

CHAPTER 306

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 00-1361

BY REPRESENTATIVES George, Gordon, Gotlieb, Hagedorn, Johnson, Kaufman, Morrison, Takis, Tool, Bacon, Clarke, Coleman, Gagliardi, Leyba, Miller, Plant, Saliman, Smith, Tapia, Tate, Tupa, Veiga, Vigil, and Zimmerman; also SENATORS Blickensderfer, Dyer, Feeley, Linkhart, Pascoe, and Reeves.

AN ACT

CONCERNING THE CREATION OF AN INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. Article 2 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

**PART 10
INCENTIVES FOR SELF-SUFFICIENCY**

26-2-1001. Short title. THIS PART 10 SHALL BE KNOWN AND MAY BE CITED AS THE "INDIVIDUAL DEVELOPMENT ACCOUNT ACT".

26-2-1002. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

(a) THE UNREALIZED AND LOST HUMAN RESOURCE POTENTIAL OF LOW-INCOME AND WORKING-POOR INDIVIDUALS OF THIS STATE RESULTS IN AN OVERALL LOSS TO THE POTENTIAL OF THE ENTIRE STATE;

(b) IT IS IN THE BEST INTERESTS OF ALL COLORADANS TO STRUCTURE INCENTIVES IN A WAY THAT WILL RESULT IN A GREATER LIKELIHOOD THAT LOW-INCOME AND WORKING-POOR INDIVIDUALS WILL ATTAIN SELF-SUFFICIENCY;

(c) IT IS IN THE BEST INTERESTS OF ALL COLORADANS TO CONCENTRATE

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

APPROPRIATE ASSETS AND INVESTMENTS ON LOW-INCOME AND WORKING-POOR INDIVIDUALS AND IN LOW-INCOME AND WORKING-POOR NEIGHBORHOODS AND COMMUNITIES IN ORDER TO ALLOW LOW-INCOME INDIVIDUALS, NEIGHBORHOODS, AND COMMUNITIES TO BENEFIT FROM THE DEVELOPMENTS ACHIEVED THROUGH THE GROWTH IN ASSETS AND INVESTMENTS;

(d) ACHIEVING SELF-SUFFICIENCY AND ASSESSING ECONOMIC OPPORTUNITY FOR LOW-INCOME AND WORKING-POOR INDIVIDUALS CAN BE ADDRESSED THROUGH PUBLIC POLICY THAT INVESTS IN ASSET ACCUMULATION AND IS SUPPORTED BY PRIVATE SECTOR PHILANTHROPY;

(e) PROVIDING A STRUCTURED SAVINGS SITUATION FOR LOW-INCOME AND WORKING-POOR INDIVIDUALS ENHANCES SUCH INDIVIDUALS' CHANCES OF FULFILLING MAJOR LIFE GOALS AND OPPORTUNITIES AND INCORPORATES SUCH INDIVIDUALS INTO THE ECONOMIC MAINSTREAM; AND

(f) SUCH SELF-SUFFICIENCY MAY, IN TURN, RESULT IN FEWER PEOPLE NEEDING TO SEEK PUBLIC ASSISTANCE.

(2) THEREFORE, THE GENERAL ASSEMBLY HEREBY AUTHORIZES THE IMPLEMENTATION OF AN INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM TO PROVIDE INCENTIVES AND MOTIVATION FOR LOW-INCOME AND WORKING-POOR INDIVIDUALS AND FAMILIES TO DEVELOP AND CONCENTRATE ASSETS AND INVESTMENTS FOR USE BY SUCH INDIVIDUALS WHO ARE STRIVING FOR SELF-SUFFICIENCY AND NEED A JUMP-START FOR ECONOMIC OPPORTUNITY.

26-2-1003. Definitions. AS USED IN THIS PART 10, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CHARITABLE DONOR" MEANS A PERSON WHO CONTRIBUTES TO A SPONSORING ORGANIZATION FOR THE PURPOSES OF THE IDA PROGRAM.

(2) "FINANCIAL INSTITUTION" MEANS AN ORGANIZATION THAT IS FEDERALLY INSURED AND IS AUTHORIZED TO DO BUSINESS UNDER STATE OR FEDERAL LAWS RELATING TO FINANCIAL INSTITUTIONS AND INCLUDES A BANK, TRUST COMPANY, SAVINGS BANK, BUILDING AND LOAN ASSOCIATION, SAVINGS AND LOAN COMPANY OR ASSOCIATION, AND CREDIT UNION.

(3) "INDIVIDUAL DEVELOPMENT ACCOUNT" MEANS A CONTRACT OF DEPOSIT BETWEEN A DEPOSITOR AND A FINANCIAL INSTITUTION SELECTED BY A SPONSORING ORGANIZATION.

(4) "PROGRAM" OR "IDA PROGRAM" MEANS THE INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM ESTABLISHED PURSUANT TO THIS PART 10.

(5) "SERVICE PROVIDER" MEANS AN INSTITUTION OF HIGHER EDUCATION; A PROVIDER OF OCCUPATIONAL OR VOCATIONAL EDUCATION; A TRADE SCHOOL; A BANK, SAVINGS AND LOAN, OR OTHER MORTGAGE LENDER; A TITLE COMPANY; OR THE LESSOR OR VENDOR OF ANY OFFICE SUPPLIES, OFFICE EQUIPMENT, RETAIL SPACE OR OFFICE SPACE OR OTHER BUSINESS SPACE, OR SUCH OTHER PROVIDER OF GOODS OR SERVICES TO BE USED FOR THE COMMENCEMENT OF A BUSINESS.

(6) "SPONSORING ORGANIZATION" MEANS A NONPROFIT ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT PARTICIPATES IN IDA PROGRAMS, AND THAT VERIFIES AUTHORIZED USE OF INDIVIDUAL DEVELOPMENT ACCOUNTS.

26-2-1004. Individual development account program - rules. (1) THE IDA PROGRAM SHALL PROVIDE THAT ELIGIBLE INDIVIDUALS WHO ESTABLISH INDIVIDUAL DEVELOPMENT ACCOUNTS, AS SET FORTH IN SECTION 26-2-1005, SHALL RECEIVE THE BENEFIT OF MATCHING MONEYS PAYABLE DIRECTLY TO THE SERVICE PROVIDER AT THE TIME OF THE ELIGIBLE INDIVIDUAL'S EXPENDITURE OF THE MONEYS IN HIS OR HER INDIVIDUAL DEVELOPMENT ACCOUNT FOR ANY OF THE FOLLOWING PURPOSES:

(a) SECURING POST-SECONDARY EDUCATION, INCLUDING BUT NOT LIMITED TO COMMUNITY COLLEGE COURSES, COURSES AT A FOUR-YEAR COLLEGE OR UNIVERSITY, OR POST-COLLEGE, GRADUATE COURSES FOR EITHER THE INDIVIDUAL OR THE INDIVIDUAL'S DEPENDENT;

(b) SECURING POST-SECONDARY OCCUPATIONAL TRAINING, INCLUDING BUT NOT LIMITED TO VOCATIONAL OR TRADE SCHOOL TRAINING FOR EITHER THE INDIVIDUAL OR THE INDIVIDUAL'S DEPENDENT;

(c) PURCHASING A HOME FOR THE FIRST TIME, EITHER INDIVIDUALLY OR WITH ANOTHER FAMILY MEMBER; OR

(d) BUSINESS CAPITALIZATION.

(2) IN ADDITION TO THE PURPOSES SET FORTH IN SUBSECTION (1) OF THIS SECTION, AN ELIGIBLE INDIVIDUAL MAY EXPEND UP TO TEN PERCENT OF THE TOTAL MONEYS FROM HIS OR HER INDIVIDUAL DEVELOPMENT ACCOUNT FOR SUPPORTIVE COUNSELING, MENTORING, TUTORING, OR OTHER RELATED SERVICES AS PROVIDED BY SPONSORING ORGANIZATIONS AND AS APPROVED BY SUCH INDIVIDUAL DEVELOPMENT ACCOUNT HOLDERS.

26-2-1005. Eligibility for participation in the individual development account program. (1) SPONSORING ORGANIZATIONS THAT ELECT TO PARTICIPATE IN THE PROGRAM SHALL RECRUIT INDIVIDUALS OR HOUSEHOLDS TO PARTICIPATE IN THE IDA PROGRAM AND SHALL DETERMINE THE ELIGIBILITY OF PROSPECTIVE PARTICIPANTS BASED UPON THE CRITERIA SET FORTH IN THIS SUBSECTION (1). ALL INDIVIDUALS WITHIN ONE FAMILY OR A SINGLE INDIVIDUAL SHALL BE ELIGIBLE TO BE SELECTED FOR PARTICIPATION IN THE IDA PROGRAM IF THE INDIVIDUAL OR HOUSEHOLD MEETS THE FOLLOWING REQUIREMENTS:

(a) THE INDIVIDUAL'S OR HOUSEHOLD'S INCOME MAY NOT EXCEED TWO HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL WHEN APPLIED TO THE SAVINGS GOALS OF POST-SECONDARY EDUCATION OR BUSINESS CAPITALIZATION. THE INDIVIDUAL'S OR HOUSEHOLD'S INCOME MAY NOT EXCEED EIGHTY PERCENT OF THE AREA MEDIAN INCOME WHEN APPLIED TO THE SAVINGS GOAL OF HOME OWNERSHIP.

(b) AN INDIVIDUAL WITHIN A HOUSEHOLD HAS ENTERED INTO AN INDIVIDUAL DEVELOPMENT ACCOUNT AGREEMENT WITH A SPONSORING ORGANIZATION.

(c) AN INDIVIDUAL WITHIN A HOUSEHOLD HAS ESTABLISHED AN INDIVIDUAL DEVELOPMENT ACCOUNT WITH A FINANCIAL INSTITUTION SELECTED BY THE SPONSORING ORGANIZATION AND HAS MADE A COMMITMENT, AS SET FORTH IN THIS SECTION, TO SAVE AND MATCH PHILANTHROPIC SOURCES OF MONEYS THAT ARE AVAILABLE TO MATCH THE INDIVIDUAL OR HOUSEHOLD CONTRIBUTIONS TO THE INDIVIDUAL DEVELOPMENT ACCOUNT. THE INDIVIDUAL DEVELOPMENT ACCOUNT SHALL ACCRUE INTEREST.

(d) THE INDIVIDUAL OR THE HOUSEHOLD MAY ONLY OPEN ONE INDIVIDUAL DEVELOPMENT ACCOUNT.

(2) ALL OF THE FOLLOWING DUTIES SHALL BE UNDERTAKEN BY ONE OR MORE SPONSORING ORGANIZATIONS:

(a) TO DETERMINE THE ELIGIBILITY OF INDIVIDUALS OR HOUSEHOLDS TO PARTICIPATE IN THE IDA PROGRAM;

(b) TO COUNSEL SUCH INDIVIDUALS AND HOUSEHOLDS ABOUT THE IDA PROGRAM;

(c) TO CONDUCT ORIENTATIONS WITH INDIVIDUALS OR HOUSEHOLDS ON THE PHILOSOPHY UNDERLYING THE IDA PROGRAM AND THE GENERAL REQUIREMENTS OF THE PROGRAM;

(d) TO FACILITATE THE OPENING OF INDIVIDUAL DEVELOPMENT ACCOUNTS WITH PARTICIPATING FINANCIAL INSTITUTIONS;

(e) TO PROVIDE CREDIT COUNSELING, BUDGETING, AND FINANCIAL MANAGEMENT TRAINING TO THE PROGRAM PARTICIPANTS;

(f) TO JOINTLY DEVELOP SPECIFIC GOALS AND PERFORMANCE CRITERIA WITH EACH PROGRAM PARTICIPANT;

(g) TO SET APPROPRIATE MATCHING RATIOS OF PHILANTHROPIC MONEYS TO CONTRIBUTIONS MADE BY PROGRAM PARTICIPANTS;

(h) TO NOTIFY THE NONPROFIT ORGANIZATION DESIGNATED BY THE STATE DEPARTMENT OF REVENUE IN SECTION 39-22-524, C.R.S., IN THE EVENT THAT A PARTICIPANT IN THE IDA PROGRAM HAS MADE A WITHDRAWAL FROM SUCH ACCOUNT FOR A PURPOSE OTHER THAN ONE AUTHORIZED BY SECTION 26-2-1004 (1); AND

(i) TO RAISE CONTRIBUTIONS FOR THE IDA PROGRAM.

(3) THE PROGRAM PARTICIPANT MAY WITHDRAW CONTRIBUTIONS MADE BY THE PARTICIPANT FOR USES OTHER THAN THOSE USES AUTHORIZED UNDER THIS PROGRAM ONE TIME BUT, UPON THE SECOND SUCH ACTION, SHALL BE TERMINATED FROM THE IDA PROGRAM. A PARTICIPANT WHO HAS BEEN TERMINATED FROM THE IDA PROGRAM MAY WITHDRAW ALL MONEYS THAT THE PARTICIPANT CONTRIBUTED TO THE ACCOUNT ALONG WITH ANY INTEREST ACCRUED ON THE PARTICIPANT'S CONTRIBUTION.

(4) THE PRINCIPAL OF AN INDIVIDUAL DEVELOPMENT ACCOUNT SHALL NOT EXCEED

TEN THOUSAND DOLLARS. ONLY ONE ACCOUNT PER FAMILY MAY BE ESTABLISHED IN THE IDA PROGRAM; EXCEPT THAT EVERY MEMBER OF THE FAMILY MAY UTILIZE THE ACCOUNT.

(5) NOTHING IN THIS PART 10 SHALL BE CONSTRUED TO CREATE AN ENTITLEMENT TO MATCHING MONEYS. THE NUMBER OF INDIVIDUALS WHO MAY RECEIVE DISBURSEMENT OF MATCHING PHILANTHROPIC MONEYS BY SPONSORING ORGANIZATIONS PURSUANT TO THE IDA PROGRAM SHALL NECESSARILY BE LIMITED BY THE AMOUNT OF PHILANTHROPIC MONEYS AVAILABLE IN ANY GIVEN YEAR FOR SUCH PURPOSE.

(6) IT SHALL BE THE RESPONSIBILITY OF THE SPONSORING ORGANIZATIONS TO PROVIDE CHARITABLE DONORS WHO CONTRIBUTE CASH, STOCKS, OR BONDS FOR USE IN THE PROGRAM WITH THE NECESSARY DOCUMENTATION, IN THE FORM PRESCRIBED BY THE DEPARTMENT OF REVENUE, THAT SUCH DONORS MAY USE TO CLAIM THE INCOME TAX CREDIT DESCRIBED IN SECTION 39-22-524, C.R.S.

(7) IT SHALL BE THE RESPONSIBILITY OF THE NONPROFIT ORGANIZATION DESIGNATED BY THE STATE DEPARTMENT OF REVENUE IN SECTION 39-22-524, C.R.S., ONCE IT RECEIVES NOTICE FROM A SPONSORING ORGANIZATION PURSUANT TO PARAGRAPH (h) OF SUBSECTION (2) OF THIS SECTION, TO NOTIFY THE FINANCIAL INSTITUTION THAT A WITHDRAWAL WAS MADE FOR A PURPOSE OTHER THAN ONE AUTHORIZED UNDER SECTION 26-2-1004 (1) AND THE INDIVIDUAL DEVELOPMENT ACCOUNT SHALL BE TERMINATED BY THE FINANCIAL INSTITUTION.

SECTION 2. Part 5 of article 22 of title 39, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

39-22-524. Tax credit for individuals contributing matching funds for individual development accounts - repeal. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION (1) AND IN SUBSECTION (3) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2001, BUT PRIOR TO JANUARY 1, 2006, IF, BASED ON THE FINANCIAL REPORT PREPARED BY THE CONTROLLER IN ACCORDANCE WITH SECTION 24-77-106.5, C.R.S., THE CONTROLLER CERTIFIES THAT THE AMOUNT OF STATE REVENUES FOR THE STATE FISCAL YEAR ENDING IN THAT INCOME TAX YEAR EXCEEDS THE LIMITATIONS ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION AND THE VOTERS STATEWIDE HAVE EITHER NOT AUTHORIZED THE STATE TO RETAIN AND SPEND ALL OF THE EXCESS STATE REVENUES OR HAVE AUTHORIZED THE STATE TO RETAIN AND SPEND ONLY A PORTION OF THE EXCESS STATE REVENUES FOR THAT FISCAL YEAR, THERE SHALL BE ALLOWED TO EACH CHARITABLE DONOR OF A SPONSORING ORGANIZATION, AS DEFINED IN SECTION 26-2-1003, C.R.S., WHO HAS HAD AN APPLICATION FOR A TAX CREDIT APPROVED IN ACCORDANCE WITH SUBSECTION (4) OF THIS SECTION A CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO TWENTY-FIVE PERCENT OF THE TOTAL MONETARY CONTRIBUTION PAID DURING SUCH INCOME TAX YEAR BY A CHARITABLE DONOR TO, OR ON BEHALF OF, A PROGRAM PARTICIPANT FOR THE PURPOSE OF OPENING AN INDIVIDUAL DEVELOPMENT ACCOUNT IN THIS STATE; EXCEPT THAT IN NO EVENT SHALL:

(a) THE AGGREGATE AMOUNT OF THE CREDIT CLAIMED BY A CHARITABLE DONOR PURSUANT TO THIS SECTION IN ANY INCOME TAX YEAR EXCEED ONE HUNDRED

THOUSAND DOLLARS;

(b) THE AGGREGATE AMOUNT OF CREDIT CLAIMED BY ALL CHARITABLE DONORS IN THIS STATE PURSUANT TO THIS SECTION EXCEED FIVE MILLION DOLLARS IN ANY STATE FISCAL YEAR;

(c) THE CHARITABLE DONOR BE ABLE TO DESIGNATE A PARTICIPANT WITH WHOM THE CHARITABLE DONOR SHARES A FINANCIAL INTEREST OR FAMILIAL RELATIONSHIP.

(2) (a) ANY STATE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL BE PUBLISHED IN RULES PROMULGATED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., AND SHALL BE INCLUDED IN INCOME TAX FORMS FOR THAT TAXABLE YEAR.

(b) IF ONE OR MORE BALLOT QUESTIONS THAT SEEK AUTHORIZATION FOR THE STATE TO RETAIN AND SPEND ALL OR ANY PORTION OF THE AMOUNT OF EXCESS STATE REVENUES FOR THE IMMEDIATELY PRECEDING FISCAL YEAR ARE SUBMITTED TO THE VOTERS AT A STATEWIDE ELECTION TO BE HELD ON OR AFTER JANUARY 1, 2000, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE SHALL NOT PUBLISH RULES CONTAINING ANY STATE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION UNTIL SUCH RULES ARE ABLE TO REFLECT THE IMPACT OF THE RESULTS OF SUCH ELECTION ON THE STATE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION.

(c) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT THE TAX CREDIT CREATED IN THIS SECTION IS A REASONABLE METHOD OF REFUNDING EXCESS STATE REVENUES.

(3) (a) IF, BASED ON THE FINANCIAL REPORT PREPARED BY THE CONTROLLER IN ACCORDANCE WITH SECTION 24-77-106.5, C.R.S., THE CONTROLLER CERTIFIES THAT THE AMOUNT OF STATE REVENUES FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2000, EXCEEDS THE LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION FOR THAT FISCAL YEAR BY LESS THAN ONE HUNDRED NINETY MILLION DOLLARS, THEN THE CREDIT AUTHORIZED BY SUBSECTION (1) OF THIS SECTION SHALL NOT BE ALLOWED FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2001.

(b) IF, BASED ON THE FINANCIAL REPORT PREPARED BY THE CONTROLLER IN ACCORDANCE WITH SECTION 24-77-106.5, C.R.S., THE CONTROLLER CERTIFIES THAT THE AMOUNT OF STATE REVENUES FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2001, EXCEEDS THE LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION FOR THAT FISCAL YEAR BY LESS THAN ONE HUNDRED NINETY MILLION DOLLARS, AS ADJUSTED PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (3), THEN THE CREDIT AUTHORIZED BY SUBSECTION (1) OF THIS SECTION SHALL NOT BE ALLOWED FOR THE INCOME TAX YEAR IN WHICH THE STATE FISCAL YEAR ENDED.

(c) (I) NO LATER THAN OCTOBER 1 OF ANY GIVEN CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2001, THE EXECUTIVE DIRECTOR SHALL ANNUALLY ADJUST THE DOLLAR AMOUNT SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (3) TO REFLECT THE RATE OF GROWTH OF COLORADO PERSONAL INCOME FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH SUCH ADJUSTMENT

IS MADE. FOR PURPOSES OF THIS SUBPARAGRAPH (I), THE "RATE OF GROWTH OF COLORADO PERSONAL INCOME" MEANS THE PERCENTAGE CHANGE BETWEEN THE MOST RECENTLY PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE, FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE AND THE MOST RECENTLY PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE, FOR THE CALENDAR YEAR PRIOR TO THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE.

(II) UPON CALCULATING THE ADJUSTMENT OF THE DOLLAR AMOUNT IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH (c), THE EXECUTIVE DIRECTOR SHALL NOTIFY IN WRITING THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL, CREATED PURSUANT TO SECTION 2-3-301 (1), C.R.S., OF THE ADJUSTED DOLLAR AMOUNT AND THE BASIS FOR THE ADJUSTMENT. SUCH WRITTEN NOTIFICATION SHALL BE GIVEN WITHIN FIVE WORKING DAYS AFTER SUCH CALCULATION IS COMPLETED, BUT SUCH WRITTEN NOTIFICATION SHALL BE GIVEN NO LATER THAN OCTOBER 1 OF THE CALENDAR YEAR.

(III) IT IS THE FUNCTION OF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL TO REVIEW AND APPROVE OR DISAPPROVE THE ADJUSTMENT OF THE DOLLAR AMOUNT CALCULATED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS PARAGRAPH (c) WITHIN TWENTY DAYS AFTER RECEIPT OF THE WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR. ANY ADJUSTMENT THAT IS NOT APPROVED OR DISAPPROVED BY THE EXECUTIVE COMMITTEE WITHIN THE TWENTY DAYS SHALL BE AUTOMATICALLY APPROVED; EXCEPT THAT, IF THE EXECUTIVE COMMITTEE SCHEDULES A HEARING ON SUCH ADJUSTMENT WITHIN THE TWENTY-DAY PERIOD, SUCH AUTOMATIC APPROVAL SHALL NOT OCCUR UNLESS THE EXECUTIVE COMMITTEE DOES NOT APPROVE OR DISAPPROVE SUCH ADJUSTMENT AFTER THE CONCLUSION OF SUCH HEARING. ANY HEARING CONDUCTED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUBPARAGRAPH (III) SHALL BE CONCLUDED NO LATER THAN TWENTY-FIVE DAYS AFTER RECEIPT OF THE WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH (c).

(IV) (A) IF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL DISAPPROVES ANY ADJUSTMENT OF THE DOLLAR AMOUNT CALCULATED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS PARAGRAPH (c), THE EXECUTIVE COMMITTEE SHALL SPECIFY SUCH ADJUSTED DOLLAR AMOUNT TO BE UTILIZED BY THE EXECUTIVE DIRECTOR. ANY ADJUSTED DOLLAR AMOUNT SPECIFIED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUB-SUBPARAGRAPH (A) SHALL BE CALCULATED IN ACCORDANCE WITH THE PROVISIONS OF THIS PARAGRAPH (c).

(B) FOR THE PURPOSE OF DETERMINING WHETHER THE CREDIT AUTHORIZED BY SUBSECTION (1) OF THIS SECTION IS TO BE ALLOWED FOR ANY GIVEN INCOME TAX YEAR, THE EXECUTIVE DIRECTOR SHALL NOT UTILIZE ANY ADJUSTED DOLLAR AMOUNT THAT HAS NOT BEEN APPROVED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (c) OR OTHERWISE SPECIFIED PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV).

(V) IF ONE OR MORE BALLOT QUESTIONS ARE SUBMITTED TO THE VOTERS AT A STATEWIDE ELECTION TO BE HELD IN NOVEMBER OF ANY CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2000, THAT SEEK AUTHORIZATION FOR THE STATE TO RETAIN AND SPEND ALL OR ANY PORTION OF THE AMOUNT OF EXCESS STATE REVENUES FOR THE STATE FISCAL YEAR ENDING DURING SUCH CALENDAR YEAR, THE EXECUTIVE DIRECTOR SHALL NOT DETERMINE WHETHER THE CREDIT AUTHORIZED BY SUBSECTION (1) OF THIS SECTION SHALL BE ALLOWED AND SHALL NOT PROMULGATE RULES CONTAINING SUCH CREDIT UNTIL THE IMPACT OF THE RESULTS OF THE ELECTION ON THE AMOUNT OF THE EXCESS STATE REVENUES TO BE REFUNDED IS ASCERTAINED.

(4) THE NONPROFIT ORGANIZATION DESIGNATED BY THE DEPARTMENT PURSUANT TO SUBSECTION (6) OF THIS SECTION SHALL APPROVE APPLICATIONS FOR TAX CREDITS TO CHARITABLE DONORS DURING EACH TAX YEAR ON A FAIR AND EQUITABLE BASIS SUBJECT TO THE GUIDELINES SPECIFIED IN SUBSECTION (1) OF THIS SECTION AND SUBJECT TO ANY OTHER LIMITATION SET FORTH IN THIS SECTION. APPLICATION FOR THE TAX CREDIT CREATED IN THIS SECTION SHALL BE MADE BY THE CHARITABLE DONOR TO THE NONPROFIT ORGANIZATION DESIGNATED BY THE DEPARTMENT IN ACCORDANCE WITH THE RULES ESTABLISHED PURSUANT TO SUBSECTION (8) OF THIS SECTION. SUCH NONPROFIT ORGANIZATION AND ANY SPONSORING ORGANIZATION MAY ASSESS A FEE, NOT TO EXCEED TEN PERCENT OF THE COST OF PROCESSING SUCH APPLICATION OR ADMINISTERING THE PROGRAM. WHEN CLAIMING A TAX CREDIT PURSUANT TO THIS SECTION, A CHARITABLE DONOR SHALL INCLUDE PROOF THAT ITS APPLICATION HAS BEEN GRANTED IN ACCORDANCE WITH THIS SECTION.

(5) IF THE AMOUNT OF THE TAX CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE AMOUNT OF THE INCOME TAX OTHERWISE DUE ON THE INCOME OF THE CHARITABLE DONOR, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET AGAINST INCOME TAXES MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST SUBSEQUENT YEARS' INCOME TAX LIABILITY FOR IS NOT USED DURING SAID PERIOD SHALL NOT BE REFUNDABLE TO THE CHARITABLE DONOR.

(6) THE DEPARTMENT SHALL CONTRACT WITH A NONPROFIT ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT MEETS THE FOLLOWING CRITERIA:

(a) A HISTORY OF FINANCIAL STABILITY VERIFIED THROUGH INDEPENDENT, ANNUAL AUDITS;

(b) A HISTORY OF SUCCESS IN THE FOLLOWING AREAS:

(I) SECURING POST-SECONDARY EDUCATION, INCLUDING BUT NOT LIMITED TO COMMUNITY COLLEGE COURSES, COURSES AT A FOUR-YEAR COLLEGE OR UNIVERSITY, OR POST-COLLEGE, GRADUATE COURSES FOR EITHER THE INDIVIDUAL OR THE INDIVIDUAL'S DEPENDENT;

(II) SECURING POST-SECONDARY OCCUPATIONAL TRAINING, INCLUDING BUT NOT LIMITED TO VOCATIONAL OR TRADE SCHOOL TRAINING FOR EITHER THE INDIVIDUAL OR THE INDIVIDUAL'S DEPENDENT;

(III) PURCHASING A HOME FOR THE FIRST TIME, EITHER INDIVIDUALLY OR WITH

ANOTHER FAMILY MEMBER; AND

(IV) BUSINESS CAPITALIZATION;

(c) EXPERIENCE WITH THE SOCIOECONOMIC POPULATIONS WHO WOULD BENEFIT FROM THE IDA PROGRAM;

(d) EXPERIENCE WITH FUND-RAISING, INCLUDING, BUT NOT LIMITED TO, LEVERAGING STATE MONEYS AND ADMINISTRATIVE EXPENSES, AND PROGRAM DEVELOPMENT OF STATE INCOME TAX PROGRAMS; AND

(e) ADMINISTRATIVE CAPABILITIES TO RECRUIT AND COORDINATE ACTIVITIES WITH ALL INTERESTED NONPROFIT ORGANIZATIONS IN COLORADO EXEMPT FROM TAXATION UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, INCLUDING FAITH-BASED NONPROFIT ORGANIZATIONS, TO ENSURE THE SUCCESS OF THE IDA PROGRAM.

(7) (a) THE DESIGNATED NONPROFIT ORGANIZATION SHALL SUBMIT A REPORT TO THE STATE AUDITOR AND THE LEGISLATIVE AUDIT COMMITTEE ANNUALLY THAT EVALUATES THE IMPLEMENTATION OF THE IDA PROGRAM AND INFORMATION CONCERNING THE AMOUNTS OF TAX CREDITS CLAIMED AND ALLOWED UNDER THE IDA PROGRAM. FOR PURPOSES OF PREPARING THE REPORT REQUIRED BY THIS SUBSECTION (7), THE DESIGNATED NONPROFIT ORGANIZATION SHALL HAVE ACCESS TO ALL RECORDS AND DOCUMENTS APPLICABLE TO THE IDA PROGRAM MAINTAINED BY A SPONSORING ORGANIZATION. THE STATE AUDITOR MAY AUDIT THE REPORT SUBMITTED BY THE DESIGNATED NONPROFIT ORGANIZATION TO VERIFY THE ACCURACY OF THE CREDITS CLAIMED.

(b) FOR PURPOSES OF VERIFYING THE DESIGNATED NONPROFIT ORGANIZATION'S ANNUAL REPORT, SPONSORING ORGANIZATIONS CLAIMING IDA CREDITS SHALL PROVIDE TO THE STATE AUDITOR SUCH INFORMATION AS IS REASONABLY REQUIRED BY THE DEPARTMENT PURSUANT TO RULE FOR THE AMOUNT OF TAX CREDITS AVAILABLE TO CONTRIBUTORS OF SPONSORING ORGANIZATIONS.

(8) THE DEPARTMENT, IN CONSULTATION WITH THE DESIGNATED NONPROFIT ORGANIZATION, SHALL PROMULGATE RULES NECESSARY FOR ADMINISTRATION OF THIS SECTION IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.

(9) FOR PURPOSES OF THIS SECTION:

(a) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(b) "MONETARY CONTRIBUTION" MEANS A CONTRIBUTION OF CASH, STOCKS, OR BONDS.

(10) THIS SECTION IS REPEALED, EFFECTIVE APRIL 15, 2011.

SECTION 3. Appropriation - adjustment in 2000 long bill. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2000, the sum of sixty-nine thousand three hundred dollars

(\$69,300), or so much thereof as may be necessary, for the implementation of this act.

(2) For the implementation of this act, appropriations made in the annual general appropriations act for the fiscal year beginning July 1, 2000, shall be adjusted as follows:

(a) The general fund appropriation to the capital construction fund outlined in section 3 (1) (f) is reduced by sixty-nine thousand three hundred dollars (\$69,300).

(b) The capital construction fund exempt appropriation to the department of transportation, construction projects, is reduced by sixty-nine thousand three hundred dollars (\$69,300).

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 31, 2000

Editor's note: On page 1476, in the next to the last line of 39-22-524 (5) after the word "FOR", the words "A PERIOD NOT EXCEEDING THREE YEARS AND SHALL BE APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE TAX CREDIT THAT" were inadvertently dropped from the enrolled act. These words were in the corrected rerevised bill. They will be included in section 39-22-524 (5) as it appears in the 2000 Colorado Revised Statutes.