

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0543.01 Bob Lackner

HOUSE BILL 11-1230

HOUSE SPONSORSHIP

Duran,

SENATE SPONSORSHIP

(None),

House Committees
State, Veterans, & Military Affairs

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.

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 department of human services (DHS) administer programs that provide

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.

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
11 ARTICLES 8 AND 9, PARTS 2 AND 3 OF ARTICLE 21, AND PARTS 2 TO 4 OF

1 ARTICLE 30 OF TITLE 23.

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

4 24-32-705. **Functions of division - repeal.** (1) The division has
5 the following functions:

6 (t) TO SERVE AS THE SOLE STATE AGENCY FOR THE PURPOSE OF
7 ADMINISTERING ANY STATE PLANS FOR FINANCIAL ASSISTANCE TO
8 PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS FOR THE PURPOSE
9 OF ASSISTING SUCH PERSONS IN OBTAINING HOUSING, INCLUDING,
10 WITHOUT LIMITATION, RENTAL ASSISTANCE, TECHNICAL ASSISTANCE, THE
11 CONSTRUCTION AND REHABILITATION OF HOUSING, AS WELL AS ANY
12 OTHER STATE PLAN RELATING TO SUCH FINANCIAL ASSISTANCE THAT
13 REQUIRES STATE ACTION THAT HAS NOT BEEN MADE THE SPECIFIC
14 RESPONSIBILITY OF ANY OTHER STATE AGENCY IN ACCORDANCE WITH
15 FEDERAL OR STATE LAW.

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

19 24-32-722. **Consolidation within division of housing programs**
20 **for low- and moderate-income households - legislative declaration -**
21 **repeal.** (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
22 DECLARES THAT:

23 (a) BOTH THE DEPARTMENT OF LOCAL AFFAIRS AND THE
24 DEPARTMENT OF HUMAN SERVICES ADMINISTER PROGRAMS THAT
25 DISTRIBUTE FEDERAL HOUSING MONEYS TO PERSONS IN LOW- AND
26 MODERATE-INCOME HOUSEHOLDS TO ASSIST SUCH PERSONS IN OBTAINING
27 HOUSING. SUCH MONEYS LARGELY CONSIST OF SECTION 8 HOUSING

1 VOUCHER MONEYS DISTRIBUTED BY THE UNITED STATES DEPARTMENT OF
2 HOUSING AND URBAN DEVELOPMENT TO THE DIVISION IN ACCORDANCE
3 WITH SECTIONS 24-32-702 (4) AND 24-32-705 (1) (i) AND TO THE
4 DEPARTMENT OF HUMAN SERVICES TO SUPPORT THE HOMELESS
5 PREVENTION ACTIVITIES PROGRAM ESTABLISHED PURSUANT TO ARTICLE
6 7.8 OF TITLE 26, C.R.S. SUCH MONEYS ARE FURTHER DISTRIBUTED BY THE
7 DEPARTMENTS OF LOCAL AFFAIRS AND HUMAN SERVICES TO HOUSING
8 AUTHORITIES ACROSS THE STATE AS PROVIDED BY LAW OR IN
9 ACCORDANCE WITH AGREEMENTS FOR THE RECEIPTS OF GRANTS OR
10 SERVICES FROM THE FEDERAL GOVERNMENT.

11 (b) HAVING TWO DIFFERENT STATE DEPARTMENTS SHARE
12 RESPONSIBILITY FOR THE DISTRIBUTION OF FEDERAL HOUSING MONEYS
13 ALLOCATED TO THE STATE MEANS THAT SOME PORTION OF THE MONEYS
14 THAT COULD BE DIRECTED TO THE FUNDING OF LOCAL HOUSING
15 AUTHORITIES AND OTHER LOCAL ELIGIBLE NONPROFIT AGENCIES ARE
16 INSTEAD EXPENDED BY THE STATE ON DUPLICATE ADMINISTRATIVE COSTS;
17 AND

18 (c) CONSOLIDATING ANY PROGRAM ADMINISTERED BY THE STATE
19 THAT PROVIDES FINANCIAL ASSISTANCE TO PERSONS IN LOW- AND
20 MODERATE-INCOME HOUSEHOLDS FOR THE PURPOSE OF ASSISTING SUCH
21 PERSONS IN OBTAINING HOUSING WITHIN THE DIVISION WILL PROMOTE
22 ECONOMIC EFFICIENCIES, ELIMINATE THE UNNECESSARY DUPLICATION OF
23 PUBLIC RESOURCES, AND MAXIMIZE THE AMOUNT OF FEDERAL FUNDING
24 MADE AVAILABLE TO LOCAL HOUSING AUTHORITIES AND OTHER LOCAL
25 ELIGIBLE NONPROFIT AGENCIES.

26 (2) (a) BY ENACTING THIS SECTION, THE GENERAL ASSEMBLY
27 INTENDS THAT THE MAXIMUM AMOUNT OF FINANCIAL ASSISTANCE AND

1 ADMINISTRATIVE FUNDING MADE AVAILABLE BY THE FEDERAL
2 GOVERNMENT FOR HOUSING BE DIRECTED TO LOCAL PUBLIC HOUSING
3 AUTHORITIES AND OTHER LOCAL ELIGIBLE NONPROFIT AGENCIES FOR
4 ADMINISTRATION AND DISTRIBUTION BY LOCAL ELIGIBLE ENTITIES TO
5 PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS TO SATISFY THEIR
6 FUNDAMENTAL NEEDS FOR HOUSING AND NOT FOR THE PURPOSE OF
7 ADMINISTERING DUPLICATE PROGRAMS.

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

13 (c) BY ENACTING THIS SECTION, THE GENERAL ASSEMBLY INTENDS
14 THAT THE DEPARTMENTS OF LOCAL AFFAIRS AND HUMAN SERVICES WILL
15 CONSIDER ALL REASONABLE AND FISCALLY AVAILABLE ALTERNATIVES TO
16 AVOID ANY REDUCTIONS IN FORCE RESULTING FROM THE CONSOLIDATION
17 REQUIRED BY THIS SECTION, INCLUDING, WITHOUT LIMITATION,
18 PLACEMENTS OF CURRENT EMPLOYEES INTO VACANT POSITIONS AT THE
19 CURRENT CLASSIFICATION OR PLACEMENTS OF CURRENT EMPLOYEES INTO
20 VACANT POSITIONS FOR WHICH AN EMPLOYEE MEETS THE MINIMUM
21 QUALIFICATIONS OUTSIDE OF CURRENT CLASSIFICATIONS AND VOLUNTARY
22 DEMOTIONS.

23 (3) (a) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II)
24 OF THIS PARAGRAPH (a), NOT LATER THAN JULY 1, 2011, ANY PROGRAM
25 ADMINISTERED BY THE STATE THAT PROVIDES FINANCIAL ASSISTANCE TO
26 PERSONS IN LOW- AND MODERATE-INCOME HOUSEHOLDS FOR THE PURPOSE
27 OF ASSISTING SUCH PERSONS IN OBTAINING HOUSING VOUCHERS AND

1 OTHER FORMS OF SUCH ASSISTANCE SHALL BE CONSOLIDATED WITHIN THE
2 DIVISION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 24-32-705 (1)
3 (t).

4 (II) THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS
5 PARAGRAPH (a) SHALL NOT APPLY TO A GRANT THAT IS IN THE PROCESS OF
6 BEING ADMINISTERED AS OF THE EFFECTIVE DATE OF THIS SECTION, THE
7 TERMS OF WHICH MAY PROHIBIT THE TRANSFER OF ANY MONEYS PROVIDED
8 THEREUNDER TO A PARTY OTHER THAN THE DEPARTMENT OF HUMAN
9 SERVICES.

10 (b) THE CONSOLIDATION REQUIRED BY PARAGRAPH (a) OF THIS
11 SUBSECTION (3) SHALL BE ORGANIZED IN SUCH MANNER THAT ONE
12 HOUSING AUTHORITY WILL BE CREATED WITHIN THE DIVISION TO ASSIST
13 MEMBERS OF SPECIAL POPULATIONS AND AN ADDITIONAL HOUSING
14 AUTHORITY WILL BE CREATED WITHIN THE DIVISION TO ASSIST PERSONS IN
15 RURAL COMMUNITIES.

16 (c) FOR THE 2011-12 STATE FISCAL YEAR AND FOR ANY
17 SUBSEQUENT STATE FISCAL YEAR, AND NOTWITHSTANDING ANY OTHER
18 PROVISION OF LAW AND SUBJECT TO AVAILABLE FUNDING RECEIVED FROM
19 THE FEDERAL GOVERNMENT, THE NUMBER OF HOUSING VOUCHERS MADE
20 AVAILABLE TO PERSONS WITH DISABILITIES, AS DEFINED BY THE
21 "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12102 (2),
22 BY THE DIVISION IN ANY ONE STATE FISCAL YEAR SHALL NOT BE LESS THAN
23 THE NUMBER OF VOUCHERS MADE AVAILABLE TO SUCH PERSONS IN THE
24 2010-11 STATE FISCAL YEAR.

25 (4) IN CARRYING OUT THE CONSOLIDATION REQUIRED BY
26 SUBSECTION (3) OF THIS SECTION, THE DIVISION SHALL CONSULT WITH THE
27 DEPARTMENT OF HUMAN SERVICES.

1 (5) THE CONSOLIDATION REQUIRED BY SUBSECTION (3) OF THIS
2 SECTION SHALL BE IMPLEMENTED WITHOUT ANY REDUCTIONS IN FORCE.
3 INSOFAR AS THE TRANSFERS OF STATE EMPLOYEES MAY BECOME
4 NECESSARY TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION, ANY
5 EMPLOYEE TRANSFERRED SHALL RETAIN ALL ACCRUED RIGHTS TO THE
6 STATE PERSONNEL SYSTEM, IF ANY, AND RETIREMENT AND OTHER
7 BENEFITS UNDER THE LAWS OF THE STATE, INCLUDING ANY ACCRUED
8 RIGHTS WITHIN OR ACROSS PRINCIPAL DEPARTMENTS OF THE EXECUTIVE
9 BRANCH OF STATE GOVERNMENT, AND HIS OR HER SERVICE SHALL BE
10 DEEMED TO HAVE BEEN CONTINUOUS.

11 (6) 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 ASSISTANCE TO PERSONS IN LOW- AND
18 MODERATE-INCOME HOUSEHOLDS TO ASSIST SUCH PERSONS IN OBTAINING
19 HOUSING UNDER THIS ARTICLE SHALL BE ADMINISTERED BY THE DIVISION
20 OF HOUSING WITHIN THE DEPARTMENT OF LOCAL AFFAIRS IN ACCORDANCE
21 WITH THE PROVISIONS OF SECTION 24-32-705 (1) (t), C.R.S., EXCEPT AS
22 OTHERWISE PROVIDED IN SECTION 24-32-722 (3) (a) (II), C.R.S.

23 **SECTION 5. Effective date.** This act shall take effect July 1,
24 2011.

25 **SECTION 6. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.