

Legislative Report | February 7, 2022

Select Subject Area to Jump:

General Government

Health & Human Services

Justice & Public Safety

Land Use & Natural Resources

Taxation & Finance

Transportation & Telecommunications

Reference:

CCI Policy Statement

2022 Legislative Priorities

Bill Tracking/Overview



General Government

Chair: Commissioner Hilary Cooper, San Miguel County Vice Chair: Commissioner Scott James, Weld County CCI Staff: Eric Bergman

HCR22-1001, Statutory Initiative Petition Signature Requirements

HCR22-1001 would have submitted a ballot question to the voters of the state to amend the state constitution to require that any petition for a citizen-initiated statutory change be signed by at least two percent of the registered electors who reside in each state senate district.

The concurrent resolution was postponed indefinitely last week in the House State Affairs Committee.

Position: Support

Sponsors: Rep. Holtorf, Sen. Sonnenberg Final Status: Postponed Indefinitely

HB22-1037, Option for Retail and Medical Marijuana in Same Location

HB 1037 would allow the operation of a retail marijuana store and a medical marijuana store in the same location, as long as the local licensing authority and local jurisdiction allow it. The store would still be required to physically separate retail and medical marijuana products.

The bill was supposed to be heard last week in the House Local Government and Transportation Committee, but the hearing was postponed due to a snowstorm. The bill hearing has not been rescheduled yet.

Position: Support Sponsor: Rep. Hooten

HB22-1045, Statutory Initiative Petition Signature Requirements

HB 1045 would have made conforming changes to the election statutes had the voters approved the ballot question put forth in HCR22-1001, changing the number of signatures required to put a question on the ballot that involves a statutory change.

The bill was postponed indefinitely last week in the Senate State Affairs Committee.

Position: Support

Sponsors: Rep. Holtorf, Sen. Sonnenberg Final Status: Postponed Indefinitely

HB22-1097, County Authority for Dissolution of District

HB 1097 would authorize a board of county commissioners to file an application to dissolve a special district that is defunct or otherwise no longer serving a community purpose. This same authority is already granted in statute to municipalities and regional service authorities.

The bill will be heard on Tuesday, Feb. 8 in the House Local Government and Transportation Committee. This legislation is a CCI Priority for 2022. CCI has prepared a fact sheet on the bill.

Position: Support (CCI Legislative Priority) Sponsors: Rep. D. Valdez, Sen. Simpson

SB22-065, Adjustment to County Coroner Salaries

SB 65 would automatically raise the salary of the county coroner in Category 2 counties up to the same level as the commissioner, treasurer and clerk, beginning in 2023. There are currently seven Category 2 counties in the state (Eagle, Fremont, Garfield, La Plata, Pitkin, Routt and Summit). The bill would also raise the salaries of county coroners in Category 3 and 4 counties, but only upon agreement between the commissioners and the coroner. CCI is seeking to amend the bill to require commissioner approval of a salary increase for coroners in Category 2 counties, as commissioners are the fiduciaries of the county and have budgetary authority for all county elected offices.

The bill will be heard on Tuesday, Feb. 15, in the Senate Local Government Committee.

Position: Amending

Sponsors: Sens. Hisey & Story

SB22-075, County Authority to Dismiss Cemetery Board District Member for Cause

SB 75 would authorize a board of county commissioners to dismiss a cemetery district board member for cause. This authority exists for other types of districts where county commissioners appoint the district boards.

The bill will be heard on Tuesday, Feb. 15, in the Senate Local Government Committee. This legislation is a CCI Priority for 2022. CCI has prepared a fact sheet on the bill.

Position: Support (CCI Legislative Priority) Sponsors: Sen. Simpson, Reps. Catlin & Bird

SB22-109, Prohibit Labor Actions Against Public Employee

SB 109 would establish that strikes or work stoppages by public employees are not allowed and in the event of one a public employer can file for an injunction and those participating in the strike or work stoppage may be found in contempt of court. The bill will be heard on Tuesday, Feb. 15, in Senate State Affairs.

Position: Pending

Sponsors: Sen. Gardner, Rep. Pico

Update on Public Employer Collective Bargaining

CCI has been awaiting the introduction of legislation that would mandate that counties, municipalities, special districts, K-12 education, higher ed and the state Public Defenders Office must engage in collective bargaining if their employees vote to do so. CCI has a number of concerns with the proposed legislation, including potential unfunded mandates and the fact that it allows for employee strikes that might endanger public safety. CCI has been in talks with legislative leadership and the Governor's office on the issue and expects a bill to be introduced the week of February 14; at the Steering Committee following the bills official introduction, CCI will vote on an official position.

CCI staff has done a considerable amount of research on the issue, including preparing a side-by-side comparison of how the draft legislation differs from the Colorado Wins model (used by state government for collective bargaining with state employees) and existing collective bargaining agreements in Adams and Pueblo counties. Please visit the CCI website at here for more information.

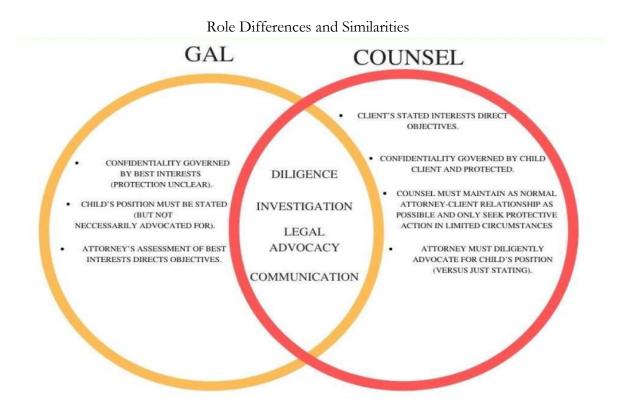


Health & Human Services

Chair: Commissioner Janet Rowland, Mesa County Vice Chair: Commissioner Wendy Buxton-Andrade, Prowers County CCI Staff: Gini Pingenot / Kyley Burress

HB22-1038, Right to Counsel for Youth

Current law requires the appointment of a guardian ad litem (GAL) for children and youth in dependency and neglect cases in our child welfare system. This bill will require that a youth 12 years of age or older will be appointed a client-directed counsel. This change in the system means a youth 12 years of age or older will be giving an opportunity to express their interests within the legal system the same way an adult does.



This will be heard in house judiciary on Wednesday, February 2nd

Position: Monitor

Sponsors: Reps. Daugherty & Van Beber, Sens. Moreno & Gardner

Staff: Kyley Burress

HB22-1042, Teen Parent Driving Instruction Course

This bill will require the Department of Human Services to reimburse counties for costs paid by the county department to a public or private driving school for teen parents (15–21-year-olds) who are on WIC or within the child welfare system. This bill is essentially adding on to HB21-1084 Drivers' Licenses for Foster Children bill, which was a bill CCI worked on during the 2021 legislative session.

This bill will be heard in committee in the coming weeks.

Position: Amend

Sponsors: Reps. Exum & Van Winkle, Sens. Buckner & Hisey

Staff: Kyley Burress

HB22-1056, Emergency Temporary Care for Children

This bill will allow county department of human services to establish their own placement option for all youth regardless of whether they are in the child welfare system or juvenile justice systems. This bill allows youth to be housed in a temporary shelter for up to five days. If a child chooses to receive care at a temporary shelter, their care is voluntary, and the child may leave at any time. During their time at the temporary shelter, a child may do an assessment to assess what services and care are needed.

Position: Amend

Sponsor: Rep. Michaelson-Jenet

Staff: Kyley Burress

HB22-1113, Appeal Procedures Dependency and Neglect Cases

In foster care cases when an appeal is pending in a dependency and neglect case, families can be faced with uncertainty because appeal cases can take up to three years if not longer to resolve. This bill is taking recommendation made in 2021 by the child welfare appeals working group and applying them to appeal procedures in dependency and neglect cases in child welfare so that appeals may be done in a timelier manner.

Position: Support

Sponsor: Rep. Van Beber Staff: Kyley Burress

HB22-1131, Reduce Justice Involvement for Young Children

Under current law, a child ten years of age or older can be prosecuted and incarcerated for misdemeanors and felonies committed. The bill raises the minimum age a child can be prosecuted in juvenile court from 10 years old to 13 years of age. This bill is being brought forward to eliminate some of the devastating impacts that a 10, 11, 12-year-old can face when incarcerated.

Position: Oppose

Sponsors: Reps. Gonzalez-Gutierrez & Bacon, Sens. Coram & Gonzalez

Staff: Kyley Burress

HB22-1160, Establishing Family Justice Centers

This bill allows a city, a county, or a community based nonprofit organization to build their own family justice centers. Family just centers are to be created to serve victims of domestic violence, sexual assault, elder or child abuse, and human trafficking victims.

Position: Pending Sponsor: Rep. Tipper Staff: Kyley Burress

SB22-102, Transparency Out-of-home Placements Developmental Disabilities

This bill requires the Department of Human Services develop additional rules for children and youth with intellectual and developmental disabilities who are in out-of-home placement. Specifically, these rules are to be created for anyone being removed from the program before meeting the discharge criteria.

Position: Pending

Sponsors: Sen. Kirkmeyer, Rep. Young

Staff: Kyley Burress

SB22-106, Conflict of Interest in Public Behavioral Health

SB 106 requires all Regional Accountable Entities (RAE), Managed Services Organizations (MSO) and Administrative Service Organizations (ASO) that have over 25% provider ownership to comply with certain conflict of interest policies in order to promote transparency and accountability by October 1, 2022. Those are:

- 1.) Providers that have ownership or board membership in a RAE, MSO, ASO shall not have control, influence or decision-making authority in the establishment of provider networks;
- 2.) More oversight by the state to monitor network adequacy, network denials and funding allocation to ensure providers that have ownership or board membership are not inappropriately given preference in funding decisions;
- 3.) Prohibition of an employee of a contracted provider of a RAE, MSO or ASO serving as an employee of a RAE, MSO or ASO;
- 4.) Requirement that no more than 50% of a RAE, MSO, ASO's board members can consist of providers.

SB 106 will be heard in the Senate Health and Human Services Committee on Wednesday, February 16th.

Position: Pending

Sponsors: Sens. Kolker & Sonnenberg, Reps. Michaelson Jenet & Rich

Staff: Gini Pingenot



Justice & Public Safety

Chair: Commissioner Tamara Pogue, Summit County Vice Chair: Commissioner Longinos Gonzalez, El Paso County CCI Staff: Kyley Burress

HB22-1041, Privacy Protections for Protected Persons

Under current law, it is unlawful for a person to make available on the internet the personal information of a law enforcement official, human service worker, public health worker, and their families. This bill amends CRS 18-9-313 to allow code enforcers and their families to request the removal of their personal information from the internet. Code enforcement officers often experience threats related to their official duties. Workers' personal information is available on the internet and creates safety issues for the workers, their children, and their families, even while at home. Threats against code enforcers cause safety, morale, and job retention problems.

With this bill, code enforcers may submit a written request to a local government official to remove records that pose an imminent and serious threat to their safety. Additionally, the bill creates a carve out for real estate transactions, so that they may occur in a timely manner while equally ensuring that an individual is provided the necessary protections.

This bill will be heard in committee on February 4th upon adjournment

Position: Support (CCI Legislative Priority) Sponsors: Rep. Boesenecker, Sen. Ginal

HB22-1063, Jail Standards Commission

Colorado is one of 12 states that does not have a state- wide jail standards commission. This bill creates a 20-member jail standards commission, made up of 5 county sheriff's, 2 county commissioners, 3 people with lived experience, and others (for a full list of members please refer to the bill). The commission will be housed in the Department of Public Safety and the purpose of the commission it to oversee and recommend jail standards for county jails across the state. Some of recommended standards are, making sure that inmates have access to clean water, making sure inmates have access to phones or laptops, and that jails are complying with safety and sanitary guidelines (for a complete list please refer to the bill). Not complying with these standards could result in a sanction. The commission is to be stood up by January 1, 2023, with recommendation made by July 1, 2023, and each year after until September 1,2029.

Position: Amend

Sponsors: Reps. Amabile & Benavidez

SB22-018, Expand Court Remind Program

Under current law, the court reminder program currently provides defendants two text message reminders for court appearances, this program is currently an opt-in program, meaning defendants only get these reminders if they've opted in to receive them. Which is creating more failure to appear and bench warrants for missing court.

The bill will change the program to an opt-out program, meaning all defendants will be automatically enrolled in the program. The bill will require the program to provide at least 3 reminders, including one reminder the day before the court appearance, the second reminder with a virtual court option, and the final reminder which much include a link to the virtual court hearing. The program is required to send these reminders via text messages but must use another method if a defendant is unable to receive text messages.

This bill will be heard in committee in the coming weeks.

Position: Support

Sponsors: Sens. Lee & Cooke, Reps. Benavidez & Soper



Land Use & Natural Resources

Chair: Commissioner Mike Freeman, Ouray County Vice Chair: Commissioner Matt Scherr, Eagle County CCI Staff: Daphne Gervais

HB22-1007, Assistance Landowner Wildfire Mitigation

HB 1007 is a priority bill from the Wildfire Matters Interim Review Committee that establishes a new grant program administered by the Colorado State Forest Service available to local governments, tribal agencies or nonprofit organizations for outreach projects to inform landowners in high wildfire hazard areas of wildfire mitigation resources and best practices. Grant applications that the Forest Service evaluates as having a larger potential impact are prioritized.

Beginning in 2023, the bill repeals an existing income tax *deduction* available to offset a landowner's costs from wildfire mitigation measures, and creates a new state income tax *credit* to reimburse a landowner's costs. Wildfire mitigation measures include creating defensible space around structures, establishing fuel breaks, thinning woody vegetation, treating woody fuels through prescribed burn, chipping, piling, removal, etc. A landowner with a federal taxable income at or below \$120,000 in 2023 and every year thereafter is allowed a credit equal to 25% of mitigation costs, with a maximum credit of \$625 in any taxable year.

HB 1007 is scheduled for a hearing in the House Energy & Environment Committee on Wednesday, February 9th.

Position: Support

Sponsors: Reps. Valdez. D. & Lynch, Sens. Simpson & Lee

HB22-1011, Wildfire Mitigation Incentives for Local Governments

HB 1011 is being brought forward by Healthy Air and Water Colorado (HAWC) and establishes a new grant program administered by the Colorado State Forest Service to provide state match dollars to local revenue sources that fund wildfire mitigation projects (fuel breaks, forest thinning, fire fuel removal, landowner outreach and education, etc.). A local government can apply for and receive a grant without a dedicated revenue stream if local voters approve a ballot issue creating the revenue source in the same year the grant is awarded.

CCI has worked with HAWC and bill sponsors to expand the grant program to local governments that have long-term wildfire mitigation programs, knowing that many counties have tried to pass ballot measures for mitigation funding without success. Although not included in the introduced bill, an amendment will be brought forward on February 9th to specify that local governments without dedicated revenue can qualify for grants by demonstrating an existing local program, project, or other funding mechanism (such as recurring general fund contributions) dedicated to wildfire mitigation.

HB 1011 is scheduled for a hearing in the House Energy & Environment Committee on Wednesday, February 9th.

Position: Amend

Sponsors: Reps. Cutter & Snyder, Sens. Story & Lee

HB22-1012, Wildfire Mitigation and Recovery

HB 1012 is a priority bill from the Wildfire Matters Interim Review Committee that establishes a new grant program administered by the Colorado State Forest Service (CSFS) to help counties with forested areas prevent and recover from wildfire incidents by removing deadwood, other potential wildfire fuels, and debris from a wildfire incident. Grants are awarded by the CSFS in consultation with the Division of Fire Prevention and Control (DFPC) and the Colorado Forest Health Council, and can be used to:

- Purchase or lease equipment, including mobile woodchippers, to help with removal of biomass;
- Hire and compensate laborers to assist with removal of biomass; and
- Initiate and maintain reforestation efforts after a wildfire incident

In administering the grant program, CSFS must ensure that projects are done in a manner that reduces the amount of carbon that enters the atmosphere, and if awarded a grant, a county must ensure that biomass that is removed through eligible projects is recycled or disposed of, to the extent practicable.

Amendments are expected to fold this grant concept into the existing Forest Restoration Wildfire Risk Mitigation (FRWRM) Grant Program currently administered by CSFS. Additionally, CCI is pursuing an amendment to seek clarity on the carbon reduction provisions to ensure grants are available to counties that may not have access to preferred biomass disposal methods.

HB 1012 is scheduled for a hearing in the House Energy & Environment Committee on Wednesday, February 9th.

Position: Amend

Sponsors: Reps. Valdez. D & Cutter, Sens. Ginal & Lee

HB22-1104, Powerline Trails

HB 1104 seeks to promote the development of recreational trails in electric transmission corridors (powerline trails) throughout the state by requiring transmission providers to notify public entities (the state and local governments) of the opportunity to build a trail when expanding or constructing a transmission line. Notices must include informational resources on powerline trails (outlining design options, safety requirements, potential funding sources, and examples of existing powerline trails in the state).

The bill authorizes transmission providers to enter into contract with public entities (the state, local governments, and special districts) and private landowners for the construction of powerline trails, and outlines allowable provisions for trail contracts (for example, requiring consultation with the transmission provider on design of trails and related amenities, assigning costs of construction and maintenance of trails to the public entity or private landowner, etc.).

Transmission providers are allowed to increase rates to recover costs incurred from implementing the bill.

The bill requires the Public Utilities Commission (PUC) to amend its rules to also require electric public utilities in the state to develop and maintain informational resources on powerline trails, and to consider plans for construction of new powerline trails. Finally, the bill requires the Colorado Electric Transmission Authority (CETA) to continue existing powerline trail contracts before entering into a project or divesting of a facility, and to give priority in project solicitations to electric utilities interested in continuing or creating a powerline trail.

CCI opposes HB 1104, with primary concerns including (1) ambiguity on ownership and operation of powerline trails, (2) concern with allowable contractual provisions, and (3) trail safety and access concerns. An amendment will be brought forward to (1) strike the possible contractual provisions, (2) specify that transmission operators are not required to allow a trail or other facility in their rights-of-way, (3) specify that landowners with property adjacent to or inclusive of a transmission line right-of-way are not required to allow the public to access any portion of their property, including the transmission right-of-way.

HB 1104 has been assigned to the House Transportation & Local Government Committee, but has not yet been calendared.

Position: Oppose

Sponsors: Rep. Boesenecker, Sen. Priola

HB22-1132, Regulation and Services for Wildfire Mitigation

HB 1132 requires any person planning to conduct a controlled burn on private property to provide notice to the fire department that services the area where the burn would be conducted. The bill gives fire departments the authority to determine whether personnel must supervise the controlled burn, and describes weather conditions during which controlled burns are prohibited.

The bill lays out fines and penalties for noncompliance – any person found to be negligent or willful and wanton is liable for any costs incurred by the fire department in responding to a controlled burn, and to any other person facing damage or injury from the burn. The bill specifies that no person is exempt from complying with any other applicable local, state, or federal requirements pertaining to open burning.

HB 1132 has been assigned to the House Energy & Environment Committee, but has not yet been calendared.

Position: Monitor

Sponsors: Rep. Holtorf, Sen. Liston

HB22-1151, Turf Replacement Program

HB 1151 establishes a turf replacement program to incentivize water-wise landscaping designed for water conservation, efficient irrigation, and soil health. The bill requires the Colorado Water Conservation Board (CWCB) to develop a state program by 2023 to finance the voluntary removal and replacement of irrigated turf with water-wise landscaping on residential, commercial, institutional, or industrial properties.

The bill allows local governments, districts, tribes and nonprofit organizations to apply to the CWCB for matching funds (up to 50% of the direct and indirect costs) to support and expand existing local turf replacement programs. Matching funds must be used to increase the financial incentives offered per property, or to expand annual total acreage of turf replaced under the program. Where local programs do not exist, the CWCB will contract with third parties to administer a statewide program.

HB 1151 has been assigned to the House Agriculture, Livestock and Water Committee, but has not yet been calendared.

Position: Pending

Sponsors: Reps. Catlin & Roberts, Sens. Bridges & Simpson

SB22-002, Resources for Volunteer Firefighters

SB 2 is a priority bill from the Wildfire Matters Interim Review Committee that allows fire departments, including fire protection districts and volunteer fire departments, to be compensated from state funding sources (Governor's Emergency Fund, the Emergency Fire Fund, and the Wildland Cost Recovery Fund) for wildland fire suppression activities. Fire departments are eligible for reimbursement after performing wildland fire suppression activities if (1) the fire department relies primarily on volunteer firefighters, (2) a fire event exceeds the department's capacity to extinguish or control, *and* (3) the period of mutual aid has ended.

As necessary, the bill requires county sheriff's offices to modify any intergovernmental agreements (IGAs) to allow for this type of reimbursement, and also authorizes Boards of County Commissioners (BOCCs) to reimburse fire departments from county funds in the same circumstances. Fire departments must use money received to compensate volunteer firefighters as directed by the Division of Fire Prevention of Control (DFPC).

The bill amends the existing Local Firefighter Safety and Disease Prevention Fund grant program to allow grants to be spent on (1) providing access to mental health services, (2) purchasing equipment, and (3) providing training to volunteer firefighters involved in wildland fire suppression. The program receives an annual appropriation of \$5 million with flexibility to appropriate additional money as necessary to meet needs.

Priority is given to applicants that:

- Have lost tax revenue as a result of decreased assessment values due to a wildland fire in the previous 5 years;
- Rely solely or primarily on volunteer firefighters and serve communities affected by wildland fires;
- Demonstrate the greatest need for additional funding to ensure the safety of volunteer firefighters

CCI supports SB 2, but is in discussions with bill sponsors on the inclusion of the county-funded Emergency Fire Fund as a reimbursement source. Additionally, CCI is monitoring Joint Budget Committee (JBC) discussions on achieving some of the bill's provisions (on additional funding to the Local Firefighter Safety and Disease Prevention Fund) through the budget process.

The bill has been assigned to the Senate Local Government Committee, but has not yet been calendared.

Position: Support

Sponsors: Sens. Ginal & Story, Reps. Cutter & Will

SB22-015, Douglas County on Urban Drainage Flood Control District

SB 15 adds a Douglas County municipal representative to the Mile High Flood Control District that oversees flood mitigation projects throughout the district. This district was created in 1969 in response to the 1965 flood in the Denver metro area. Currently, other counties in the district including Adams, Arapahoe, Boulder, and Jefferson all have municipal representation, but when the district was formed, Douglas County's population did not meet the threshold for a municipal representative.

As supported by the District's Board, SB 15 adjusts the District Board membership to reflect the population of Douglas County as it exists today as well as the revenues it contributes to the District.

SB 15 passed the Senate Local Government Committee unanimously and was assigned to the consent calendar. It will be heard on second reading in the Senate today, February 7th.

Position: Support

Sponsors: Sen. Holbert, Rep. Titone

SB22-110, Equip Wind Turbine Aircraft Detection Lighting System

SB 110 requires owners and operators of wind-powered energy generation facilities to install aircraft detection lighting systems on their facilities before September 2024. Detection systems must meet Federal Aviation Administration (FAA) standards, and be sensor-based to only deploy a warning light when an approaching aircraft is detected. The owner or operator of the facility is responsible for the cost if installing, operating, or maintaining the system.

The bill gives local governments enforcement authority by allowing counties to revoke or deny land-use permit applications and renewals if an owner or operator fails to comply with the bill. The bill authorizes local governments to impose civil penalties for non-compliance.

Position: Pending

Sponsors: Sen. Sonnenberg, Rep. Pelton

SB22-114, Fire Suppression Ponds Water Rights

SB 114 is a CCI-priority bill that establishes a process for Boards of County Commissioners to apply to the State Engineer for the designation and preservation of fire suppression ponds. Fire suppression ponds must be in existence as of 1975, and additional criteria will be developed through rule to consider the maximum size of ponds, allowable refill mechanisms, as well as location, accessibility, and infrastructure requirements.

The bill authorizes a Board of County Commissioners to apply for the designation of a fire suppression pond with the following steps:

- 1. Consult with local fire district
- 2. Provide notice through the Substitute Water Supply Plan list, and a 35-day comment period
- 3. Conduct a local needs assessment that identifies critical and functional fire suppression ponds (based on criteria to be established through rule)

- 4. Acquire landowner approval if the pond is located on private property; and
- 5. Submit the assessment and proposed pond designations to the State Engineer's Office for review and approval

Approved fire suppression pond designations are exempt from the administration of water rights and as such, are not subject to drainage orders by the State Engineer. Approved ponds carry an active designation for 20 years, require an annual inspection by the county and fire district, and can receive a renewed designation after the 20-year period if the county completes an updated needs assessment.

CCI has prepared a fact sheet on this bill available here.

Position: Support (CCI Priority Bill)

Sponsors: Sens. Hisey & Story, Reps. Catlin & Roberts



Chair: Commissioner Richard Elsner, Park County Vice Chair: Commissioner Bob Campbell, Teller County CCI Staff: Gini Pingenot

HB22-1006, Child Care Center Property Tax Exemption

HB 1006 is one of CCI's eight legislative priority bills for 2022. The bill allows property owners that lease space to a non-profit child care center to claim a property tax exemption. Click here for a factsheet.

Under current law, a property owner may qualify for the child care center property tax exemption <u>only if</u> the owner is a non-profit corporation. Because of this, many non-profit child care centers either own their own buildings or are located in churches or schools – both of which are property owners that are already exempt from property taxes. Most non-profit child care centers serve children, families, and communities furthest from opportunity, however; they are often viewed as a tenant that is higher risk and more costly to lease to.

Section 5 of article X of the state constitution provides that property that is used solely and exclusively for strictly charitable purposes is exempt from property tax, unless otherwise provided by law. Child care is a critical component to the provision of governmental public services and is closely tied to economic development and security for Coloradoans. As such, a narrow exemption (which is the purview of the state legislature) from the requirement that property must be owned by a non-profit will help expand child care opportunities in our state and help Colorado make progress on economic development and security public policy goals.

HB 1006 includes a provision requiring the lessee to sign the property owner's application to secure the property tax exemption. Complying with the space requirements and other accommodations like child size toilets and sinks, fencing, etc. can be costly for a property owner. Allowing the tax exemption to inure to the property owner while requiring the lessee to sign off on the owner's application for the exemption will prompt a conversation between the two parties and allows for the creative flexibility that is needed in communities around the state.

HB 1006 was approved by the House Public & Behavioral Health & Human Services Committee on an 11 to 1 vote. It now awaits a hearing in the House Appropriations Committee due to the fact that it has a roughly \$1 million state general fund impact. Expect HB 1006 to be in a holding pattern for up to two months while the state's budget for next year is developed.

Position: Support (CCI Priority Legislation)

Sponsor: Reps. Roberts & Van Winkle, Sens. Donovan & Smallwood

HB22-1051, Modification Affordable Housing Tax Credit

HB 1051 makes two key changes to the state's low income housing tax credit (aka LIHTC) to make it more accessible for those building affordable housing projects. Specifically, it increases the amount of income tax credits that can be claimed each year from \$10 million to \$15 million. Additionally, HB 1051 extends the availability of the credit from 2024 to 2034.

These credits are typically coupled with other forms of financial incentives – such as the federal LIHTC, deferred development fees and Private Activity Bonds – in order to build housing for residents with incomes below the area median income.

HB 1051 was suppose to be heard in the House Transportation and Local Government Committee on Wednesday, February 2nd but the hearing was canceled due to last week's snow storm. As of this writing, HB 1051 has not been rescheduled.

Position: Support

Sponsor: Reps. Bird & McKean, Sens. Zenzinger & Hisey

HB22-1062, Expand Sales and Use Tax Exemption for Food

Currently, food purchased at grocery stores and other markets that's intended for home consumption is exempt from the state's sales tax. This is also one of eleven optional exemptions that counties can choose to adopt.

HB 1062 expands this sales and use tax exemption to include foods prepared for on-site consumption. This would include food sold at restaurants, packaged sandwiches sold at grocery stores and other foods that can be carried out and consumed without additional cooking or preparation. Alcoholic beverages are still taxable under HB 1062, in addition to candy and soft drinks.

HB 1062 is expected to create a large fiscal impact on the state's general fund. Additionally, this bill will fiscally impact the 20 counties that have chosen to exempt food for home consumption from their local sales tax base because it broadens the type of food that will be subject to their already adopted exemption. Those counties are: Adams, Arapahoe, Boulder, Custer, Douglas, Eagle, Elbert, El Paso, Fremont, Garfield, Larimer, Mesa, Otero, Park, Pueblo, Routt, Saguache, San Miguel, Teller and Washington.

HB 1062 has been assigned to the House Finance Committee but has not yet been calendared.

Position: Oppose

Sponsor: Rep. McKean, Sen. Hisey

HB22-1117, Use of Lodging Tax Revenue

HB22-1117 is one of CCI's eight legislative priority bills for 2022. The bill modifies <u>two</u> existing tools and empowers local voters to identify how their county lodging tax revenues should be invested.

Here are the 2 tools that are being expanded:

1.) Section 1: Title 29 – Local Marketing District (LMD)

Counties – in partnership with cities or on their own - can currently seek voter approval for a 4% excise on the purchase of hotel rooms, short term rentals and other lodging accommodations via a 'local marketing district' (CRS 29-25-101). Proceeds from this tax can support tourism but <u>cannot</u> be used for capital expenditures, except tourist information centers. To date, voters in 3 counties (and 3 cities) have approved this tool.

2.) Section 2: Title 30 - County Lodging Tax

In addition to the Title 29 LMD authority, counties can also seek voter approval for a 2% excise tax on the purchase of hotel rooms, short term rentals and other lodging accommodations (CRS 30-11-107.5). Pursuant to this 1987 statute, any revenue generated by this tax must be committed to marketing and advertising the county. To date, voters in twenty-nine counties have approved a county lodging tax for this purpose.

Contrary to the limitations placed on counties in Title 30, home rule municipalities have **NO** limitations in the <u>amount</u> or the <u>use</u> of their lodging taxes.

HB 1117 grants local voters the ability to expand the uses of both taxes for purposes that enhance the visitor experience. Tourism is a critical industry in our state but the workforce supports (housing, child care centers, et.) and other investments that are needed to help Colorado retain its attractive appeal are lacking. HB 1117 will help remedy this challenge.

Click here for a factsheet.

HB 1117 will be heard in the House Finance Committee on Monday, February 7th.

Position: Support (CCI Priority Legislation)

Sponsors: Reps. Roberts & Catlin, Sens. Coram & Donovan

SB22-051, Policies To Reduce Emissions From Built Environment

SB 51 contains a series of preferential tax exemptions for specific products and equipment to help promote their purchase and address climate change.

Specifically, the bill states that air-source and ground source heat pump systems are household furnishings in a residence and will therefore be considered as part of the home's real property value. This is consistent with any type of home furnace or air conditioning unit and thus it is not expected to result in any sort of property tax reduction for local governments.

The bill also exempts air-source and ground source heat pump systems from the state's sales tax – regardless of whether or not they are used in a residential or commercial setting. SB 51 allows local governments to adoption this exemption if they so choose.

Finally, SB 51 exempts decarbonizing building materials such as asphalt, cement, glass, post-tension steel, reinforcing steel, structural steel and wood structural elements from the state's sales tax. The bill creates this optional exemption at the local level and specifies that it can – as determined by local governments – apply to sales tax as well as use tax.

SB 51 has been assigned to the Senate Transportation and Energy Committee but has not yet been calendared.

Position: No position Sponsor: Sen. Hansen



Transportation & Telecommunications

Chair: Commissioner Holly Williams, El Paso County Vice Chair: Commissioner Jim Candelaria, Montezuma County CCI Staff: Eric Bergman

HB22-1028, Statewide Regulation of Controlled Intersections

HB 1028 would allow cyclists statewide to treat stop signs as yield signs, red lights as stop signs and yield at traffic light intersections if they're making a right-turn. The legislation is sometimes known as "The Idaho Stop" as Idaho was the first state to pass legislation granting cyclists this operating flexibility. Commissioners have concerns about the safety of this permissive authority and feel it might be overreach of local government authority by the General Assembly.

The bill will be heard on Feb. 15 in the House Local Government and Transportation Committee.

Position: Oppose

Sponsors: Reps. Gray & Hooten, Sen. Winter

HB22-1046, Local Designation of Over-Snow Use Only on County Roads

In many rural counties, certain county roads are not maintained in the winter and over time have become popular recreational routes for cross country skiing, snowmobiling and fat bike riding. HB 1046 would establish explicit authority for counties to designate all or a portion of a county road for over-snow use during winter months.

The bill will be heard on Wednesday, Feb. 9, in the House Local Government and Transportation Committee. This legislation is a CCI Priority for 2022. CCI has prepared a fact sheet on the bill.

Position: Support (CCI Legislative Priority) Sponsors: Reps. McLachlan & Catlin, Sen. Winter

SB21-001, Crime Prevention Through Safer Streets

SB 1 would create a new \$10 million grant program for local governments in the Department of Public Safety (DPS). The grants would be for physical improvements to streetscapes (such as better lighting, territorial reinforcement, access control, improved trash collection and better space management approaches) to enhance public safety and reduce crime. It also creates an advisory committee to review grant requests and make recommendations to the executive director of DPS. Commissioners are concerned that all or most of the grant funds will end up being awarded to the Front Range and are seeking an amendment to guarantee a carveout for rural communities.

The bill has been assigned to the Senate Local Government Committee and is awaiting a hearing date.

Position: Amending

Sponsors: Sens. Buckner & Garcia, Reps. Ricks & Tipper

SB22-016, Modifying Transportation Commission Governance Structure

SB 16 would change the current makeup of the governor-appointed Transportation Commission by instead having one commissioner member elected by each congressional district and one commissioner elected at-large. This new Transportation Commission would be empowered to then appoint the executive director of CDOT. County commissioners are concerned that this new makeup would reduce the number of commission members from the Western Slope of Colorado from three to one.

The bill will be heard in the Senate Transportation and Energy Committee on Tuesday, Feb. 8.

Position: Oppose Sponsor: Sen. Scott

SB22-083, Broadband Provider's Use of CDOT Right-of-Way

SB 83 is an attempt to address continued frustrations with utilizing CDOT rights-of-way to expand broadband service around Colorado. The bill would prohibit CDOT from charging unreasonable fees to broadband providers seeking to utilize state rights-of-way.

The bill will be heard on Tuesday, Feb. 15 in the Senate State Affairs Committee.

Position: Support

Sponsors: Sen. Coram, Rep. Catlin