

HOUSE COMMITTEE OF REFERENCE REPORT

<hr/>	<u>April 25, 2025</u>
Chair of Committee	Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

HB25-1078 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Strike the Agriculture, Water, and Natural Resources Committee Report,
2 dated February 10, 2025, and substitute:

3 "Amend printed bill, strike everything below the enacting clause and
4 substitute:

5 "SECTION 1. In Colorado Revised Statutes, 38-13-801, **amend**
6 (1)(b); and **add** (2.6) and (2.7) as follows:

7 **38-13-801. Unclaimed property trust fund - creation -**
8 **payments - interest - appropriations - records - rules.** (1) (b) Except
9 as provided in subsections (2), **(2.6), (2.7)**, (3), and (3.5) of this section,
10 the principal of the trust fund shall not be expended except to pay claims
11 made pursuant to this article 13. Money constituting the principal of the
12 trust fund is not fiscal year spending of the state for purposes of section
13 20 of article X of the state constitution and is not subject to appropriation
14 by the general assembly.

15 (2.6) (a) (I) ON JULY 1, 2025, THE STATE TREASURER SHALL MAKE
16 AN INTEREST-FREE LOAN IN THE AMOUNT OF FIFTY MILLION DOLLARS FROM
17 THE UNCLAIMED PROPERTY TRUST FUND TO THE DEPARTMENT OF LOCAL
18 AFFAIRS CREATED IN SECTION 24-1-125. THE DEPARTMENT MAY INITIALLY
19 USE UP TO TWO PERCENT OF THE LOAN FOR ADMINISTRATIVE COSTS.

20 (II) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST FUND
21 TO A SEPARATE FUND WITHIN A STATE DEPARTMENT IS AN INTERFUND
22 LOAN ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES,
23 MEANING THE LOAN IS NOT CLASSIFIED AS REVENUE AND IS BOOKED AS AN
24 INTERFUND RECEIVABLE OR PAYABLE. THEREFORE, THE LOAN DOES NOT
25 CREATE A MULTIPLE-FISCAL-YEAR DEBT OR FINANCIAL OBLIGATION.

26 (b) (I) THE DEPARTMENT OF LOCAL AFFAIRS SHALL USE THE LOAN

1 TO CREATE A NEW ZERO-INTEREST REVOLVING LOAN PROGRAM TO BENEFIT
2 FIRE DEPARTMENTS, AS DEFINED IN SECTION 24-33.5-1202. ELIGIBLE USES
3 OF A ZERO-INTEREST LOAN MADE TO A FIRE DEPARTMENT PURSUANT TO
4 THIS SUBSECTION (2.6) MAY INCLUDE:

5 (A) THE PURCHASE OF ROLLING STOCK, SUCH AS FIRE TRUCKS,
6 BRUSH TRUCKS, AND FAST ATTACK VEHICLES, AND ASSOCIATED
7 APPARATUS FOR THOSE VEHICLES, BY A FIRE DEPARTMENT WITH AN
8 APPROVED FLEET REPLACEMENT PLAN OR WITH DOCUMENTED EVIDENCE
9 OF FIREFIGHTING APPARATUS SHORTAGES IN PAST RESPONSES TO CALLS
10 FOR SERVICE OR EMERGENCIES;

11 (B) TO PAY FOR CAPITAL IMPROVEMENTS UNDER AN ADOPTED
12 CAPITAL FACILITIES PLAN RELATED TO THE RENOVATION OF EXISTING
13 FACILITIES OR THE CONSTRUCTION OF NEW FACILITIES;

14 (C) THE PURCHASE OF OTHER FACILITIES, INFRASTRUCTURE, OR
15 EQUIPMENT NECESSARY TO EQUIP COLORADO'S FIREFIGHTER WORKFORCE
16 TO EFFECTIVELY RESPOND TO EMERGENCIES AND ENSURE PUBLIC SAFETY;
17 OR

18 (D) TEMPORARY BRIDGE LOANS TO COVER COSTS IN EXCESS OF
19 NORMAL OPERATING COSTS PAID BY A FIRE DEPARTMENT DUE TO ITS
20 RESPONSE TO A LOCAL, STATE, OR FEDERAL EMERGENCY.

21 (II) WITHIN NINETY DAYS AFTER THE RECEIPT OF THE LOAN BY THE
22 DEPARTMENT OF LOCAL AFFAIRS AND PRIOR TO THE DEPARTMENT MAKING
23 A LOAN UNDER THE LOAN PROGRAM, THE DEPARTMENT SHALL CONSULT
24 WITH A STATEWIDE ASSOCIATION REPRESENTING COLORADO FIRE CHIEFS,
25 A STATEWIDE ASSOCIATION REPRESENTING PROFESSIONAL FIREFIGHTERS,
26 AND THE DIVISION OF FIRE PREVENTION AND CONTROL IN THE
27 DEPARTMENT OF PUBLIC SAFETY CONCERNING THE ADOPTION OF RULES
28 AND THE ESTABLISHMENT OF POLICIES OR PROCEDURES RELATING TO THE
29 LOAN PROGRAM.

30 (III) THE DEPARTMENT MAY CHARGE AN ADMINISTRATIVE FEE OF
31 UP TO ONE-HALF OF ONE PERCENT ON THE PRINCIPAL AMOUNT OF A LOAN
32 MADE UNDER THE LOAN PROGRAM.

33 (IV) THE DEPARTMENT MAY USE EARNINGS FROM THE
34 INVESTMENT OF THE LOAN MADE TO THE DEPARTMENT BY THE STATE
35 TREASURER PURSUANT TO SUBSECTION (2.6)(a)(I) OF THIS SECTION FOR
36 THE DEPARTMENT'S REASONABLE EXPENSES FOR ADMINISTERING THE
37 LOAN PROGRAM.

38 (V) A LOAN MADE BY THE DEPARTMENT PURSUANT TO
39 SUBSECTION (2.6)(b)(I) OF THIS SECTION TO A DISTRICT, AS DEFINED IN
40 SECTION 20 (2)(b) OF ARTICLE X OF THE STATE CONSTITUTION, MUST
41 EITHER BE APPROVED BY THE VOTERS OF THE DISTRICT IN ACCORDANCE
42 WITH SECTION 20 (4)(b) OF ARTICLE X OF THE STATE CONSTITUTION OR BE
43 STRUCTURED SO THAT IT IS NOT A MULTIPLE-FISCAL-YEAR DIRECT OR

1 INDIRECT DISTRICT DEBT OR OTHER FINANCIAL OBLIGATION WHATSOEVER
2 THAT REQUIRES VOTER APPROVAL UNDER SECTION 20 (4)(b) OF ARTICLE
3 X OF THE STATE CONSTITUTION.

4 (c) (I) THE FIRE DEPARTMENT REVOLVING LOAN PROGRAM FUND,
5 REFERRED TO IN THIS SUBSECTION (2.6) AS THE "FUND", IS CREATED IN THE
6 STATE TREASURY.

7 (II) THE FUND CONSISTS OF:

8 (A) MONEY LOANED TO THE DEPARTMENT OF LOCAL AFFAIRS
9 PURSUANT TO SUBSECTION (2.6)(a)(I) OF THIS SECTION;

10 (B) LOAN ADMINISTRATION FEES RECEIVED BY THE DEPARTMENT
11 OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (2.6)(b)(III) OF THIS
12 SECTION; AND

13 (C) INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND
14 INVESTMENT OF MONEY IN THE FUND.

15 (III) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
16 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
17 FUND TO THE FUND.

18 (IV) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
19 THE DEPARTMENT FOR THE PURPOSES DESCRIBED IN THIS SUBSECTION (2.6)
20 AND TO PAY REASONABLE EXPENSES RELATING TO THE ADMINISTRATION
21 OF THE LOAN PROGRAM.

22 (d) THE DEPARTMENT OF LOCAL AFFAIRS SHALL PAY THE LOAN
23 BACK TO THE UNCLAIMED PROPERTY TRUST FUND NOT LATER THAN JULY
24 1, 2065. THE LOAN REPAYMENT IS SUBJECT TO FUTURE APPROPRIATION BY
25 THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED OR CONSTRUED AS
26 CREATING AN INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF ANY
27 PROVISION OF THE STATE CONSTITUTION OR STATE LAW CONCERNING OR
28 LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

29 (2.7) THE STATE TREASURER MAY INVEST MONEY FROM THE TRUST
30 FUND IN THE FIREFIGHTER FIRST HOMEOWNERSHIP PROGRAM CREATED IN
31 SECTION 38-13-801.7.

32 **SECTION 2.** In Colorado Revised Statutes, 24-75-402, **add**
33 **(5)(III)** as follows:

34 **24-75-402. Cash funds - limit on uncommitted reserves -**
35 **reduction in the amount of fees - exclusions - definitions.**

36 (5) Notwithstanding any provision of this section to the contrary, the
37 following cash funds are excluded from the limitations specified in this
38 section:

39 (III) THE FIRE DEPARTMENT REVOLVING LOAN PROGRAM FUND
40 CREATED IN SECTION 38-13-801 (2.6)(c).

41 **SECTION 3.** In Colorado Revised Statutes, **add** 38-13-801.7 as
42 follows:

43 **38-13-801.7. Firefighter first homeownership program -**

1 **creation - report - legislative declaration - definitions.** (1) THE
2 GENERAL ASSEMBLY FINDS AND DECLARES THAT HOUSING DEVELOPMENTS
3 THAT INCLUDE PREFERENCES FOR FIREFIGHTERS IN THE STATE:
4 (a) PROMOTE A SUBSTANTIAL, LEGITIMATE, AND
5 NONDISCRIMINATORY STATE INTEREST THAT CANNOT BE SERVED BY
6 ANOTHER PRACTICE WITH A LESS DISCRIMINATORY EFFECT;
7 (b) DO NOT CONSTITUTE A SOURCE OF INCOME DISCRIMINATION
8 UNDER SECTION 24-34-501 (4.5) OR 24-34-502; AND
9 (c) COMPLY WITH THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C.
10 SEC. 3601 ET SEQ., PART 5 OF ARTICLE 34 OF TITLE 24, AND OTHER STATE
11 AND LOCAL LAWS, ORDINANCES, AND RESOLUTIONS.
12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
13 REQUIRES:
14 (a) "FIRE DEPARTMENT" HAS THE MEANING SET FORTH IN SECTION
15 24-33.5-1202.
16 (b) "FIREFIGHTER" MEANS AN OFFICER OR MEMBER OF A FIRE
17 DEPARTMENT.
18 (c) "PROGRAM" MEANS THE FIREFIGHTER FIRST HOMEOWNERSHIP
19 PROGRAM CREATED IN THIS SECTION.
20 (d) "PROGRAM MANAGER" MEANS THE COLORADO HOUSING AND
21 FINANCE AUTHORITY CREATED IN SECTION 29-4-704; EXCEPT THAT, IF THE
22 COLORADO HOUSING AND FINANCE AUTHORITY ELECTS AT ANY TIME NOT
23 TO SERVE AS PROGRAM MANAGER, THE STATE TREASURER SHALL SELECT
24 ANOTHER PROGRAM MANAGER.
25 (e) "TRUST FUND" MEANS THE UNCLAIMED PROPERTY TRUST FUND
26 CREATED IN SECTION 38-13-801 (1)(a).
27 (3) THERE IS CREATED THE FIREFIGHTER FIRST HOMEOWNERSHIP
28 PROGRAM TO SUPPORT FIREFIGHTER HOMEOWNERSHIP, ADDRESS
29 FIREFIGHTER SHORTAGES, AND SUPPORT THE RETENTION OF FIREFIGHTERS.
30 (4) (a) THE STATE TREASURER MAY INVEST MONEY FROM THE
31 TRUST FUND INTO THE PROGRAM; EXCEPT THAT, IF THE STATE TREASURER
32 INVESTS MONEY INTO THE PROGRAM, THE TOTAL INVESTMENT AMOUNT
33 SHALL NOT EXCEED THE SUM OF THE INVESTMENTS MADE IN ACCORDANCE
34 WITH SUBSECTION (4)(b) OF THIS SECTION.
35 (b) IF THE PROGRAM IS IMPLEMENTED:
36 (I) THE STATE TREASURER SHALL PURCHASE FROM THE PROGRAM
37 MANAGER THE MORTGAGE PRODUCTS CREATED THROUGH THE PROGRAM
38 IN TRANCHES OF REASONABLE AMOUNTS THAT ARE MUTUALLY AGREED
39 UPON BY THE STATE TREASURER AND THE PROGRAM MANAGER; AND
40 (II) THE STATE TREASURER MAY PROVIDE NOTICE OF ANY
41 DISCONTINUATION IN FUTURE INVESTMENT THE PROGRAM MANAGER HAS
42 NOT ALREADY COMMITTED TO THE PROGRAM, WHICH NOTICE MUST BE
43 PROVIDED AT LEAST SIX MONTHS PRIOR TO DISCONTINUATION.

1 (c) THE PROGRAM MANAGER SHALL ESTABLISH GUIDELINES AND
2 UNDERWRITING CRITERIA FOR THE PROGRAM THAT:
3 (I) PRIORITIZE FIRST-TIME HOMEBUYERS WHO USE THE HOME AS A
4 PRIMARY RESIDENCE;
5 (II) PROVIDE SHARED EQUITY DOWN PAYMENT ASSISTANCE TO
6 FIREFIGHTERS AND AIM TO HELP FIREFIGHTERS ACHIEVE, TO THE EXTENT
7 POSSIBLE, AFFORDABLE HOME OWNERSHIP;
8 (III) ALLOW APPRECIATION-SHARING BETWEEN THE PROGRAM AND
9 HOMEOWNER;
10 (IV) IF THE PROGRAM MANAGER IS THE COLORADO HOUSING AND
11 FINANCE AUTHORITY, PAIR A PROGRAM BORROWER WITH A FIRST
12 MORTGAGE LOAN PROVIDED THROUGH THE PROGRAM MANAGER'S
13 PARTICIPATING LENDER NETWORK THAT BEARS AN INTEREST RATE THAT
14 IS AT OR BELOW THE PREVAILING MORTGAGE RATES; AND
15 (V) SERVE HOME BUYERS ACROSS DIVERSE GEOGRAPHIC AREAS
16 AND HOUSING MARKETS.
17 (d) THE PROGRAM MANAGER IS ENTITLED TO NORMAL AND
18 CUSTOMARY FEES FOR MANAGING THE PROGRAM, INCLUDING ANY
19 CARRYING COSTS REQUIRED TO ACCOMMODATE TRANCHE PAYMENTS, PAID
20 BY THE PROGRAM OR THE PROGRAM MANAGER'S PRODUCTS AND SERVICES
21 PAIRED WITH THE PROGRAM.
22 (5) THE PROGRAM MANAGER SHALL ANNUALLY PUBLISH AND
23 PRESENT TO THE STATE TREASURER A REPORT ON PROGRAM OUTCOMES,
24 INCLUDING:
25 (a) THE NUMBER OF PROGRAM BORROWERS;
26 (b) THE GEOGRAPHIC DISTRIBUTION OF PROGRAM BORROWERS;
27 (c) THE AREA MEDIAN INCOME OF PROGRAM BORROWERS; AND
28 (d) THE MEDIAN PURCHASE PRICE, MEDIAN LOAN AMOUNT, AND
29 AVERAGE INTEREST RATE ON FIRST MORTGAGES FOR PROGRAM
30 BORROWERS WHO BENEFIT FROM THE PROGRAM.
31 (6) NOTHING IN THIS SECTION PREVENTS LEVERAGING OTHER
32 SOURCES OF STATE OR LOCAL MONEY FOR THE PROGRAM.
33 **SECTION 4. Safety clause.** The general assembly finds,
34 determines, and declares that this act is necessary for the immediate
35 preservation of the public peace, health, or safety or for appropriations for
36 the support and maintenance of the departments of the state and state
37 institutions."

38 Page 1, line 101, strike "RESOURCES," and substitute "RESOURCES."

39 Page 1, strike lines 102 through 112."."

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