

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**



HOUSE BILL 19-1319

BY REPRESENTATIVE(S) Bird and McKean, Arndt, Bockenfeld, Buckner, Buentello, Carver, Cutter, Duran, Exum, Gray, Herod, Jackson, Kennedy, Kipp, Lontine, McLachlan, Michaelson Jenet, Roberts, Singer, Tipper, Titone, Valdez A., Weissman, Becker;  
also SENATOR(S) Winter and Hisey, Bridges, Court, Donovan, Fields, Ginal, Gonzales, Pettersen, Priola, Rodriguez, Story, Tate, Todd, Williams A., Zenzinger, Garcia.

CONCERNING INCENTIVES TO ASSIST LAND DEVELOPERS IN PROVIDING AFFORDABLE HOUSING STATEWIDE, AND, IN CONNECTION THEREWITH, IDENTIFYING NONDEVELOPED LAND OWNED BY THE STATE THAT COULD BE DEVELOPED FOR AFFORDABLE HOUSING PURPOSES AND MAKING MODIFICATIONS TO THE ADMINISTRATION OF AN EXISTING PROPERTY TAX EXEMPTION THAT APPLIES TO CERTAIN AFFORDABLE HOUSING DEVELOPMENTS.

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

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds, declares, and determines that:

(a) Colorado possesses a significant and unique combination of

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

natural resources and economic vitality yet safe, decent, and affordable housing is an objective increasingly out of reach for many people living in low or moderate-income households across the state;

(b) Many senior citizens, veterans, and other hard-working Coloradans are unable to afford to live in or near the communities in which they work and far too many Coloradans pay in excess of half their monthly income on their basic needs; and

(c) As the availability of finding land suitable for the development of housing for low- and moderate-income households that can be obtained on an economic basis is often a significant barrier to the development of such housing, the identification of state-owned real property, with the ultimate objective of assessing such property for its sustainability and potential use for affordable housing, promises to be a critical tool available to the state and even local governments in meeting the state's housing needs for these segments of the population.

(2) By enacting House Bill 19-1319, the general assembly intends to promote the use of real property currently owned by the state as well as county and municipal governments for the construction or rehabilitation of housing that will benefit persons in low- and moderate-income households across the state on a for-sale or rental basis.

**SECTION 2.** In Colorado Revised Statutes, 2-3-1304, **add** (3) as follows:

**2-3-1304. Powers and duties of capital development committee.**

(3) (a) NOT LATER THAN OCTOBER 15, 2019, EACH STATE AGENCY AND STATE INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT TO THE CAPITAL DEVELOPMENT COMMITTEE A LIST OF ALL NONDEVELOPED REAL PROPERTY OWNED BY OR UNDER THE CONTROL OF THE AGENCY OR INSTITUTION. NOT LATER THAN OCTOBER 15 OF EACH YEAR THEREAFTER, EACH AGENCY OR INSTITUTION SHALL SUBMIT TO THE CAPITAL DEVELOPMENT COMMITTEE ANY ADDITIONS OR DELETIONS TO THE LIST IDENTIFYING ANY NONDEVELOPED REAL PROPERTY THE AGENCY HAS ACQUIRED OR DISPOSED OF DURING THE PRECEDING STATE FISCAL YEAR. THE CAPITAL DEVELOPMENT COMMITTEE SHALL INCLUDE THIS INFORMATION IN AN ANNUAL REPORT PUBLISHED ON THE WEBSITE OF THE GENERAL ASSEMBLY. THE DIVISION OF HOUSING WITHIN THE DEPARTMENT OF LOCAL AFFAIRS SHALL PROVIDE A LINK TO THE REPORT

ON THE DIVISION'S WEBSITE. THE DIVISION OF PARKS AND WILDLIFE IN THE DEPARTMENT OF NATURAL RESOURCES IS EXEMPT FROM THE REQUIREMENTS OF THIS SUBSECTION (3).

(b) FOR PURPOSES OF THIS SUBSECTION (3), "NONDEVELOPED REAL PROPERTY" MEANS UNIMPROVED REAL PROPERTY THAT IS NOT OTHERWISE PROTECTED FOR OR DEDICATED TO ANOTHER USE SUCH AS AN ACCESS OR A CONSERVATION EASEMENT.

**SECTION 3.** In Colorado Revised Statutes, 24-32-705, **add** (4) as follows:

**24-32-705. Functions of division.** (4) ON A PAGE ON THE WEBSITE MAINTAINED BY THE DEPARTMENT OF LOCAL AFFAIRS THAT IS DEDICATED TO THE DIVISION OF HOUSING, THE DIVISION SHALL PROVIDE A LINK TO THE ANNUAL REPORT THAT INCLUDES INFORMATION ON NONDEVELOPED REAL PROPERTY OWNED BY OR UNDER THE CONTROL OF EACH STATE AGENCY OR INSTITUTION OF HIGHER EDUCATION PURSUANT TO SECTION 2-3-1304 (3). NOT LATER THAN ONCE ANNUALLY BY DECEMBER 31 OF EACH YEAR, THE DIVISION SHALL UPDATE THE LINK IT IS REQUIRED TO MAINTAIN BY THIS SUBSECTION (4).

**SECTION 4.** In Colorado Revised Statutes, 39-3-112, **amend** (3) introductory portion and (3)(c)(II)(B); and **add** (3)(c)(II)(B.5) as follows:

**39-3-112. Definitions - residential property - orphanage - low-income elderly or individuals with disabilities - homeless or abused - low-income households - charitable purposes - exemption - limitations.** (3) In order for property to be exempt from the levy and collection of property tax pursuant to ~~the provisions of~~ subsection (2) of this section, the administrator shall be required to find, pursuant to ~~the provisions of~~ section 39-2-117, that:

(c) The property is owned:

(II) (B) ~~The provisions of this subparagraph (H)~~ FOR PROPERTY TAX YEARS COMMENCING PRIOR TO JANUARY 1, 2019, THIS SUBSECTION (3)(c)(II) shall not apply if, during such compliance period, such domestic or foreign limited partnership which owns the residential structure distributes income or has income available for distribution to its partners or if the residential

structure is sold or otherwise disposed of during such compliance period. If the administrator determines that, as specified in this ~~sub-subparagraph (B)~~ SUBSECTION (3)(c)(II)(B), income has been distributed or has been available for distribution or the residential property has been sold or otherwise disposed of, the administrator shall revoke the property tax exemption for the residential property and property taxes shall be levied and collected against the residential property which would have otherwise been levied and collected from the date on which the exemption was initially granted plus all delinquent interest as provided for by law.

(B.5) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2019, THIS SUBSECTION (3)(c)(II) SHALL NOT APPLY IF, DURING SUCH COMPLIANCE PERIOD, SUCH DOMESTIC OR FOREIGN LIMITED PARTNERSHIP WHICH OWNS THE RESIDENTIAL STRUCTURE DISTRIBUTES INCOME OR HAS INCOME AVAILABLE FOR DISTRIBUTION TO ITS PARTNERS OR IF THE RESIDENTIAL STRUCTURE IS SOLD OR OTHERWISE DISPOSED OF DURING SUCH COMPLIANCE PERIOD. IF THE ADMINISTRATOR DETERMINES THAT, AS SPECIFIED IN THIS SUBSECTION (3)(c)(II)(B.5), INCOME HAS BEEN DISTRIBUTED OR HAS BEEN AVAILABLE FOR DISTRIBUTION OR THE RESIDENTIAL PROPERTY HAS BEEN SOLD OR OTHERWISE DISPOSED OF, THE ADMINISTRATOR SHALL EITHER REVOKE THE PROPERTY TAX EXEMPTION FOR THE RESIDENTIAL PROPERTY AS OF THE DATE INCOME BECOMES AVAILABLE FOR DISTRIBUTION OR TERMINATE THE EXEMPTION AS OF THE DATE THE PROPERTY IS TRANSFERRED.

**SECTION 5. Act subject to petition - effective date - applicability.** (1) This act takes effect September 1, 2019; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of

the vote thereon by the governor.

(2) Section 4 of this act applies to property tax years commencing on or after January 1, 2019.

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KC Becker  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_  
(Date and Time)

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Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO