CHAPTER 5

## **GOVERNMENT - LOCAL**

HOUSE BILL 25-1019

BY REPRESENTATIVE(S) Sirota, Bacon, Bird, Boesenecker, Brown, Clifford, Duran, Espenoza, Froelich, Garcia, Hamrick, Lindsay, Paschal, Phillips, Rutinel, Stewart R., Story, Titone, Velasco, Woodrow, Zokaie, McCluskie; also SENATOR(S) Hinrichsen, Amabile, Cutter, Exum, Gonzales J., Jodeh, Kipp, Michaelson Jenet, Winter F., Coleman.

## AN ACT

CONCERNING THIRD-PARTY ADMINISTRATION OF PROGRAMS FOR PERSONS EXPERIENCING HOMELESSNESS THAT ARE OVERSEEN BY THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS.

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

**SECTION 1.** In Colorado Revised Statutes, 29-32-104, **amend** (3)(b) as follows:

**29-32-104. Permissible expenditures - affordable housing programs - report.** (3) The division of housing and the division of local government shall expend the money transferred to the support fund in section 29-32-103 (1) to support the following programs only:

(b) A program serving persons experiencing homelessness to be administered by the division or one or more contractors or grantees of the division. The program shall provide rental assistance, housing vouchers, and eviction defense assistance, including legal, financial, and case management, to persons experiencing homelessness or at risk of experiencing homelessness. The program shall also make grants or loans to non-profit nonprofit organizations, local governments, tribal governments, or private entities to support the development and preservation of supportive housing for persons experiencing homelessness, and other homelessness related activities the division determines contribute to the resolution of or prevention of homelessness, including housing programs paid for by non-profit nonprofit organizations, local governments, tribal governments, or private entities on a pay for success basis, meaning an organization, local government, tribal government, or private entity would receive financial support from the program upon achieving objectives contractually agreed upon with the division. All principal and interest payments on loans made under this paragraph (b) subsection (3)(b) shall be paid

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.

to the division and used by the division for the purposes set forth in this subsection (3). Up to 45% forty-five percent of monies the money transferred to the support fund annually may be used for the program. The division may utilize up to 5% five percent of the funds money it allocates from the fund for the program each state fiscal year to pay for the direct and indirect costs of administering the program. The division may negotiate reasonable administrative or project delivery costs for one or more contractors or grantees to administer the program in addition to the five percent retained by the division for program administration and oversight. The division shall consider the past performance history of a contractor or grantee when selecting a contractor or grantee to administer the program.

**SECTION 2. Safety clause.** The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: March 7, 2025