

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 11-0543.01 Bob Lackner

HOUSE BILL 11-1230

HOUSE SPONSORSHIP

Duran,

SENATE SPONSORSHIP

Boyd,

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONSOLIDATION OF STATE PROGRAMS THAT**
102 **DISTRIBUTE FEDERAL MONEYS TO PERSONS NEEDING**
103 **ASSISTANCE IN OBTAINING HOUSING INTO THE DIVISION OF**
104 **HOUSING WITHIN THE DEPARTMENT OF LOCAL AFFAIRS, AND**
105 **MAKING AN APPROPRIATION THEREFOR.**

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://www.leg.state.co.us/billsummaries>.)

Currently both the department of local affairs (DOLA) and the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unam ended
M arch 17, 2011

HOUSE
Am ended 2nd Reading
M arch 15, 2011

department of human services (DHS) administer programs that provide financial assistance, mostly vouchers, to persons in low- and moderate-income households for the purpose of assisting such persons in obtaining housing. Not later than July 1, 2011, the bill specifies that any such program administered by the state shall be consolidated within the division of housing (division) within DOLA. The bill exempts from this consolidation requirement a pending grant that may prohibit the transfer of any moneys provided under the grant to a party other than DHS. In connection with such consolidation:

- ! The bill requires the consolidation to be organized in such manner that one housing authority will be created within the division to assist members of special populations and an additional housing authority will be created within the division to assist persons in rural communities.
- ! For the 2011-12 state fiscal year and for any subsequent state fiscal year, and notwithstanding any other provision of law and subject to available funding received from the federal government, the number of housing vouchers made available to persons with disabilities by the division in any one state fiscal year shall not be less than the number of vouchers made available to such persons in the 2010-11 state fiscal year.
- ! In carrying out the consolidation, the division is required to consult DHS.
- ! The bill specifies that the consolidation will be carried out without any reductions in force.

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

2 **SECTION 1.** 24-32-703, Colorado Revised Statutes, is amended
3 BY THE ADDITION OF A NEW SUBSECTION to read:

4 **24-32-703. Definitions.** As used in this part 7, unless the context
5 otherwise requires:

6 (8) "STATE AGENCY" MEANS ANY BOARD, BUREAU, COMMISSION,
7 DEPARTMENT, INSTITUTION, DIVISION, SECTION, OR OFFICER OF THE STATE,
8 EXCEPT THOSE IN THE LEGISLATIVE BRANCH OR JUDICIAL BRANCH AND
9 EXCEPT STATE EDUCATIONAL INSTITUTIONS ADMINISTERED PURSUANT TO
10 PART 3 OF ARTICLE 33.5 OF THIS TITLE AND TITLE 23, C.R.S., EXCLUDING

1 ARTICLES 8 AND 9, PARTS 2 AND 3 OF ARTICLE 21, AND PARTS 2 TO 4 OF
2 ARTICLE 30 OF TITLE 23.

3 **SECTION 2.** 24-32-705 (1), Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

5 **24-32-705. Functions of division - repeal.** (1) The division has
6 the following functions:


7 (t) TO SERVE AS THE SOLE STATE AGENCY FOR THE PURPOSE OF
8 ADMINISTERING ANY STATE PLANS FOR FINANCIAL HOUSING ASSISTANCE
9 TO PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS FOR THE
10 PURPOSE OF ASSISTING SUCH PERSONS IN OBTAINING HOUSING, INCLUDING,
11 WITHOUT LIMITATION, RENTAL ASSISTANCE, TECHNICAL ASSISTANCE, THE
12 CONSTRUCTION AND REHABILITATION OF HOUSING, AS WELL AS ANY
13 OTHER STATE PLAN RELATING TO SUCH FINANCIAL HOUSING ASSISTANCE
14 THAT REQUIRES STATE ACTION THAT HAS NOT BEEN MADE THE SPECIFIC
15 RESPONSIBILITY OF ANY OTHER STATE AGENCY IN ACCORDANCE WITH
16 FEDERAL OR STATE LAW. THE CONSOLIDATION OF FINANCIAL HOUSING
17 ASSISTANCE FUNCTIONS WITHIN THE DIVISION SHALL INCLUDE THE OFFICE
18 OF HOMELESS YOUTH SERVICES CREATED IN SECTION 26-5.9-104 (1),
19 C.R.S. THE OFFICE SHALL PERFORM ITS POWERS, DUTIES, AND FUNCTIONS
20 UNDER THE DIVISION AND THE EXECUTIVE DIRECTOR AS IF THE SAME WERE
21 TRANSFERRED TO THE DEPARTMENT BY A **TYPE 2** TRANSFER UNDER THE
22 PROVISIONS OF THE "ADMINISTRATIVE ORGANIZATION ACT OF 1968",
23 PART 1 OF THIS TITLE.

24 **SECTION 3.** Part 7 of article 32 of title 24, Colorado Revised
25 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
26 read:

27 **24-32-722. Consolidation within division of housing programs**

1 **for low- and moderate-income households - legislative declaration -**
2 **repeal.** (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
3 DECLARES THAT:


4 (a) BOTH THE DEPARTMENT OF LOCAL AFFAIRS AND THE
5 DEPARTMENT OF HUMAN SERVICES ADMINISTER PROGRAMS THAT
6 DISTRIBUTE FEDERAL HOUSING MONEYS TO PERSONS IN LOW- AND
7 MODERATE-INCOME HOUSEHOLDS AND TO PERSONS WITH DISABILITIES TO
8 ASSIST SUCH PERSONS IN OBTAINING HOUSING. SUCH MONEYS LARGELY
9 CONSIST OF SECTION 8 HOUSING VOUCHER MONEYS DISTRIBUTED BY THE
10 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO
11 THE DIVISION IN ACCORDANCE WITH SECTIONS 24-32-702 (4) AND
12 24-32-705 (1) (i) AND TO THE DEPARTMENT OF HUMAN SERVICES TO
13 PROVIDE HOUSING TO PERSONS WITH DISABILITIES. SUCH MONEYS ARE
14 FURTHER DISTRIBUTED BY THE DEPARTMENTS OF LOCAL AFFAIRS AND
15 HUMAN SERVICES TO HOUSING AUTHORITIES AND OTHER ELIGIBLE
16 NONPROFIT ENTITIES ACROSS THE STATE AS PROVIDED BY LAW OR IN
17 ACCORDANCE WITH AGREEMENTS FOR THE RECEIPTS OF GRANTS OR
18 SERVICES FROM THE FEDERAL GOVERNMENT; AND

19 
20 (b) CONSOLIDATING ANY PROGRAM ADMINISTERED BY THE STATE
21 THAT PROVIDES FINANCIAL HOUSING ASSISTANCE TO PERSONS IN LOW-
22 AND MODERATE-INCOME HOUSEHOLDS AND PERSONS WITH DISABILITIES
23 FOR THE PURPOSE OF ASSISTING SUCH PERSONS IN OBTAINING HOUSING
24 WITHIN THE DIVISION WILL PROMOTE ECONOMIC EFFICIENCIES, ALLOW FOR
25 STATEWIDE STRATEGIC PLANNING AND ADMINISTRATION OF FINANCIAL
26 HOUSING ASSISTANCE, AND MAXIMIZE THE AMOUNT OF FEDERAL FUNDING
27 MADE AVAILABLE TO LOCAL HOUSING AUTHORITIES AND OTHER LOCAL

1 ELIGIBLE NONPROFIT AGENCIES.

2 (2) (a) BY ENACTING THIS SECTION, THE GENERAL ASSEMBLY
3 INTENDS THAT THE MAXIMUM AMOUNT OF FINANCIAL HOUSING
4 ASSISTANCE AND ADMINISTRATIVE FUNDING MADE AVAILABLE BY THE
5 FEDERAL GOVERNMENT FOR HOUSING BE DIRECTED TO LOCAL PUBLIC
6 HOUSING AUTHORITIES AND OTHER LOCAL ELIGIBLE NONPROFIT AGENCIES
7 FOR ADMINISTRATION AND DISTRIBUTION BY LOCAL ELIGIBLE ENTITIES TO
8 PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS AND PERSONS
9 WITH DISABILITIES TO SATISFY THEIR FUNDAMENTAL NEEDS FOR HOUSING.

10 (b) NOTHING IN THIS SECTION SHALL BE INTENDED BY THE
11 GENERAL ASSEMBLY TO LIMIT THE STATE'S ABILITY TO RECEIVE THE
12 MAXIMUM AMOUNT OF FUNDING FROM THE FEDERAL GOVERNMENT FOR
13 HOUSING ASSISTANCE FOR PERSONS IN LOW- AND MODERATE-INCOME
14 HOUSEHOLDS AND PERSONS WITH DISABILITIES.

15 

16 (3) (a) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II)
17 OF THIS PARAGRAPH (a), NOT LATER THAN JULY 1, 2011, ANY PROGRAM
18 ADMINISTERED BY THE STATE THAT PROVIDES FINANCIAL HOUSING
19 ASSISTANCE TO PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS
20 AND PERSONS WITH DISABILITIES FOR THE PURPOSE OF ASSISTING SUCH
21 PERSONS IN OBTAINING HOUSING VOUCHERS AND OTHER FORMS OF SUCH
22 ASSISTANCE SHALL BE CONSOLIDATED WITHIN THE DIVISION IN
23 ACCORDANCE WITH THE PROVISIONS OF SECTION 24-32-705 (1) (t).

24 (II) THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH
25 (a) SHALL NOT APPLY TO A GRANT THAT IS IN THE PROCESS OF BEING
26 ADMINISTERED AS OF THE EFFECTIVE DATE OF THIS SECTION, THE TERMS OF
27 WHICH MAY PROHIBIT THE TRANSFER OF ANY MONEYS PROVIDED

1 THEREUNDER TO A PARTY OTHER THAN THE DEPARTMENT OF HUMAN
2 SERVICES.

3 (b) THE CONSOLIDATION REQUIRED BY PARAGRAPH (a) OF THIS
4 SUBSECTION (3) SHALL BE ORGANIZED IN SUCH MANNER THAT ONE
5 HOUSING AUTHORITY WILL BE CREATED WITHIN THE DIVISION TO ASSIST
6 MEMBERS OF SPECIAL POPULATIONS AND AN ADDITIONAL HOUSING
7 AUTHORITY WILL BE CREATED WITHIN THE DIVISION TO ASSIST PERSONS IN
8 RURAL COMMUNITIES.

9 (c) FOR THE 2011-12 STATE FISCAL YEAR AND FOR ANY
10 SUBSEQUENT STATE FISCAL YEAR, AND NOTWITHSTANDING ANY OTHER
11 PROVISION OF LAW AND SUBJECT TO AVAILABLE FUNDING RECEIVED FROM
12 THE FEDERAL GOVERNMENT, THE NUMBER OF HOUSING VOUCHERS MADE
13 AVAILABLE TO PERSONS WITH DISABILITIES, AS DEFINED BY THE
14 "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12102 (2),
15 BY THE DIVISION IN ANY ONE STATE FISCAL YEAR SHALL NOT BE LESS THAN
16 THE NUMBER OF VOUCHERS MADE AVAILABLE TO PERSONS WITH
17 DISABILITIES BY MEANS OF PROGRAMS ADMINISTERED BY BOTH THE
18 DIVISION AND THE DEPARTMENT OF HUMAN SERVICES AS OF JULY 1, 2011.

19 (4) IN CARRYING OUT THE CONSOLIDATION REQUIRED BY
20 SUBSECTION (3) OF THIS SECTION, THE DIVISION SHALL CONSULT WITH THE
21 DEPARTMENT OF HUMAN SERVICES AND REPRESENTATIVES OF PERSONS
22 WITH DISABILITIES.

23 (5) INsofar as the TRANSFERS OF STATE EMPLOYEES MAY BECOME
24 NECESSARY TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION, ANY
25 EMPLOYEE TRANSFERRED SHALL RETAIN ALL ACCRUED RIGHTS TO THE
26 STATE PERSONNEL SYSTEM, IF ANY, AND RETIREMENT AND OTHER BENEFITS
27 UNDER THE LAWS OF THE STATE, INCLUDING ANY ACCRUED RIGHTS WITHIN

1 OR ACROSS PRINCIPAL DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE
2 GOVERNMENT, AND HIS OR HER SERVICE SHALL BE DEEMED TO HAVE BEEN
3 CONTINUOUS.

4 (6) IN CONNECTION WITH THE CONSOLIDATION REQUIRED BY THIS
5 SECTION, THE DIVISION AND THE DEPARTMENT OF HUMAN SERVICES SHALL
6 COLLABORATE TO ACHIEVE AN OVERALL REDUCTION OF AT LEAST
7 TWENTY-FIVE PERCENT IN EMPLOYEES WHOSE JOB RESPONSIBILITIES ARE
8 PRIMARILY DEDICATED TO THE DISTRIBUTION OF FINANCIAL HOUSING
9 ASSISTANCE TO PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS
10 AND TO PERSONS WITH DISABILITIES.

11 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

12 **SECTION 4.** 26-7.8-104, Colorado Revised Statutes, is amended
13 BY THE ADDITION OF A NEW SUBSECTION to read:

14 **26-7.8-104. Homeless prevention activities program - contracts**
15 **with nongovernmental agency - program standards.** (5) ON AND
16 AFTER JULY 1, 2011, ANY MONEYS RECEIVED FROM THE FEDERAL
17 GOVERNMENT FOR FINANCIAL HOUSING ASSISTANCE TO PERSONS IN LOW-
18 AND MODERATE-INCOME HOUSEHOLDS AND PERSONS WITH DISABILITIES TO
19 ASSIST SUCH PERSONS IN OBTAINING HOUSING UNDER THIS ARTICLE SHALL
20 BE ADMINISTERED BY THE DIVISION OF HOUSING WITHIN THE DEPARTMENT
21 OF LOCAL AFFAIRS IN ACCORDANCE WITH THE PROVISIONS OF SECTION
22 24-32-705 (1) (t), C.R.S., EXCEPT AS OTHERWISE PROVIDED IN SECTION
23 24-32-722 (3) (a) (II), C.R.S. THE NUMBER OF HOUSING VOUCHERS MADE
24 AVAILABLE TO PERSONS WITH DISABILITIES, AS DEFINED BY THE
25 "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12012 (2),
26 BY THE DIVISION OF HOUSING IN ANY ONE STATE FISCAL YEAR SHALL NOT
27 BE LESS THAN THE NUMBER OF VOUCHERS THAT HAVE PREVIOUSLY BEEN

1 MADE AVAILABLE TO SUCH PERSONS AS OF JULY 1, 2011.

2 **SECTION 5.** 26-7.8-103, Colorado Revised Statutes, is amended
3 BY THE ADDITION OF A NEW SUBSECTION to read:

4 **26-7.8-103. Homeless prevention activities program - criteria.**

5 (4) IN CONNECTION WITH THE CONSOLIDATION OF FINANCIAL HOUSING
6 ASSISTANCE PROGRAMS REQUIRED BY SECTION 24-32-722, C.R.S., THE
7 DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN
8 SECTION 24-32-704 (1), C.R.S., AND THE STATE DEPARTMENT SHALL
9 COLLABORATE TO ACHIEVE AN OVERALL REDUCTION OF AT LEAST
10 TWENTY-FIVE PERCENT IN EMPLOYEES WHOSE JOB RESPONSIBILITIES ARE
11 PRIMARILY DEDICATED TO THE DISTRIBUTION OF FINANCIAL HOUSING
12 ASSISTANCE TO PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS
13 AND TO PERSONS WITH DISABILITIES.

14 **SECTION 6. Appropriation - adjustments in the 2011 long bill.**

15 (1) The general assembly anticipates that, for the fiscal year beginning
16 July 1, 2011, the department of local affairs will receive the sum of one
17 million one hundred ninety-four thousand two hundred ninety-eight
18 dollars (\$1,194,298) and 19.0 FTE in federal funds, for allocation to the
19 division of housing, for personal services, for the implementation of this
20 act. Although these funds are not appropriated in this act, they are noted
21 for the purpose of indicating the assumptions used relative to these funds.

22 (2) The general assembly anticipates that, for the fiscal year
23 beginning July 1, 2011, the department of local affairs will receive the
24 sum of eighteen million eight hundred fifty-five thousand one hundred
25 fifteen dollars (\$18,855,115) in federal funds, for allocation to the division
26 of housing, for low income rental assistance, for the implementation of
27 this act. Although these funds are not appropriated in this act, they are

1 noted for the purpose of indicating the assumptions used relative to these
2 funds.

3 (3) In addition to any other appropriation, there is hereby
4 appropriated to the department of local affairs, executive director's office,
5 for personal services, the sum of twenty-eight thousand eight hundred
6 forty dollars (\$28,840) and 0.5 FTE, or so much thereof as may be
7 necessary, for the implementation of this act. Said sum shall be from
8 reappropriated funds out of the appropriation made in subsection (2) of
9 this section.

10 (4) In addition to any other appropriation, there is hereby
11 appropriated to the department of local affairs, executive director's office,
12 for operating expenses, the sum of four hundred seventy-five dollars
13 (\$475), or so much thereof as may be necessary, for the implementation
14 of this act. Said sum shall be from reappropriated funds out of the
15 appropriation made in subsection (2) of this section.

16 (5) For the implementation of this act, the General Assembly
17 anticipates that the federal funds received by the department of human
18 services, mental health and alcohol and drug abuse services,
19 administration, for supportive housing and homeless programs, for the
20 fiscal year beginning July 1, 2011, will be decreased by twenty-million
21 forty-nine thousand four hundred thirteen dollars (\$20,049,413) and 19.0
22 FTE. Said sum shall be from the United States Department of Housing
23 and Urban Development. Although these funds are not appropriated in
24 this act, they are noted for the purpose of indicating the assumptions used
25 relative to these funds.

26 (6) For the implementation of this act, the reappropriated funds
27 appropriation to the department of human services, office of operations,

1 for personal services, for the fiscal year beginning July 1, 2011, is
2 decreased by twenty-eight thousand eight hundred forty dollars (\$28,840)
3 and 0.5 FTE. Said sum shall be from reappropriated funds out of the
4 appropriation made in subsection (5) of this section.

5 (7) For the implementation of this act, the reappropriated funds
6 appropriation to the department of human services, office of operations,
7 for operating expenses, for the fiscal year beginning July 1, 2011, is
8 decreased by four hundred seventy-five dollars (\$475). Said sum shall be
9 from reappropriated funds out of the appropriation made in subsection (5)
10 of this section.

11 **SECTION 7. Effective date.** This act shall take effect July 1,
12 2011.

13 **SECTION 8. Safety clause.** The general assembly hereby finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, and safety.