

First Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 19-1081.01 Bob Lackner x4350

HOUSE BILL 19-1322

HOUSE SPONSORSHIP

Roberts and Will,

SENATE SPONSORSHIP

Moreno and Coram,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE USE OF MONEY FROM CERTAIN STATE FUNDS TO
102 EXPAND THE SUPPLY OF AFFORDABLE HOUSING STATEWIDE.

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>.)

Assuming certain conditions are satisfied affecting the state's fiscal situation, **section 1** of the bill requires the state treasurer to transfer a specified amount of money commencing with the 2019-20 state fiscal year and through and including the 2025-26 state fiscal year from the unclaimed property trust fund to the division of housing in the department of local affairs (division) to be deposited by the division into the housing

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.

development grant fund.

Section 2 makes parallel changes found in section 1 to the "Revised Uniform Unclaimed Property Act".

In addition to the other sources of money to be deposited into the housing development grant fund, **section 4** specifies that the fund also consists of money transferred by the state treasurer from the unclaimed property trust fund to the division to be deposited into the housing development grant fund to supplement existing money in such fund to be expended for any of the purposes specified in the bill. This section also expands the source of money that may be deposited into the housing development grant fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 38-13-116.5, **amend**
3 (1)(b) and (2)(d); and **add** (3.5) as follows:

4 **38-13-116.5. Unclaimed property trust fund - creation -**
5 **payments - interest - appropriations - records - rules.** (1) (b) Except
6 as provided in ~~subsection (2)~~ SUBSECTIONS (2), (2.8), AND (3.5) of this
7 section, the principal of the trust fund shall not be expended except to pay
8 claims made pursuant to this article 13. Money comprising the principal
9 of the trust fund shall not constitute fiscal year spending of the state for
10 purposes of section 20 of article X of the state constitution and is not
11 subject to appropriation by the general assembly.

12 (2) (d) The following amounts constitute fiscal year spending for
13 purposes of section 20 of article X of the state constitution:

14 (I) Any money that is appropriated to the department of the
15 treasury as required by this subsection (2);

16 (II) Any money that is credited to the general fund as required by
17 subsection (2.6) of this section; ~~and~~

18 (III) Any money that is credited to the adult dental fund created
19 in section 25.5-5-207 (4), ~~C.R.S.~~, as required by subsection (2.8) of this

1 section; AND

2 (IV) ANY MONEY THAT IS CREDITED TO THE HOUSING
3 DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) AS
4 REQUIRED BY SUBSECTION (3.5) OF THIS SECTION.

5 (3.5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
6 SECTION, IF, BASED UPON THE ESTIMATE DESCRIBED IN SUBSECTION
7 (3.5)(b)(I) OF THIS SECTION, STATE REVENUES FOR THE 2019-20 FISCAL
8 YEAR AND THROUGH AND INCLUDING THE 2025-26 FISCAL YEAR ARE LESS
9 THAN THE TRANSFER CUTOFF AMOUNT, THE STATE TREASURER SHALL
10 TRANSFER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE DIVISION
11 OF HOUSING TO BE DEPOSITED INTO THE HOUSING DEVELOPMENT GRANT
12 FUND CREATED IN SECTION 24-32-721 (1) NO LATER THAN JUNE 30 OF THE
13 YEAR IN WHICH THE ECONOMIC AND REVENUE FORECAST IS PREPARED AN
14 AMOUNT THAT IS EQUAL TO THE LESSER OF FORTY MILLION DOLLARS OR
15 FIFTY PERCENT OF THE BALANCE OF FUNDS IN THE UNCLAIMED PROPERTY
16 TRUST FUND AFTER RESERVING THE AMOUNTS DESCRIBED IN SUBSECTION
17 (2.8)(b) OF THIS SECTION.

18 (b) (I) IN ITS ANNUAL JUNE FORECAST, LEGISLATIVE COUNCIL
19 STAFF SHALL REPORT ESTIMATES FOR THE CURRENT STATE FISCAL YEAR OF
20 STATE REVENUES, THE TRANSFER CUTOFF AMOUNT, AND THE AMOUNT OF
21 THE TRANSFER REQUIRED BY THIS SECTION BASED ON THOSE ESTIMATES.
22 LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE AMOUNT OF THE
23 ANTICIPATED TRANSFER IN ITS ESTIMATE OF FISCAL YEAR SPENDING FOR
24 THE STATE FISCAL YEAR.

25 (II) ON JUNE 1 OF EACH YEAR, THE STATE TREASURER SHALL
26 NOTIFY LEGISLATIVE COUNCIL STAFF OF THE AMOUNT AVAILABLE IN THE
27 UNCLAIMED PROPERTY TRUST FUND TO BE TRANSFERRED ON JUNE 30 OF

1 THE YEAR UNDER THIS SECTION IF THE AMOUNT IS LESS THAN FORTY
2 MILLION DOLLARS.

3 (c) AS USED IN THIS SUBSECTION (3.5):

4 (I) "EXCESS STATE REVENUES CAP" HAS THE SAME MEANING AS
5 SET FORTH IN SECTION 24-77-103.6 (6)(b).

6 (II) "JUNE FORECAST" MEANS THE ECONOMIC AND REVENUE
7 FORECAST PREPARED BY LEGISLATIVE COUNCIL STAFF EACH JUNE.

8 (III) "STATE REVENUES" HAS THE SAME MEANING AS SET FORTH IN
9 SECTION 24-77-103.6 (6)(c); EXCEPT THAT IT DOES NOT INCLUDE ANY
10 AMOUNT FOR THE ANTICIPATED TRANSFER REQUIRED BY SUBSECTION
11 (3.5)(a) OF THIS SECTION.

12 (IV) "TRANSFER CUTOFF AMOUNT" MEANS, FOR A GIVEN FISCAL
13 YEAR, AN AMOUNT EQUAL TO THE EXCESS STATE REVENUES CAP FOR THE
14 FISCAL YEAR PLUS THE AMOUNT BY WHICH THE STATE REIMBURSES LOCAL
15 GOVERNMENTS FOR PROPERTY TAXES LOST IN ACCORDANCE WITH SECTION
16 39-3-207 (4)(a)(I).

17 (d) ALL OF THE MONEY TO BE TRANSFERRED PURSUANT TO
18 SUBSECTION (3.5)(a) OF THIS SECTION SHALL BE DEPOSITED BY THE
19 DIVISION OF HOUSING INTO THE HOUSING DEVELOPMENT GRANT FUND
20 CREATED IN SECTION 24-32-721 (1) TO FINANCE THE USES DESCRIBED IN
21 SECTION 24-32-721.

22 **SECTION 2.** In Colorado Revised Statutes, 38-13-801, **amend**
23 **as enacted by Senate Bill 19-088** (1)(b) and (2)(d); and **add** (3.5) as
24 follows:

25 **38-13-801. Unclaimed property trust fund - creation -**
26 **payments - interest - appropriations - records - rules.** (1) (b) Except
27 as provided in ~~subsections (2) and (3)~~ SUBSECTIONS (2), (3), AND (3.5) of

1 this section, the principal of the trust fund shall not be expended except
2 to pay claims made pursuant to this article 13. Money constituting the
3 principal of the trust fund is not fiscal year spending of the state for
4 purposes of section 20 of article X of the state constitution and is not
5 subject to appropriation by the general assembly.

6 (2) (d) The following amounts constitute fiscal year spending for
7 purposes of section 20 of article X of the state constitution:

8 (I) Any money that is appropriated to the department of the
9 treasury as required by this subsection (2); ~~and~~

10 (II) Any money that is credited to the adult dental fund created in
11 section 25.5-5-207 (4) as required by subsection (3) of this section; AND

12 (III) ANY MONEY THAT IS CREDITED TO THE HOUSING
13 DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) AS
14 REQUIRED BY SUBSECTION (3.5) OF THIS SECTION.

15 (3.5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
16 SECTION, IF, BASED UPON THE ESTIMATE DESCRIBED IN SUBSECTION
17 (3.5)(b)(I) OF THIS SECTION, STATE REVENUES FOR THE 2019-20 STATE
18 FISCAL YEAR AND THROUGH AND INCLUDING THE 2025-26 FISCAL YEAR
19 ARE LESS THAN THE TRANSFER CUTOFF AMOUNT, THE STATE TREASURER
20 SHALL TRANSFER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE
21 DIVISION OF HOUSING TO BE DEPOSITED INTO THE HOUSING DEVELOPMENT
22 GRANT FUND CREATED IN SECTION 24-32-721 (1) NO LATER THAN JUNE 30
23 OF THE YEAR IN WHICH THE ECONOMIC AND REVENUE FORECAST IS
24 PREPARED AN AMOUNT THAT IS EQUAL TO THE LESSER OF FORTY MILLION
25 DOLLARS OR FIFTY PERCENT OF THE BALANCE OF FUNDS IN THE
26 UNCLAIMED PROPERTY TRUST FUND AFTER RESERVING THE AMOUNTS
27 DESCRIBED IN SUBSECTION (2)(d) OF THIS SECTION.

1 (b) (I) IN ITS ANNUAL JUNE FORECAST, LEGISLATIVE COUNCIL
2 STAFF SHALL REPORT ESTIMATES FOR THE CURRENT STATE FISCAL YEAR OF
3 STATE REVENUES, THE TRANSFER CUTOFF AMOUNT, AND THE AMOUNT OF
4 THE TRANSFER REQUIRED BY THIS SECTION BASED ON THOSE ESTIMATES.
5 LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE AMOUNT OF THE
6 ANTICIPATED TRANSFER IN ITS ESTIMATE OF FISCAL YEAR SPENDING FOR
7 THE STATE FISCAL YEAR.

8 (II) ON JUNE 1 OF EACH YEAR, THE STATE TREASURER SHALL
9 NOTIFY LEGISLATIVE COUNCIL STAFF OF THE AMOUNT AVAILABLE IN THE
10 UNCLAIMED PROPERTY TRUST FUND TO BE TRANSFERRED ON JUNE 30 OF
11 THE YEAR UNDER THIS SECTION IF THE AMOUNT IS LESS THAN FORTY
12 MILLION DOLLARS.

13 (c) AS USED IN THIS SUBSECTION (3.5):

14 (I) "EXCESS STATE REVENUES CAP" HAS THE SAME MEANING AS
15 SET FORTH IN SECTION 24-77-103.6 (6)(b).

16 (II) "JUNE FORECAST" MEANS THE ECONOMIC AND REVENUE
17 FORECAST PREPARED BY LEGISLATIVE COUNCIL STAFF EACH JUNE.

18 (III) "STATE REVENUES" HAS THE SAME MEANING AS SET FORTH IN
19 SECTION 24-77-103.6 (6)(c); EXCEPT THAT IT DOES NOT INCLUDE ANY
20 AMOUNT FOR THE ANTICIPATED TRANSFER REQUIRED BY SUBSECTION
21 (3.5)(a) OF THIS SECTION.

22 (IV) "TRANSFER CUTOFF AMOUNT" MEANS, FOR A GIVEN FISCAL
23 YEAR, AN AMOUNT EQUAL TO THE EXCESS STATE REVENUES CAP FOR THE
24 FISCAL YEAR PLUS THE AMOUNT BY WHICH THE STATE REIMBURSES LOCAL
25 GOVERNMENTS FOR PROPERTY TAXES LOST IN ACCORDANCE WITH SECTION
26 39-3-207 (4)(a)(I).

27 (d) ALL OF THE MONEY TO BE TRANSFERRED PURSUANT TO

1 SUBSECTION (3.5)(a) OF THIS SECTION SHALL BE DEPOSITED BY THE
2 DIVISION OF HOUSING INTO THE HOUSING DEVELOPMENT GRANT FUND
3 CREATED IN SECTION 24-32-721 (1) TO FINANCE THE USES DESCRIBED IN
4 SECTION 24-32-721.

5 **SECTION 3.** In Colorado Revised Statutes, 24-32-705, **amend**
6 (1)(a) and (1)(n) as follows:

7 **24-32-705. Functions of division.** (1) The division has the
8 following functions:

9 (a) To encourage private enterprise and all public and private
10 agencies engaged in the planning, construction, and acquisition of
11 adequate housing or the rehabilitation or weatherization of existing
12 housing in Colorado by providing research, advisory, and liaison services
13 and rehabilitation, construction, acquisition, and weatherization grants
14 AND LOANS from appropriations made for this purpose by the general
15 assembly. For the purposes of this ~~paragraph (a)~~ SUBSECTION (1)(a),
16 "weatherization" means the provision and installation of materials and
17 devices ~~which~~ THAT improve the thermal performance of a residence so
18 as to conserve energy and reduce energy costs and includes those
19 structural, heating, electrical, and plumbing repairs and improvements
20 which are necessary to safely and effectively improve thermal
21 performance. All such grants AND LOANS to public and private agencies
22 ~~shall~~ MUST be at least equally matched from a nonstate source UNLESS
23 SUFFICIENT LOCAL SOURCES ARE NOT AVAILABLE BECAUSE OF OTHER
24 ESSENTIAL PUBLIC FUNCTIONS and ~~shall~~ MUST be for providing
25 energy-efficient housing to low-income households. None of these grants
26 OR LOANS shall be used for development, planning, or administration
27 which ~~shall~~ MUST be funded within the administrative budget of the

1 division.

2 (n) Pursuant to section 24-32-717, to administer loans to LOCAL
3 GOVERNMENTS, local housing authorities, and public and private
4 ~~nonprofit~~ corporations;

5 **SECTION 4.** In Colorado Revised Statutes, 24-32-721, **amend**
6 (1), (3)(a), and (4)(c); and **add** (1.5), (2)(d), (2)(e), and (2)(f) as follows:

7 **24-32-721. Colorado affordable housing construction grants**
8 **and loans - housing development grant fund - creation - housing**
9 **assistance for a person with a behavioral or mental health disorder**
10 **in the criminal or juvenile justice system - cash fund - definition.**

11 (1) There is hereby created in the state treasury the housing development
12 grant fund, which fund ~~shall be~~ IS administered by the division and is
13 referred to in this section as the "fund". The fund ~~shall consist~~ CONSISTS
14 of ~~moneys~~ MONEY appropriated to the Colorado affordable housing
15 construction grants and loan fund by the general assembly, ALL MONEY
16 TRANSFERRED TO THE FUND FROM THE MARIJUANA TAX CASH FUND
17 CREATED IN SECTION 39-28.8-501 (1) AND ANY OTHER CASH FUND
18 MAINTAINED BY THE STATE, all ~~moneys~~ MONEY collected by the division
19 for purposes of this section from federal grants, from other contributions,
20 gifts, grants, and donations received from any other organization, entity,
21 or individual, public or private, and from any fees or interest earned on
22 such ~~moneys~~ MONEY. The division is hereby authorized and directed to
23 solicit, accept, expend, and disburse all ~~moneys~~ MONEY collected for the
24 fund from the sources specified in this subsection (1) for the purpose of
25 making grants or loans and for program administration as provided in this
26 section. All such ~~moneys~~ MONEY MUST be transmitted to the state
27 treasurer to be credited to the fund. The ~~moneys~~ MONEY in the fund are

1 hereby continuously appropriated to the division for the purposes of this
2 section. ~~The moneys in the fund may be expended for the purpose of~~
3 ~~funding activities initiated during the current state fiscal year that are to~~
4 ~~be completed in subsequent state fiscal years.~~

5 (1.5) IN ADDITION TO THE OTHER SOURCES OF MONEY TO BE
6 DEPOSITED INTO THE FUND THAT ARE SPECIFIED IN SUBSECTION (1) OF THIS
7 SECTION, THE FUND ALSO CONSISTS OF MONEY TRANSFERRED BY THE
8 STATE TREASURER FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE
9 DIVISION IN ACCORDANCE WITH SECTION 38-13-116.5 (3.5) TO
10 SUPPLEMENT EXISTING FUNDS TO BE EXPENDED FOR ANY OF THE PURPOSES
11 SPECIFIED IN SUBSECTION (2)(d) OF THIS SECTION.

12 (2) (d) IN ADDITION TO ANY OTHER USE AUTHORIZED UNDER THIS
13 SECTION, MONEY MAY ALSO BE USED FOR THE FOLLOWING PURPOSES,
14 WITHOUT LIMITATION:

15 (I) GRANTS AND LOANS FOR THE ACQUISITION, RENOVATION, AND
16 CONSTRUCTION OF FOR-SALE HOMES IN NONURBAN AREAS FOR
17 PURCHASERS WHO RESIDE IN HOUSEHOLDS WITH AN ANNUAL INCOME UP
18 TO ONE HUNDRED TWENTY PERCENT OF THE AREA MEDIAN INCOME AND
19 DOWN PAYMENT ASSISTANCE PROGRAMS THAT ARE FINANCED IN
20 PARTNERSHIP WITH PRIVATE AND PUBLIC ENTITIES FOR THE DEVELOPMENT
21 OF HOUSING AND THE DELIVERY OF SERVICES THAT ASSIST PERSONS IN
22 HOUSEHOLDS WITH AN ANNUAL INCOME UP TO ONE HUNDRED PERCENT OF
23 THE AREA MEDIAN INCOME;

24 (II) PROGRAMS FOR HOME REHABILITATION;

25 (III) REPAIR, REPLACEMENT, AND DISPOSAL OF MOBILE HOMES IN
26 CONJUNCTION WITH PROGRAMS THAT ARE OPERATED BY LOCAL
27 GOVERNMENTS, LOCAL HOUSING AUTHORITIES, AND PRIVATE

1 ORGANIZATIONS;

2 (IV) GRANTS AND LOANS FOR THE FINANCING OF LAND
3 ACQUISITION AND INFRASTRUCTURE COSTS ASSOCIATED WITH THE
4 PROVISION OF UTILITIES TO SUPPORT DEVELOPMENT OF A PLANNED DEED
5 RESTRICTED RENTAL OR FOR-SALE AFFORDABLE HOUSING DEVELOPMENT;

6 (V) GRANTS AND LOANS TO PRIVATE AND PUBLIC ENTITIES TO
7 PROVIDE FUNDING FOR THE DEVELOPMENT, ACQUISITION, AND
8 REHABILITATION OF AFFORDABLE HOUSING TARGETED AT A SPECIFIC AREA
9 MEDIAN INCOME OR INCOME LEVEL; AND

10 (VI) RENTAL ASSISTANCE PROGRAMS THAT TARGET ONE OR MORE
11 OF THE FOLLOWING PERSONS OR USES:

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

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

16 (C) FAMILY UNIFICATION AND RELATED SERVICES;

17 (D) HOMELESS OR DISABLED VETERANS;

18 (E) LOW-INCOME HOUSEHOLDS WITH AN ANNUAL INCOME AT OR
19 BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME; AND

20 (F) SURVIVORS OF DOMESTIC VIOLENCE.

21 (e) IN DETERMINING HOW BEST TO ALLOCATE MONEY TO PROMOTE
22 THE VARIOUS PURPOSES SPECIFIED IN SUBSECTION (2)(d) OF THIS SECTION,
23 THE DIVISION SHALL CONSULT WITH STAKEHOLDERS FROM URBAN AND
24 RURAL COMMUNITIES AND REPRESENTATIVES FROM POPULATIONS OF
25 DIFFERENT INCOME LEVELS WITH DIVERSE HOUSING NEEDS AND SHALL
26 AWARD FUNDING TO MEET THE NEEDS OF LOCAL COMMUNITIES THAT WILL
27 OPTIMIZE THE RETURN ON MONEY INVESTED IN A PARTICULAR PROGRAM OR

1 FOR A PARTICULAR USE, LEVERAGE OTHER AVAILABLE SOURCES OF MONEY,
2 ADDRESS HOUSING NEEDS THROUGHOUT THE STATE, AND SERVE
3 POPULATIONS WITH THE GREATEST UNMET NEED.

4 (f) AS USED IN THIS SUBSECTION (2), "AREA MEDIAN INCOME" IS
5 DETERMINED IN ACCORDANCE WITH GUIDELINES OR OTHER STANDARDS
6 PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND
7 URBAN DEVELOPMENT.

8 (3) (a) Any ~~moneys~~ MONEY in the fund not expended or
9 encumbered from any appropriation at the end of any fiscal year, including
10 interest earned on the investment or deposit of ~~moneys~~ MONEY in the fund,
11 ~~shall~~ remain in the fund and ~~shall~~ DO not revert to the general fund or any
12 other fund and ~~shall~~ remain available for expenditure by the division in ~~the~~
13 ~~next fiscal year~~ SUBSEQUENT FISCAL YEARS for the purposes specified in
14 ~~subsection (2)~~ SUBSECTION (1.5) OR (2) of this section without further
15 appropriation.

16 (4) (c) IN ADDITION TO ANY OTHER USES SPECIFIED IN THIS
17 SECTION, the division shall also provide grants or loans for the acquisition,
18 construction, or rehabilitation of rental housing for persons with
19 behavioral or mental health disorders.

20 **SECTION 5. Act subject to petition - effective date.** (1) Except
21 as otherwise provided in subsections (2) and (3) of this section, this act
22 takes effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly (August
24 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
25 referendum petition is filed pursuant to section 1 (3) of article V of the
26 state constitution against this act or an item, section, or part of this act
27 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2020 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.

4 (2) Section 1 of this act takes effect only if Senate Bill 19-088
5 does not become law.

6 (3) Section 2 of this act takes effect only if Senate Bill 19-088
7 becomes law, in which case section 2 takes effect July 1, 2020.