



## **2024 Legislative Issue Form**

*To propose a CCI legislative issue, please complete this form.*

*Feel free to use more than one page and include any supplemental materials.*

1.) **Contact Information** (of person bringing forth issue):

- a. **Name:** Tamara Pogue and George Marlin
- b. **Title:** Commissioners
- c. **County:** Summit and Clear Creek
- d. **Phone Number:** 970-485-5980 and 303-949-0980
- e. **E-Mail Address:** tamara.pogue@summitcounty.us and gmarlin@clearcreekcounty.us

2.) **Issue/Problem to be addressed** (What is the problem this legislation is seeking to solve?)

Counties revenue streams are unstable and subject to statewide decision making that cannot account for the different circumstances and goals of counties across the state. Our two major revenue options, property taxes and sales taxes, are both limiting in several ways.

Property taxes are subject to constant tinkering via statewide ballot initiatives and legislation. Assessment rates have been lowered almost every year, which provides important tax relief, but also creates a situation where counties lose important local control and may also struggle to deliver services residents rely on. The most immediate threat to property taxes are initiatives 50 and 108. If either passes counties could be faced with cuts to services or limited tax proposal options as well as uncertainty due to unclear and confusing ballot language.

Compounding this problem is the diversity among counties around the state. Counties across the state face very different challenges and expectations from our constituents.

An element of this dynamic that may exist in every county is the disconnect between who is creating impacts to the public and who is paying for those impacts or living with the consequences of inaction to address them. This may be the largest difference between the flexible tools that municipalities have and the blunt instruments that counties are left with. Counties lack permission to propose solutions that can work for their specific needs whether they base their economies on agriculture, tourism or industry.

3.) **Background on this Issue/Problem** (How did this come to be? Why are you seeking a legislative remedy?)

The last two legislative sessions showed how far down the line counties find themselves with the legislature when it comes to prioritizing recipients of property taxes. The backfill established in 2023 was inadequate while schools and fire districts were prioritized. In the signing ceremony, in which the governor and legislators extolled the crucial services that property taxes fund, counties were not even mentioned.

The legislature split county assessment rates from school assessment rates in 2024 which creates the opportunity for future assessment rate reductions that do not impact the state budget. Counties once again found themselves at the back of the line and the bottom of the ladder, in spite of the crucial services that we deliver to the people of Colorado on the state's behalf.

If either Initiative 50 or 108 pass, the state will face a fiscal crisis that would reduce our local revenues and likely result in cuts to the state share of county administered state programs as well as county share of formula funding such as HUTF.

The state also granted fire departments sales tax proposal authority in 2023 that was not in their original service plans approved by counties, further compromising our access to sales tax revenue.

4.) **Proposed Solution/Legislative Remedy to this issue.**

**Please submit this completed form to Brittney Becerra at [bbecerra@ccionline.org](mailto:bbecerra@ccionline.org)**

**By Friday, July 7.**



Counties need opportunities to diversify our revenues in ways that are appropriate to our individual economies. We lack tools that are flexible enough work for different counties with different economies across the state. Some of these tools exist at the municipal level and there are tools that no one has access to that may help us. A good tool is one that works in an agriculture economy as well as a tourism economy or an urban economy.

The options that municipalities have which the state has not granted to counties are listed below. A bill that puts counties into parity with municipalities could include all of them, but the goal is to identify strategies that will benefit all counties. The proponents of this proposal are committed to modifying it as we explore the best solutions that will work for all counties.

- Occupational tax
  - Occupational taxes are taxes on businesses. They can either be general, charging a head tax on every employee in the jurisdiction or they can be specific, identifying industries whose impacts are greater than general commercial activity and proposing special taxes on them. Examples are bars law enforcement demand and lodging driving tourism management related expenses.
- Sales tax in unincorporated counties
  - Municipalities can propose sales taxes within their jurisdiction only, which greatly simplifies their ability to establish a voter approved tax rate that is adequate for their communities needs. Currently counties can only impose sales taxes county-wide, meaning that we have to increase the rates within incorporated areas to increase rates in unincorporated areas. Rates in unincorporated areas are generally low in spite of growing service demand in those areas related to emergency services, wildfire mitigation, etc.
- Business licensing authority
  - Business licensing authority bring authority to impose fees where there is a nexus between a business's activity and service demand. County business registration authority does not allow for fee collection.

5.) **Have you explored a non-legislative solution to this problem?**

The options in front of us without legislation are largely limited to proposed sales and property taxes. Without legislation authorizing new county tax proposals, we will continue to be in the back of the line on both of these revenue streams. This leaves many counties in a perpetual position of not being able to adequately fund the services our constituents expect and deserve.

The non-legislative option is to continue to propose tax increases that are a bad match between the people creating impacts in our communities and our citizens who have to live with those impacts.

**Please submit this completed form to Brittney Becerra at [bbecerra@ccionline.org](mailto:bbecerra@ccionline.org)**  
**By Friday, July 7.**



6.) **Statutory Citation to be modified AND proposed/revised language (The Colorado Revised Statute is available for free at [this link](#), by selecting “Colorado Revised Statutes”).**

Legislative language will be crafted that is specific to concepts identified that are truly useful to counties around the state. Below is legislative language specific to two of the items referenced above.

**Occupational tax:**

Insert the following language from CRS 31-15-501(1)(C) into a new section 308 of CRS 30-11: County Authority to license, regulate and tax businesses. It has been modified from what we find in the municipal section to remove licensing and regulate authority. Counties only need to be able to register businesses to be able to enforce a tax that is approved by the voters. Not asking for regulatory authority will go some way towards making the bill narrower to address revenue needs.

(c) To tax, subject to any law of this state, any lawful occupation, business place, amusement, or place of amusements and to fix the amount, terms, and manner of issuing and revoking licenses issued therefor; except that, for purposes of the application of any occupational privilege tax, oil and gas wells and their associated production facilities have not been, are not, and shall not be considered an occupation or business place subject to such tax;

**Unincorporated sales tax:**

We would need to modify the following section of statute by striking language and adding the language in capital letters.

29-2-103:

(1) Each county in this state is authorized to levy a county sales tax, use tax, or both in accordance with the provisions of this article. No proposal for a county sales tax, use tax, or both shall become effective until approved by a majority of the registered electors of the county voting on such proposal pursuant to section 29-2-104 . Such a proposal for a sales tax, use tax, or both, upon approval by a majority of the registered electors voting thereon, MAY be effective throughout the incorporated and unincorporated portions of the county OR IN THE ENTIRE UNINCORPORATED PORTION OF THE COUNTY ONLY. ~~except when less than countywide application is authorized pursuant to subsection (2) of this section.~~

~~(2) A county may levy a sales tax, use tax, or both, in whole or in part, in less than the entire county when the following conditions are met:~~

~~(a) Deleted by Laws 2008, Ch. 264, § 4, eff. Aug. 5, 2008.~~

~~(b) The area to be excluded from the tax levy is comprised solely of a portion of a municipality whose boundaries are located in more than one county; and~~

~~(c) All other counties in which a portion of the municipality described in paragraph (b) of this subsection (2) is located have agreed to provide fair compensation to the county for any services extended to such municipality as a result of revenues derived from the county tax levy from which the municipality is excluded.~~

(3) The approval provisions of subsection (1) of this section, the restrictions on contents of sales or use tax proposals set forth in section 29-2-105 , and the collection procedures of section 29-2-106 shall apply to county sales or use taxes or both levied pursuant to subsection (2) of this section.

**Please submit this completed form to Brittney Becerra at [bbecerra@ccionline.org](mailto:bbecerra@ccionline.org)  
By Friday, July 7.**



7.) **Relationship of this issue to County Commissioner's roles and/or authorities.**

A key part of our role is to secure funding to address the needs expressed by our constituents. Commissioners around the state hear two conflicting messages: Why are you not doing something about (insert the issue here) and why are my property tax payments going up. The answer is that they are going up and the majority of those increases are going to other entities. The solution is for us to be able to propose taxes that are unique to counties and not tied into the revenue streams of other entities.

8.) **Has this proposal been approved by the Board of County Commissioners?**

Yes

9.) **List any potential Proponents/Opponents & their perspective; indicate any groups/individuals with whom you have already discussed this issue.**

Chambers of commerce and other businesses interests will be mixed on proposals related to occupational tax or a removal of the prohibition on fee authority attached to our licensing authority. We could see a broad pro-business coalition take umbrage with some of these options, and a stakeholder conversation about appropriate guardrails is needed.

Allowing Counties to propose taxes on the entire unincorporated area only is likely to receive support from CML and opposition from DNR, which has been focused on reducing the number of sales tax districts in the state.

Many are starting to see the need for more robust county services as their workforce dwindles, wildfire risk threatens their properties while increasing their insurance rates, and locally provided infrastructure continues to degrade.

Counties would need to be the chief proponents, but advocates for services that rely on robust county revenues may become interested as well. There are also many in the legislature that recognize the value that counties can bring to their communities if we have the revenues to support the effort.

10.) **Have you visited with your legislator(s) about this proposal? What was their reaction? Are members of your delegation likely to sponsor, support, or oppose this proposal?**

The proponents have visited with a number of legislators on this topic including Representatives Amabile, Weismann and Boesenecker as well as Senators Hansen, Fenberg, Simpson, Mullica and Roberts.

The most promising of these conversations is with Senator Roberts, who is very interested to see which of these options can earn bi-partisan county support. While he has not made a firm commitment to carry this concept, he has a unique understanding of the value counties provide to the people of Colorado and the potential to enhance that value in a way that reflects the diversity around the state. I am confident that a unified proposal along these lines from CCI will earn his sponsorship.

To that end, the counties making this proposal are committed to listening to our partners around the state and modifying it in response to feedback. We will conduct at least one dedicated listening session that all counties will be invited to in addition to hearing feedback delivered at district meetings. The goal is to craft a proposal that earns the bi-partisan enthusiasm necessary to accomplish anything at the capital.

11.) **Anticipated Fiscal Impact (to counties, state, other stakeholders, etc.).**

This bill will have no fiscal impact on counties that choose not to use it and a positive impact on those who do when their proposals pass.

**Please submit this completed form to Brittney Becerra at [bbecerra@ccionline.org](mailto:bbecerra@ccionline.org)**

**By Friday, July 7.**



12.) **Please list the local subject matter experts CCI staff can follow-up with for more information on this proposal.**

Peter Lichtman – County Attorney

Maria Ostrom – County Finance Director

13.) **If your county is submitting multiple issue forms, please rank each issue.**

This is the only issue.

**Please submit this completed form to Brittney Becerra at [bbecerra@ccionline.org](mailto:bbecerra@ccionline.org)**  
**By Friday, July 7.**