

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 19-0937.01 Conrad Imel x2313

SENATE BILL 19-180

SENATE SPONSORSHIP

Winter, Court, Fenberg, Moreno, Rodriguez

HOUSE SPONSORSHIP

McCluskie, Arndt, Becker, Bird, Buckner, Cutter, Duran, Esgar, Exum, Galindo, Garnett, Gonzales-Gutierrez, Herod, Hooton, Kennedy, Lontine, Melton, Michaelson Jenet, Mullica, Roberts, Singer, Sirota, Snyder, Titone, Valdez A., Valdez D., Weissman

Senate Committees

Judiciary
Appropriations

House Committees

State, Veterans, & Military Affairs
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN EVICTION LEGAL DEFENSE FUND,**
102 **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 bill creates the eviction legal defense fund (fund). The state court administrator will award grants from the fund to qualifying nonprofit organizations (organizations) that provide legal advice, counseling, and representation for, and on behalf of, indigent clients who are experiencing an eviction or are at immediate risk of an eviction. The bill lists permissible uses of grant money awarded from the fund.

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
3rd Reading Unamended
April 30, 2019

HOUSE
2nd Reading Unamended
April 29, 2019

SENATE
Amended 3rd Reading
April 22, 2019

SENATE
Amended 2nd Reading
April 18, 2019

Organizations that receive a grant from the fund are required to report to the state court administrator certain information about services provided by the organization . The state court administrator is required to evaluate the use of grants from the fund every 5 years and submit that evaluation to the general assembly. The bill includes a legislative declaration.

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

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

4 (a) There is a disparity in the availability of legal counsel for
5 low-income Americans. Eighty-six percent of low-income Americans
6 were not represented or inadequately represented in civil cases nationally
7 in 2017.

8 (b) There is less than one civil legal aid attorney available for
9 every thirty thousand people in poverty in Colorado, ranking Colorado
10 ahead of only four other states: Idaho, Mississippi, Alabama, and South
11 Carolina;

12 (c) Our system of justice depends on having a fair chance to be
13 heard, regardless of who you are, where you live, or how much money
14 you have. Having access to justice means a person should be able to learn
15 about his or her rights and then give effective voice to him or her in a
16 neutral and nondiscriminatory, formal or informal process that determines
17 the facts, applies the rule of law, and enforces the result. No one should
18 face the loss of something as essential to well-being as housing without
19 assistance navigating the legal system from an attorney.

20 (d) There were nearly forty-five thousand evictions filed in
21 Colorado in 2017. Most of these renters faced the loss of their housing
22 without help from a lawyer. A 2017 report found that, in Denver eviction

1 cases, landlords were represented nearly ninety percent of the time, while
2 tenants were represented by counsel in fewer than one percent of cases.

3 (e) Evictions contribute to extreme hardship, including negative
4 health effects, higher housing costs, decreased housing quality, and an
5 increased likelihood of future housing insecurity;

6 (f) Evictions are especially detrimental to young children, who
7 need reliable education and community ties for their emotional and
8 mental development. Children who experience an eviction are more likely
9 to suffer from poor academic performance, behavioral issues, or
10 homelessness later in life.

11 (g) Expanding the availability of legal resources for tenants saves
12 taxpayers money. A study of the projected economic return for an
13 eviction defense program in Philadelphia found that spending \$3,500,000
14 per year on legal defense would save \$45,200,000 by reducing shelter
15 costs, hospital costs, mental health costs, and juvenile delinquency. A
16 cost-benefit analysis published by the New York City bar association also
17 showed an economic benefit to the city generated by expanding eviction
18 legal resources for tenants.

19 (h) Data from the eviction legal defense pilot program in Denver
20 demonstrates that providing additional legal resources to tenants facing
21 an eviction helps reduce the consequences of involuntary displacement;
22 and

23 (i) Legal counsel can provide significant help to renters who are
24 facing an eviction. Counsel can be critical in facilitating a resolution that
25 allows tenants to remain in their homes, arrange additional time to find
26 another home, or keep a judgment off a tenant's record.

27 (2) Therefore, the general assembly declares that it is necessary to

1 expand the availability of legal assistance to help indigent persons who
2 are experiencing an eviction or are at immediate risk of an eviction.

3 **SECTION 2.** In Colorado Revised Statutes, **add** 13-40-127 as
4 follows:

5 **13-40-127. Eviction legal assistance - fund - rules - report -**
6 **definitions.** (1) FOR THE PURPOSES OF THIS SECTION, UNLESS THE
7 CONTEXT OTHERWISE REQUIRES:

8 (a) "ADMINISTRATOR" MEANS THE STATE COURT ADMINISTRATOR,
9 APPOINTED PURSUANT TO SECTION 13-3-101.

10 (b) "FUND" MEANS THE EVICTION LEGAL DEFENSE FUND
11 ESTABLISHED IN SUBSECTION (2) OF THIS SECTION.

12 (c) "INDIGENT" MEANS A PERSON WHOSE INCOME DOES NOT
13 EXCEED TWO HUNDRED PERCENT OF THE FAMILY FEDERAL POVERTY
14 GUIDELINES, ADJUSTED FOR FAMILY SIZE, DETERMINED ANNUALLY BY THE
15 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES.

16 (d) "QUALIFYING ORGANIZATION" MEANS AN ORGANIZATION THAT:

17 (I) HAS DEMONSTRATED EXPERIENCE AND EXPERTISE IN
18 PROVIDING FULL SERVICE CIVIL LEGAL SERVICES TO INDIGENT CLIENTS;

19 (II) IS BASED IN COLORADO;

20 (III) IS EXEMPT FROM TAXATION PURSUANT TO SECTION 501 (c)(3)
21 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED; AND

22 (IV) OBTAINS MORE THAN TWENTY PERCENT OF ITS FUNDING FROM
23 SOURCES OTHER THAN GRANTS FROM THE FUND.

24 (2) THERE IS ESTABLISHED IN THE STATE TREASURY THE EVICTION
25 LEGAL DEFENSE FUND. PURSUANT TO SUBSECTION (3) OF THIS SECTION,
26 THE STATE COURT ADMINISTRATOR IS AUTHORIZED TO MAKE GRANTS
27 FROM THE FUND TO QUALIFYING ORGANIZATIONS PROVIDING CIVIL LEGAL

1 SERVICES TO INDIGENT RESIDENTS OF THE STATE OF COLORADO.

2 (3) THE ADMINISTRATOR SHALL AWARD GRANTS FROM THE FUND
3 TO QUALIFYING ORGANIZATIONS TO PROVIDE LEGAL ADVICE, COUNSELING,
4 AND REPRESENTATION FOR, AND ON BEHALF OF, INDIGENT CLIENTS WHO
5 ARE EXPERIENCING AN EVICTION OR ARE AT IMMEDIATE RISK OF AN
6 EVICTION. MONEY FROM THE FUND MAY BE USED FOR SERVICES THAT
7 INCLUDE:

8 (a) PROVIDING LEGAL REPRESENTATION TO INDIGENT TENANTS FOR
9 RESOLVING CIVIL LEGAL MATTERS RELATED TO AN EVICTION OR
10 IMPENDING EVICTION. SUCH REPRESENTATION MAY INCLUDE
11 REPRESENTATION IN ANY FORCIBLE ENTRY AND DETAINER PROCEEDING OR
12 ACTION FOR MONETARY DAMAGES RELATED TO NONPAYMENT OF RENT OR
13 OTHER LEASE VIOLATION, LEGAL ASSISTANCE PRIOR TO THE FILING OF AN
14 EVICTION, OR ANY OTHER JUDICIAL ACTIONS IN WHICH LEGAL
15 REPRESENTATION IS NECESSARY TO PROTECT THE INTERESTS OF AN
16 INDIGENT TENANT.

17 (b) ESTABLISHING CLINICS DESIGNED TO EDUCATE AND ASSIST
18 INDIGENT TENANTS IN EVICTION PROCEEDINGS, INCLUDING PROVIDING
19 INFORMATION RELATED TO THE RIGHTS AND RESPONSIBILITIES OF
20 LANDLORDS AND TENANTS;

21 (c) PROVIDING LEGAL INFORMATION AND ADVICE TO INDIGENT
22 TENANTS;

23 (d) REFERRING CLIENTS TO APPROPRIATE PERSONS OR AGENCIES
24 THAT PROVIDE ASSISTANCE WITH ISSUES RELATED TO HOUSING; AND

25 (e) PROVIDING MEDIATION SERVICES FOR DISPUTES BETWEEN A
26 LANDLORD AND TENANT THAT COULD PREVENT OR RESOLVE THE FILING OF
27 AN EVICTION.

1 (4) (a) A QUALIFYING ORGANIZATION SEEKING TO RECEIVE A
2 GRANT FROM THE FUND SHALL SUBMIT AN APPLICATION EACH YEAR TO
3 THE STATE COURT ADMINISTRATOR ON A FORM PROVIDED BY THE
4 ADMINISTRATOR. THE APPLICATION FORM MUST REQUEST ANY
5 INFORMATION THAT THE ADMINISTRATOR NEEDS TO DETERMINE WHETHER
6 THE APPLYING ORGANIZATION MEETS THE QUALIFICATIONS FOR RECEIPT
7 OF A GRANT.

8 (b) (I) ON OCTOBER 1, 2019, AND ON JULY 1 EACH YEAR
9 THEREAFTER, THE ADMINISTRATOR SHALL DISTRIBUTE GRANTS FROM THE
10 FUND, SUBJECT TO AVAILABLE APPROPRIATIONS, TO A QUALIFYING
11 ORGANIZATION FOR EACH COUNTY OR CITY AND COUNTY IN PROPORTION
12 TO THE NUMBER OF FORCIBLE ENTRY AND DETAINER PETITIONS FILED IN
13 THE COUNTY OR CITY AND COUNTY.

14 (II) IF THERE IS MORE THAN ONE QUALIFYING ORGANIZATION
15 WITHIN A COUNTY OR CITY AND COUNTY, THE ADMINISTRATOR SHALL
16 DISBURSE THE GRANT FOR SUCH COUNTY OR CITY AND COUNTY TO EACH
17 QUALIFYING ORGANIZATION IN PROPORTION TO THE NUMBER OF CLIENTS
18 SERVED BY EACH QUALIFYING ORGANIZATION OR ITS PREDECESSOR IN THE
19 PRECEDING YEAR.

20 (c) EACH QUALIFYING ORGANIZATION THAT RECEIVES A GRANT
21 PURSUANT TO THIS SECTION SHALL SUBMIT AN ANNUAL REPORT TO THE
22 ADMINISTRATOR THAT INCLUDES THE FOLLOWING INFORMATION, TO THE
23 EXTENT POSSIBLE AND TO THE EXTENT THAT IT DOES NOT VIOLATE THE
24 PRIVILEGE AND CONFIDENTIALITY OF AN ATTORNEY CLIENT RELATIONSHIP:

- 25 (I) THE NUMBER OF CLIENTS SERVED BY THE ORGANIZATION;
- 26 (II) THE NATURE OF THE ASSISTANCE RENDERED TO EACH CLIENT,
- 27 SUCH AS PROVIDING INFORMATION, ADVICE, MEDIATION, OR

1 REPRESENTATION;

2 (III) THE TYPE OF ALLEGED LEASE VIOLATION, IF ANY, FOR EACH

3 CLIENT;

4 (IV) THE AMOUNT OF RENT IN DISPUTE, IF ANY, FOR EACH CLIENT;

5 (V) THE NUMBER OF TENANTS THE ORGANIZATION WAS UNABLE TO

6 SERVE;

7 (VI) DEMOGRAPHIC DATA FOR CLIENTS ASSISTED BY THE

8 ORGANIZATION WITH A GRANT FROM THE FUND, INCLUDING ZIP CODE,

9 HOUSEHOLD INCOME, FAMILY STATUS, RACE AND ETHNICITY

10 INFORMATION, AGE, AND DISABILITY STATUS;

11 (VII) THE NUMBER OF REFERRALS TO A RENTAL ASSISTANCE OR

12 MEDIATION PROGRAM PROVIDED TO CLIENTS; AND

13 (VIII) THE OUTCOME OF EACH CLIENT'S CASE, INCLUDING

14 WHETHER A CASE WAS DISMISSED, JUDGMENT FOR POSSESSION WAS

15 ENTERED, A STIPULATED AGREEMENT WAS MADE THAT PREVENTED ENTRY

16 OF A JUDGMENT FOR POSSESSION, A STIPULATED AGREEMENT WAS

17 MADE THAT PROVIDED THE CLIENT WITH AN OPPORTUNITY TO VACATE A

18 JUDGMENT FOR POSSESSION AT A LATER DATE, AND WHETHER THE CLIENT

19 HAD TO MOVE FROM THE RESIDENCE AND, IF SO, WHETHER THE CLIENT

20 RECEIVED ADDITIONAL TIME TO MOVE AND HOW MUCH TIME WAS

21 PROVIDED.

22 (5) (a) IN ADDITION TO ANY APPROPRIATION FROM THE GENERAL

23 FUND, THE ADMINISTRATOR MAY SEEK, ACCEPT, AND EXPEND GIFTS,

24 GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE

25 PURPOSES OF THIS SECTION. THE ADMINISTRATOR SHALL TRANSMIT ALL

26 MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE

27 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

1 (b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
2 ASSEMBLY, THE ADMINISTRATOR MAY EXPEND MONEY FROM THE FUND
3 FOR THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH THE
4 ADMINISTRATION OF THIS SECTION. THE STATE TREASURER SHALL CREDIT
5 ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT
6 OF MONEY IN THE FUND TO THE FUND.

7 (6) (a) ON OR BEFORE DECEMBER 31, 2024, AND ON OR BEFORE
8 DECEMBER 31 EVERY FIVE YEARS THEREAFTER, THE ADMINISTRATOR
9 SHALL EVALUATE THE USE OF GRANT MONEY AWARDED FROM THE FUND.
10 THIS EVALUATION MUST CONSIDER THE FOLLOWING METRICS, AND
11 WHETHER EACH HAS INCREASED OR DECREASED COMPARED TO THE YEARS
12 BEFORE THE FUND WAS ESTABLISHED:

13 (I) THE PERCENTAGE OF FORCIBLE ENTRY AND DETAINER FILINGS
14 THAT RESULTED IN JUDGMENTS ORDERED AGAINST TENANTS, ORGANIZED
15 BY WHETHER THE TENANT WAS REPRESENTED BY AN ATTORNEY;

16 (II) THE NUMBER OF WRITS OF RESTITUTION ISSUED, ORGANIZED
17 BY WHETHER THE TENANT WAS REPRESENTED BY AN ATTORNEY;

18 (III) THE RATE OF LEGAL REPRESENTATION AMONG _____
19 DEFENDANTS FACING EVICTION;

20 _____

21 (IV) THE NUMBER OF ANSWERS FILED IN RESPONSE TO FORCIBLE
22 ENTRY AND DETAINER PETITIONS, ORGANIZED BY WHETHER THE TENANT
23 WAS REPRESENTED BY AN ATTORNEY;

24 (V) BASED ON INFORMATION REPORTED TO THE ADMINISTRATOR
25 BY QUALIFYING ORGANIZATIONS, THE NUMBER OF INDIGENT CLIENTS WHO
26 HAVE BEEN REFERRED TO PROGRAMS THAT PROVIDE EMERGENCY RENT
27 ASSISTANCE OR MEDIATION SERVICES OR TO OTHER PUBLIC AND

1 NONPROFIT RESOURCES THAT WILL BOLSTER THE ECONOMIC SECURITY OF
2 TENANTS AND THEIR FAMILIES;

3 (VI) BASED ON INFORMATION REPORTED TO THE ADMINISTRATOR
4 BY QUALIFYING ORGANIZATIONS, THE DISTRIBUTION OF INFORMATION TO
5 INDIGENT TENANTS CONCERNING STATE LAWS RELATED TO THE
6 LANDLORD-TENANT RELATIONSHIP; AND

7 (VII) BASED ON INFORMATION REPORTED TO THE ADMINISTRATOR
8 BY QUALIFYING ORGANIZATIONS, THE NUMBER OF INDIGENT CLIENTS WHO
9 WERE PROVIDED LEGAL ADVICE.

10 (b) AN EVALUATION PERFORMED PURSUANT TO THIS SUBSECTION
11 (6) MUST INCLUDE, AND CONSIDER, THE INFORMATION PROVIDED TO THE
12 ADMINISTRATOR BY QUALIFIED ORGANIZATIONS RELATED TO CLIENT
13 SERVICES PURSUANT TO SUBSECTION (4)(c) OF THIS SECTION.

14 (c) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
15 ADMINISTRATOR SHALL SUBMIT AN EVALUATION REQUIRED PURSUANT TO
16 THIS SUBSECTION (6) TO THE JUDICIARY COMMITTEES OF THE HOUSE OF
17 REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES.

18 **SECTION 3.** In Colorado Revised Statutes, 13-3-101, **add** (7.5)
19 as follows:

20 **13-3-101. State court administrator - repeal.** (7.5) THE STATE
21 COURT ADMINISTRATOR SHALL MAKE GRANTS FROM THE EVICTION LEGAL
22 DEFENSE FUND PURSUANT TO THE PROVISIONS OF SECTION 13-40-127.

23 **SECTION 4. Appropriation.** (1) For the 2019-20 state fiscal
24 year, \$750,000 is appropriated to the eviction legal defense fund created
25 in section 13-40-127 (2), C.R.S. This appropriation is from the general
26 fund. The judicial department is responsible for accounting related to this
27 appropriation.

1 (2) For the 2019-20 state fiscal year, \$750,000 is appropriated to
2 the judicial department for use by the courts administration division. This
3 appropriation is from the eviction legal defense fund created in section
4 13-40-127 (2), C.R.S. To implement this act, the division may use this
5 appropriation for grants to qualifying organizations providing civil legal
6 services.

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