The First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction HOUSE BILL 25-1019

LLS NO. 25-0237.01 Jed Franklin x5484

HOUSE SPONSORSHIP

Sirota, Bacon, Bird, Boesenecker, Brown, Clifford, Duran, Espenoza, Froelich, Garcia, Hamrick, Lindsay, McCluskie, Paschal, Phillips, Rutinel, Stewart R., Story, Titone, Velasco, Woodrow, Zokaie

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House Committees Transportation, Housing & Local Government **Senate Committees**

A BILL FOR AN ACT

104	AFFAIRS.
103	BY THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
102	PERSONS EXPERIENCING HOMELESSNESS THAT ARE OVERSEEN
101	CONCERNING THIRD-PARTY ADMINISTRATION OF PROGRAMS FOR

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 <u>http://leg.colorado.gov</u>.)

The bill specifies that a third-party contractor or grantee may administer a program in the division of housing in the department of local affairs (division) for persons experiencing homelessness. The division HOUSE 3rd Reading Unamended January 27, 2025

> Amended 2nd Reading January 24, 2025

HOUSE

may negotiate reasonable administrative or project delivery costs for contractors or grantees to administer the program in addition to the 5% retained by the division for program administration and oversight.

Be it enacted by the General Assembly of the State of Colorado:
SECTION 1. In Colorado Revised Statutes, 29-32-104, amend
(3)(b) as follows:
29-32-104. Permissible expenditures - affordable housing
programs - report. (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:

8 (b) A program serving persons experiencing homelessness to be 9 administered by the division OR ONE OR MORE CONTRACTORS OR 10 GRANTEES OF THE DIVISION. The program shall provide rental assistance, 11 housing vouchers, and eviction defense assistance, including legal, 12 financial, and case management, to persons experiencing homelessness 13 or at risk of experiencing homelessness. The program shall also make 14 grants or loans to non-profit NONPROFIT organizations, local governments, 15 tribal governments, or private entities to support the development and 16 preservation of supportive housing for persons experiencing 17 homelessness, and other homelessness related activities the division 18 determines contribute to the resolution of or prevention of homelessness, 19 including housing programs paid for by non-profit NONPROFIT 20 organizations, local governments, tribal governments, or private entities 21 on a pay for success basis, meaning an organization, local government, 22 tribal government, or private entity would receive financial support from 23 the program upon achieving objectives contractually agreed upon with the 24 division. All principal and interest payments on loans made under this

1 paragraph (b) SUBSECTION (3)(b) shall be paid to the division and used by 2 the division for the purposes set forth in this subsection (3). Up to 45%3 FORTY-FIVE PERCENT of monies THE MONEY transferred to the support 4 fund annually may be used for the program. The division may utilize up 5 to 5% FIVE PERCENT of the funds MONEY it allocates from the fund for the 6 program each state fiscal year to pay for the direct and indirect costs of 7 administering the program. THE DIVISION MAY NEGOTIATE REASONABLE 8 ADMINISTRATIVE OR PROJECT DELIVERY COSTS FOR ONE OR MORE 9 CONTRACTORS OR GRANTEES TO ADMINISTER THE PROGRAM IN ADDITION 10 TO THE FIVE PERCENT RETAINED BY THE DIVISION FOR PROGRAM 11 ADMINISTRATION AND OVERSIGHT. THE DIVISION SHALL CONSIDER THE 12 PAST PERFORMANCE HISTORY OF A CONTRACTOR OR GRANTEE WHEN 13 SELECTING A CONTRACTOR OR GRANTEE TO ADMINISTER THE PROGRAM. 14 SECTION 2. Safety clause. The general assembly finds, 15 determines, and declares that this act is necessary for the immediate 16 preservation of the public peace, health, or safety or for appropriations for 17 the support and maintenance of the departments of the state and state

18 institutions.