

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 20-1302.01 Yelana Love x2295

**HOUSE BILL 20-1410**

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**HOUSE SPONSORSHIP**

**Gonzales-Gutierrez and Exum, Woodrow**

**SENATE SPONSORSHIP**

**Gonzales and Zenzinger,**

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**House Committees**

State, Veterans, & Military Affairs  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING ASSISTANCE FOR INDIVIDUALS FACING A**  
102            **HOUSING-RELATED HARDSHIP DUE TO THE COVID-19**  
103            **PANDEMIC, AND, IN CONNECTION THEREWITH, TRANSFERRING**  
104            **MONEY RECEIVED FROM THE FEDERAL GOVERNMENT PURSUANT**  
105            **TO THE "CARES ACT" TO THE EVICTION LEGAL DEFENSE FUND**  
106            **AND THE HOUSING DEVELOPMENT GRANT FUND TO PROVIDE**  
107            **SUCH ASSISTANCE AND MAKING AN APPROPRIATION.**

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**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>.)*

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 8, 2020

From money given to the state in the federal "Coronavirus Aid, Relief, and Economic Security Act", the bill allocates:

- ! \$350,000 to the eviction legal defense fund administered by the state court administrator, for the purpose of providing legal assistance to individuals facing eviction related to the COVID-19 pandemic; and
- ! \$19,650,000 to the housing development grant fund administered by the division of housing in the department of local affairs, for the purpose of providing housing assistance, including rental assistance, mortgage assistance, and guidance on other housing assistance, to households facing financial hardship due to the COVID-19 pandemic.

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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) Due to the COVID-19 pandemic that spread to Colorado in  
5 February of 2020 and the public health emergency resulting from the  
6 pandemic, on March 20, 2020, the governor issued executive order D  
7 2020 012, limiting evictions, foreclosures, and public utilities  
8 disconnections to Coloradans affected by COVID-19 for thirty days;

9 (b) On March 27, 2020, Congress enacted the "Coronavirus Aid,  
10 Relief, and Economic Security Act", Pub.L. 116-136, also referred to as  
11 the "CARES Act", to provide emergency assistance to state, local, and  
12 tribal governments;

13 (c) The CARES Act established the Coronavirus Relief Fund  
14 (CRF) and appropriated \$150 billion to the CRF for distribution, in part,  
15 to the states to cover costs that:

16 (I) Are necessary expenditures incurred due to the public health  
17 emergency with respect to the COVID-19 pandemic;

18 (II) Were not accounted for in the budget most recently approved

1 as of March 27, 2020, for the state; and

2 (III) Were incurred during the period that begins on March 1,  
3 2020, and ends on December 30, 2020;

4 (d) Approximately \$1.674 billion was transferred from the CRF  
5 to the Colorado state government to use for necessary expenditures  
6 incurred due to the current COVID-19 public health emergency, and in  
7 his executive order D 2020 070, dated May 18, 2020, the governor  
8 transferred \$70 million of that money to the general fund for  
9 disbursement by the general assembly;

10 (e) The federal department of the treasury has issued guidance on  
11 states' use of money allocated from the CRF, including the "Coronavirus  
12 Relief Fund Frequently Asked Questions" document issued on May 4,  
13 2020, and updated on May 28, 2020, in which the department indicated  
14 that "a program to assist individuals with payment of overdue rent or  
15 mortgage payments to avoid eviction or foreclosure" is an acceptable use  
16 of this money;

17 (f) The COVID-19 pandemic has led to extensive job losses  
18 throughout the state, where more than 450,000 claims for state and  
19 federal unemployment assistance have been filed since March 1, 2020,  
20 and many Coloradans have experienced a significant decline in their  
21 household incomes;

22 (g) With the extensive job losses and loss of income experienced  
23 by many tenants and mortgagors throughout the state, even after the  
24 expiration of executive order D 2020 012, there will still be Coloradans  
25 who, due to the COVID-19 pandemic and the resulting public health  
26 emergency, will require assistance with rent and mortgage payments and  
27 individuals in need of legal assistance with respect to eviction actions;

1 and

2 (h) Ensuring that people remain in their homes by paying rent or  
3 mortgages will keep more people from becoming homeless and allow  
4 those individuals and families to remain in safe environments,  
5 maintaining their health and safety from COVID-19.

6 (2) The general assembly declares that distributing a portion of the  
7 money that the state receives from the CRF to the housing development  
8 grant fund administered by the division of housing in the department of  
9 local affairs and to the eviction legal defense fund administered by the  
10 state court administrator to assist those entities in paying the costs  
11 incurred due to the current COVID-19 public health emergency, including  
12 the costs described in subsection (1) of this section, which assistance was  
13 not accounted for in the state's budget most recently approved as of  
14 March 27, 2020, is an appropriate, necessary, and lawful use of said  
15 money.

16 **SECTION 2.** In Colorado Revised Statutes, 13-40-127, **add** (7)  
17 as follows:

18 **13-40-127. Eviction legal assistance - fund - rules - report -**  
19 **definitions - repeal.** (7) (a) THE STATE TREASURER SHALL TRANSFER  
20 THREE HUNDRED FIFTY THOUSAND DOLLARS FROM THE CARE SUBFUND IN  
21 THE GENERAL FUND TO THE EVICTION LEGAL DEFENSE FUND FOR THE  
22 PURPOSE OF PROVIDING LEGAL REPRESENTATION TO INDIGENT TENANTS TO  
23 RESOLVE CIVIL LEGAL MATTERS ARISING ON AND AFTER MARCH 1, 2020,  
24 FOR AN EVICTION OR IMPENDING EVICTION RELATED TO THE PUBLIC  
25 HEALTH EMERGENCY CAUSED BY THE COVID-19 PANDEMIC. THE MONEY  
26 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (7)(a) SHALL  
27 BE MAINTAINED IN A SEPARATE ACCOUNT AND USED ONLY FOR THE

1 PURPOSES SPECIFIED IN THIS SUBSECTION (7)(a). THE GENERAL ASSEMBLY  
2 SHALL APPROPRIATE THE MONEY TRANSFERRED TO THE FUND PURSUANT  
3 TO THIS SUBSECTION (7)(a) TO THE ADMINISTRATOR FOR USE IN  
4 ACCORDANCE WITH THIS SUBSECTION (7)(a). THE ADMINISTRATOR MUST  
5 USE THE MONEY BY DECEMBER 30, 2020, FOR THE PURPOSES SPECIFIED IN  
6 THIS SUBSECTION (7).

7 (b) AS USED IN THIS SUBSECTION (7), "COVID-19" MEANS THE  
8 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY  
9 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

10 (c) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
11 2021.

12 **SECTION 3.** In Colorado Revised Statutes, 24-32-721, **add** (1.7)  
13 as follows:

14 **24-32-721. Colorado affordable housing construction grants**  
15 **and loans - housing development grant fund - creation - housing**  
16 **assistance for persons with behavioral, mental health, or substance**  
17 **use disorders - cash fund - appropriation - report to general assembly**  
18 **- definitions - rules - repeal.** (1.7) (a) THE STATE TREASURER SHALL  
19 TRANSFER NINETEEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS  
20 FROM THE CARE SUBFUND IN THE GENERAL FUND TO THE HOUSING  
21 DEVELOPMENT GRANT FUND FOR THE PURPOSE OF PROVIDING HOUSING  
22 ASSISTANCE AS SPECIFIED IN THIS SUBSECTION (1.7). MONEY  
23 TRANSFERRED PURSUANT TO THIS SUBSECTION (1.7)(a) SHALL BE  
24 MAINTAINED IN A SEPARATE ACCOUNT. THE DIVISION MAY USE UP TO  
25 THREE PERCENT OF THE MONEY TRANSFERRED PURSUANT TO THIS  
26 SUBSECTION (1.7)(a) FOR THE COSTS OF ADMINISTERING THIS SUBSECTION  
27 (1.7).

1 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE THE MONEY  
2 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (1.7) TO THE  
3 DIVISION FOR USE IN PROVIDING INDIVIDUALS AND HOUSEHOLDS WHO, ON  
4 OR AFTER MARCH 1, 2020, HAVE EXPERIENCED FINANCIAL NEED DUE TO  
5 THE COVID-19 PANDEMIC OR SECOND-ORDER EFFECTS OF THE COVID-19  
6 PANDEMIC, WITH RENTAL ASSISTANCE, RESIDENTIAL MORTGAGE  
7 ASSISTANCE, AND GUIDANCE ON HOW TO ACCESS ADDITIONAL HOUSING  
8 SERVICES. THE DIVISION MUST USE THE MONEY BY DECEMBER 30, 2020,  
9 FOR THE PURPOSES SPECIFIED IN THIS SUBSECTION (1.7).

10 (c) (I) IN DETERMINING HOW TO DISTRIBUTE THE RENTAL  
11 ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION SHALL  
12 PRIORITIZE:

13 (A) HOMELESS FAMILIES WITH DEPENDENTS OR OTHER CHILDREN  
14 ENROLLED IN PRESCHOOL, ELEMENTARY, OR SECONDARY SCHOOLS;

15 (B) MEDICAID CLIENTS IN NURSING HOMES WHO ARE ABLE TO LIVE  
16 IN THEIR COMMUNITIES WITH IN-HOME SERVICES;

17 (C) FAMILY UNIFICATION AND RELATED SERVICES;

18 (D) HOMELESS OR DISABLED VETERANS;

19 (E) LOW-INCOME HOUSEHOLDS WITH AN INCOME AT OR BELOW  
20 ONE HUNDRED PERCENT OF THE AREA MEDIAN INCOME;

21 (F) SURVIVORS OF DOMESTIC VIOLENCE;

22 (G) PEOPLE EXPERIENCING HOMELESSNESS WHO ARE AT A HIGHER  
23 RISK OF CONTRACTING COVID-19 ACCORDING TO THE FEDERAL CENTERS  
24 FOR DISEASE CONTROL; AND

25 (H) ENTITIES THAT PROVIDE DIRECT SERVICES TO YOUTH  
26 EXPERIENCING OR AT RISK OF EXPERIENCING HOMELESSNESS.

27 (II) (A) IN ACCORDANCE WITH POLICIES AND PROCEDURES

1 ESTABLISHED BY THE DIVISION, A LANDLORD MAY SEEK RENTAL  
2 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) ON BEHALF OF THE  
3 LANDLORD'S TENANTS WHO HAVE EXPERIENCED FINANCIAL NEED ON OR  
4 AFTER MARCH 1, 2020, DUE TO THE COVID-19 PANDEMIC OR  
5 SECOND-ORDER EFFECTS OF THE COVID-19 PANDEMIC. THIS SUBSECTION  
6 (1.7) DOES NOT AUTHORIZE A LANDLORD TO OBTAIN INFORMATION ABOUT  
7 A TENANT THAT VIOLATES THE TENANT'S RIGHT TO PRIVACY OR ANY  
8 OTHER LAW.

9 (B) IN ACCEPTING RENTAL ASSISTANCE ON BEHALF OF A TENANT  
10 IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II), THE LANDLORD IS  
11 PROHIBITED FROM COMMENCING EVICTION PROCEEDINGS AGAINST A  
12 TENANT FOR WHOM THE ASSISTANCE WAS PROVIDED FOR THE MONTH FOR  
13 WHICH THE ASSISTANCE WAS PROVIDED.

14 (C) A LANDLORD RECEIVING RENTAL ASSISTANCE ON BEHALF OF  
15 A TENANT IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II) SHALL  
16 PROVIDE THE TENANT WITH A RECEIPT ACKNOWLEDGING THE PAYMENT OF  
17 RENT AS REQUIRED BY SECTION 38-12-802.

18 (d) (I) IN DETERMINING HOW TO PRIORITIZE THE RESIDENTIAL  
19 MORTGAGE ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION  
20 SHALL PRIORITIZE HOUSEHOLDS WITH AN INCOME AT OR BELOW ONE  
21 HUNDRED PERCENT OF THE AREA MEDIAN INCOME.

22 (II) (A) IN ACCORDANCE WITH POLICIES AND PROCEDURES  
23 ESTABLISHED BY THE DIVISION, A NONPROFIT LENDER MAY SEEK  
24 RESIDENTIAL MORTGAGE ASSISTANCE PURSUANT TO THIS SUBSECTION  
25 (1.7) ON BEHALF OF THE NONPROFIT LENDER'S MORTGAGER WHO HAS  
26 EXPERIENCED FINANCIAL NEED ON OR AFTER MARCH 1, 2020, DUE TO THE  
27 COVID-19 PANDEMIC OR SECOND-ORDER EFFECTS OF THE COVID-19

1 PANDEMIC. THIS SUBSECTION (1.7)(d)(II) DOES NOT AUTHORIZE A  
2 NONPROFIT LENDER TO OBTAIN INFORMATION ABOUT A MORTGAGER THAT  
3 VIOLATES THE MORTGAGER'S RIGHT TO PRIVACY OR ANY OTHER LAW.

4 (B) IN ACCEPTING RESIDENTIAL MORTGAGE ASSISTANCE ON  
5 BEHALF OF A MORTGAGER IN ACCORDANCE WITH THIS SUBSECTION  
6 (1.7)(d)(II), THE NONPROFIT LENDER IS PROHIBITED FROM ISSUING A  
7 NOTICE OF DEFAULT, INITIATING A JUDICIAL OR NONJUDICIAL  
8 FORECLOSURE, SEEKING A COURT ORDER FOR A FORECLOSURE JUDGMENT  
9 OR ORDER OF SALE, HOLDING A FORECLOSURE SALE, OR EXECUTING A  
10 FORECLOSURE-RELATED EVICTION AGAINST A MORTGAGER FOR WHOM THE  
11 ASSISTANCE WAS PROVIDED FOR THE MONTH FOR WHICH THE ASSISTANCE  
12 WAS PROVIDED.

13 (C) A NONPROFIT LENDER RECEIVING RESIDENTIAL MORTGAGE  
14 ASSISTANCE ON BEHALF OF A MORTGAGER IN ACCORDANCE WITH THIS  
15 SUBSECTION (1.7)(d)(II) SHALL NOTE THE ASSISTANCE AS PART OF ANY  
16 MONTHLY MORTGAGE STATEMENT PROVIDED TO THE MORTGAGER. IF THE  
17 NONPROFIT LENDER DOES NOT PROVIDE A MONTHLY STATEMENT, THE  
18 LENDER SHALL ISSUE THE MORTGAGER A LETTER DOCUMENTING THE  
19 PAYMENT.

20 (e) THE DIVISION MAY PROMULGATE RULES NECESSARY TO  
21 IMPLEMENT THIS SUBSECTION (1.7).

22 (f) AN ASSOCIATION OR ORGANIZATION THAT RECEIVES  
23 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) IS NOT REQUIRED TO  
24 INDEPENDENTLY VERIFY THE TENANT'S OR BORROWER'S FINANCIAL NEED  
25 IF THE TENANT OR BORROWER OR LANDLORD ATTESTS THAT THE TENANT  
26 OR BORROWER, AS APPROPRIATE, HAS EXPERIENCED AN ADVERSE  
27 FINANCIAL IMPACT DUE TO THE COVID-19 PANDEMIC OR SECOND-ORDER

1 EFFECTS OF THE COVID-19 PANDEMIC.

2 (g) HOUSING ASSISTANCE PROVIDED UNDER THIS SUBSECTION (1.7)  
3 IS SHORT-TERM, NONCASH, IN-KIND EMERGENCY DISASTER RELIEF.

4 (h) THE DIVISION SHALL NOT PROVIDE ASSISTANCE UNDER THIS  
5 SUBSECTION (1.7) FOR THE PURPOSE OF HOUSING DEVELOPMENT.

6 (i) DURING THE SECOND REGULAR SESSION OF THE SEVENTY-THIRD  
7 GENERAL ASSEMBLY, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF  
8 LOCAL AFFAIRS SHALL REPORT TO THE SENATE COMMITTEE ON LOCAL  
9 GOVERNMENT AND THE HOUSE OF REPRESENTATIVES COMMITTEE ON  
10 TRANSPORTATION AND LOCAL GOVERNMENT, OR ANY SUCCESSOR  
11 COMMITTEES, UNDER THE "STATE MEASUREMENT FOR ACCOUNTABLE,  
12 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2  
13 OF ARTICLE 7 OF TITLE 2, ON:

14 (I) EACH ASSOCIATION OR ORGANIZATION THAT RECEIVED  
15 ASSISTANCE UNDER THIS SUBSECTION (1.7), INCLUDING THE NAME OF EACH  
16 ASSOCIATION OR ORGANIZATION, THE AMOUNT OF ASSISTANCE EACH  
17 ASSOCIATION OR ORGANIZATION RECEIVED, AND THE LOCATION OF THE  
18 ASSOCIATION OR ORGANIZATION;

19 (II) THE NUMBER OF HOUSEHOLDS WHO RECEIVED RENTAL  
20 ASSISTANCE UNDER THIS SUBSECTION (1.7);

21 (III) THE NUMBER OF HOUSEHOLDS WHO RECEIVED RESIDENTIAL  
22 MORTGAGE ASSISTANCE UNDER THIS SUBSECTION (1.7); AND

23 (IV) TO THE EXTENT POSSIBLE, THE PERCENTAGE OF MONEY  
24 DISTRIBUTED BASED ON EACH OF THE FOLLOWING PURPOSES:

25 (A) RENTAL ASSISTANCE;

26 (B) RESIDENTIAL MORTGAGE ASSISTANCE; AND

27 (C) GUIDANCE ON HOW TO ACCESS ADDITIONAL HOUSING

1 SERVICES.

2 (j) AS USED IN THIS SUBSECTION (1.7), "COVID-19" MEANS THE  
3 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY  
4 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

5 (k) THIS SUBSECTION (1.7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
6 2022.

7 **SECTION 4. Appropriation.** For the 2019-20 state fiscal year,  
8 \$350,000 is appropriated to the judicial department for use by the eviction  
9 legal defense grant program. This appropriation is from the pandemic  
10 subaccount of the eviction legal defense fund created by section  
11 13-40-127 (2) and (7)(a), C.R.S. To implement this act, the department  
12 may use this appropriation for the purpose of providing legal  
13 representation to indigent tenants as specified in section 13-40-127 (7)(a),  
14 C.R.S. Any money appropriated in this section not expended prior to July  
15 1, 2020, is further appropriated to the department for the period from July  
16 1, 2020, through December 30, 2020, for the same purpose.

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