed in subsequent state fiscal years.

- (1.5) IN ADDITION TO THE OTHER SOURCES OF MONEY TO BE DEPOSITED INTO THE FUND THAT ARE SPECIFIED IN SUBSECTION (1) OF THIS SECTION, THE FUND ALSO CONSISTS OF MONEY TRANSFERRED BY THE STATE TREASURER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE DIVISION IN ACCORDANCE WITH SECTION 38-13-116.5 (3.5) TO SUPPLEMENT EXISTING FUNDS TO BE EXPENDED FOR ANY OF THE PURPOSES SPECIFIED IN SUBSECTION (2)(d) OF THIS SECTION.
- (2) (d) In addition to any other use authorized under this section, money may also be used for the following purposes, without limitation:
- (I) Grants and loans for the acquisition, renovation, and construction of for-sale homes in nonurban areas for purchasers who reside in households with an annual income up to one hundred twenty percent of the area median income and down payment assistance programs that are financed in partnership with private and public entities for the development of housing and the delivery of services that assist persons in households with an annual income up to one hundred percent of

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1	THE AREA MEDIAN INCOME,
2	(II) PROGRAMS FOR HOME REHABILITATION;
3	(III) REPAIR, REPLACEMENT, AND DISPOSAL OF MOBILE HOMES IN
4	CONJUNCTION WITH PROGRAMS THAT ARE OPERATED BY LOCAL
5	GOVERNMENTS, LOCAL HOUSING AUTHORITIES, AND PRIVATE
6	ORGANIZATIONS;
7	(IV) GRANTS AND LOANS FOR THE FINANCING OF LAND
8	ACQUISITION AND INFRASTRUCTURE COSTS ASSOCIATED WITH THE
9	PROVISION OF UTILITIES TO SUPPORT DEVELOPMENT OF A PLANNED DEED
10	RESTRICTED RENTAL OR FOR-SALE AFFORDABLE HOUSING DEVELOPMENT;
11	(V) GRANTS AND LOANS TO PRIVATE AND PUBLIC ENTITIES TO
12	PROVIDE FUNDING FOR THE DEVELOPMENT, ACQUISITION, AND
13	REHABILITATION OF AFFORDABLE HOUSING TARGETED AT A SPECIFIC AREA
14	MEDIAN INCOME OR INCOME LEVEL; AND
15	(VI) RENTAL ASSISTANCE PROGRAMS THAT TARGET ONE OR MORE
16	OF THE FOLLOWING PERSONS OR USES:
17	(A) HOMELESS FAMILIES WITH DEPENDENTS OR OTHER CHILDREN
18	ENROLLED IN PRESCHOOL, ELEMENTARY, OR SECONDARY SCHOOLS;
19	(B) MEDICAID CLIENTS IN NURSING HOMES WHO ARE ABLE TO LIVE
20	IN THEIR COMMUNITIES WITH IN-HOME SERVICES;
21	(C) FAMILY UNIFICATION AND RELATED SERVICES;
22	(D) HOMELESS OR DISABLED VETERANS;
23	(E) LOW-INCOME HOUSEHOLDS WITH AN ANNUAL INCOME AT OF
24	BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME; AND
25	(F) SURVIVORS OF DOMESTIC VIOLENCE.
26	(e) IN DETERMINING HOW BEST TO ALLOCATE MONEY TO PROMOTE
2.7	THE VARIOUS PURPOSES SPECIFIED IN SUBSECTION (2)(d) OF THIS SECTION

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1	THE DIVISION SHALL CONSULT WITH STAKEHOLDERS FROM URBAN AND
2	RURAL COMMUNITIES AND REPRESENTATIVES FROM POPULATIONS OF
3	DIFFERENT INCOME LEVELS WITH DIVERSE HOUSING NEEDS AND SHALL
4	AWARD FUNDING TO MEET THE NEEDS OF LOCAL COMMUNITIES THAT WILL
5	OPTIMIZE THE RETURN ON MONEY INVESTED IN A PARTICULAR PROGRAM OR
6	FOR A PARTICULAR USE, LEVERAGE OTHER AVAILABLE SOURCES OF MONEY,
7	ADDRESS HOUSING NEEDS THROUGHOUT THE STATE, AND SERVE
8	POPULATIONS WITH THE GREATEST UNMET NEED.
9	(f) AS USED IN THIS SUBSECTION (2), "AREA MEDIAN INCOME" IS
10	DETERMINED IN ACCORDANCE WITH GUIDELINES OR OTHER STANDARDS
11	PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND
12	URBAN DEVELOPMENT.
13	(3) (a) Any moneys MONEY in the fund not expended or
14	encumbered from any appropriation at the end of any fiscal year, including
15	interest earned on the investment or deposit of moneys MONEY in the fund,

encumbered from any appropriation at the end of any fiscal year, including interest earned on the investment or deposit of moneys MONEY in the fund, shall remain in the fund and shall DO not revert to the general fund or any other fund and shall remain available for expenditure by the division in the next fiscal year SUBSEQUENT FISCAL YEARS for the purposes specified in subsection (2) SUBSECTION (1.5) OR (2) of this section without further appropriation.

(c) Subject to the limitation on the percentage of money appropriated from the fund that may be expended for the administrative costs of the division in administering the fund specified in subsection (3)(b) of this section, the division may expend money from the fund to hire and employ individuals in order to fulfill the purposes of House Bill 19-1322, enacted in 2019

27 2019.

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(4	(c)	In	N ADD	ITION	ТО	AN	IY (OTH	ER	USES	SPE	CIFIED	IN	THIS
SECTION, the division shall also provide grants or loans for the acquisition														
construc	tion,	or	rehabi	ilitatio	on (of	ren	tal	hoi	using	for	perso	ns	with
behavioral or mental health disorders.														

as otherwise provided in subsections (2) and (3) of this section, this act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

- (2) Section 1 of this act takes effect only if Senate Bill 19-088 does not become law.
- (3) Section 2 of this act takes effect only if Senate Bill 19-088 becomes law, in which case section 2 takes effect July 1, 2020.

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