



## Legislative Report | March 14, 2022

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## **Agriculture, Wildlife & Rural Affairs**

Chair: Commissioner Tony Hass, Las Animas County

Vice Chair: Commissioner Terry Hofmeister, Phillips County

CCI Staff: Daphne Gervais

### **SB22-131, Protect Health of Pollinators and People**

SB 131 was being brought forward by the People and Pollinators Action Network (PPAN) and would have:

1. Repealed state preemption to authorize local government regulation of pesticide use (excluding use on agricultural and marijuana products)
2. Prohibited the use of certain pesticides on the grounds of a school, preschool, childcare center, or children's resident camp
3. Required the Commissioner of Agriculture to adopt rules designating pesticides that contain neonicotinoid or sulfoximine ingredients as restricted-use
4. Directed the Department of Natural Resources to conduct a study on pollinator decline and health in the state
5. Established a pilot program to provide financial grants to agricultural producers that test the use of noncoated seed-applied systemic insecticide on their crops.

SB 131 was postponed indefinitely by the Senate Agriculture & Natural Resources Committee on a 6-1 vote.

Position: Oppose

Sponsors: Sens. Jaquez Lewis & Priola, Reps. Kipp & Froelich

Final Status: Postpone Indefinitely



## **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 in the House State Affairs Committee.

Position: Support

Sponsors: Rep. Holtorf and 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 will be heard in the Senate Local Government Committee on Tuesday, March 15.

Position: Support

Sponsors: Reps. Hooton and Van Winkle, Sens. Holbert and Jaquez Lewis

### **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 in the House State Affairs Committee.

Position: Support

Sponsors: Rep. Holtorf and 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 has passed the legislature and is now on the Governor's desk for signature. This legislation is a CCI Priority for 2022. [CCI has prepared a fact sheet on the bill, available here.](#)

Position: Support (CCI Legislative Priority)

Sponsors: Rep. D. Valdez, Sen. Simpson

Final Status: Awaiting Governor's Signature

### **HB22-1135, Marijuana Transporter License Transfers**

HB 1135 would allow for transporter licenses to be transferred when a marijuana business is sold. The bill has passed the legislature and is on the Governor's desk awaiting signature.

Position: No Position

Sponsors: Reps. Snyder and Van Winkle, Sens. Holbert and Rodriguez

Final Status: Awaiting Governor's Signature

### **HB22-1142, Extended Service Hours Permit**

HB 1142 would create an extended service hours permit that would allow businesses to either serve alcohol until 4 a.m. or begin serving at 5 a.m. (current state law prohibits sales between 2 a.m. and 7 a.m.). Businesses seeking this new permit must get approval from both local and state licensing authorities. While commissioners appreciate the local control aspect of the bill, there are overriding concerns about public safety. CCI has learned that there are plans to amend the bill to remove the ability to stay open until 2 a.m. (basically limiting the extended hours permit to just opening at 5 a.m.). The bill will be heard in the House Business Affairs Committee on Thursday, March 17.

Position: Oppose

Sponsor: Rep. Snyder

### **HB22-1152, Prohibit Adverse Action for Employee Marijuana Use**

As introduced, HB 1152 would prohibit employers (including counties) from taking adverse action against an employee who uses medical marijuana during work hours or uses medical or retail marijuana off the premises during nonwork hours. The bill allows the employer to designate certain positions or groups of employees for whom marijuana use of any kind is still restricted.

CCI has historically opposed this type of legislation, based on the fact the state constitution guarantees an employer's right to have a drug-free workplace policy. There are also employer liability concerns because it is very difficult – if not impossible – to test for impairment with marijuana since THC stays in the bloodstream for days or even weeks.

The bill sponsors have indicated that a strike-below amendment will be offered in committee to instead form a task force to study the issue. CCI has not seen the language of the amendment and the parameters of the study are not known. The bill will be heard in the House Business Affairs Committee on Thursday, March 17.

Position: Oppose

Sponsors: Reps. Hooton & Titone

### **SB22-065, Adjustment to County Coroner Salaries**

As introduced, SB 65 would have automatically raised the salaries of the county coroners in Category 2 counties up to the same level as the commissioner, clerk, assessor and treasurer, 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. The bill was amended at CCI's request to allow commissioners in Category 2 counties to opt-out of the salary increase. The bill passed the House on second reading late last week and is expected to head to the Governor's desk soon.

Position: Support

Sponsors: Sens. Hisey & Story, Reps. Gray & Will

### **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 passed the House on second reading late last week and is expected to be on the Governor's desk for signature soon. This legislation is a CCI Priority for 2022. [CCI has prepared a fact sheet on the bill, available here.](#)

Position: Support (CCI Legislative Priority)

Sponsors: Sen. Simpson, Reps. Catlin & Bird

### **SB22-104, Tribal Grant Eligibility**

SB 104 would make Native American tribes eligible for new local government grant and benefits programs and commission a study of existing local government grant programs to see if tribes should be eligible. The bill passed on second reading in the Senate last week and appears headed for the House this week. A House sponsor has not yet been identified.

Position: No Position

Sponsor: Sen. Donovan

### **SB22-109, Prohibit Labor Actions Against Public Employee**

SB 109 would have established that strikes or work stoppages by public employees are not allowed and in the event of one a public employer could file for an injunction and those participating in the strike or work stoppage may be found in contempt of court. The bill was postponed indefinitely in the Senate State Affairs Committee.

Position: Pending

Sponsors: Sen. Gardner, Rep. Pico

Final Status: Postponed Indefinitely

### **SB22-120, Regulation of Kratom Processors**

SB 120 would establish regulatory oversight for the processing and sale of kratom – an herbal extract from Southeast Asia that is used as a stimulant, pain reliever and for treating opioid addiction. The drug, which has no medically-approved uses, has come under increased scrutiny by the U.S. Food and Drug Administration. SB 120 would require kratom processors to register with the Department of Revenue, establish minimum requirements for kratom products and prohibit sales of kratom to anyone under 18 years of age.

A series of amendments have been proposed by CALPHO (the association of local public health officials), CML and CCI, including raising the age to 21 for kratom purchases, authorizing local governments to enact additional restrictions and prohibiting food establishments from adding kratom to products like coffee. Late last week the Polis Administration indicated that it would prefer a task force to study the issue instead. While CCI agrees that more research is needed, commissioners feel that a regulatory structure is still necessary in the immediate future to protect public safety. The bill is scheduled to be heard for action only in Finance Committee on March 16.

Position: Amend

Sponsors: Sens. Coram and Ginal, Rep. Sullivan

### **SB22-149, Improve Marijuana Industry Regulation**

SB 149 would require additional state regulatory oversight of medical and recreational businesses. The oversight includes mandatory compliance checks of sales establishments, additional reporting of licensing violations and the creation of a free searchable online database that shows compliance check records and minor in possession records. The bill requires local licensing authorities to report licensing violations to the Marijuana Enforcement Division if they are not already doing so. The bill is scheduled to be heard in the Senate Health and Human Services Committee on March 23.

Position: Monitor

Sponsors: Sens. Hansen and Priola, Reps. Amabile and Lynch

## Update on Collective Bargaining

CCI has been awaiting the introduction of a bill by House Majority Leader Daneya Esgar and Senate President Steve Fenberg that would mandate that counties, municipalities, special districts, K-12 education, higher education and the state Public Defenders Office must engage in collective bargaining if their employees vote to unionize.

CCI met with Governor Polis' staff and learned that the governor favors a streamlined bill that applies **only** to county governments and higher education, arguing that both counties and higher ed are subdivisions of state government. The Governor's Office also indicated that Polis favors the existing collective bargaining approach (known as Colorado WINS) that has been in use for state employees since 2020. The WINS approach features a no-strike provision, mandates a single bargaining unit and has non-binding arbitration.

Labor groups are still seeking legislation that applies to all local governments (including K-12) and are in talks with the Governor's Office. It remains to be seen how expansive the bill will be and when it will be introduced – but either way it appears that county governments will be included in the scope of the legislation.

The CCI General Government Steering Committee directed staff to send a letter to the Governor ([a copy of which can be seen here](#)) opposing any collective bargaining legislation that applies only to county governments. CCI staff is meeting with labor proponents this week and hopes to have a new bill draft to share with members soon.

CCI staff has done a considerable amount of research on the collective bargaining issue, including preparing a side-by-side comparison of how the draft legislation differs from the Colorado WINS model and existing collective bargaining agreements in Adams and Pueblo counties. [Please visit the CCI website here to view.](#)



115 Years

## Health & Human Services

Chair: Commissioner Janet Rowland, Mesa County

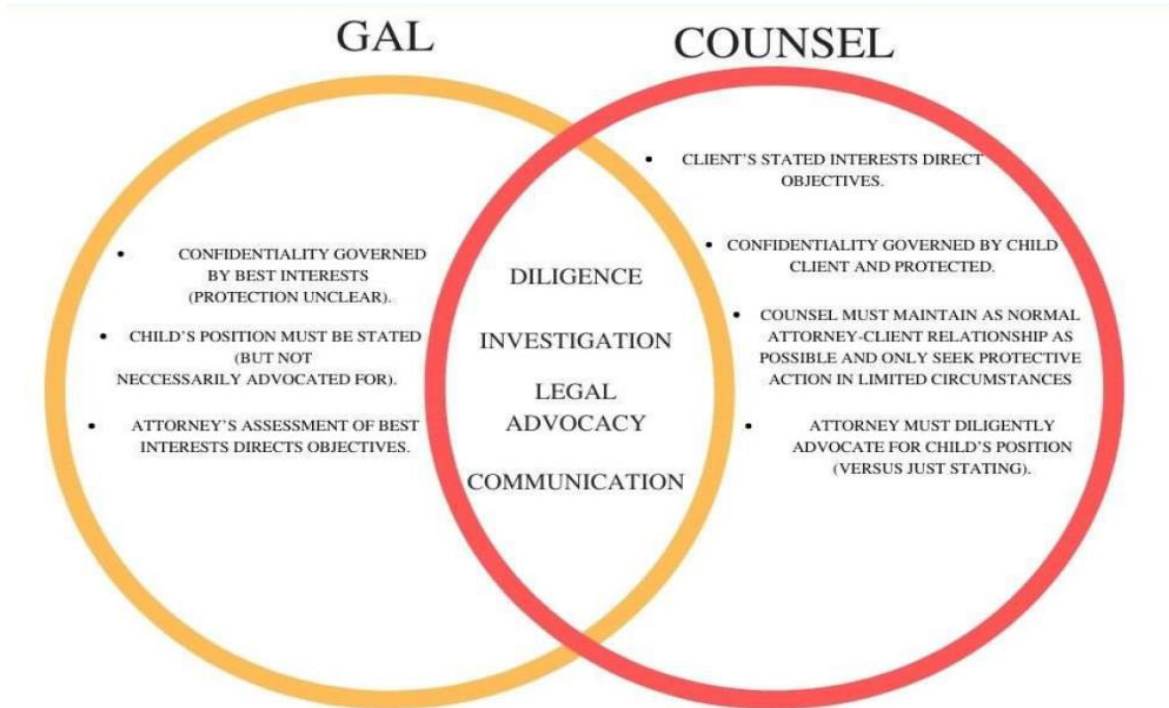
Vice Chair: Commissioner Wendy Buxton-Andrade, Prowers County

CCI Staff: Gini Pingnot / 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.

#### Role Differences and Similarities



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.

Amendments were adopted that remove the county completely, you can view the amendment [here](#).

Position: Monitor

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

Staff: Kiley 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.

This bill passed unanimously out of House Public & Behavioral Health & Human Services Committee. During committee amendment L.001 was adopted which was an amendment requested by counties that focuses on building out the continuum for placement options for youth who screen out of detention

Position: Monitor

Sponsor: Rep. Michaelson-Jenet

Staff: Kiley 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: Kiley 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. Currently there are two FJC's in the state, Porchlight in Jefferson and Rose Center in Denver.

Position: Monitor  
Sponsor: Rep. Tipper  
Final Status: Postponed Indefinitely  
Staff: Kyley Burress

### **HB22-1214, Behavioral Health Crisis Response System**

HB 1214 requires all crisis response facilities to provide BOTH substance use treatment and mental health treatment. Currently, mental health centers run crisis services in Colorado. Many provide mental health services but not substance use treatment. This can be a challenge for Coloradoans with suicidal tendencies and a meth addiction, for example. These individuals are typically turned away and redirected to the nearest hospital. HB 1214 also requires crisis facilities to provide services to youth of any age and to those with disabilities.

Current contract requirements for walk-in centers and mobile crisis programs require these facilities to provide both substance use treatment and mental health treatment services. HB 1214 set clear regulatory standards for these facilities to help ensure enforcement.

HB 1214 will be heard on third reading in the house on Monday, March 14th.

Position: Support  
Sponsors: Reps. Young & Pelton, Sen. Kolker  
Staff: Gini Pingenot

### **HB22-1224, Public Benefits Theft**

This bill speaks to the timeliness of processing public benefit theft and calculating the amount owed when theft has been determined to have occurred. The bill requires that prosecutors prove that an application misrepresented information on their application. Investigations into fraud are to be completed in 180 days after a referral has been made. This bill is coming forward after the Colorado Supreme Court decided that a mother was criminally liable for the costs of health care provided to her children. The mother ended up being tens of thousands of dollars.

Position: Support  
Sponsors: Rep. Tipper & Soper, Sen. Gonzales  
Staff: Kyley Burress

## **HB22-1231, Foster Parent Bill of Rights**

This bill creates a set of standards and rights for a parent who is involved in the foster care system. This bill creates some of the following rights:

1. A foster parent can receive training and support from the state department of human services or county department of human services. This training is to provide foster parents with the skills needed in providing daily care.
2. The foster parent is to be informed on how to reach the county departments during afterhours.
3. A foster parent is to be notified when a foster child they previously cared for reenters the foster care system.

This bill passed House Public & Behavioral Health & Human Services Committee on Friday, March 4<sup>th</sup>

Position: Support

Sponsors: Rep. Van Beber, Sen. Coram

Staff: Kiley Burress

## **HB22-1240, Mandatory Reporters**

HB1240 is being brought forward by the Child Protection Ombudsman (CPO) to first update mandatory reporting requirements and procedures and second to create a task force related to mandatory reporting. Mandatory Reporters are those individuals who are required to report any reasonable cause or suspect of child abuse or neglect. County peace officers, probation officers, and departments of health and human service employees are mandatory reporters; county caseworkers also intake and investigate these reports.

The bill updates mandatory reporting requirements including: adding unlawful sexual behavior as a reason to report; requiring reports to be made within twenty-four hours; clarifying the individual who observes the subjected child shall report (as opposed to employers filing reports on their behalf); allowing reporters to ask clarifying questions; protecting reporters confidentiality; and requiring employers to provide reporter employees with an explanation of their requirements and information on free training.

The introduced bill made one exception that allowed domestic and sexual abuse victims advocates to make their reports in 72 hours; however, CCI understands the bill sponsors intend to bring forward an amendment to remove this provision.

The bill also creates a Mandatory Reporter Task Force to broadly assigned with recommending standardized training materials and or requirements for reporters and providing information on reporters' obligations and protections, where there is confusion in current law.

Of effect to counties, the task force is required to analyze and recommend:

- Standardized training for reports that meet the threshold for county assessment and investigation
- Benefits of an electronic reporting platform
- Methodology to confirm receipt of reports, and circumstances where outcomes can be shared with reporters.

Any recommendations from the task force will require further legislation to be adopted. The task force will include two county human service department representatives, one rural and one urban and a county attorney representative.

During the February Steering Committee meetings, there were some questions about the Mandatory Reporter system. CCI's read of statute is that Elected Officials are not Mandatory Reporters; however any individual may report suspected child abuse or neglect via the state hotline 1-844-CO-4-KIDS (1-844-264-5437). Although, public health officials are mandatory reporters, so elected officials serving on their local board of health, would be considered a mandatory reporter. Incidents of failing to report are a class-two misdemeanor, a possible penalty of 3 months to 364 days imprisonment and/or a \$250 to \$1,000 fine.

This bill was heard in the House Judiciary Committee on Wednesday, March 2, but was laid over while sponsors consider amendments. It will be heard for action only on Tuesday, March 22.

Position: Support

Sponsors: Rep. Froelich & Young, Sen. Fields & Simpson

Staff: Katie First

### **HB22-1258, Essential Services for Youth Special Districts**

This bill creates an essential service for youth special districts in each judicial district. Essential services are defined in the bill as services provided by essential services providers that counsel, encourage, advise, and generally provide direct support to at-risk youth through advocacy or intervention. Essential services does NOT include services provided by a for-profit organization, school-based education programs, day care centers, recreation centers, data collection agencies, solely physical medical services, and services provided by programs that are entirely funded by the government.

The goal of the bill is to create a special district to provide an opportunity for these entities to go to the voters to request a sustainable funding source through taxes. This bill is being brought forward by the Adam's and Broomfield CASA.

Position: Oppose

Sponsor: Rep. Bird

Staff: Kyley Burress

### **HB22-1259, Modifications to Colorado Works Program**

This bill is looking to increase basic cash assistance (BCA) by pulling money from county TANF reserves. The BCA increase is to increase every year for five years until we've reached 50% of the federal poverty level. That means the current allocation of \$508 for a family of three will increase it to \$906 by that fifth year. The bill also requires the Joint Budget Committee to review the balance of the long-term work reserves and the county TANF reserves, if the JBC determines that the balance of the reserves is not sufficient, the JBC is **encouraged** to appropriate money from state general fund. The bill also changes who can participate in the program, which now includes participants with drug related felonies

Aside from the BCA costs there will be cost associated with the bill that are just as expensive if not more than the BCA increase itself. For example, the bill requires a 60-month extension, 6-month income disregard, exit and follow up interviews, and as well as each participant is to be assigned a caseworker. Arapahoe and other counties ran costs associated with this bill, and Arapahoe's projected costs for the bill as it's currently written is close to \$15 million this. To put this in perspective, Arapahoe's reserve is currently at \$7 M, so in the first year alone, Arapahoe would be overspent. The issue is the sustainability of

the program. If this bill passes, TANF will be changed to a basic cash assistance program only, which would eliminate essential county services such as work support programs.

This bill will be heard in House Public & Behavioral Health & Human Services Committee on Tuesday, March 15<sup>th</sup>.

Position: Oppose

Sponsors: Rep. Duran & Jodeh, Sen. Moreno

Staff: Kiley Burress

### **HB22-1278, Behavioral Health Administration**

HB 1278 is the long awaited for Behavioral Health Administration bill. Roughly 30% of this 223 page bill is new, substantive law. The remaining 70% of the bill are conforming amendments.

[CCI has prepared this document to help track the key deliverables outlined in the bill.](#) Please note this document does not capture all the items of interest to counties, only those with implementation dates associated with them.

CCI will be monitoring some key aspects of the bill including:

- 1.) The BHA's connection to the Colorado Department of Health Care Policy and Financing. And, specifically the ability of the BHA to hold HCPF and the Regional Accountable Entities accountable to universal contract provisions, monitor compliance that the RAEs are using the behavioral health facilities and services that are licensed by the BHA, and ensure HCPF is accountable to the BHA for aligning its networks with the BH continuum of care, safety-net BH services and care coordination provider standards.
- 2.) Coverage and inclusion of 'special populations' such as rural communities and children & youth.
- 3.) Expedited grievance process to help identify systemic issues.

HB 1278 will be heard on Friday, March 25<sup>th</sup> in the Public & Behavioral Health and Human Services Committee.

Position: Amend

Sponsors: Reps. Young & Pelton, Sens Lee & Simpson

Staff: Gini Pingnot

### **HB22-1281, Behavioral Health-care Continuum Gap Grant**

The idea behind HB 1281 is the result of the work of the Behavioral Health Task Force. The bill creates two new grant programs each with \$45m in available funding: 1.) the Community Behavioral Health-Care Continuum Gap grant program and 2.) the Children, Youth and Family Services Grants

Both grants will be administered by the New Behavioral Health Administration (see HB22-1278). Community based organizations, local governments and non-profits are all eligible to apply for the community behavioral health-care continuum gap grants. This grant fund can cover prevention, treatment,

crisis services, recovery, harm reduction, care navigation and coordination, transitional housing, and much more. The Children, Youth and Family Services Grants are intended to cover children, youth and family oriented behavioral health care services, care coordination services, etc. The BHA shall begin accepting grant applications no later than December 31, 2022. Funding that is received by an applicant shall be spent or obligated by December 31, 2024.

Preference will be given to applicants that align their grant request with the findings of a new assessment tool provided by the BHA. CCI is pursuing an amendment that will allow the BHA to accept any existing state and local behavioral health assessment data and gap analyses that shows the proposed use of funds will address a high priority local need. CCI is also seeking an amendment that requires non-county applicants to demonstrate in their proposal collaboration with counties as well as provide a letter of support from the county or counties in which the community based organization intends to implement services.

Position: Amend

Sponsors: Rep. Gonzales-Gutierrez, Sens. Winter & Rankin

Staff: Gini Pingnot

### **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.

SB 102 passed House Public & Behavioral Health & Human Services Committee on Friday, March 4<sup>th</sup>

Position: Support

Sponsors: Sen. Kirkmeyer, Rep. Young

Staff: Kiley Burress

### **SB22-106, Conflict of Interest in Public Behavioral Health**

As amended, 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 January 1, 2023. 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 (exceptions include the Chief Clinical Officer, Utilization Management Director and/or Medical Director);

4.) Requirement that no more than 50% of a RAE, MSO, ASO's board members can consist of providers.

SB 106 has passed the senate and moves now to the house for consideration.

Position: Support

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

Staff: Gini Pingnot



## **Justice & Public Safety**

Chair: Commissioner Tamara Pogue, Summit County  
Vice Chair: Commissioner Longinos Gonzalez, El Paso County  
CCI Staff: Kiley 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.

During committee an amendment was added to the bill to include medical health professionals and attorneys and advocates with the Office of Child Representative.

This bill has passed both chambers, it will be signed by the Governor in the coming weeks.

Position: Support (CCI Legislative Priority)  
Sponsors: Rep. Boesenecker & Larson, Sen. Ginal  
Final Status: Sent to Governor to be signed into law

### **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.



Bill was amended in committee to change the bill to a report. The commission under DPS is required to write a report on the state of jails in Colorado. This report is to be submitted to the legislature and then it's up to the legislature to run a bill.

Position: Support

Sponsors: Reps. Amabile & Benavidez

### **HB22-1256 Modifications to Civil Involuntary Commitment**

This bill makes changes to the 27-65 statute which is the statute related to the care and treatment of persons with a mental health disorder. CCI has been engaged in conversations regarding this legislation. Most recently we met with Mental Health Colorado, the bill proponents, county attorneys, and district attorneys to discuss a workload issue related to civil commitments. Currently in statute, that DAs in a county with a population of 50,000 shall handle civil commitments. In an earlier iteration of the bill, DAs no longer had to handle civil commitment cases. After our conversation, this piece was taken out and has been left as is.

Another issue that is still of concern, is if a county jail doesn't have the capacity to provide care to an individual with a mental health disorder. They are required to transport them to the nearest mental health provider. This has been flagged as a concern for our folks outside of the front range area, because the nearest mental health provider for most counties is in Denver. In some cases, this could be a 6–7-hour transport for our eastern plain and western slope counties.

Another concern in the bill is the care that is to be provided inside a jail to an individual with a mental health disorder. Currently in the bill, if a jail screens in someone who has a mental health disorder, this person is to receive care within 8 hours of their arrival. The concern is that county jails, specifically in our rural areas, aren't structured or built out enough to provide care. This could also have a fiscal impact on counties if they don't have a medical professional on site.

Position: Amend

Sponsors: Rep. Amabile & McCluskie, Sen. Moreno & Gardner

### **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.

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 (CSFS) available to local governments, tribal agencies or nonprofit organizations for outreach & education projects to landowners in high wildfire hazard areas. Grant applications that CSFS evaluates as having a larger potential impact would be prioritized.

Beginning in 2030, 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* available beginning in 2023 to landowners with a federal taxable income at or below \$120,000 to reimburse 25% of mitigation costs, up to \$625 in any taxable year. Wildfire mitigation measures include creating defensible space, establishing fuel breaks, thinning woody vegetation, prescribed burns, chipping, etc.

HB 1007 passed the House Energy & Environment Committee unanimously, and the House Finance Committee on a 9-1 vote. It now awaits a hearing by the House Appropriations Committee.

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 government revenue sources (tax, mill levy, or voter approved permanent retention of excess revenue) or long-term programs and projects that are dedicated to wildfire mitigation (funding projects creating fuel breaks, forest thinning, fire fuel removal, landowner outreach and education, etc.). A local government can apply for and receive a grant before having a dedicated revenue stream if local voters approve a ballot issue creating the revenue source in the same year the grant is awarded.

HB 1011 passed the House Energy & Environment Committee on a 9-3 vote, and now heads to the House Appropriations Committee but is not yet calendared.

Position: Support

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 amends and expands the Forest Restoration and Wildfire Risk Mitigation (FRWRM) Grant Program administered by the Colorado State Forest Service (CSFS) to allow grants to be used to help counties with forested areas prevent and recover from wildfire incidents. Projects could include removal of wildfire or insect infestation debris and other potential fuels, or seeding and aerial mulching to reduce post-fire erosion.

HB 1012 passed the House Energy & Environment Committee on an 11-1 vote, and now heads to the House Appropriations Committee but is not yet calendared.

Position: Support

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) when there is an opportunity to build a powerline trail. Notices would include informational resources on powerline trails (design options, safety requirements, and examples of existing powerline trails in the state). The construction of any powerline trail is up to the local government– the bill does not require any county to build, allow or consider a powerline trail.

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.

As amended, the bill makes clear that transmission operators are not required to allow a trail or other facility in their rights-of-way, and that landowners with property adjacent to or inclusive of a transmission line right-of-way are not required to allow access to any portion of their property, including the transmission right-of-way, for the construction of a trail.

HB 1104 passed the House on a 37-24 vote, and will be heard by the Senate Transportation & Energy Committee on Tuesday, March 15<sup>th</sup>.

Position: Monitor

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 be on standby before a person can conduct a controlled burn.

The bill specifies that no person is exempt from complying with any other applicable local, state, or federal laws pertaining to open burning.

HB 1132 passed the House Energy & Environment Committee unanimously and was amended to direct \$760,000 in state General Fund for the purchase of a mobile driver simulator unit to be used to train first responders to drive in emergencies. Provisions related to penalties and prohibitions during weather conditions were struck from the bill.

CCI appreciates the additional training resources dedicated in the amended bill, but is seeking an amendment to ensure that notice requirement provisions in the bill do not conflict with local procedures.

Position: Amending

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. Where local programs do not exist, the CWCB will contract with third parties to administer a statewide program.

HB 1151 passed the House Agriculture, Livestock and Water Committee unanimously, and was amended to encourage the state turf replacement program to require program participants to maintain or create defensible space to reduce wildfire risk. The bill was also amended to include a \$4 million state general fund appropriation.

HB 1151 now heads to the House Appropriations Committee but has not yet been calendared.

Position: Support

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

### **HB22-1242, Regulate Tiny Home Manufacture Sale and Install**

HB 1242 is being initiated by Larimer County and seeks to create a legal pathway for permanent occupancy of tiny homes by establishing a state regulatory regime in a manner that upholds structural, fire, electrical, and gas safety. The bill creates a class for tiny homes to be regulated in a similar way as factory-built structures and manufactured homes. It defines tiny homes for permanent residential use, and adds tiny homes to the scope of authority of the Division of Housing and State Housing Board.

The bill adds two tiny home industry representative, and one energy conservation specialist, to the advisory committee that assists the State Housing Board in promulgating standards for tiny home manufacture and connection to utilities. The bill specifies that the Board can adopt a national or international standard once one is created and can modify that standard as needed. The Board is directed to regulate the foundation for manufactured homes and factory-built structures where no construction standards exist.

The bill allows local governments to require inspection of a tiny home installed prior to a state standard, and allows local governments or the state electrical or plumbing inspector (where there is no such local inspection) to approve the connection to electrical and plumbing. The bill makes clear that local governments have the authority to approve connections of tiny homes that comply with the bill's provisions.

The bill declares the sale or installation of a tiny home out of compliance with the bill a deceptive trade practices, subject to damages in a lawsuit, a class 1 misdemeanor, and civil penalties up to \$50,000 per violation.

Finally, the bill also folds tiny homes into the mobile home park regulatory regime related to notice requirements, lease termination limits and requirements, security deposit regulations, entry fee prohibitions, antitrust prohibitions, selling fee prohibitions, kickback prohibitions, retaliation prohibitions, regulation of how and if park rules are established, a right of first refusal when the owner wants to sell the mobile home park, a peaceful enjoyment right, and remedy provisions. Tiny homes are added to the current sales and use tax exemption that applies to manufactured homes.

HB 1242 passed the House Transportation & Local Government Committee on an 8-5 vote, and will be heard by the House Finance Committee on Monday, March 14<sup>th</sup>.

Position: Support

Sponsors: Reps. Kipp & Exum, Sens. Ginal & Hisey

### **HB22-1218, Resource Efficiency Buildings Electric Vehicles**

HB 1218 requires contractors, master electricians, and architects that plan, design or construct high-occupancy buildings to include electric vehicle (EV) charging for at least 10% of parking spaces in a building project, and to run conduit and include space in electrical facilities to be able to increase EV charging to 50% of parking spaces in the future. These requirements apply to new commercial and multifamily buildings at least 25,000 square feet, or at least 40,000 square feet if the building is part of a multi-building complex that offers at least 25 residential or commercial units.

The bill allows contractors, master electricians, and architects to include the cost of implementation into the price to plan, draft or construct the building project, and a building project owner is allowed to transfer the cost to individual users of the EV chargers.

HB 1218 was assigned to the House Business Affairs & Labor Committee and to the House Energy & Environment Committee. The Business Committee referred the bill directly to the Energy & Environment Committee without a hearing on February 16<sup>th</sup>, and the bill now awaits a hearing date.

Position: Monitor

Sponsor: Rep. Valdez, A.

### **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 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 and 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 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

The bill passed the Senate Local Government Committee on Tuesday, February 22<sup>nd</sup>, and was amended to add a new portion to the bill that creates a trust to fund behavioral and mental health services to firefighters (similar to existing trusts for cancer and heart diseases). CCI engaged in stakeholder discussions on the structure of this trust, and expects that an additional amendment will pursue a more direct funding route whereby the Division of Fire Prevention and Control is the administrator of the trust and pays out directly as opposed to mandated local contributions.

SB 2 now awaits a hearing in the Senate Appropriations Committee.

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 House and Senate unanimously, and now awaits the Governor's signature.

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 of 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.

SB 110 will be heard by the Senate State, Veterans & Military Affairs Committee on Tuesday, March 15<sup>th</sup>.

Position: Support

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.

At a minimum, the bill requires that fire suppression ponds:

- Be in existence as of 1972
- Only have decreed storage rights if those rights are limited to use within the pond (like livestock or wildlife watering) or other non-consumptive uses
- Not be included in a decreed plan for augmentation, an appropriate right of exchange, or a state-approved substitute water supply plan
- Not exceed 6 surface acres

Additional criteria for ponds will be developed through rule by the Division of Fire Prevention and Control to consider fire-fighting related factors, such 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.

As amended, the bill allows water rights holders to petition the State Engineer's designation of a pond to the Water Court with sufficient evidence of injury.

SB 114 passed the Senate Agriculture & Natural Resources Committee on a 6-1 vote, and now awaits a hearing in the Senate Appropriations Committee.

[CCI has prepared a fact sheet on this bill available here.](#)

Position: Support (CCI Priority Bill)

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

### **SB22-138, Reduce Greenhouse Gas Emissions In Colorado**

SB 138 is an expansive greenhouse gas (GHG) emissions reduction measure.

1. The bill updates the statewide GHG emission reduction goals to add a 40% reduction for 2028, and a 75% reduction goal for 2040 compared to 2005 GHG pollution levels.
2. It phases out the use of gas-powered engines of 50 horsepower or less (like lawn mowers and leaf blowers) by prohibiting their sale in nonattainment areas of the state after 2030. The bill provides financial incentives to promote the replacement of small, off-road, gas-powered equipment with electric-powered equipment, and establishes a state income tax credit equal to 30% of the purchase price for new, electric-powered, small off-road equipment for purchases made in 2023 through 2029.
3. The bill gives the Colorado Oil & Gas Conservation Commission (COGCC) authority over class VI injection wells used for sequestration of GHG, including through the issuance and enforcement of permits.
4. It requires the Commissioner of Agriculture, in consultation with the Colorado Energy Office and Air Quality Control Commission, to conduct a study on carbon reduction and sequestration opportunities in Colorado's agricultural sector, including the potential development of certified carbon offset programs or credit instruments. The Commissioner is required to submit a study report with any legislative recommendations by December 2022.
5. To support the use of agrivoltaics (solar panels collocated on agricultural land), the bill authorizes the Colorado Agriculture Value-Added Development Board to provide grants or loans for agricultural research on agrivoltaics. For awarded research projects, the Director of the Division of Parks and Wildlife is required to provide consultation on agrivoltaic impacts to wildlife. The bill also updates the statutory definition of agrivoltaics to include additional agricultural land uses where solar panels can be collocated, including land used for animal husbandry, cover cropping for soil health, and carbon sequestration.
6. The bill amends the definition of solar energy facility to include agrivoltaics in determining the valuation of public utilities for property tax purposes.



7. Finally, the bill defines a climate-risk assessment as a determination of the economic and business risks that climate change poses to an investment. It requires insurance companies to prepare and file an annual report with the insurance commissioner providing a climate-risk assessment for the insurance company's investment portfolio from the previous 12 months, and requires the Board of Trustees of the Public Employees' Retirement Association (PERA Board) to prepare a similar annual report to be posted on their website.

CCI convened a bipartisan workgroup to think through proposed amendments to the bill. The group unanimously agreed that the phasing out of certain gas-powered equipment should be incentivized with the credits and rebates offered in the bill, but not prohibited. A prohibition on the sale of certain equipment only in nonattainment areas has implementation and efficacy challenges identified by CCI's workgroup, the Colorado Municipal League, the Colorado Farm Bureau and other stakeholders. CCI discussed solutions with the bill's sponsor, and an amendment is expected to strike Section 4 from the bill and limit the incentive program to a tax credit for lawn equipment under ten horsepower.

SB 138 will be heard by the Senate Transportation & Energy Committee on Tuesday, March 15<sup>th</sup>.

Position: Amending

Sponsors: Sen. Hansen, Rep. Valdez, A.



## **Taxation & Finance**

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

### **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 only if 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 another month or so while the state's budget for next year is developed.

Position: Support

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 has passed both the House Transportation and Local Government Committee and the Finance Committee and now waits for a hearing in the House Appropriations Committee.

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 and will be heard on Monday, March 7th.

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 **two** 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 **cannot** 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 amount or the use 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.](#)

In partnership with tourism advocates, CCI agreed to amendments on HB 1117 that specifically lists housing and childcare needs as allowable investments of lodging tax dollars. The amendment also states that new or revisited lodging excise taxes must have at least 10% of the revenue directed to marketing and advertising efforts.

HB 1117 will be heard on second reading in the Senate on Monday, March 14<sup>th</sup>.

Position: Support

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

## **HB22-1223, Mobile Home Property Tax Sale Notice and Exemption**

As amended in committee, HB 1223 creates a property tax exemption for mobile homes and manufactured homes that have an actual value of \$28,000 or less. The bill also eliminates the requirement for a county treasurer to publish a notice in a newspaper of a sale of a mobile home or manufactured home due to property taxes owed if the county treasurer publishes the notice on the treasurer's website and a distraint warrant has been delivered to the mobile/manufactured home owner.

CCI is opposed to HB 1223, in large part, because it is unconstitutional. The constitution only exempts public property (Article X, section 4) and property used for religious worship, schools and charitable purposes (Article X, section 5) from property tax. All other properties are taxable. Commissioners also raised other concerns. Many mobile home park owners own the mobile homes themselves and concerns were raised as to whether or not this policy change could inadvertently create a disincentive for park owners to maintain their properties.

HB 1223 was heard in the Transportation and Local Government Committee on Tuesday, March 1. You can hear the exchange on this bill by going [here](#) and then ‘under agenda’ click on the HB22-1223 link. Of specific interest are the comments from Legislative Legal Services’ Attorney Ed DeCecco (which starts at the 11:45 time mark).

HB 1223 passed the House Local Government and Transportation Committee on a 12-1 vote and now heads to the House Appropriations Committee.

Position: Oppose

Sponsors: Reps. Kipp & Rich, Sens. Coram & Ginal

### **[HB22-1277](#), Authorize Credit Unions to Hold Public Money**

HB 1277 amends public entity statutes to allow any financial institution that is federally insured – including credit unions – to deposit public dollars. The bill specifically amends the Public Deposit Protection Act (PDPA) to include credit unions.

The PDPA (CRS 11-47-101) provides protections for public funds that are either not insured by or are in excess of the insured limits of the Federal Deposit Insurance Corporation (FDIC) and, upon passage of HB 1277, the National Credit Union Administration (NCUA). Both the FDIC and NCUA provides coverage for deposits of up to \$250,000. Colorado’s PDPA requires financial institutions to pledge eligible collateral – at all times – that is equal to at least 100% of the aggregate of all deposits not insured by FDIC or the NCUA.

HB 1277 pits credit unions against banks. [You can find factsheets for both advocates here](#). HB 1277 has been assigned to the House Business Affairs and Labor Committee but has not yet been calendared.

Position: Monitor

Sponsors: Reps. Mullica & Neville, Sen. Gonzales

### **[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.

The bill has been heavily amended in the both the Senate Transportation and Energy Committee and the Senate Finance Committee. Specifically, the property tax implications of the bill have been removed. The bill was further amended to include a 10 year income tax credit that amounts to 10% of the cost of a heat-pump system or heat pump water heater for both residential and commercial property owners.

The income tax credit must be claimed in the year the system is purchased. Additional amendments state that if the credit exceeds the income taxes due, there is no carrying over the credit into future years. The bill also includes details covering situations whereby the purchaser of the system then sells their home to another person and how the credit is assigned to the seller and the purchaser is compensated.

SB 51 also exempts heat pump systems and heat pump water heaters from the state’s sales tax for both residential and commercial property owners. This includes ‘energy storage systems’ which would cover the

purchase of batteries and batteries paired with on-site generation. **SB 51 allows local governments to adoption these exemptions 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.

SB 51 now waits for a hearing in the Senate Appropriations Committee.

Position: No position

Sponsor: Sen. Hansen



## **Tourism, Resorts & Economic Development**

Chair: Commissioner Richard Cimino, Grand County

Vice Chair: Commissioner Jeanne McQueeney, Eagle County

CCI Staff: Daphne Gervais

### **HB22-1282, The Innovative Housing Incentive Program**

HB 1282 is a priority bill from the ARPA Affordable Housing Transformational Task Force (AHTTF) that allocates \$40 million to create a program that provides direct funding through working capital grants, incentives for per-unit development, and loans for factory development that would be available to innovative housing businesses in Colorado. These businesses include those with 500 or fewer employees that manufacture modular, pre-fabricated, kit, 3D-printed, and other innovative and affordable forms of housing.

Working capital grants would be available to cover up to 20% of operating capital expenditures including payroll, inventory, materials, etc. These grants would be \$50,000 minimum, and \$75,000 minimum for businesses located in coal transition communities.

Per-unit incentives would be performance-based and available to units manufactured and installed in Colorado, excluding units installed in mobile home parks owned by for-profit entities. This would include a base incentive determined by the level of the unit's affordability to the end user, and would include additional "plus-up" incentives for units:

- Installed in COVID-19 impacted areas of the state, as identified by the State Office of Economic Development and International Trade (OEDIT)
- Meeting resiliency criteria, such as fireproofing
- In compliance with international energy conservation code requirements
- That are energy efficient in addition to the ICC energy code

Loans would be available to fund privately-owned housing factories owned by innovative housing businesses. Factories must produce a certain percentage of affordable units to be installed in the state to qualify for loans. Priority is based upon:

- Applicant's willingness to dedicate a portion of its production for purchase by nonprofit or public housing agencies at a reduced margin
- Applicant's operational capability and financial viability
- Applicant's commitment to production of affordable housing units within proposed factory
- Economic impact of the proposed factory in the community where it will be located
- Level of subsidy required by the applicant in the interest rate structure, degree to which loan is forgivable, position in the capital stack, etc.
- Applicant's commitment to production of energy efficient units

CCI is seeking amendment to HB 1282 to gain clarity on criteria for additional per-unit incentives. The bill will be heard by the Housing Business Affairs & Labor Committee on Thursday, March 24<sup>th</sup>.

\*Note: HB 1282 presents 1 of 7 funding recommendations from the AHTTF. See the other recommendations in the table below. CCI has received drafts of the (1) revolving loan fund bill, and (2) nonprofit and local government grants bill. If interested, please contact Daphne Gervais ([dgervais@ccionline.org](mailto:dgervais@ccionline.org)) for copies.

<i>Funding Recommendation Summary</i>	<i>Funding Range</i>	
	<i>Low End</i>	<i>High End</i>
<b>Revolving Loan Fund: New and Existing Capacity</b>	<b>\$150M (37.5%)</b>	<b>\$222M (55.5%)</b>
<b>Nonprofit and Local Government Grants</b>	<b>\$150M (37.5%)</b>	<b>\$222M (55.5%)</b>
<b>Resident Owned Communities, Mobile Home Parks, and Land-Banking</b>	<b>\$35M (8.75%)</b>	<b>\$51M (12.75%)</b>
<b>Property Conversion for Transitional or Long-Term Housing</b>	<b>N/A*</b>	<b>N/A*</b>
<b>Permanent Supportive Housing and Supportive Services Fund</b>	<b>N/A*</b>	<b>N/A*</b>
<b>Innovative Housing Incentive Program</b>	<b>\$40M (10%)</b>	<b>\$48M (12%)</b>
<b>CHFA Middle Income Access Program</b>	<b>\$25M (6.25%)</b>	<b>\$25M (6.25%)</b>
<b><i>Totals</i></b>	<b><i>\$400M (100%)</i></b>	<b><i>\$568M (142%)</i></b>

Position: Amending

Sponsors: Reps. Mullica & Lynch, Sens. Bridges & Woodward





## **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 are 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 is also opposed by the Colorado Municipal League and both CDOT and State Patrol have voiced concerns. The bill is scheduled to be heard in the Senate Transportation and Energy Committee on March 15.

Position: Oppose

Sponsors: Reps. Gray & Hooton, Sens. Winter & Priola

### **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 was amended in the Senate Transportation and Energy Committee last week to clarify that the ability of counties to enter into winter maintenance agreements with landowners was not affected by the bill. As amended, the bill passed unanimously and is expected to clear the Senate this week. Once that happens, the bill will need to go back to the House for concurrence with Senate amendments. This legislation is a CCI Priority for 2022. [CCI has prepared a fact sheet on the bill, available here.](#)

Position: Support (CCI Legislative Priority)

Sponsors: Reps. McLachlan & Catlin, Sen. Winter

### **SB22-001, 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.

While generally supportive of the bill's intent, commissioners were concerned that all or most of the grant funds would end up being awarded to the Front Range. The bill was amended at CCI's request in the Senate Local Government Committee to include a rural elected official on the advisory panel that will review the grant applications and make funding recommendations. The bill was passed as amended and is now awaiting a hearing in Senate Appropriations.

Position: Support

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

### **SB22-016, Modifying Transportation Commission Governance Structure**

SB 16 would have changed 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 have been empowered to then appoint the executive director of CDOT. County commissioners were concerned that this new makeup would reduce the number of commission members from the Western Slope of Colorado from three to one. The bill was postponed indefinitely in the Senate Transportation and Energy Committee.

Position: Oppose

Sponsors: Sen. Scott

Final Status: Postponed Indefinitely

### **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. As introduced the bill would have prohibited CDOT from charging unreasonable fees to broadband providers seeking to utilize state rights-of-way. The bill was amended in the Senate to basically codify provisions in a recent executive order issued by Governor Polis to create a uniform fee structure for non-governmental applicants seeking to utilize CDOT rights-of-way. The bill is scheduled to be heard March 16 in the House Transportation and Local Government Committee.

Position: Support

Sponsors: Sen. Coram, Rep. Catlin

### **SB22-123, Temporarily Exempting FASTER Fees**

SB 123 would exempt citizens from having to pay the various late fees, fines and surcharges for late titling of vehicles and trailers between 2021 and 2023. The bill directs the Department of Revenue to reimburse citizens who paid these fines between 2021 and 2022. Finally, the bill requires the state to backfill the Highway Users Tax Fund (HUTF) for lost revenue from these FASTER fines and surcharges – essentially holding local governments and CDOT harmless. The bill was postponed indefinitely in the Senate State Affairs Committee.

Position: No Position

Sponsors: Sens. Lundeen and Woodward

Final Status: Postponed Indefinitely