Attachment A

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

DRAFT
10.8.13

BILL 1

LLS NO. 14-0152.02 Ed DeCecco x4216 INTERIM COMMITTEE BILL

Economic Opportunity Poverty Reduction Task Force

SHORT TITLE: "Prop Tax Rent Heat Fuel Grants For Low-income"

A BILL FOR AN ACT

101 CONCERNING THE PROPERTY-RELATED EXPENSE ASSISTANCE GRANTS
102 FOR LOW-INCOME SENIORS AND INDIVIDUALS WITH
103 DISABILITIES.

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.)

Economic Opportunity Poverty Reduction Task Force. Beginning with grants claimed for 2014, the bill modifies the real property tax assistance grants, which includes grants for property tax, specific ownership tax, or tax equivalent payments, (**Section 1** of the bill)

Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

and heat or fuel expenses assistance grants (**Section 4**) for low-income seniors and individuals with disabilities as follows:

- Increases the maximum real tax property expense assistance grant from $600 to $700;
- For claims made for 2014, increases the income limits for grant eligibility from approximately $12,639 to $14,937 for individuals and from approximately $16,935 to $20,163 for married couples; and
- Establishes flat minimum grant amounts for any eligible individual or married couple of $227 for the real property tax expense assistance grant and $73 for the heat or fuel expenses assistance grant, assuming that the actual expenses exceed these amounts.

Section 2 requires the department of revenue to pay a grant with a single payment, which replaces the existing quarterly payments, and the payment must be made by the same deadline that applies to an income tax refund. This section also clarifies the executive director of the department of revenue's responsibilities for preparing grant application forms and related instructions, and it permits the executive director to develop an electronic form to supplement the paper forms.

Section 3 repeals the requirement that the department of revenue mail copies of the grant forms to county departments of social services and public and private pensions. This mailing is replaced with a requirement that the department of human services conduct specific types of outreach related to the grant. On or before July 1, 2015, the department of human services is required to report about the outreach to the public health care and human services committee of the house of representatives and the health and human services committee of the senate. The department of human services outreach efforts do not affect the department of revenue's responsibility to create the grant forms and pay the grants. The departments are required to share information.

If the department of revenue incorrectly pays a grant as a result of a departmental mistake, **section 5** permits the executive director of the department to waive the reimbursement of the grant and any interest or penalties that accrue.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly

3 hereby finds that:

4 (a) There is a property tax, rent, and heat assistance grant program

5 administered by the department of revenue, which is commonly referred

1 to as the PTC rebate program;

2 (b) The PTC rebate program was started in 1972 to provide
3 property tax and rent assistance through grants to low-income seniors, and
4 the program was expanded to include assistance for heating expenses in
5 1980 and to include individuals with disabilities in 1989;

6 (c) The department of revenue administers the program, including
7 application controls and program outreach, and there is a need to improve
8 the department's application, eligibility, and payment controls and the
9 program outreach and administration;

10 (d) Grants are made from the income tax refund reserve without
11 further appropriation;

12 (e) In fiscal year 2012-13 about 21,000 households participated
13 in the program and received a total of $6.9 million in rebates, which is an
14 average of $329 for each participating household;

15 (f) The PTC rebate program applies to thousands of low-income
16 Coloradans over age 65, surviving spouses over age 58, or individuals
17 with disabilities who have lived in the state for the entire tax year and
18 have paid property tax, rent, or heating expenses during the year;

19 (g) Qualifying seniors and individuals with disabilities, including
20 veterans, who live in their homes on fixed or low-incomes face greater
21 financial hardships and encounter difficulties in maintaining their homes
22 and living independently with limited resources, and the rebate helps
23 these people stay in their homes;

24 (h) The PTC rebate program helps seniors and individuals with
25 disabilities live independently in their homes and serves as a lifeline for
26 thousands of Coloradans who spend the grants on basic necessities,
27 including home repairs; and

1 (i) Spending grants in local communities is good for business and
2 creates jobs, it allows people to stay in their homes and live with greater
3 dignity as contributing members of society, and it saves taxpayer dollars.
4 (2) Therefore, the general assembly declares the PTC rebate
5 program offers a rational, fiscally prudent, and targeted approach for
6 assisting seniors and individuals with disabilities with essential living
7 expenses, and that it is in the public interest to improve the
8 administration, delivery, and outreach of this program to ensure
9 efficiencies and effectiveness in terms of serving those individuals most
10 in need. Furthermore, it is in the public interest to encourage
11 collaboration between the department of revenue, the department of
12 human services, and community-based organizations to achieve
13 continuous quality improvement of the program.
14 **SECTION 2.** In Colorado Revised Statutes, 39-31-101, **amend**
15 (1) (c) and (2); and **add** (2.3) as follows:
16 **39-31-101. Real property tax assistance - eligibility -**
17 **applicability - definitions.** (1) (c) (I) The grant authorized by this
18 section shall also be allowed to individuals having resided in this state for
19 the entire taxable year and coming within the limitations imposed by
20 subsection (3) of this section who, regardless of age, ~~were disabled~~ HAVE
21 A DISABILITY during the entire taxable year to a degree sufficient to
22 qualify for the payment to them of full benefits from any bona fide public
23 or private plan or source based solely upon such disability.
24 (II) An individual ~~is disabled~~ HAS A DISABILITY for the purposes
25 of subparagraph (I) of this paragraph (c) if such individual is unable to
26 engage in any substantial gainful activity by reason of any medically
27 determinable physical or mental impairment ~~which~~ THAT can be expected

1 to result in death or ~~which~~ THAT has lasted for a continuous period of not
2 less than twelve months.
3 (2) ~~Such~~ A grant ~~shall be~~ IS the amount of the general property
4 taxes actually paid on the residence or the amount of taxes actually paid
5 on a mobile home, plus any tax-equivalent payments computed pursuant
6 to subsection (4) of this section, with respect to the rent of a trailer space
7 during the year for which ~~such~~ THE grant is claimed, the amount of the
8 specific ownership tax actually paid on a trailer coach, or the amount of
9 the tax-equivalent payments, computed pursuant to subsection (4) of this
10 section, actually made during the year for which such grant is claimed,
11 but in no event may it exceed:
12 (a) In the case of an individual:
13 (I) ~~For grants claimed for years commencing prior to January 1,~~
14 ~~1999, five hundred dollars reduced by twenty percent of the amount by~~
15 ~~which the individual's income exceeds five thousand dollars;~~
16 (II) ~~For grants claimed for years commencing on or after January~~
17 ~~1, 1999, but prior to January 1, 2008, six hundred dollars reduced by ten~~
18 ~~percent of the amount by which the individual's income exceeds five~~
19 ~~thousand dollars; and~~
20 (III) For grants claimed for years commencing on or after January
21 1, 2008, BUT BEFORE JANUARY 1, 2014, six hundred dollars reduced by
22 ten percent of the amount by which the individual's income exceeds six
23 thousand dollars in 2008, and, each year thereafter, the amount for the
24 prior year adjusted for inflation; AND
25 (IV) EXCEPT AS SET FORTH IN SUBSECTION (2.3) OF THIS SECTION,
26 FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER JANUARY 1,
27 2014:

1 (A) FOR AN INDIVIDUAL WHOSE INCOME IS LESS THAN OR EQUAL
2 TO ELEVEN THOUSAND THREE HUNDRED SIXTY-NINE DOLLARS, SEVEN
3 HUNDRED DOLLARS REDUCED BY TEN PERCENT OF THE AMOUNT BY WHICH
4 THE INDIVIDUAL'S INCOME EXCEEDS SIX THOUSAND SIX HUNDRED
5 THIRTY-NINE DOLLARS; OR
6 (B) FOR AN INDIVIDUAL WHOSE INCOME IS MORE THAN ELEVEN
7 THOUSAND THREE HUNDRED SIXTY-NINE DOLLARS BUT LESS THAN OR
8 EQUAL TO FOURTEEN THOUSAND NINE HUNDRED THIRTY-SEVEN DOLLARS,
9 TWO HUNDRED TWENTY-SEVEN DOLLARS.
10 (b) In the case of a husband and wife:
11 (I) ~~For grants claimed for years commencing prior to January 1,~~
12 ~~1999, five hundred dollars reduced by twenty percent of their income~~
13 ~~over eight thousand seven hundred dollars;~~
14 (II) ~~For grants claimed for years commencing on or after January~~
15 ~~1, 1999, but prior to January 1, 2008, six hundred dollars reduced by ten~~
16 ~~percent of their income over eight thousand seven hundred dollars; and~~
17 (III) For grants claimed for years commencing on or after January
18 1, 2008, BUT BEFORE JANUARY 1, 2014, six hundred dollars reduced by
19 ten percent of their income over nine thousand seven hundred dollars in
20 2008, and, each year thereafter, the amount for the prior year adjusted for
21 inflation; AND
22 (IV) EXCEPT AS SET FORTH IN SUBSECTION (2.3) OF THIS SECTION,
23 FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER JANUARY 1,
24 2014:
25 (A) FOR A HUSBAND AND WIFE WHOSE INCOME IS LESS THAN OR
26 EQUAL TO FIFTEEN THOUSAND FOUR HUNDRED SIXTY-ONE DOLLARS, SEVEN
27 HUNDRED DOLLARS REDUCED BY TEN PERCENT OF THEIR INCOME OVER

1 TEN THOUSAND SEVEN HUNDRED THIRTY-ONE DOLLARS; OR

2 (B) FOR A HUSBAND AND WIFE WHOSE INCOME IS MORE THAN
3 FIFTEEN THOUSAND FOUR HUNDRED SIXTY-ONE DOLLARS BUT LESS THAN
4 OR EQUAL TO TWENTY THOUSAND ONE HUNDRED SIXTY-THREE DOLLARS,
5 TWO HUNDRED TWENTY-SEVEN DOLLARS.

6 (2.3) FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER
7 JANUARY 1, 2015, THE INCOME THRESHOLDS USED TO DETERMINE THE
8 ELIGIBILITY FOR AND AMOUNT OF A GRANT PURSUANT TO SUBSECTION (2)
9 OF THIS SECTION ARE EQUAL TO THE INCOME THRESHOLDS FOR THE PRIOR
10 YEAR ADJUSTED FOR INFLATION.

11 **SECTION 3.** In Colorado Revised Statutes, 39-31-102, **amend**
12 (1) and (2) as follows:

13 **39-31-102. Procedures to obtain grant - department of revenue**
14 **- responsibilities.** (1) (a) A grant authorized by section 39-31-101 or
15 39-31-104 shall be paid from the reserve for refunds created by section
16 39-22-622. FOR A GRANT APPLICATION RECEIVED PRIOR TO JANUARY 1,
17 2015, payments shall be made on a quarterly basis, with the amount of
18 each payment equal to the total amount of the grant divided by the
19 number of quarters remaining in the calendar year in which the grant is
20 awarded, with the calculation including the quarter in which the grant is
21 awarded. FOR A GRANT APPLICATION RECEIVED ON OR AFTER JANUARY 1,
22 2015, THE DEPARTMENT OF REVENUE SHALL PAY THE GRANT IN A SINGLE
23 PAYMENT BY THE SAME DEADLINE FOR A REFUND ESTABLISHED IN SECTION
24 39-22-622 (2). Claimants meeting all qualification requirements for an
25 entire taxable year shall be entitled to a grant allowable pursuant to
26 section 39-31-101 or 39-31-104. Grants paid pursuant to this subsection
27 (1) shall be included for informational purposes in the general

appropriation bill or in supplemental appropriation bills for the purpose of complying with the limitation on state fiscal year spending imposed by section 20 of article X of the state constitution and section 24-77-103, C.R.S.

(b) THE DEPARTMENT OF REVENUE SHALL UPDATE ITS DATABASE ON A PERIODIC BASIS AS NECESSARY TO ENSURE THAT ALL ELIGIBLE CLAIMANTS ARE RECEIVING THE GRANTS.

(2) ~~A grant~~ THE EXECUTIVE DIRECTOR SHALL PRESCRIBE THE FORMS TO BE USED FOR THE GRANTS authorized by section 39-31-101 or 39-31-104 ~~shall be claimed on such forms as prescribed by the executive director~~ AND PREPARE ANY INSTRUCTIONS RELATED TO THE FORMS. THE EXECUTIVE DIRECTOR MAY CREATE AN ELECTRONIC FORM TO BE USED IN ADDITION TO THE PAPER FORM. If a sales tax refund is allowed for any given income tax year in accordance with section ~~39-22-120 or~~ 39-22-2002, ~~such forms~~ THE EXECUTIVE DIRECTOR shall include provisions ~~allowing~~ ON THE FORMS TO ALLOW qualified individuals to apply for the refund pursuant to section ~~39-22-120 (5) (c) or~~ 39-22-2003 (5) (c). TO RECEIVE A GRANT, AN INDIVIDUAL MUST CLAIM THE GRANT ON THE EXECUTIVE DIRECTOR'S FORM.

SECTION 4. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 39-31-103 as follows:

39-31-103. Department of human services - outreach - departmental information sharing. (1) THE DEPARTMENT OF HUMAN SERVICES SHALL CONDUCT OUTREACH FOR THE GRANTS AVAILABLE UNDER THIS ARTICLE. AS PART OF THIS DUTY, THE DEPARTMENT SHALL:

(a) TARGET THE OUTREACH TO PARTICIPANTS IN OTHER STATE BENEFIT PROGRAMS;

1 (b) INCORPORATE THE OUTREACH INTO EXISTING MEDIA
2 CAMPAIGNS;
3 (c) WORK WITH COUNTY DEPARTMENTS OF HUMAN OR SOCIAL
4 SERVICES;
5 (d) COLLABORATE WITH INTERESTED COMMUNITY-BASED
6 ORGANIZATIONS, INCLUDING SHARING OF OUTREACH EXPENSES; AND
7 (e) UNDERTAKE ANY OTHER MEASURES THAT IT DEEMS
8 NECESSARY.
9 (2) THE DEPARTMENT OF HUMAN SERVICES MAY SOLICIT, RECEIVE,
10 AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM ANY PERSON,
11 INCLUDING COMMUNITY-BASED ORGANIZATIONS, FOR THE PURPOSE OF
12 PAYING ANY PART OF THE OUTREACH.
13 (3) (a) ON OR BEFORE JULY 1, 2015, AND JULY 1 OF EVERY
14 ODD-NUMBERED YEAR THEREAFTER, THE DEPARTMENT OF HUMAN
15 SERVICES SHALL REPORT TO THE PUBLIC HEALTH CARE AND HUMAN
16 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
17 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ANY
18 SUCCESSOR COMMITTEES, ABOUT ITS OUTREACH CONDUCTED PURSUANT
19 TO THIS SECTION. IN THE REPORT, THE DEPARTMENT SHALL INCLUDE A
20 DESCRIPTION OF:
21 (I) THE TYPES OF OUTREACH UNDERTAKEN BY THE DEPARTMENT;
22 (II) THE SUCCESS OF THE OUTREACH AS MEASURED BY PUBLIC
23 PARTICIPATION OR OTHER INDICATORS THAT THE DEPARTMENT CAN
24 EVALUATE;
25 (III) ANY RECOMMENDATIONS FOR STATUTORY CHANGES THAT
26 WOULD HELP IMPROVE PROGRAM PARTICIPATION; AND
27 (IV) ANY OTHER RECOMMENDATIONS RELATED TO THE GRANTS

1 MADE UNDER THIS ARTICLE.

2 (b) THIS SUBSECTION (3) IS EXEMPT FROM THE PROVISIONS OF
3 SECTION 24-1-136 (11), C.R.S., AND THE PERIODIC REPORTING
4 REQUIREMENTS OF THIS SECTION ARE EFFECTIVE UNTIL CHANGED BY THE
5 GENERAL ASSEMBLY ACTING BY BILL.

6 (4) NOTHING IN THIS SECTION CHANGES THE DEPARTMENT OF
7 REVENUE'S RESPONSIBILITY TO CREATE THE GRANT FORMS AND TO PAY
8 THE GRANTS UNDER THIS ARTICLE.

9 (5) THE DEPARTMENT OF REVENUE AND THE DEPARTMENT OF
10 HUMAN SERVICES SHALL SHARE INFORMATION AND COLLABORATE AS IS
11 NECESSARY FOR EACH DEPARTMENT TO EFFICIENTLY ADMINISTER THIS
12 ARTICLE.

13 **SECTION 5.** In Colorado Revised Statutes, 39-31-104, **amend** (1)
14 (c) and (2); and **add** (2.3) as follows:

15 **39-31-104. Heat or fuel expenses assistance - eligibility -**
16 **applicability - definitions.** (1) (c) (I) The grant authorized by this
17 section shall also be allowed to individuals having resided in this state for
18 the entire taxable year and coming within the limitations imposed by
19 subsection (3) of this section who, regardless of age, ~~were disabled~~ HAVE
20 A DISABILITY during the entire taxable year to a degree sufficient to
21 qualify for the payment to them of full benefits from any bona fide public
22 or private plan or source based solely upon such disability.

23 (II) An individual ~~is disabled~~ HAS A DISABILITY for the purposes
24 of subparagraph (I) of this paragraph (c) if such individual is unable to
25 engage in any substantial gainful activity by reason of any medically
26 determinable physical or mental impairment ~~which~~ THAT can be expected
27 to result in death or ~~which~~ THAT has lasted for a continuous period of not

less than twelve months.

(2) ~~Such~~ THE grant shall be as follows:

(a) In the case of an individual:

(I) ~~For grants claimed for years commencing prior to January 1, 1999, one hundred sixty dollars reduced by six and four-tenths percent of the amount by which the individual's income exceeds five thousand dollars;~~

(II) ~~For grants claimed for years commencing on or after January 1, 1999, but prior to January 1, 2008, one hundred ninety-two dollars reduced by three and two-tenths percent of the amount by which the individual's income exceeds five thousand dollars; and~~

(III) For grants claimed for years commencing on or after January 1, 2008, BUT BEFORE JANUARY 1, 2014, one hundred ninety-two dollars reduced by three and two-tenths percent of the amount by which the individual's income exceeds six thousand dollars in 2008, and, each year thereafter, the amount for the prior year adjusted for inflation; AND

(IV) EXCEPT AS SET FORTH IN SUBSECTION (2.3) OF THIS SECTION, FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER JANUARY 1, 2014:

(A) FOR AN INDIVIDUAL WHOSE INCOME IS LESS THAN OR EQUAL TO ELEVEN THOUSAND THREE HUNDRED SIXTY-NINE DOLLARS, ONE HUNDRED NINETY-TWO DOLLARS REDUCED BY TEN PERCENT OF THE AMOUNT BY WHICH THE INDIVIDUAL'S INCOME EXCEEDS SIX THOUSAND SIX HUNDRED THIRTY-NINE DOLLARS; OR

(B) FOR AN INDIVIDUAL WHOSE INCOME IS MORE THAN ELEVEN THOUSAND THREE HUNDRED SIXTY-NINE DOLLARS BUT LESS THAN OR EQUAL TO FOURTEEN THOUSAND NINE HUNDRED THIRTY-SEVEN DOLLARS,

1 SEVENTY-THREE DOLLARS.

2 (b) In the case of a husband and wife:

3 (I) ~~For grants claimed for years commencing prior to January 1,~~
4 ~~1999, one hundred sixty dollars reduced by six and four-tenths percent of~~
5 ~~their income over eight thousand seven hundred dollars;~~

6 (II) ~~For grants claimed for years commencing on or after January~~
7 ~~1, 1999, but prior to January 1, 2008, one hundred ninety-two dollars~~
8 ~~reduced by three and two-tenths percent of their income over eight~~
9 ~~thousand seven hundred dollars; and~~

10 (III) For grants claimed for years commencing on or after January
11 1, 2008, BUT BEFORE JANUARY 1, 2014, one hundred ninety-two dollars
12 reduced by three and two-tenths percent of their income over nine
13 thousand seven hundred dollars in 2008, and, each year thereafter, the
14 amount for the prior year adjusted for inflation; AND

15 (IV) EXCEPT AS SET FORTH IN SUBSECTION (2.3) OF THIS SECTION,
16 FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER JANUARY 1,
17 2014:

18 (A) FOR A HUSBAND AND WIFE WHOSE INCOME IS LESS THAN OR
19 EQUAL TO FIFTEEN THOUSAND FOUR HUNDRED SIXTY-ONE DOLLARS, ONE
20 HUNDRED NINETY-TWO DOLLARS REDUCED BY TEN PERCENT OF THEIR
21 INCOME OVER TEN THOUSAND SEVEN HUNDRED THIRTY-ONE DOLLARS; OR

22 (B) FOR A HUSBAND AND WIFE WHOSE INCOME IS MORE THAN
23 FIFTEEN THOUSAND FOUR HUNDRED SIXTY-ONE DOLLARS BUT LESS THAN
24 OR EQUAL TO TWENTY THOUSAND ONE HUNDRED SIXTY-THREE DOLLARS,
25 SEVENTY-THREE DOLLARS.

26 (2.3) FOR GRANTS CLAIMED FOR YEARS COMMENCING ON OR AFTER
27 JANUARY 1, 2015, THE INCOME THRESHOLDS USED TO DETERMINE THE

1 ELIGIBILITY FOR AND AMOUNT OF A GRANT PURSUANT TO SUBSECTION (2)
2 OF THIS SECTION ARE EQUAL TO THE INCOME THRESHOLDS FOR THE PRIOR
3 YEAR ADJUSTED FOR INFLATION.

4 **SECTION 6.** In Colorado Revised Statutes, **amend** 39-31-105 as
5 follows:

6 **39-31-105. Executive director - rule-making - collection of**
7 **erroneous payments - waiver.** (1) The executive director of the
8 department of revenue may promulgate rules necessary for the
9 administration of this article. Such rules shall be promulgated in
10 accordance with article 4 of title 24, C.R.S.

11 (2) IF THE DEPARTMENT OF REVENUE INCORRECTLY PAYS A GRANT
12 UNDER SECTION 39-31-101 OR 39-31-104 AS A RESULT OF A
13 DEPARTMENTAL ERROR, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT
14 MAY WAIVE THE REIMBURSEMENT OF THE GRANT AND ANY RELATED
15 INTEREST OR PENALTIES THAT ACCRUE.

16 **SECTION 7. Effective date.** This act takes effect July 1, 2014.

17 **SECTION 8. Safety clause.** The general assembly hereby finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, and safety.