

First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 11-0543.01 Bob Lackner

**HOUSE BILL 11-1230**

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**HOUSE SPONSORSHIP**

**Duran,**

**SENATE SPONSORSHIP**

**Boyd,**

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**House Committees**

State, Veterans, & Military Affairs  
Appropriations

**Senate Committees**

Local Government  
Appropriations

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**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.**

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**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  
March 17, 2011

HOUSE  
Am ended 2nd Reading  
March 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.

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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 DISTRIBUTED BY THE DEPARTMENTS OF LOCAL AFFAIRS AND HUMAN  
15 SERVICES TO HOUSING AUTHORITIES AND OTHER ELIGIBLE NONPROFIT  
16 ENTITIES ACROSS THE STATE AS PROVIDED BY LAW OR IN ACCORDANCE  
17 WITH AGREEMENTS FOR THE RECEIPTS OF GRANTS OR SERVICES FROM THE  
18 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 MAINTAINED WITHIN THE DIVISION TO ASSIST  
6 MEMBERS OF SPECIAL POPULATIONS AND AN ADDITIONAL HOUSING  
7 AUTHORITY WILL BE MAINTAINED WITHIN THE DIVISION TO ASSIST PERSONS  
8 IN 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 THE NUMBER OF POSITIONS ALLOCATED TO THE  
8 DEPARTMENT OF HUMAN SERVICES WHOSE JOB RESPONSIBILITIES ARE  
9 PRIMARILY DEDICATED TO THE DISTRIBUTION OF FINANCIAL HOUSING  
10 ASSISTANCE TO PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS  
11 AND TO PERSONS WITH DISABILITIES.

12 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

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

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

1 BE LESS THAN THE NUMBER OF VOUCHERS THAT HAVE PREVIOUSLY BEEN  
2 MADE AVAILABLE TO SUCH PERSONS AS OF JULY 1, 2011.

3

4           SECTION 5. Appropriation. (1) The general assembly  
5 anticipates that, for the fiscal year beginning July 1, 2011, the department  
6 of local affairs will receive the sum of one million two hundred sixteen  
7 thousand seven hundred thirteen dollars (\$1,216,713) and 19.0 FTE in  
8 federal funds, for allocation to the division of housing, for personal  
9 services, for the implementation of this act. Although these funds are not  
10 appropriated in this act, they are noted for the purpose of indicating the  
11 assumptions used relative to these funds.

12           (2) The general assembly anticipates that, for the fiscal year  
13 beginning July 1, 2011, the department of local affairs will receive the  
14 sum of eighteen million eight hundred eighty-four thousand four hundred  
15 thirty dollars (\$18,884,430) in federal funds, for allocation to the division  
16 of housing, for low income rental assistance, for the implementation of  
17 this act. Although these funds are not appropriated in this act, they are  
18 noted for the purpose of indicating the assumptions used relative to these  
19 funds.

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

27           (4) In addition to any other appropriation, there is hereby



1 appropriated to the department of local affairs, executive director's office,  
2 for operating expenses, the sum of four hundred seventy-five dollars  
3 (\$475), or so much thereof as may be necessary, for the implementation  
4 of this act. Said sum shall be from reappropriated funds out of the  
5 appropriation made in subsection (2) of this section.

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

7 For the implementation of this act, appropriations made in the annual  
8 general appropriation act to the department of human services for the  
9 fiscal year beginning July 1, 2011, shall be adjusted as follows:

10 (1) The appropriation for mental health and alcohol and drug abuse  
11 services, administration, for supportive housing and homeless programs,  
12 is decreased by twenty million seventy-one thousand eight hundred  
13 twenty-eight dollars (\$20,071,828) and 19.0 FTE. Said sum shall be from  
14 federal funds received from the United States department of housing and  
15 urban development.

16 (2) The appropriation to the office of operations, for personal  
17 services, is decreased by twenty-eight thousand eight hundred forty dollars  
18 (\$28,840) and 0.5 FTE. Said sum shall be from federal funds received  
19 from the United States department of housing and urban development.

20 (3) The appropriation to the office of operations, for operating  
21 expenses, is decreased by four hundred seventy-five dollars (\$475). Said  
22 sum shall be from federal funds received from the United States  
23 department of housing and urban development. \_\_\_\_\_

24 **SECTION 7. Effective date.** This act shall take effect July 1,  
25 2011.

26 **SECTION 8. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.