

**First Regular Session  
Sixty-third General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 01-0190.01 Jason Gelender

**HOUSE BILL 01-1127**

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**HOUSE SPONSORSHIP**

**Plant**

**SENATE SPONSORSHIP**

**(None)**

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**House Committees**

State, Veterans, & Military Affairs

Finance

Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING A HOME PURCHASE ASSISTANCE PROGRAM FOR AN**  
102             **INDIVIDUAL EMPLOYED IN A PUBLIC SERVICE PROFESSION WHO**  
103             **CHOOSES TO PURCHASE HOUSING IN THE COMMUNITY IN WHICH**  
104             **THE INDIVIDUAL IS EMPLOYED.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Creates a home purchasing assistance program for:

- A teacher who purchases a home within the boundaries of the school district that employs the teacher;
- A police officer who purchases a home within the boundaries the municipality or other political subdivision

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.*

- that employs the police officer; and
- A firefighter who purchases a home within the boundaries of the municipality or other political subdivision that employs a firefighter or the boundaries of the service area of the fire department that employs the firefighter.

Prohibits a teacher, police officer, or firefighter from participating in the program if the teacher, police officer, or firefighter already owns a home within the applicable boundaries.

Allows a teacher, police officer, or firefighter to apply for home purchasing assistance if:

- The applicant is purchasing qualifying property in an area that has been identified as having a critical shortage of teachers, police officers, or firefighters, whichever is applicable; or
- The average starting salary paid by the employer to a teacher, police officer, or firefighter, whichever is applicable, is less than a specified percentage of area median income.

Funds the home purchasing assistance program by:

- Creating the home purchasing assistance program fund within the Colorado housing and finance authority; and
- Imposing a fee on persons who borrow moneys to finance the purchase, construction, or development of real property and directing all fee revenues to the fund.

Requires fund moneys generally to be used only for the purposes and administration of the program, but allows the Colorado housing and finance authority to use excess fund moneys for other home purchasing assistance programs for low- and moderate-income families.

Requires the Colorado housing and finance authority to implement the program. Specifies requirements for home purchasing assistance applications. Requires the Colorado housing and finance authority to submit a report on the efficacy of the program to the general assembly by a specified date.

Defines terms.

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

2 **SECTION 1.** Part 7 of article 4 of title 29, Colorado Revised  
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

4 **29-4-712.5. Home purchasing assistance program for teachers,**  
5 **peace officers, and firefighters.** (1) THE GENERAL ASSEMBLY HEREBY

1 FINDS AND DECLARES THAT:

2 (a) THE SAFETY, HEALTH, AND WELFARE OF ALL COLORADANS IS  
3 BEST SERVED WHEN TEACHERS, POLICE OFFICERS, AND FIREFIGHTERS LIVE  
4 IN THE COMMUNITIES IN WHICH THEY ARE EMPLOYED;

5 (b) THERE EXISTS IN COLORADO A NEED TO PROVIDE INCENTIVES  
6 FOR TEACHERS, POLICE OFFICERS, AND FIREFIGHTERS TO WORK AND LIVE  
7 IN AREAS IN WHICH THERE ARE CRITICAL SHORTAGES OF TEACHERS, POLICE  
8 OFFICERS, AND FIREFIGHTERS;

9 (c) THERE EXISTS IN COMMUNITIES IN WHICH MANY TEACHERS,  
10 POLICE OFFICERS, AND FIREFIGHTERS ARE EMPLOYED A SHORTAGE OF  
11 DECENT, SAFE, AND SANITARY HOUSING THAT IS WITHIN THE FINANCIAL  
12 CAPABILITIES OF SUCH TEACHERS, POLICE OFFICERS, AND FIREFIGHTERS;

13 (d) IT IS IN THE BEST INTEREST OF THE PEOPLE OF COLORADO TO  
14 ENCOURAGE TEACHERS, POLICE OFFICERS, AND FIREFIGHTERS TO LIVE  
15 WITHIN THE COMMUNITIES IN WHICH THEY ARE EMPLOYED BY ALLOWING  
16 THE AUTHORITY TO PROVIDE HOME PURCHASING ASSISTANCE IN  
17 ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION TO TEACHERS,  
18 POLICE OFFICERS, AND FIREFIGHTERS WHO PURCHASE HOUSING WITHIN THE  
19 COMMUNITIES IN WHICH THEY ARE EMPLOYED.

20 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
21 REQUIRES:

22 (a) "FIREFIGHTER" MEANS A FIREFIGHTER, AS DEFINED IN SECTION  
23 24-33.5-1202 (4), C.R.S., WHO HAS BEEN ISSUED A CERTIFICATION, AS  
24 DEFINED IN SECTION 24-33.5-1202 (2), C.R.S.

25 (b) "POLICE OFFICER" MEANS A PEACE OFFICER, LEVEL I, AS  
26 DEFINED IN SECTION 18-1-901 (1) (I), C.R.S., OR A PEACE OFFICER LEVEL  
27 IIIa, AS DEFINED IN SECTION 18-1-901 (1) (IV.5), C.R.S.

1 (c) "QUALIFYING PROPERTY" MEANS RESIDENTIAL REAL PROPERTY  
2 THAT:

3 (I) A TEACHER, POLICE OFFICER, OR FIREFIGHTER IS PURCHASING  
4 FOR USE AS THE TEACHER, POLICE OFFICER, OR FIREFIGHTER'S PRIMARY  
5 RESIDENCE; AND

6 (II) (A) IS LOCATED WITHIN THE BOUNDARIES OF THE SCHOOL  
7 DISTRICT THAT EMPLOYS THE TEACHER; OR

8 (B) IS LOCATED WITHIN THE BOUNDARIES OF THE MUNICIPALITY OR  
9 OTHER POLITICAL SUBDIVISION THAT EMPLOYS THE POLICE OFFICER; OR

10 (C) IS LOCATED WITHIN EITHER THE BOUNDARIES OF THE  
11 MUNICIPALITY OR OTHER POLITICAL SUBDIVISION THAT EMPLOYS A  
12 FIREFIGHTER OR THE BOUNDARIES OF THE SERVICE AREA OF THE FIRE  
13 DEPARTMENT THAT EMPLOYS THE FIREFIGHTER; AND SO LONG AS

14 (D) THE TEACHER, POLICE OFFICER, OR FIREFIGHTER DOES NOT  
15 OWN AND USE AS HIS OR HER PRIMARY RESIDENCE OTHER RESIDENTIAL  
16 REAL PROPERTY THAT IS LOCATED WITHIN THE APPLICABLE BOUNDARIES  
17 SPECIFIED IN SUB-SUBPARAGRAPH (A), (B), OR (C) OF SUBPARAGRAPH (II)  
18 OF THIS PARAGRAPH (c).

19 (d) "TEACHER" MEANS A TEACHER WHO HOLDS A VALID  
20 ALTERNATIVE TEACHER LICENSE, PROVISIONAL TEACHER LICENSE, OR  
21 PROFESSIONAL TEACHER LICENSE AND IS EMPLOYED AS A TEACHER BY A  
22 SCHOOL DISTRICT, AS DEFINED IN SECTION 22-30-103 (13), C.R.S., IN THE  
23 STATE.

24 (3) (a) THERE IS HEREBY CREATED IN THE AUTHORITY THE HOME  
25 PURCHASING ASSISTANCE PROGRAM FUND, WHICH SHALL CONSIST OF ALL  
26 FEES FORWARDED TO THE AUTHORITY PURSUANT TO SUBSECTION (4) OF  
27 THIS SECTION AND ANY OTHER MONEYS TRANSFERRED TO THE FUND BY THE

1 AUTHORITY. THE AUTHORITY SHALL EXPEND MONEYS IN THE FUND SOLELY  
2 TO PROVIDE HOME PURCHASING ASSISTANCE TO TEACHERS, POLICE  
3 OFFICERS, AND FIREFIGHTERS PURCHASING QUALIFYING PROPERTY; EXCEPT  
4 THAT UP TO TEN PERCENT OF THE MONEYS IN THE FUND MAY BE USED TO  
5 DEFRAID ADMINISTRATIVE COSTS ASSOCIATED WITH THE PROVISION OF SUCH  
6 HOME PURCHASING ASSISTANCE.

7 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF THIS  
8 SUBSECTION (3), IF AT ANY TIME THE BOARD DETERMINES BY RESOLUTION  
9 THAT THE BALANCE OF THE FUND EXCEEDS THE AMOUNT NEEDED TO  
10 PROVIDE HOME PURCHASING ASSISTANCE TO ALL TEACHERS, POLICE  
11 OFFICERS, AND FIREFIGHTERS PURCHASING QUALIFYING PROPERTY WHO  
12 HAVE APPLIED FOR ASSISTANCE AND TO DEFRAID ADMINISTRATIVE COSTS,  
13 THE AUTHORITY MAY TRANSFER UP TO FIFTY PERCENT OF ANY EXCESS  
14 MONEYS IN THE FUND TO OTHER FUNDS OF THE AUTHORITY FOR THE  
15 PURPOSE OF PROVIDING HOME PURCHASING ASSISTANCE TO OTHER LOW- OR  
16 MODERATE-INCOME FAMILIES THROUGH PROGRAMS AUTHORIZED BY  
17 SECTION 29-4-712.

18 (4) ON AND AFTER JANUARY 1, 2002, A BANK, SAVINGS AND LOAN,  
19 INSURANCE COMPANY, MORTGAGE BANKING OR OTHER FINANCIAL  
20 INSTITUTION, OR OTHER BUSINESS ENTITY THAT LENDS MONEY TO A PERSON  
21 TO ENABLE THE PERSON TO FINANCE THE PURCHASE, CONSTRUCTION, OR  
22 DEVELOPMENT OF REAL PROPERTY SHALL COLLECT A FEE FROM THE  
23 BORROWER IN AN AMOUNT EQUAL TO ONE TENTH OF ONE PERCENT OF THE  
24 AMOUNT OF THE LOAN. THE LENDER SHALL FORWARD THE FULL AMOUNT  
25 OF THE FEE COLLECTED TO THE AUTHORITY.

26 (5) (a) (I) ON AND AFTER JULY 1, 2002, A TEACHER, POLICE  
27 OFFICER, OR FIREFIGHTER MAY APPLY TO THE AUTHORITY FOR HOME

1 PURCHASING ASSISTANCE IN CONNECTION WITH THE PURCHASE OF  
2 QUALIFYING PROPERTY IF:

3 (A) THE APPLICANT IS A TEACHER PURCHASING QUALIFYING  
4 PROPERTY IN AN AREA THAT HAS BEEN IDENTIFIED BY LAW OR BY THE  
5 STATE BOARD OF EDUCATION AS HAVING A CRITICAL SHORTAGE OF  
6 TEACHERS;

7 (B) THE APPLICANT IS A POLICE OFFICER PURCHASING QUALIFYING  
8 PROPERTY IN AN AREA THAT HAS BEEN IDENTIFIED BY LAW OR BY THE  
9 DIVISION OF CRIMINAL JUSTICE AS HAVING A CRITICAL SHORTAGE OF POLICE  
10 OFFICERS;

11 (C) THE APPLICANT IS A FIREFIGHTER PURCHASING QUALIFYING  
12 PROPERTY IN AN AREA THAT HAS BEEN IDENTIFIED BY LAW OR BY THE  
13 DIVISION OF FIRE SAFETY AS HAVING A CRITICAL SHORTAGE OF  
14 FIREFIGHTERS; OR

15 (D) THE AVERAGE STARTING SALARY PAID BY THE APPLICANT'S  
16 EMPLOYER TO A TEACHER, POLICE OFFICER, OR FIREFIGHTER, WHICHEVER  
17 IS APPLICABLE, IS NO MORE THAN EIGHTY PERCENT OF AREA MEDIAN  
18 INCOME.

19 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF  
20 THIS PARAGRAPH (a), IF THE BOARD DETERMINES BY RESOLUTION THAT  
21 THERE ARE SUFFICIENT MONEYS IN THE FUND TO PROVIDE HOME  
22 PURCHASING ASSISTANCE TO TEACHERS, POLICE OFFICERS, AND  
23 FIREFIGHTERS BEFORE JULY 1, 2002, THE AUTHORITY MAY ACCEPT  
24 APPLICATIONS FOR HOME PURCHASING ASSISTANCE ON AND AFTER THE  
25 DATE OF THE RESOLUTION.

26 (b) AN APPLICANT FOR HOME PURCHASING ASSISTANCE SHALL  
27 PROVIDE TO THE AUTHORITY A CERTIFICATE FROM THE APPLICANT'S

1 EMPLOYER THAT INDICATES THE APPLICANT IS EMPLOYED AS A TEACHER,  
2 POLICE OFFICER, OR FIREFIGHTER BY THE EMPLOYER AND THE RESIDENTIAL  
3 REAL PROPERTY BEING PURCHASED BY THE APPLICANT IS A QUALIFYING  
4 PROPERTY AND THAT SPECIFIES THE APPLICABLE AVERAGE STARTING  
5 SALARY PAID BY THE EMPLOYER TO TEACHERS, POLICE OFFICERS, OR  
6 FIREFIGHTERS. AN APPLICANT SHALL ALSO COMPLETE AN APPLICATION IN  
7 A FORM PRESCRIBED BY THE AUTHORITY AND PROVIDE ANY ADDITIONAL  
8 INFORMATION THAT THE AUTHORITY MAY REQUIRE.

9 (6) CONSISTENT WITH ANY APPLICABLE FEDERAL LAWS AND  
10 REGULATIONS, THE AUTHORITY SHALL ESTABLISH THE TYPES OF HOME  
11 PURCHASING ASSISTANCE TO BE MADE AVAILABLE TO TEACHERS, POLICE  
12 OFFICERS, AND FIREFIGHTERS UNDER THIS SECTION BY RULE. HOME  
13 PURCHASING ASSISTANCE MAY INCLUDE, BUT NEED NOT BE LIMITED TO:

14 (a) CASH ASSISTANCE WITH DOWN-PAYMENT COSTS OR CLOSING  
15 COSTS; AND

16 (b) THE PROVISION OF LOW-INTEREST RATE HOME MORTGAGE  
17 LOANS.

18 (7) NO LATER THAN JANUARY 15, 2005, THE AUTHORITY SHALL FILE  
19 A REPORT WITH THE GENERAL ASSEMBLY OUTLINING THE EFFICACY OF THE  
20 HOME PURCHASING ASSISTANCE PROGRAM AUTHORIZED BY THIS SECTION.  
21 AT A MINIMUM, THE REPORT SHALL INCLUDE INFORMATION REGARDING THE  
22 TOTAL VALUE OF HOME PURCHASING ASSISTANCE PROVIDED, THE NUMBER  
23 OF INDIVIDUALS RECEIVING ASSISTANCE, THE TYPES OF ASSISTANCE  
24 PROVIDED, THE GEOGRAPHICAL AREAS IN WHICH ASSISTANCE WAS  
25 PROVIDED, AND THE EXTENT TO WHICH THE PROVISION OF HOME  
26 PURCHASING ASSISTANCE HAS HELPED TO MITIGATE SHORTAGES OF  
27 TEACHERS, POLICE OFFICERS, AND FIREFIGHTERS IN AREAS IDENTIFIED AS

1       HAVING CRITICAL SHORTAGES OF SUCH INDIVIDUALS.

2               **SECTION 2.** 22-2-107 (1), Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4               **22-2-107. State board - powers.** (1) The state board has the  
5 power:

6               (t) TO IDENTIFY AREAS OF THE STATE IN WHICH THERE ARE  
7 CRITICAL SHORTAGES OF TEACHERS.

8               **SECTION 3.** 24-33.5-503 (1), Colorado Revised Statutes, is  
9 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

10              **24-33.5-503. Duties of division.** (1) The division has the  
11 following duties:

12              (r) TO IDENTIFY AREAS OF THE STATE IN WHICH THERE ARE  
13 CRITICAL SHORTAGES OF POLICE OFFICERS.

14              **SECTION 4.** 24-33.5-1203 (1), Colorado Revised Statutes, is  
15 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

16              **24-33.5-1203. Duties of the division.** (1) The division shall  
17 perform the following duties:

18              (m) IDENTIFY AREAS OF THE STATE IN WHICH THERE ARE CRITICAL  
19 SHORTAGES OF FIREFIGHTERS.

20              **SECTION 5. Safety clause.** The general assembly hereby finds,  
21 determines, and declares that this act is necessary for the immediate  
22 preservation of the public peace, health, and safety.