

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 25-0730.01 Caroline Martin x5902

SENATE BILL 25-167

SENATE SPONSORSHIP

Amabile,

HOUSE SPONSORSHIP

(None),

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE INVESTMENT OF STATE FUND MONEY TO BENEFIT**
102 **COLORADO COMMUNITIES.**

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://leg.colorado.gov>.)

Section 1 of the bill requires at least one member of the public school fund investment board (board) to have expertise in community investments, requires the board to direct the state treasurer to securely invest money deposited in the public school fund in a manner that prioritizes new investment objectives, and authorizes the board to enter into contracts with investment advisors or other investment professionals

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

to provide advice on community investments. **Section 2** makes conforming changes in order to expand the types of investments the state treasurer can make using public school fund money and extends the amount of time the treasurer has to offset an aggregate loss of principal to the public school fund from 18 to 24 months.

Section 3 creates the new community investment portfolio within the permanent school fund, and requires the state treasurer to invest at least 6% of the money in the permanent school fund into the community investment portfolio by July 1, 2027. The state treasurer is required to invest at least 20% of the money in the permanent school fund into the community investment portfolio by July 1, 2032.

Money in the portfolio must be invested in community investments, and allowable community investments include:

- Bonds issued by Colorado school districts and charter schools;
- Certificates of participation issued by Colorado school districts and charter schools;
- Mortgage pass-through securities and collateralized mortgage obligations secured by residential real estate, the majority of which is owned by public school employees;
- Loans to the Colorado middle income housing authority for a revolving loan fund that funds rental housing developments that include preferences for public school employees;
- Bonds issued by the middle income housing authority that fund rental housing developments which include preferences for public school employees;
- Bonds issued by the Colorado housing and finance authority that fund rental housing developments that include preferences for public school employees;
- Mortgage revenue bonds that support public school employee mortgages with interest rates of 3% or less;
- Loans to community development financial institutions that fund:
 - The construction of housing developments that include preferences for public school employees; or
 - Low-interest mortgages secured by residential real estate that is owned by public school employees; and
- Other venture capital, private equity, or public equity funds that support education in Colorado.

The educator first home ownership program (program) is created within the community investment portfolio. The treasurer shall invest the following amounts in the program by the following dates:

- By July 1, 2027, the greater of 6% of the fund's value or \$100 million; and
- By July 1, 2028, the greater of 12% of the fund's value or \$200 million.

The treasurer shall invest the money in the program as follows:

- 75% of the money in the program shall be administered by the program administrator and used for a shared equity down payment assistance program that:
 - Provides at least 15% of the total cost of a home to public school employees; and
 - Allows appreciation-sharing between the program and the homeowner, with the program's share of appreciation capped at 10%.
- 25% of the money in the program must be invested in allowable community investments with the purpose of increasing the supply of houses for sale and access to home ownership in rural and other underserved communities.

The program administrator shall ensure that mortgages in the shared equity down payment assistance program bear interest rates that are at least as low as prevailing mortgage rates at the time the mortgages in the shared equity down payment assistance program are entered into. The program administrator shall present an annual report to the public school fund investment board on program outcomes.

Sections 4 and 5 clarify that the state treasurer may invest state money in direct and indirect equity investments and other asset classes including mutual funds, exchange-traded funds, direct and indirect real estate investments, and education-related community investments.

Section 6 requires the state treasurer to invest at least 20% of the money in the unclaimed property trust fund in direct and indirect equity investments, mutual funds, exchange-traded funds, direct and indirect real estate investments, and other asset classes by July 1, 2032. The state treasurer is also required to make 2 loans of money from the unclaimed property trust fund to the department of local affairs, both of which must be paid back in full by July 1, 2045, including:

- \$100 million on July 1, 2025, that the department of local affairs shall use to create a new zero-interest revolving loan program for affordable housing developers; and
- \$50 million that the department of local affairs shall use to create a new zero-interest revolving loan program to benefit fire protection districts and ambulance districts experiencing cash flow issues.

Section 7 creates the new Colorado investment portfolio (Colorado portfolio) within the unclaimed property trust fund. The treasurer is required to invest at least 5% of the money in the unclaimed property trust

fund into the Colorado portfolio by July 1, 2027, and at least 20% of the money in the unclaimed property trust fund into the Colorado portfolio by July 1, 2032.

Money in the Colorado portfolio must be invested in:

- The community investment portfolio;
- Bonds issued by Colorado school districts, charter schools, local governments, special districts, state enterprises, Indian tribes, or special purpose authorities;
- Certificates of participation issued by Colorado school districts, charter schools, local governments, special districts, state enterprises, Indian tribes, or special purpose authorities;
- Mortgage pass-through securities and collateralized mortgage obligations secured by Colorado residential real estate that is owned by Coloradans;
- Bonds issued by the middle income housing authority;
- Bonds issued by the Colorado housing and finance authority;
- Loans to community development financial institutions that fund:
 - The construction of housing developments in Colorado; or
 - Mortgages secured by Colorado residential real estate that is owned by Coloradans;
- Bonds issued by businesses headquartered in Colorado;
- Asset-backed securities supported by loans to small businesses in Colorado;
- The venture capital authority within the office of economic development and international trade; or
- Other venture capital, private equity, or public equity funds that support communities in Colorado.

Section 8 reduces the amount credited to the housing development grant fund from the general fund by \$15 million for state fiscal year 2026-27.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-41-102.5, **amend**

3 (1)(a)(III), (3), (4)(a)(II), and (5) as follows:

4 **22-41-102.5. Public school fund investment board - creation**

5 **- working group - report.** (1) (a) There is hereby created the public

1 school fund investment board, referred to in this section as the "board".

2 The board consists of five members as follows:

3 (III) Three members appointed by the state treasurer ~~Such~~
4 ~~appointees must have diversity in party affiliation and~~ WITH DIVERSE
5 PARTY AFFILIATIONS. AT LEAST ONE APPOINTEE REQUIRED BY THIS
6 SUBSECTION (1)(a)(III) MUST HAVE EXPERTISE IN COMMUNITY
7 INVESTMENTS, AS DEFINED IN SECTION 22-41-104.7 (1), AND THE OTHER
8 TWO MUST HAVE professional qualifications regarding the prudent
9 investment of trust fund money or expertise in institutional investment
10 management.

11 (3) The board shall direct the state treasurer on how to securely
12 invest money deposited in the public school fund:

13 (a) For the intergenerational benefit of public schools; ~~and~~

14 (b) In a manner that complies with the "Uniform Prudent Investor
15 Act", article 1.1 of title 15; ~~C.R.S.~~ AND

16 (c) IN A MANNER THAT TARGETS THE FOLLOWING INVESTMENT
17 OBJECTIVES:

18 (I) PRESERVING THE PRINCIPAL OF THE PUBLIC SCHOOL FUND; AND

19 (II) PROVIDING SUBSTANTIAL BENEFIT TO THE BENEFICIARIES OF
20 THE PUBLIC SCHOOL FUND THROUGH COMMUNITY INVESTING AS OUTLINED
21 IN SECTION 22-41-104.7.

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23 (4) (a) No later than March 31, 2017, the board shall establish
24 policies that are necessary and proper for the administration of this
25 section, including but not limited to:

26 (II) A policy establishing allowable investments that comply with
27 section 22-41-104, SECTION 22-41-104.7, and section 3 of article IX of

1 the state constitution; and

2 (5) The board may enter into contracts with private professional
3 fund managers, INVESTMENT ADVISORS, OR OTHER INVESTMENT
4 PROFESSIONALS to provide expertise, technical support, and advice on
5 investment market conditions AND TO PROVIDE SUPPORT FOR THE
6 IMPLEMENTATION OF THE COMMUNITY INVESTMENT PORTFOLIO. Such
7 ~~contract or~~ contracts must be bid by employing standard public bidding
8 practices including, but not limited to, the use of requests for information,
9 requests for proposals, or any other standard vendor selection practices
10 determined by the board to be best suited to selecting an appropriate
11 private professional fund manager. Payments for these services will be
12 paid from the interest and income of the public school fund subject to the
13 requirements set forth in section 22-41-102.

14 **SECTION 2.** In Colorado Revised Statutes, 22-41-104, **amend**
15 (1) and (2); and **add** (4) as follows:

16 **22-41-104. Lawful investments - legislative declaration.**

17 (1) The state treasurer, as directed by the public school fund investment
18 board, may invest and reinvest ~~moneys~~ MONEY accrued or accruing to the
19 public school fund in the types of deposits and investments authorized in
20 sections 24-36-109, 24-36-112, and 24-36-113, ~~C.R.S.~~, and bonds issued
21 by school districts. The ~~moneys~~ MONEY may also be invested ~~in stocks~~
22 ~~and other financial assets~~ as specified in the public school fund
23 investment board investment policy established as required in section
24 22-41-102.5 (4)(b); except that investment includes only mutual funds,
25 index funds, and any other instrument that is not a direct investment in a
26 corporation.

27 (2) The state treasurer has authority, to be exercised at the state

1 treasurer's discretion, to effect exchanges or sales whenever such
2 exchanges or sales will not result in an aggregate loss of principal to the
3 public school fund. An aggregate loss of principal to the public school
4 fund occurs only when an exchange or sale that resulted in an initial loss
5 of principal is not offset by a gain on an exchange or sale in the fund
6 within ~~eighteen~~ TWENTY-FOUR months. The calculation of an aggregate
7 loss must also include any gains that were realized in the twelve months
8 prior to the loss of principal.

9 (4) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

10 (a) THE MISSION OF THE PUBLIC SCHOOL FUND IS TO SUPPORT
11 COLORADO CHILDREN AND COLORADO SCHOOLS. THE STRATEGIC
12 INVESTMENT OF CAPITAL CAN ACHIEVE POSITIVE SOCIAL OUTCOMES AND
13 BENEFICIAL FINANCIAL RETURNS. THE FUND'S INTERGENERATIONAL
14 MISSION IS BEST SERVED BY INVESTING A PORTION OF THE FUND'S CORPUS
15 IN A WAY THAT ADVANCES CLEAR, MEANINGFUL, AND MEASURABLE
16 OUTCOMES THROUGH THE COMMUNITY INVESTMENT PORTFOLIO.
17 INVESTMENTS SHOULD BE ALIGNED WITH THE FUND'S MISSION AND
18 SHOULD BENEFIT COLORADO SCHOOLS AND CHILDREN.

19 (b) INVESTMENT IN COMMUNITIES CAN LEAD TO INCREASED
20 CONSTRUCTION OF HOUSING AND AFFORDABLE HOME OWNERSHIP FOR
21 TEACHERS AND PUBLIC SCHOOL EMPLOYEES, SCALING OF INNOVATIVE
22 EDUCATIONAL TOOLS, PROVISION OF CAPITAL FOR EARLY CHILDHOOD
23 BUSINESSES, AND SUBSIDIZATION OF SCHOOL FACILITIES. THESE
24 INVESTMENTS CAN IMPROVE THE LIVES OF COLORADO FAMILIES, INCREASE
25 EDUCATIONAL OPPORTUNITIES, AND ADVANCE THE INTERGENERATIONAL
26 MISSION OF THE FUND.

27 (c) THE PUBLIC PURPOSE OF THE COMMUNITY INVESTMENT

1 PORTFOLIO WITHIN THE PUBLIC SCHOOL FUND IS TO AMPLIFY THE BENEFIT
2 PROVIDED TO COLORADO SCHOOLS AND CHILDREN BY INVESTING IN
3 COLORADO CHILDREN, FAMILIES, AND COMMUNITIES.

4 (d) INVESTING MONEY IN THE PUBLIC SCHOOL FUND INTO THE
5 COMMUNITY INVESTMENT PORTFOLIO COMPLIES WITH THE "UNIFORM
6 PRUDENT INVESTOR ACT", ARTICLE 1.1 OF TITLE 15, AND SPECIFICALLY
7 SECTION 15-1.1-102.5, BECAUSE THE ASSETS _____ HAVE A "SPECIAL
8 RELATIONSHIP OR SPECIAL VALUE" TO THE PURPOSES OF THE TRUST AND
9 TO ONE OR MORE OF THE BENEFICIARIES. COMMUNITY INVESTMENTS
10 BENEFIT COLORADO SCHOOL CHILDREN AND ADVANCE "THE
11 INTERGENERATIONAL BENEFIT OF PUBLIC SCHOOLS" IN ACCORDANCE WITH
12 SECTION 22-41-102.5 (3).

13 (e) HOUSING DEVELOPMENTS THAT INCLUDE PREFERENCES FOR
14 PUBLIC SCHOOL EMPLOYEES; PROMOTE A SUBSTANTIAL, LEGITIMATE, AND
15 NONDISCRIMINATORY STATE INTEREST THAT CANNOT BE SERVED BY
16 ANOTHER PRACTICE WITH A LESS DISCRIMINATORY EFFECT; DO NOT
17 CONSTITUTE SOURCE OF INCOME DISCRIMINATION UNDER SECTION
18 24-34-501 (4.5) OR 24-34-502; AND COMPLY WITH THE FEDERAL "FAIR
19 HOUSING ACT", 42 U. S.C. SEC. 3601 ET SEQ., PART 5 OF ARTICLE 34 OF
20 TITLE 24, AND OTHER STATE AND LOCAL LAWS, ORDINANCES, AND
21 RESOLUTIONS.

22 (f) THE STATE TREASURER MAY INVEST IN _____ ASSET CLASSES
23 INCLUDING MUTUAL FUNDS AND EDUCATION-RELATED COMMUNITY
24 INVESTMENTS. INVESTMENT IN THESE ASSET CLASSES FURTHERS THE
25 PUBLIC PURPOSE OF INCREASING THE FUND BALANCE FOR FUND
26 BENEFICIARIES.

27 **SECTION 3.** In Colorado Revised Statutes, **add** 22-41-104.7 as

1 follows:

2 **22-41-104.7. Community investment portfolio - required**
3 **investments - creation - legislative declaration - definitions.**

4 (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
5 OTHERWISE REQUIRES:

6 (a) "COMMUNITY INVESTMENT" MEANS AN INVESTMENT THAT IS
7 INTENDED TO GENERATE POSITIVE, MEASURABLE IMPACT FOR COLORADO
8 SCHOOL CHILDREN, FAMILIES, OR COMMUNITIES WHILE SIMULTANEOUSLY
9 GENERATING FINANCIAL RETURNS. COMMUNITY INVESTMENTS MAY HAVE
10 BELOW-MARKET RATES OF RETURN.

11 (b) "FUND" MEANS THE PUBLIC SCHOOL FUND OF THE STATE
12 CREATED IN SECTION 3 OF ARTICLE IX OF THE STATE CONSTITUTION.

13 (c) "PORTFOLIO" MEANS THE COMMUNITY INVESTMENT PORTFOLIO
14 CREATED IN THIS SECTION.

15 (d) "PROGRAM" MEANS THE EDUCATOR FIRST HOME OWNERSHIP
16 PROGRAM CREATED IN THIS SECTION.

17 (e) "PROGRAM MANAGER" MEANS THE COLORADO HOUSING AND
18 FINANCE AUTHORITY; EXCEPT THAT, IF THE COLORADO HOUSING AND
19 FINANCE AUTHORITY ELECTS AT ANY TIME NOT TO SERVE AS PROGRAM
20 MANAGER, THE PUBLIC SCHOOL FUND INVESTMENT BOARD SHALL SELECT
21 A REPLACEMENT ENTITY THAT AGREES TO SERVE AS PROGRAM MANAGER.

22 (f) "PUBLIC SCHOOL EMPLOYEE" MEANS ANY EMPLOYEE OF A
23 COLORADO SCHOOL DISTRICT, CHARTER SCHOOL, INSTITUTE CHARTER
24 SCHOOL, OR INNOVATION ZONE.

25 (2) **Portfolio created.** THE COMMUNITY INVESTMENT PORTFOLIO
26 IS CREATED WITHIN THE FUND. BY JULY 1, 2032, THE TREASURER
27 SHALL INVEST AT LEAST TWENTY PERCENT OF THE FUND'S VALUE INTO THE

1 PORTFOLIO.

2 (3) **Allowable portfolio investments.** MONEY IN THE PORTFOLIO
3 MUST BE INVESTED IN COMMUNITY INVESTMENTS. ALLOWABLE
4 COMMUNITY INVESTMENTS INCLUDE BUT ARE NOT LIMITED TO:

5 (a) BONDS ISSUED BY COLORADO SCHOOL DISTRICTS AND CHARTER
6 SCHOOLS;

7 (b) CERTIFICATES OF PARTICIPATION ISSUED BY COLORADO
8 SCHOOL DISTRICTS AND CHARTER SCHOOLS;

9 (c) MORTGAGE PASS-THROUGH SECURITIES AND COLLATERALIZED
10 MORTGAGE OBLIGATIONS SECURED BY RESIDENTIAL REAL ESTATE, THE
11 MAJORITY OF WHICH IS OWNED BY PUBLIC SCHOOL EMPLOYEES;

12 (d) LOANS TO THE COLORADO MIDDLE INCOME HOUSING
13 AUTHORITY FOR A REVOLVING LOAN FUND THAT FUNDS RENTAL HOUSING
14 DEVELOPMENTS THAT INCLUDE PREFERENCES FOR PUBLIC SCHOOL
15 EMPLOYEES;

16 (e) BONDS ISSUED BY THE MIDDLE INCOME HOUSING AUTHORITY
17 THAT FUND RENTAL HOUSING DEVELOPMENTS THAT INCLUDE
18 PREFERENCES FOR PUBLIC SCHOOL EMPLOYEES;

19 (f) BONDS OR MORTGAGE-BACKED SECURITIES ISSUED BY THE
20 COLORADO HOUSING AND FINANCE AUTHORITY THAT FUND HOUSING
21 DEVELOPMENTS THAT INCLUDE PREFERENCES FOR PUBLIC SCHOOL
22 EMPLOYEES OR MORTGAGES SECURED BY RESIDENTIAL REAL ESTATE, THE
23 MAJORITY OF WHICH IS OWNED BY PUBLIC SCHOOL EMPLOYEES;

24 (g) MORTGAGE REVENUE BONDS THAT SUPPORT PUBLIC SCHOOL
25 EMPLOYEE MORTGAGES WITH INTEREST RATES OF THREE PERCENT OR
26 LESS;

27 (h) LOANS TO COMMUNITY DEVELOPMENT FINANCIAL

1 INSTITUTIONS THAT FUND:

2 (I) HOUSING THAT INCLUDES PREFERENCES FOR PUBLIC SCHOOL
3 EMPLOYEES; OR

4 (II) LOW-INTEREST MORTGAGES SECURED BY RESIDENTIAL REAL
5 ESTATE THAT IS OWNED BY PUBLIC SCHOOL EMPLOYEES;

6 (i) DOWN PAYMENT SHARED APPRECIATION PRODUCTS SECURED
7 BY RESIDENTIAL REAL ESTATE THAT IS OWNED BY PUBLIC SCHOOL
8 EMPLOYEES; AND

9 (j) OTHER INVESTMENTS THAT SUPPORT THE PUBLIC PURPOSE OF
10 THE FUND.

11 (4) **Educator first home ownership program.** (a) THE
12 EDUCATOR FIRST HOME OWNERSHIP PROGRAM IS CREATED WITHIN THE
13 PORTFOLIO. IN ORDER TO SUPPORT PUBLIC SCHOOL EMPLOYEE HOME
14 OWNERSHIP, ADDRESS EDUCATOR SHORTAGES, AND SUPPORT THE
15 RETENTION OF PUBLIC SCHOOL EMPLOYEES, THE TREASURER SHALL INVEST
16 THE FOLLOWING AMOUNTS INTO THE PROGRAM, EXCEPT THAT THE TOTAL
17 INVESTMENT AMOUNT SHALL NEVER EXCEED THE SUM OF THE
18 INVESTMENTS MADE IN ACCORDANCE WITH SUBSECTION (4)(b)(II) OF THIS
19 SECTION PLUS THE TOTAL AMOUNT OF SHARED EQUITY DOWN PAYMENT
20 ASSISTANCE THAT HAS BEEN GRANTED BY THE PROGRAM MANAGER
21 THROUGH THE PROGRAM, BY THE FOLLOWING DATES:

22 (I) BY JULY 1, 2028, THE GREATER OF SIX PERCENT OF THE FUND'S
23 VALUE OR ONE HUNDRED MILLION DOLLARS;

24 (II) BY JULY 1, 2030, THE GREATER OF TWELVE PERCENT OF THE
25 FUND'S VALUE OR TWO HUNDRED MILLION DOLLARS.

26 (b) THE TREASURER SHALL AIM TO INVEST A TARGET OF
27 SEVENTY-FIVE PERCENT OF THE MONEY IN THE PROGRAM INTO A HOME

1 OWNERSHIP PROGRAM FOR PUBLIC SCHOOL EMPLOYEES TO BE MANAGED
2 BY THE PROGRAM MANAGER. THE HOME OWNERSHIP PROGRAM MUST BE
3 FULLY ESTABLISHED BY JULY 1, 2026. ONCE THE HOME OWNERSHIP
4 PROGRAM IS FULLY ESTABLISHED:

5 (I) THE PUBLIC SCHOOL INVESTMENT BOARD SHALL PURCHASE
6 FROM THE PROGRAM FUND MANAGER THE MORTGAGE PRODUCTS CREATED
7 THROUGH THE HOME OWNERSHIP PROGRAM IN TRanches OF REASONABLE
8 AMOUNTS THAT ARE MUTUALLY AGREED UPON BY THE PUBLIC SCHOOL
9 INVESTMENT BOARD AND THE PROGRAM MANAGER; AND

10 (II) THE PUBLIC SCHOOL INVESTMENT BOARD MAY PROVIDE
11 NOTICE OF ANY DISCONTINUATION IN FUTURE INVESTMENT THE PROGRAM
12 MANAGER HAS NOT ALREADY COMMITTED TO THE HOME OWNERSHIP
13 PROGRAM, WHICH NOTICE MUST BE PROVIDED AT LEAST SIX MONTHS PRIOR
14 TO DISCONTINUATION.

15 (c) THE TREASURER SHALL AIM TO INVEST A TARGET OF
16 TWENTY-FIVE PERCENT OF THE MONEY IN THE PROGRAM INTO ALLOWABLE
17 COMMUNITY INVESTMENTS DESCRIBED IN SUBSECTION (3) OF THIS SECTION
18 WITH THE PURPOSE OF INCREASING THE SUPPLY OF HOUSES FOR SALE AND
19 ACCESS TO HOME OWNERSHIP IN RURAL AND OTHER UNDERSERVED
20 COMMUNITIES.

21 (d) THE PROGRAM MANAGER SHALL ESTABLISH GUIDELINES AND
22 UNDERWRITING CRITERIA FOR THE HOME OWNERSHIP PROGRAM AND SHALL
23 ENSURE THAT THE HOME OWNERSHIP PROGRAM:

24 (I) PRIORITIZES FIRST-TIME HOME BUYERS THAT USE THE HOME AS
25 A PRIMARY RESIDENCE;

26 (II) PROVIDES SHARED EQUITY DOWN PAYMENT ASSISTANCE TO
27 PUBLIC SCHOOL EMPLOYEES AND AIMS TO HELP AS MANY PUBLIC SCHOOL

1 EMPLOYEES AS POSSIBLE ACHIEVE AFFORDABLE HOME OWNERSHIP;

2 (III) ALLOWS APPRECIATION-SHARING BETWEEN THE HOME
3 OWNERSHIP PROGRAM AND HOMEOWNER WITH ANY PROFIT OR LOSS IN THE
4 DOWN PAYMENT ASSISTANCE ACCRUING TO THE PROGRAM AND THE
5 PROGRAM'S SHARE NEVER EXCEEDING THE PERCENT OF THE PURCHASE
6 PRICE OF THE HOME THE DOWN PAYMENT REPRESENTS AT PURCHASE; AND

7 (IV) IF THE PROGRAM MANAGER IS THE COLORADO HOUSING AND
8 FINANCE AUTHORITY, IS PAIRED WITH A FIRST MORTGAGE LOAN PROVIDED
9 THROUGH THE PROGRAM FUND MANAGER'S PARTICIPATING LENDER
10 NETWORK THAT BEARS AN INTEREST RATE THAT IS AT OR BELOW THE
11 PREVAILING MORTGAGE RATES.

12 (e) THE PROGRAM MANAGER IS ENTITLED TO NORMAL AND
13 CUSTOMARY FEES FOR MANAGING THE FUND, INCLUDING BUT NOT LIMITED
14 TO ANY CARRYING COSTS REQUIRED TO ACCOMMODATE TRANCHE
15 PAYMENTS, PAID BY THE FUND OR THE PROGRAM FUND MANAGER'S
16 PRODUCTS AND SERVICES PAIRED WITH THE HOME OWNERSHIP PROGRAM.

17 (f) THE PROGRAM MANAGER SHALL ANNUALLY PUBLISH AND
18 PRESENT A REPORT TO THE PUBLIC SCHOOL FUND INVESTMENT BOARD ON
19 PROGRAM OUTCOMES, INCLUDING:

20 (I) THE NUMBER OF PROGRAM BORROWERS;

21 (II) THE GEOGRAPHIC DISTRIBUTION OF PROGRAM BORROWERS;

22 (III) THE AREA MEDIAN INCOME OF PROGRAM BORROWERS; AND

23 (IV) THE MEDIAN PURCHASE PRICE, MEDIAN LOAN AMOUNT, AND
24 AVERAGE INTEREST RATE ON FIRST MORTGAGES FOR PUBLIC SCHOOL
25 EMPLOYEES THAT BENEFIT FROM THE PROGRAM.

26 (g) NOTHING IN THIS SECTION PREVENTS THE USE OF OTHER
27 SOURCES OF STATE OR LOCAL FUNDING TO BE LEVERAGED WITH THE

1 PROGRAM.

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SECTION 4. Safety clause. The general assembly finds,

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determines, and declares that this act is necessary for the immediate

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preservation of the public peace, health, or safety or for appropriations for

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the support and maintenance of the departments of the state and state

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institutions.