Legislative Report for 2020 Legislative Session

In this Issue

(Click the link to skip to the steering committee of your choice)

General Government

Health and Human Services

Justice and Public Safety

Land Use and Natural Resources

Tourism, Resorts and Economic Development

Tax and Finance

Transportation and Telecommunications

General Government

HB20-1029, Allow County Officers to Accept Lower Salary

HB 1029 would allow any county elected official to elect to receive a lower salary than what is currently specified in state statute. The bill allows the elected official to further alter his or her salary following that first decision, provided that the salary amount does not exceed what is set in statute. The bill has been assigned to the House Transportation and Local Government Committee and will be heard on Tuesday, Feb. 4, upon adjournment.

Position: Pending Sponsors: Rep. Pelton Lobbyist: Eric Bergman

HB20-1073, Prevent Gerrymandering of County Commissioner Districts

HB 1073 would take the political gerrymandering protections established in the state constitution by Amendments Y and Z and attempt to apply them to county commissioner districts in those counties where at least one commissioner is not elected by the voters of the whole county. The bill would only be applicable to counties with populations greater than 70,000 or ones that have a home rule charter. For those counties subject to the legislation, the creation of an independent commission to oversee the drawing of commissioner districts is required. Once drawn, the commissioner districts must face judicial review. The bill has been assigned to the House State Affairs Committee and will be heard on Thursday, Jan. 30, at 1:30 p.m.

Position: Pending

Sponsors: Rep. Kennedy Lobbyist: Eric Bergman

HB20-1081, Multilingual Ballot Access

HB 1081 would require the Secretary of State (SOS) and certain counties to provide multilingual ballot access. The SOS would be required to have translators available by phone to help electors translate ballot language. Counties that have at least 2,000 citizens who speak a minority language would be required to prepare an in-person minority language ballot that would be available upon request. The bill will be heard in the House State Affairs Committee on Thursday, Jan. 30, at 1:30 p.m.

Position: Pending

Sponsors: Rep. Caraveo, Sen. Gonzales

Lobbyist: Eric Bergman

HB20-1089, Employee Protection Lawful Off-duty Activities

HB 1089 would prohibit an employer from terminating an employee for the employee's off-duty activities that are lawful under state law, even if those activities are not lawful under federal law. The goal of the legislation is to basically allow employees to use marijuana after work. The bill seems to be at odds with Article XVIII of the Colorado Constitution, which specifically allows employers to have drug-free workplace policies. The bill will be heard in House Business Affairs and Labor on Wednesday, Feb. 5, at 1:30 p.m.

Position: Pending Sponsors: Rep. Melton Lobbyist: Eric Bergman

HB20-1093, County Authority to License Businesses

HB 1093 would grant a board of county commissioners the authority to license and regulate any business located or business activity occurring within the county, including short-term lodging rentals or advertising for such rentals. This authority is virtually identical to the authority currently enjoyed by every municipality in Colorado. CCI has drafted a fact sheet on HB 1093. The bill is a CCI Legislative Priority for 2020.

Position: CCI Legislation - Support

Sponsors: Reps. McCluskie & Wilson, Sen. Donovan

Lobbyist: Eric Bergman

Health and Human Services

HB20-1052 Privacy Protections for Human Services Workers

Under CRS 18-9-313, it is unlawful for information to be made available about caseworkers and law enforcement personnel. HB 1052 extends protections under this statute to include all human services workers. An example of some of the protected professions under this extended definition are employees of juvenile detention centers, county employees (including county attorneys), and human services contractors.

This legislation is necessary because human services employees are concerned about their personal information being available on the Internet and clients using it for malicious purposes. The immediate family (spouse, children and parents) of human services workers would also be protected under the bill. Human services workers may submit a written request to a state or local government official to request their information be protected if they feel they and/or their family are in danger.

Position: Pending

Sponsors: Reps. Duran & Exum, Sens. Donovan & Hisey

Lobbyist: Kyley Burress

HB20-1071, Driving Instruction for Foster Children

HB 1071 establishes a children's driver education grant program under the Department of Human Services for the purposes of reimbursing counties for costs of driving school. Last session's HB19-1023 allowed foster children in counties between the ages of 15-18 to obtain a driver's license. Counties, however, had to pay for the cost associated with driving school and education. HB 1071 will reimburse those county costs. The bill also includes that a county that contracts with a private driving school will not be liable to injury or accident.

The bill requires that the Department of Human Services establish rules for the grant program by or before December 20, 2020. It is likely that all counties will be eligible for the grant.

Position: Pending

Sponsors: Reps. Carver & Singer, Sens. Gardner & Lee

Lobbyist: Kyley Burress

HB20-1012, Child Welfare Program Children Developmental Disabilities

HB 1012, a bill initiated by Colorado's Children's Hospital, modifies provisions of a bill that passed in 2018 that addressed, in part, the needs of children with intellectual and developmental disabilities. At that time, the legislature established and funded a new ten-bed residential child care facility (RCCF) to support children and youth with co-occurring I/DD and mental health conditions who do not meet criteria for an inpatient hospitalization but are not yet safe to be in the community. Even with this investment, the demand for this service outpaces the availability of beds. At any given time, the state estimates that there are 8-10 children served in hospital emergency rooms or being placed in costly and disruptive out-of-state care. Children's Hospital is trying to address situations whereby Medicaid eligible children with I/DD languish in hospital beds waiting for treatment without having these children unnecessarily enter the child welfare system just to receive these services.

HB 1012 requires the Colorado Department of Human Services (CDHS) to provide a report that highlights the average length of wait time for children and youth on the waitlist, aggregated information about the child's or youth's expected placement following discharge and other key data points. This is intended to document the need for additional beds.

The bill also requires CDHS to develop criteria for managing the waitlist. Internally, CDHS staff already manages the waitlist by considering factors such as the likelihood that a child might be placed out of state for care, the severity of the child's treatment needs, and whether or not an alternative placement might exist. HB 1012 requires CDHS to work with counties and other interested parties in reviewing and modifying these criteria, if need be. Three (out of the 10) beds will continue to have prioritized access for children in the custody of the county/state.

HB 1012 will be heard on Wednesday, January 29, in the House Public Health Care & Human Services Committee.

Position: Pending

Sponsors: Reps. Young & Landgraf, Sens. Todd & Gardner

Lobbyist: Gini Pingenot

SB20-029 Cost of Living Adjustment for Colorado Works

SB 29 increases the basic cash assistance (BCA) grant that Temporary Aid to Needy Families (TANF) recipients receive. Currently, a family with one parent and two children receives \$508/month. TANF recipients uses these dollars to cover their basic needs such as diapers, clothes, toiletries, etc.

SB 29 relies on the *state's TANF reserve* for a 10% increase in the BCA amount beginning in July 2020. Starting in July 2021 and continuing into future fiscal years, a cost of living adjustment equal to 1.5% or the federal social security administration's COLA, whichever is greater, will be applied to the BCA. The bill requires the Joint Budget Committee (JBC) to review this commitment and its sustainability beginning in 2025 and each five years thereafter. Should the state's long term reserve (which has a balance of about \$80 million) be determined to no longer be a sustainable source of revenue for the increases that have been made, the JBC must identify new sources of funding. In December, CCI hosted a meeting with the bill proponents and sponsors, county commissioners and directors. At the meeting, counties expressed concerns over the sustainability of this policy. Bill proponents asked counties to develop an alternative approach that would result in an increase in basic cash assistance (a goal counties share with the proponents) and help address our concerns about the sustainability of the proposal. CCI then hosted a meeting on Friday, January 3 for counties to brainstorm ways in which SB 29 could be modified.

While CCI does not have a position on SB 29, staff has shared ideas for a potential path forward based on the feedback received from our January 3 meeting. Those suggestions include 1) removing the automatic cost of living adjustment that would begin in July 2021; 2) clarifying that state revenues and state TANF reserve must fund these increases; 3) explicitly stating that county TANF reserves are not to be used to meet this commitment; and 4) requiring the JBC to review the policy and its sustainability beginning in July 2021.

Position: Pending

Sponsors: Sens. Fields & Moreno, Reps. Coleman & Duran

Lobbyist: Gini Pingenot

HB20-1100, Pass-Through Child Support Payments

For the last several years, the state general fund has reimbursed counties and the federal government for child support payments that are passed directly to TANF clients. This policy has increased the monthly payments these families receive.

At the inception of this program in 2017, the state general fund obligation for this policy was \$3 million. It is now close to \$5 million in part because there are more pass-through eligible cases and the average payment size is greater.

The Colorado Department of Human Services is initiating HB 1100 to modify the original bill – SB15-012 – that put this policy into place. SB15-012 stated that if counties were not fully reimbursed for the pass-through, the policy would stop. This protection has helped counites fund their child support programs and offer employment services, education and training to families in need.

HB 1100 states that it will be up to the state board of human services to decide whether or not the general fund reimbursement is sufficient to cover county costs. If it's deemed insufficient, the pass-through policy will be 'turned off'. Staff has shared with the Department that counties are likely to be concerned that the state board of human services would be opining on what is and is not a sufficient amount of funding for county reimbursement.

Position: Pending

Sponsors: Rep. Froelich, Sen. Crowder

Lobbyist: Gini Pingenot

Justice and Public Safety

HB 20-1017, Substance Use Disorder Treatment in Criminal Justice System

HB 1017 requires that municipal and county jails, multijurisdictional jails, the state Department of Human Services, and the state Department of Corrections have available one agonist and one antagonist for the purpose of treating an individual with a substance use disorder. These facilities are to provide treatment to an individual for the duration of their commitment or incarceration. A few examples of an agonist would include heroin, oxycodone, methadone, and morphine. An example of antagonists would include naltrexone and naloxone.

This bill also requires that a safe station be made available for an individual to dispose of a controlled substance. A "safe station" is defined in the bill as a municipal police station or county sheriff's office, but the term "controlled substance" is not defined in the bill. Under the legislation, a person who disposes of a controlled substance is not subject to arrest or prosecution.

CCI has heard feedback from some members concerning the sheriff's having to dispose of the drugs and continuity of care once the person receiving this treatment leaves the facility.

Position: Pending

Sponsors: Reps. Herod & Kennedy, Sens. Donovan & Priola.

Lobbyist: Kyley Burress

SB20-070, Traffic Offenses Classification and Penalties

SB 70 is CCI legislation and has two purposes. The first is to raise traffic infractions (such as driving without a license) as traffic enforcement codes haven't been updated since the 1970s. The bill would also decriminalize certain traffic offenses (such as driving without insurance) for the purpose of eliminating unnecessary court time. The money generated by the traffic fine increases would go back into the county where the violation occurred, where then this money can be used for the purposes of traffic safety, law enforcement, and road construction.

Secondly, under current statute, the surcharges on these fines go into VALE (victims assistance and law enforcement) grants as well as the CVC (crime victims compensation) Program. The increase in fines (as well as the surcharge) would generate additional funds for the purposes of serving more victims.

Position: CCI Legislation - Support Sponsors: Sen. Coram, Rep. Catlin

Lobbyist: Kyley Burress

HB 20-1150, Repeal House Bill 19-1263 (Penalties for Drug Possession)

HB20-1150 repeals changes from last year's HB19-1263 which made changes relating to the offense level for the possession of certain controlled substances. HB 1263 (which was signed into law) decriminalized single-use drug possession for schedule I and II substances. Examples of substances that fall under schedule I and II are heroin, fentanyl, and cocaine. A person in possession of a small amount (one gram or less) of schedule I or II substance would be charged with a misdemeanor instead of a felony.

The purpose of HB 19-126 was to stop arresting and jailing individuals, thereby reducing overcrowding in our prisons and saving taxpayers money. However, under last session's bill, county taxpayers and county jails would take on the burden of the cost and placement of offenders as misdemeanor offenses can be served in county jails.

HB 1150's purpose is to change the possession of schedule I and II controlled substances from a misdemeanor back to a felony.

Position: Pending

Sponsors: Rep. McKean Lobbyist: Kyley Burress

HB20-1142, Hazard Mitigation Grant Program

HB 1142 establishes a new Hazard Mitigation Enterprise. hazard mitigation enterprise is defined in the bill as a long-term consistent source of funds for the purposes of hazard mitigation (including flooding, earthquakes, and fires). Currently there is only federal funding available for hazard mitigation. The lack of available funding, especially in smaller jurisdictions, makes it difficult to prepare and adopt long-term mitigation plans.

The enterprise's grant program would be run out of the Department of Public Safety and be used for the purpose of public education on the importance of buying insurance and for the planning and implementation of hazard mitigation at the local level.

Position: Pending

Sponsors: Reps. Cutter & Soper

Lobbyist: Kyley Burress

Land Use and Natural Resources

SB20-010, Repeal Ban On Local Government Regulation Of Plastics

SB 10 repeals language that prohibits local governments from (1) requiring or banning the use or sale of certain types of plastics, and (2) restricting or mandating packaging or labeling of consumer products. The bill was brought forward by the Colorado Municipal League (CML). Removing the preemption would authorize home-rule and statutory municipalities to regulate plastics.

Because the bill simply removes the prohibition against these kinds of regulations, county attorneys confirmed that the repeal does not give counties any independent authority to regulate plastics. In order for counties to gain the same power as municipalities, the bill needs to explicitly grant county governments the authority to regulate plastics. If need be, this amendment could specify that any county regulations would only apply to the unincorporated part of the county. CCI has shared this caveat with CML, and they are open to discussing amendments that would include counties. We will pursue further action depending upon the outcome of this week's steering committee.

Position: Pending

Sponsor: Sen. Donovan, Reps. Froelich & Valdez

Lobbyist: Daphne Gervais

HB20-1004, Assistance Landowner Wildfire Mitigation

HB 1004 is an interim committee bill from the Wildfire Matters Review Committee. The bill creates the Wildfire Mitigation Resources and Best Practices Grant Program to be administered by DOLA's Division of Local Government. Grant money (a general fund amount subject to available appropriations) is intended for outreach to landowners to inform them of (1) resources available and (2) best practices for wildfire mitigation. Eligible recipients include an agency of local government, a special district, a tribal agency or program, a faith-based organization, or a nonprofit/not-for-profit organization that is registered and in good standing with the Secretary of the State's Office. Grants are only awarded to applicants conducting outreach in high wildfire hazard areas, and applications are prioritized based on the potential impact of the proposed outreach. The bill also extends the increased wildfire mitigation income tax deduction that allows a landowner to claim 100 percent (rather than the current 50 percent) of the costs they incur in performing wildfire mitigation measures.

CCI confirmed directly with Rep. Cutter that counties are intended to apply for this new grant, but the language describing eligible entities classifies counties as "agencies of local government." Counties are generally categorized as "political subdivisions of the state," or more simply, local

governments. CCI raised this issue with the bill drafter who will flag this language as the bill undergoes amendments. The bill is calendared for a hearing in the House Rural Affairs & Agriculture Committee on Thursday, Jan. 23.

Position: Pending

Sponsor: Reps. Cutter & Will, Sen. Lee

Lobbyist: Daphne Gervais

HB20-1070, Local Government Liable Fracking Ban Oil And Gas Moratorium

HB 1070 would hold a local government that bans hydraulic fracturing of an oil and gas well liable to the mineral interest owner for the value of the mineral interest. A local government that enacts a moratorium on oil and gas activities would be required to compensate persons damaged by the interference (including oil and gas operators, mineral lessees, and royalty owners) for all costs, damages, and losses of fair market value associated with the moratorium.

This is a return of HB18-1150 and SB18-192 that CCI opposed in 2018. Those two bills were postponed indefinitely. HB 1070 will be considered by the House Energy and Environment Committee on Monday, January 27.

Position: Pending Sponsor: Rep. Buck Lobbyist: Daphne Gervais

HB20-1094, Repeal Fee Cap On-site Wastewater Treatment Systems

HB20-1094 is a CCI-initiated bill that repeals the fee cap to allow local boards of health to set fees for on-site wastewater treatment system (OWTS) permits. The bill strikes the existing \$1000 statutory cap on permit fees to allow local public health agencies to recover the costs of their OWTS services. Assigned to House Rural Affairs & Agriculture, this bill will be considered by a committee that seats two of the prime sponsors: Reps. Catlin and Arndt. CCI is partnering with the Colorado Association of Local Public Health Officials (CALPHO) to advocate for this bill, and it is calendared for a hearing on Thursday, January 30.

CCI and the bill sponsors hosted a stakeholder phone call on the bill earlier this month. Subsequent to that call, the Colorado Association of Homebuilders (CAHB) notified CCI that they may be seeking an amendment specifying that a county will provide information on how the permit fee was calculated upon request. CCI is collaborating with county public health officials and CAHB to develop this amendment.

Position: CCI Bill – Support

Sponsor: Reps. Catlin & Arndt, Sens. Ginal & Coram

Lobbyist: Daphne Gervais

HB20-1095, Local Government Water Supply Elements in Master Plans

HB 1095 maintains the option for counties to include water supply elements in their master plans, but adds a requirement that this element include conservation policies determined by the county.

The bill authorizes local governments to include goals specified in the state water plan, and to condition development approvals on the implementation of the county's conservation policies. Local governments may choose to include a water supply element (which would describe the general location and extent of a suitable supply of water), but if they do, additional requirements must be met: the planning commission must consult with entities that supply water to the county, and the element must identify water supplies and facilities that can meet the needs of the public and infrastructure that the planning process anticipates.

We are encouraged by the maintenance of permissive language in this year's version of the bill, but we are ensuring the rest of the language aligns given a mention of requirement to include the described water supply elements (pg.3, line 6). The bill sponsor, Rep. Arndt, and the American Planning Association (APA) have been collaborating with CCI and the Colorado Municipal League (CML) to propose alternate language that eliminates any ambiguity.

The bill is calendared for Thursday, Jan. 30, and has been assigned to the House Rural Affairs & Agriculture Committee.

Position: Pending

Sponsor: Rep. Arndt, Sen. Bridges

Lobbyist: Daphne Gervais

HB20-1126, Local Control Approvals Oil & Gas Applications

Current law grants the Director of the Colorado Oil and Gas Conservation Commission (COGCC) the authority to delay the final approval of an oil and gas drilling permit application by requiring additional consultation with the local government or analyses on the impacts to public health and environmental welfare. HB 1126 repeals this authority and specifies that if a local government has local permitting authority and makes use of 1041 powers to approve an oil & gas application, the COGCC must approve the drilling permit application.

The bill has not been calendared yet but has been assigned to the House Energy & Environment Committee.

Position: Pending

Sponsor: Reps. Saine & Buck, Sens. Marble & Cooke

Lobbyist: Daphne Gervais

HB20-1129, Battery-charged Electric Fences

HB 1129 defines battery-charged fences, allows the county to deem whether inspection of these fences is necessary, prohibits the setting of inspection fees, and denies the local government authority to prohibit these fences in all but exclusively residential zones. To classify as a battery-charged fence, the fence must be: connected to an alarm system, have an energizer that delivers a maximum twelve-volt current, located on property not zoned exclusively for residential use, surrounded by a nonelectric perimeter fence or wall (that must be at least five feet high), no more than ten feet or two feet above the perimeter, and marked with warning signs.

CCI is aware of concerns held by the Colorado Municipal League and will consider any limitations on land use or zoning authority at the upcoming steering committee meeting. This bill is assigned to the House Transportation & Local Government but is not yet scheduled for a hearing.

Position: Pending

Sponsor: Reps. Froelich & Van Winkle

Lobbyist: Daphne Gervais

HB20-1133, Land Use Entitlements and Municipal Disconnection

HB 1133 is being brought by Jefferson County, and it seeks to coordinate and iron out the process by which a tract of land disconnects from a municipality and becomes part of the unincorporated area of the county again. It amends the considerations for a landowner desiring to disconnect from a municipality in a few ways. First, the bill states that disconnected land would become subject to the applicable county's zoning resolution, map, and any other land development regulations within 90 days of the disconnection. Second, it would prohibit a landowner from disconnecting until vested property rights have been terminated or expire. Third, it voids any county zoning resolution that automatically and uniformly zones all future disconnected land. Fourth, it clarifies that once the county receives notice of the disconnection from the municipality and the ordinance has been filed, the county may – through its zoning resolution, zoning plan, or other land development regulations—allow the newly incorporated land to obtain necessary land entitlements. Fifth, it declares that the county may elect not to issue building or occupancy permits to the land before disconnection is filed and complete. Finally, it permits a county to subdivide the disconnected land once the ordinance has been filed with the county clerk and recorder, and relevant zoning has been enacted.

The bill has been assigned to the House Transportation and Local Government Committee but is not yet calendared for a hearing.

Position: Pending

Sponsor: Reps. Kraft-Tharp & McKean, Sen. Tate

Lobbyist: Daphne Gervais

Tourism, Resorts and Economic Development

SB20-002, Rural Economic Development Initiative (REDI) Grant Program

SB 2 would bolster the existing Rural Economic Development Initiative (REDI) grant program. The purpose is to provide grants for projects that create new jobs through new or existing employers, or for projects that help foster diverse and resilient local economies in rural communities (applies to counties with a population of fewer than 50,000 residents). The Department of Local Affairs (DOLA), in collaboration with the Office of Economic Development & International Trade (OEDIT), currently administers the REDI grant program. Local governments, as well as organizations or individuals working in partnership with a local government, are eligible to receive REDI grants. Recipients would be required to provide matching funds, with the amount of the match to be decided by DOLA). A local government may partner with entities including intergovernmental agencies, councils of government, housing authorities, beginning farmers, the Southern Ute Indian Tribe, the Ute Mountain Ute Tribe, nonprofit economic development

organizations, and private employers. In partnering, the local government would serve as the grant administrator.

DOLA must prioritize projects that create new jobs and consider whether the project would create unfair competition among existing establishments. Among other provisions, SB 2 creates criteria that DOLA is required to consider when evaluating grant applications. Projects under consideration must do one or more of the following:

- 1. Encourage capital investment in a key regional industry
- 2. Increase the average wages in the project area
- 3. Evidence strong support from local governments or the local workforce agencies and boards
- 4. Encourage growth that benefits more than one rural community through collaboration
- 5. Show compatibility with relevant communities and existing economic development plans

Additionally, if DOLA determines that a rural community needs resources or assistance because it has been impacted by a significant economic event, the department may choose to use all or part of the REDI grant program appropriation for the Rural Economic Advancement of Colorado Towns (REACT) Act. The REACT act authorizes DOLA to coordinate the provision of nonmonetary state resources to assist with job creation or retention in a rural community experiencing a significant economic event, such as a plant closure or layoffs, that has a significant impact on jobs within that community.

The REDI program is already administered by DOLA, but Senator Donovan is pursuing these changes to statute with the goal of rendering the program and its annual appropriations more robust. Recent budget amendments have been approved (this year, DOLA has requested an ongoing increase of \$257, 248 General Fund for REDI since grant requests have exceeded available funds for several cycles), but Senator Donovan believed the program strayed too far from its original intent. DOLA is concerned that the statutory changes could be too restrictive, but they could be on board with some tweaking of these finer details.

Position: Pending Sponsor: Sen. Donovan Lobbyist: Daphne Gervais

Tax and Finance

HB20-1001, Nicotine Product Regulation

HB 1001 makes several changes to statutes covering cigarettes, tobacco products and nicotine products. Specifically, it:

- 1.) Raises the statewide minimum age of sale from 18 to 21 (on 12/20/2019, President Trump signed a bill into law setting the age of sale for tobacco products—effective immediately to 21);
- 2.) Requires every retailer selling nicotine products to have a state license;
- 3.) Requires the Colorado Department of Revenue (CDOR) to coordinate with counties and other local governments who are already licensing retailers pursuant to HB19-1033;
- 4.) Prohibits new retail locations where these products are sold from being located within 500 feet of a school; and

5.) Prohibits delivery of cigarettes, tobacco products or nicotine products to a consumer (cigars are not subject to this delivery prohibition);

Flavor bans are not included in this bill and it is not clear whether or not a bill will be introduced this session on that matter.

In December, CCI hosted a call with Rep. Mullica and the three counties (Eagle, Pitkin and Summit) who received voter approval in 2019 to regulate the possession and purchasing of these products and assess a special tax on them. Counties flagged the importance of coordinating compliance checks and investigations with CDOR and have been included in the drafting of the bill (Thank you Rep. Mullica!).

Position: Pending

Sponsors: Reps. Mullica & Larson, Sens. Bridges & Priola

Lobbyist: Gini Pingenot

HB20-1022 Sales and Use Tax Simplification Task Force

HB 1022 extends the Sales and Use Tax Simplification Task Force for five years and modifies the task force's duties. Counties will continue to have a seat on the Task Force and have been ably served by Larimer and Adams Counties (Thank you Tracy Hines and Ben Dahlman for sharing your time and expertise with the task force over the past few years!).

Some of the new responsibilities of the task force will include considering whether or not audits of retailers could be made more uniform between the state and home rule municipalities, whether state and local tax licenses and business licenses could be streamlined, and the impact of the reduced vendor fee which was implemented in HB19-1245. The task force would also receive updates on the development and implementation of the sales tax GIS database (which was funded via SB19-006) and examine the business impact of the destination sourcing rules.

HB 1022 will be heard on Tuesday, January 21 in the House Business, Affairs and Labor Committee.

Position: Pending

Sponsors: Reps. Kraft-Tharp & Van Winkle, Sens. Williams & Tate

Lobbyist: Gini Pingenot

HB20-1023, State Address Data for Sales and Use Tax Collection

HB 1023 is another bill stemming from the Sales and Use Tax Simplification Task Force. In anticipation of the sales tax GIS database going live later this year, HB 1023 states that vendors who use the database to determine the jurisdiction where sales tax is owed and how much sales tax applies to a purchase, will be held harmless for erroneous sales tax remittances if the data the vendor relied on was wrong in the GIS database itself. A similar 'hold harmless' provision has existed for years with the five 'address locator' sites that are currently available to vendors.

Given county experience with state IT systems in the past, HB 1023 sponsors modified their bill in the fall to specify that the hold harmless provision would not be effective until the sales tax GIS

database was online, tested and verified by the CO Department of Revenue to be operational, supported and available for use. This wording is intended to avoid the roll out of a system that is not fully ready for use.

Position: Pending

Sponsors: Reps. Kraft-Tharp & Van Winkle, Sens. Williams & Tate

Lobbyist: Gini Pingenot

HB20-1083 Nursing Home Definition for Residential Property Tax

HB 1083 defines nursing homes, for property tax purposes, as 'residential', regardless of the patient's length of stay.

Currently, facilities that provide short term convalescent care and rehabilitation services, where patrons visit the facility periodically or temporarily reside there for less than 30 days, are classified as non-residential (29% assessment rate). Facilities that offer long term nursing, rest and assisted living services, where patrons reside on a longer-term basis of more than 30 days are classified as residential (7.15% assessment rate).

The Division of Property Taxation has identified 15 properties that are currently classified as commercial (29%) or mixed use (7.15%/29%). These properties exist in Adams, Boulder, Delta, Denver, El Paso, Jefferson, Rio Blanco and Weld Counties. These counties – and their associated local governments - would be directly impacted by HB 1083.

HB 1083 also impacts facilities that provide convalescent care or rehabilitation services such as physical and occupational therapy that operate without a license from CDPHE. An example would be physical and occupational therapists who operate therapy businesses. These are generally fee for service type operations. These are the other types of facilities picked up in lines 10-13 on page 2 of the introduced bill that would also see their assessment change from non-residential (29%) to residential (7.15%).

HB 1083 will be heard on Wednesday, February 5 in the House Transportation and Local Government Committee

Position: Pending

Sponsors: Reps. Kraft-Tharp & Van Winkle, Sen. Holbert

Lobbyist: Gini Pingenot

HB20-1115 Sales Tax Exemption for Farm Fencing Material

HB 1115 creates a sales tax exemption for farm fencing material. This would include barbed wire, smooth wire, fencing staples, "T" posts and wire clips, prefabricated welded fence panels, electric fencing posts, solar panels for electric fences and much more.

As introduced, HB 1115 would impact the local sales tax base. Staff has reached out to the bill sponsors to seem if they would be amenable to making the exemption optional for local governments. Currently, there are 16 optional sales tax exemptions that Boards of County

Commissioners can chose to adopt or not. With an amendment, this could become the 17th exemption option.

Position: Pending

Sponsors: Reps. Catlin & McLachlan, Sen. Coram

Lobbyist: Gini Pingenot

HB20-1124 Disaster Emergency Transfers from County General Fund

HB 1124 extends the timeframe in which counties – for the sole purpose of addressing roads and bridges destroyed by natural disasters – can transfer county general funds into the road and bridge fund. This limited flexibility was first authorized following the 2013 floods. At that time, the General Assembly and local governments alike thought these recovery projects could be addressed by 2021.

While the vast majority of 2013 flood projects have been addressed, there are a few outstanding projects that are either under construction, waiting for FEMA review or are in the close-out process. HB 1124 states that this limited transfer authority begins eight years after the date of the Governor's Final Declaration of an Emergency for the Disaster, including all extensions to the Declaration.

Position: Pending

Sponsors: Reps. McKean & Snyder

Lobbyist: Gini Pingenot

<u>Transportation and Telecommunications</u>

SB20-044, Sales and Use Tax Revenue for Transportation

SB 44 would direct a portion of the state's sales and use tax proceeds to the Highway Users Tax Fund (HUTF) for use by the state, counties and municipalities on transportation projects. The bill will be heard in the Senate State Affairs Committee on Wednesday, Jan. 29, at 1:30 p.m.

Position: Pending

Sponsors: Sen. Lundeen, Rep. Carver

Lobbyist: Eric Bergman

HB20-1137, Local Government Determination of Unserved Status on Broadband Grants

HB 1137 would guarantee more local input on the need for broadband funding in areas of the state that lack high-speed Internet. The bill directs a local government entity (county, municipality, school district, etc.) to collect and review any relevant speed data, make a determination on the "unserved status" of a community and then submit a written certification of this unserved status as part of the application process for the state's Broadband Grant Program. The bill will be heard in the House Business Affairs and Labor Committee on Wednesday, Feb. 5, upon adjournment.

Position: Pending

Sponsors: Reps. McCluskie and Soper, Sen. Donovan

Lobbyist: Eric Bergman

HB20-1151, Expand Authority for Regional Transportation Improvements

HB 1151 authorizes a transportation planning organization (TPO) to exercise the powers of a regional transportation authority (RTA), basically giving the TPO the ability to put a ballot question before the voters on increasing taxes to generate transportation funding for a region. The bill has been assigned to the House Transportation and Local Government Committee.

Position: Pending

Sponsors: Rep. Gray, Sen. Winter

Lobbyist: Eric Bergman