

## CHAPTER 285

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**GOVERNMENT - STATE**

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**HOUSE BILL 22-1377**

BY REPRESENTATIVE(S) Woodrow and Exum, Amabile, Bacon, Bennett, Bird, Boesenecker, Cutter, Duran, Esgar, Froelich, Herod, Hooton, Jodeh, Kennedy, Kipp, Lindsay, Lontine, McCluskie, McCormick, Michaelson Jenet, Mullica, Ricks, Sirota, Snyder, Sullivan, Tipper, Titone, Valdez A., Valdez D., Young, Garnett;  
also SENATOR(S) Kolker and Gonzales, Bridges, Buckner, Danielson, Donovan, Fields, Hansen, Jaquez Lewis, Lee, Moreno, Pettersen, Story, Winter, Zenzinger.

**AN ACT**

**CONCERNING THE CREATION OF THE CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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

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

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

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

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

(d) Housing and support services are crucial for the safety, health, and well-being of Coloradans. Extensive research shows that housing is an essential social

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*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.*

determinant of health. Stable housing improves health outcomes and decreases health-care costs.

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

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

**SECTION 2.** In Colorado Revised Statutes, **add** 24-32-732 as follows:

**24-32-732. Connecting Coloradans experiencing homelessness with services, recovery care, and housing supports grant program - funding - report - definitions - repeal.** (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

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

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

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

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

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

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

(2) **Creation of the grant program - projects or programs eligible for funding.** (a) THERE IS CREATED IN THE DIVISION THE CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM TO PROVIDE GRANTS TO ELIGIBLE RECIPIENTS TO ENABLE THEM TO MAKE INVESTMENTS OR IMPROVEMENTS IN THEIR COMMUNITIES OR REGIONS OF THE STATE TO:

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

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

(b) THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM.

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

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

(II) PROVIDE SUPPORTIVE SERVICES SO LONG AS THE SUPPORTIVE SERVICES MEET THE GRANT PROGRAM GOALS OUTLINED IN SUBSECTION (4) OF THIS SECTION. SUCH SUPPORTIVE SERVICES INCLUDE THOSE DESCRIBED IN 42 CFR 578.53, OR ANY SUCCESSOR REGULATION, AND THOSE DETERMINED BY THE DIVISION. FUNDS MAY BE USED TO PROVIDE SUPPORTIVE SERVICES IN CONJUNCTION WITH CAPITAL IMPROVEMENTS AND HOUSING DEVELOPMENT PROJECTS OR AS STANDALONE SERVICES THAT ARE PROVIDED TO AN INDIVIDUAL THROUGH A SERVICE PROVIDER.

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

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

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

(A) EMERGENCY HOMELESS SHELTERS;

(B) TRANSITIONAL AND BRIDGE HOUSING;

(C) LONG-TERM HOUSING;

(D) PERMANENT SUPPORTIVE HOUSING WITH SUPPORTIVE SERVICES;

(E) RECOVERY CARE AND RELATED RESIDENTIAL PROGRAMS;

- (F) AFFORDABLE HOME OWNERSHIP ASSISTANCE;
- (G) AFFORDABLE RENTAL HOUSING, INCLUDING SECURITY DEPOSIT ASSISTANCE;
- (H) EDUCATIONAL AND VOCATIONAL OPPORTUNITIES; AND
- (I) WORK-BASED LEARNING OPPORTUNITIES.

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

**(3) Policies, procedures, and guidelines.** (a) THE DIVISION SHALL DEVELOP POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT PROGRAM THAT, WITHOUT LIMITATION:

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

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

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

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

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

(IV) REQUIRE GRANT RECIPIENTS TO OFFER A MATCH;

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

(VI) ESTABLISH REPORTING REQUIREMENTS FOR GRANT RECIPIENTS;

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

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

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

(b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, THE AMOUNT OF ANY GRANT AWARDED UNDER THE GRANT PROGRAM AND ANY RESTRICTIONS OR CONDITIONS PLACED UPON THE USE OF GRANT MONEY AWARDED IS WITHIN THE DISCRETION OF THE DIVISION IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION.

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

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

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

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

(d) WITHIN THREE BUSINESS DAYS OF THE EFFECTIVE DATE OF THIS SECTION, THE STATE TREASURER SHALL TRANSFER ONE HUNDRED FIVE MILLION DOLLARS FROM THE ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION 24-75-228 THAT ORIGINATES FROM THE MONEY THE STATE RECEIVED FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND TO THE FUND FOR THE PURPOSE OF IMPLEMENTING THIS SECTION. THE DEPARTMENT SHALL ONLY USE THE MONEY TRANSFERRED PURSUANT TO THIS SUBSECTION (5)(d) FOR:

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

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

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

(f) MONEY SPENT PURSUANT TO THIS SUBSECTION (5)(f) MUST CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED. THE DIVISION SHALL SPEND OR OBLIGATE SUCH APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

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

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

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

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

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

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

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

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

(b) THE DIVISION AND ANY ENTITY THAT RECEIVES MONEY FROM THE DIVISION SHALL COMPLY WITH THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE PLANNING AND BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE WITH SECTION 24-75-226 (5).

(c) IN THE 2023 LEGISLATIVE SESSION, THE DEPARTMENT, IN CONJUNCTION WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, SHALL SHARE ANY RESULTS, RECOMMENDATIONS, AND FEDERAL IMPLICATIONS CONCERNING ANY CURRENT SUPPORTIVE HOUSING PILOT PROGRAMS BEING ADMINISTERED BY THE DEPARTMENT AND DIVISION AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AS PART OF ITS "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT" HEARING PURSUANT TO SECTION 2-7-203. IN THE 2023 LEGISLATIVE SESSION, THE DEPARTMENT AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING SHALL SUBMIT A REPORT DETAILING ANY SUCH RESULTS, RECOMMENDATIONS, AND FEDERAL IMPLICATIONS CONCERNING ANY CURRENT SUPPORTIVE HOUSING PILOT PROGRAMS BEING OPERATED BY THE DEPARTMENT AND DIVISION AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING TO THE HOUSE OF REPRESENTATIVES PUBLIC AND BEHAVIORAL HEALTH AND HUMAN SERVICES COMMITTEE AND THE SENATE HEALTH

AND HUMAN SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES.

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

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

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

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

(b) THE CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM CREATED IN SECTION 24-32-732.

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

**24-32-705.5. Annual public report on funding of affordable housing preservation and production - definition.** (3.5) FOR THE PUBLIC REPORT REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE DIVISION SHALL INCLUDE IN THE REPORT FOR EACH YEAR OF THE CONNECTING COLORADANS EXPERIENCING HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS GRANT PROGRAM'S OPERATION, THE INFORMATION REQUIRED PURSUANT TO SECTION 24-32-732.

**SECTION 5. Appropriation.** For the 2022-23 state fiscal year, \$9,218 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs from the connecting Coloradans experiencing homelessness with services, recovery care, and housing supports fund created in section 24-32-732 (5)(a), C.R.S., that originate from money the state received from the federal coronavirus state fiscal recovery fund. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.

**SECTION 6. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 31, 2022