Housing Colorado
2018 Legislative Session Summary

Below is a summary of some of the primary issues Housing Colorado followed this year. A complete report of all the legislation and Housing Colorado’s positions this year can be downloaded here.

Affordable Housing Funding
Year after year, one of the highest priorities for Housing Colorado is the successful funding of the Affordable Housing in the annual budget. The chart below demonstrates the significant increase in appropriations going to affordable housing. In 2012, the Division of Housing only received $2.2M from the state for Housing Development Grants. By 2018 that had increased to over $29M – a 13x increase. While much of this increase is used to backfill cuts from the federal government, the consistent and increasing appropriations to affordable housing are a testament to the successful lobbying of the industry and the growing consciousness of its critical need.

Housing Colorado members engaged in extensive lobbying of the Joint Budget Committee to at minimum maintain continuation level funding as proposed in the Governor’s initial budget. In March, economic forecasts came back with higher available revenues in part due to the federal tax cut. At that point, Housing Colorado resumed outreach seeking to increase those funding levels. The final budget, HB18-1322, included three main appropriations for affordable housing:
After successfully lobbying in 2017 for $15.3M from the Marijuana Cash Fund to be used for permanent supportive housing, the 2018 budget maintained that line item appropriation of **$15.3M for permanent supportive housing** in both the Governor’s proposed budget and the final appropriation.

The Governor recommended a continuation level funding of $8.2M for the Housing Development Grants Line Item (HDG) from the General Fund in 2018. After increased revenue forecasts in March, both the House and Senate passed amendments to grow the appropriation for HDG, the House by $1M and the Senate by $5M. In reconciliation, the **HDG increased by $1M to $9.2M**.

Both the House and Senate agreed to add **$4.8M in a new line item dedicated to re-entry housing for individuals exiting the criminal or juvenile justice systems.**

**Affordable Housing Tax Credit**

Housing Colorado’s main goal in the 2018 legislative session was the extension of Colorado’s Affordable Housing Tax Credit (formerly LIHTC) which was set to expire in 2019.

**SB18-007 – Affordable Housing Tax Credit.** SB 007 extends to 2024 the Affordable Housing Tax Credits and changes the name of the Low-Income Housing Tax Credit (LIHTC) to the Affordable Housing Tax Credit to bring it in line with new language at the federal level. From 2015-2017, the LIHTC program allowed CHFA to directly support the development of 4,263 affordable rental units, raise $465 million in new private sector equity investment, and generate $1.57 billion in economic impact across Colorado.

- SUPPORT **SB18-007 – Affordable Housing Tax Credit**, passed

**Housing Affordability Issues**

In addition to the extension of the affordable housing tax credits, legislators considered six other bills that addressed housing affordability. In a substantive move, bipartisan leaders in both chambers were able to pass an exemption of state sales tax for manufactured homes.

**HB18-1315 – Manufactured Home Sales Tax Exemption.** HB 1315 had bipartisan sponsorship to exempt compliant manufactured homes from state sales & use tax. Given the particular role manufactured homes plays in the supply of affordable housing within the state, Housing Colorado took a support position on this bill.

- SUPPORT **HB18-1315 Manufactured Home Sales Tax Exemption**, passed

**HB18-1195 – Tax Credit Contributions Organizations Affordable Housing.** HB1195 would provide a 50% tax credit to taxpayers donating to developers that provide home ownership opportunities to families under 120% AMI. Housing Colorado joined other partners like Habitat for Humanity to support this bill.

- SUPPORT **HB18-1195 Tax Credit Contributions Organizations Affordable Housing**, failed
SB18-006 – Recording Fee To Fund Affordable Housing. SB006 would allow county clerk and recorders to impose an increased document recording fee of $5 that would be used to fund housing programs that support households up to 80% AMI. This bill was an update of SB17-085, with Representatives Faith Winter and Senator Rachel Zenzinger sponsoring. While the bill ultimately failed in the Senate Committee on State, Veterans, & Military Affairs, it provided another opportunity to advance this important discussion about the creation of dedicated funding sources for affordable housing in the state.

- SUPPORT SB18-006 Recording Fee To Fund Affordable Housing, failed

HB18-1125 – Tax Credit Employer-assisted Housing Pilot Program. HB1125 would create a state income tax credit for a donation a taxpayer makes to a sponsor that is used solely for the costs associated with an employer-assisted eligible activity in a rural area, up to $400 in any year.

- SUPPORT HB18-1125, Tax Credit Employer-assisted Housing Pilot Program, failed

HB18-1084 – County Lodging Tax Allowable Use. HB1084 would allow counties to spend their existing county lodging tax on affordable and workforce housing.

- SUPPORT HB18-1084, County Lodging Tax Allowable Use, failed

SB18-273 – Senior Property Tax Exemption Medical Necessity. SB 273 would expand the exemption of property tax for long-term senior homeowners to those who are forced to move homes due to medical necessity.

- MONITOR SB18-273 Senior Property Tax Exemption Medical Necessity, failed

Renters Issues

Several bills were introduced during the session that addressed the rights of renters and landlords. Housing Colorado found much in these bills that they supported and also communicated aspects of bills that would lead to challenges for affordable housing providers.

SB18-010 – Residential Lease Copy And Rent Receipt. This bill would require landlords to provide tenants with a copy of their rental agreement and receipts for payment of rent.

- SUPPORT SB18-010, Residential Lease Copy And Rent Receipt, passed

HB18-1380 – Grants for Property Tax Rent and Heat. This bill would index property tax rent and heat grants to inflation.

- SUPPORT HB18-1380 Grants for Property Tax Rent and Heat, failed

HB18-1432 – Prohibit Housing Discrimination Source of Income. This bill would make discrimination based on source of income an unfair income practice.

- SUPPORT HB18-1432 Prohibit Housing Discrimination Source of Income, failed

HB18-1127 – Residential Landlord Rental Application. This bill would limit application fees and require written notice of selection criteria, and require written notice of reason for adverse action.

- OPPOSE HB18-1127 Residential Landlord Rental Application, failed
SB18-057 – *Use of Criminal Records with Respect to Housing*. This bill would prohibit landlords and housing authorities from taking adverse action on the basis of arrest records or certain conviction records.

- **OPPOSE SB18-057 Use of Criminal Records with Respect to Housing**, failed

HB18-1397 – *Tenant Warranty of Habitability*. This bill would adjust the law regarding warranty of habitability in rental agreements. Along with several technical fixes, it would allow tenants under certain conditions to deduct the cost of repair from subsequent rent.

- **OPPOSE HB18-1397 Landlord Tenant Warranty of Habitability**, failed

SB18-120 – *Time Period For Tenant To Cure Unpaid Rent*. This bill would require landlords to accept payment of outstanding rent/fees up until the date by which tenant is required to appear in court for eviction proceeding.

- **MONITOR SB18-120 Time Period For Tenant To Cure Unpaid Rent**, failed

**Homelessness Issues**

Escalating housing costs have led to increasing homelessness rates across the state. In response, the Capitol considered multiple bills about supports for and rights of those experiencing homelessness. Unfortunately, no legislation was passed, but Housing Colorado appreciates the legislators who worked to advance that dialogue.

HB18-1021 – *Task Force For Youth Experiencing Homelessness*. The bill would establish the task force concerning youth who are experiencing homelessness (task force) to study and make recommendations on issues related to the issue of youth experiencing homelessness in Colorado.

- **SUPPORT HB18-1021 Task Force For Youth Experiencing Homelessness**, failed

HB18-1067 – *Right to Rest Act*. The bill would establish basic rights for persons experiencing homelessness, including, but not limited to, the right to use and move freely in public spaces, to rest in public spaces, to eat or accept food in any public space where food is not prohibited, to occupy a legally parked vehicle, and to have a reasonable expectation of privacy of one's property.

- **SUPPORT HB18-1067 Right to Rest Act**, failed

HB18-1292 – *Pilot Program Assistance Person Experiencing Homelessness*. The bill would establish the START Grant program that makes grant money available to public safety, social services, or nonprofit agencies that have contact with persons experiencing homelessness.

- **SUPPORT HB18-1292 Pilot Program Assistance Person Experiencing Homelessness**, failed
Environmental Issues

To a degree unlike we’ve seen in past sessions, this year saw bills addressing the intersection of housing and the environment.

SB18-009 – Allow Electric Utility Customers Install Energy Storage Equipment. The bill declares that consumers of electricity have a right to install, interconnect, and use electricity storage systems on their property, and that this will enhance the reliability and efficiency of the electric grid, save money, and reduce the need for additional electric generation facilities. The bill directs the Colorado public utilities commission to adopt rules governing the installation, interconnection, and use of customer-sited distributed electricity storage systems.

- MONITOR SB18-009 Allow Electric Utility Customers Install Energy Storage Equipment, passed

HB18-1107 – Prewire Residence For Electric Vehicle Charging Port. Like previous legislation that requires builders offer solar prewire in new construction, this bill would require builders to offer as an option the prewire for electric vehicle charging.

- MONITOR HB18-1107 Prewire Residence For Electric Vehicle Charging Port, failed

SB18-064 – Require 100% Renewable Energy by 2035.

- MONITOR SB18-064 Require 100% Renewable Energy by 2035, failed

SB18-1054 – Affordable Housing Plastic Shopping Bag Tax. This bill would refer to ballot a tax on plastic shopping bags, revenues of which would fund affordable housing.

- MONITOR HB18-1054 Affordable Housing Plastic Shopping Bag Tax, failed

Nonprofit Issues

Multiple bills were introduced this session that would support the non-profit community. As many of Housing Colorado’s members are non-profit organizations, Housing Colorado joined broad coalitions of organizations supporting these bills.

SB18-141 – Income Tax Check-off Nonprofit Donation Fund. This bill would add an option for taxpayers to check-off a contribution to a Nonprofit Donation Fund on state income tax return forms.

- SUPPORT SB18-141 Income Tax Check-off Nonprofit Donation Fund, passed

HB18-1013 – Income Tax Credit For Endowment Contributions. This bill would allow an individual taxpayer to claim an income tax credit for a contribution of money to an eligible endowment fund that is equal to 25% of the contribution, up to a maximum credit of $5,000.

- SUPPORT HB18-1013 Income Tax Credit For Endowment Contributions, failed
HB18-1359 – *Colorado Charitable Contribution Income Tax Deduction*. This bill would remove $500 threshold for deductions on state income tax- any charitable contributions would be eligible.

- **SUPPORT** HB18-1359 *Colorado Charitable Contribution Income Tax Deduction*, failed

### Rural Issues

A clear priority of the Governor and bipartisan leaders in both chambers was investment in our rural communities. Two early bills out of the Senate worked to invest in those rural communities.

**SB18-002** – *Financing Rural Broadband Deployment*. This bill would require Public Utilities Commission to allocate 20% of the High Cost Support Mechanism money to broadband deployment.

- **MONITOR** SB18-002 *Financing Rural Broadband Deployment*, passed

**SB18-005** – *Rural Economic Advancement Of Colorado Towns*. This bill would create the rural economic advancement of Colorado towns fund (500k transferred from general fund each year) to grant to communities facing significant economic events.

- **MONITOR** SB18-005 *Rural Economic Advancement Of Colorado Towns*, passed

### Looking Ahead

Thank you to all our members who assisting with our advocacy work this session. Whether it was attending our Legislative Lunch, emailing your elected officials or participating in hearings at the Capitol, our leadership on housing issues comes only from the strong engagement of our members. As interim work begins to unfold in the coming months, we look forward to sharing updates with you and preparing for the next session and opportunities for even more progress on our legislative priorities.