



## Legislative Report | April 18, 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 Repealed state preemption to authorize local government regulation of pesticide use (excluding use on agricultural and marijuana products)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: Postponed 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, 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 is awaiting the Governor's signature.

Position: Support

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

Final Status: Signed by Governor

### **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, 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 was signed by the Governor last week. 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: Signed by Governor

### **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 & Van Winkle, Sens. Holbert & Rodriguez

Final Status: Signed by Governor

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

HB 1142 would have created 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 would have had to get approval from both local and state licensing authorities. The bill was postponed indefinitely at the sponsor's request last week in the House Business Affairs Committee.

Position: Oppose

Sponsor: Rep. Snyder

Final Status: Postponed Indefinitely

### **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 opposed the bill 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 was amended in committee to instead create a task force to study the issue. However, CCI remained opposed to the bill because the amendment language directed the task force to develop a recommendation for how to accommodate medical marijuana users in the workplace in the absence of a reliable test for impairment. The amended bill was postponed indefinitely in committee.

Position: Oppose

Sponsor: Rep. Hooton

Final Status: Postponed Indefinitely

### **HB22-1300, County License Authority for Massage Establishments**

HB 1300 would authorize counties to adopt a licensing program for massage establishments. The bill is the result of a stakeholder process in El Paso County that was convened because of continued problems with sex and human trafficking in illicit massage establishments. The bill places a number of sideboards on the operation of a county licensing program and caps the licensing fee at \$150. The bill will be heard in the Senate Local Government Committee on April 19 at 2 p.m.

Position: Support

Sponsors: Reps. Carver & Daugherty, Sens. Fields & Gardner

### **HB22-1356, Small Community-Based Nonprofit Grant Program**

HB 1356 would direct \$35 million in ARPA funds to a new grant program in the Department of Local Affairs to provide assistance to non-profits across the state that have been impacted by the pandemic. The bill requires that the grant moneys be delegated to up to five regional access partners who will then in turn award grants up to \$100,000 to local non-profits. While CCI supports the sponsors' intentions, commissioners are concerned that the prescriptive language in the bill may unintentionally make larger community foundations (umbrella organizations that are comprised of multiple nonprofits) ineligible for grant funding. Commissioners would also like to see more than five regional access partners designated to ensure statewide investment of the grant dollars. The bill was passed by the House Transportation and Local Government Committee last week on a 10-3 vote and is now awaiting a hearing in Appropriations. The sponsors have agreed to an amendment that will increase the number of possible regional access partners to ten (from the current five).

Position: Amend

Sponsors: Reps. Herod & Hooton, Sens. Rankin & Gonzales

### **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 has been signed by the Governor.

Position: Support  
Sponsors: Sens. Hisey & Story, Reps. Gray & Will  
Final Status: Signed by Governor

### **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 and is now on the Governor's desk awaiting his 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: Sen. Simpson, Reps. Catlin & Bird  
Final Status: Signed by Governor

### **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 is awaiting a hearing in House Appropriations.

Position: No Position  
Sponsors: Sens. Donovan & Simpson, Rep. McLachlan

### **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 recently come under increased scrutiny by federal regulators. As introduced, 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.

The bill was amended in the Senate Finance Committee at the request of CALPHO (the association of local public health officials), CML and CCI to raise the age for kratom purchases to 21 years of age and preserve the right of local governments to enact additional local restrictions on the manufacture, sale, possession and use of kratom. The bill was also amended to push state regulation of the product out to July of 2023 to allow time for more study by the Department of Revenue and the Department of Public Health and Environment. The bill will be heard in House Health and Insurance Committee on April 27.

Position: Amend

Sponsors: Sens. Coram and Ginal; Rep. Sullivan

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

SB 149 would have required additional state regulatory oversight of medical and recreational businesses. The oversight included mandatory compliance checks of sales establishments, additional reporting of licensing violations and the creation of a free searchable online database that showed compliance check records and minor in possession records. The bill required local licensing authorities to report licensing violations to the Marijuana Enforcement Division if they were not already doing so. The bill was postponed indefinitely in the Senate Health and Human Services Committee last week on a 6-1 vote.

Position: Monitor

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

Final Status: Postponed Indefinitely

### **SB22-153, Internal Election Security Measures**

SB 153 is comprehensive legislation that makes several changes to election security measures in the wake of recent election security incidents and allegations. The bill clarifies and expands the authority of the Secretary of State (SOS) in overseeing elections, establishes additional security requirements for voting equipment and requires that county and SOS staff receive election training. The bill also creates a new \$500,000 grant program to help fund mandatory local government election security measures in the bill.

The Colorado County Clerks Association is supporting the bill following a number of amendments that were made in the Senate at the county clerks' request. The amount of funding in the grant program is insufficient to fully reimburse counties for the various security requirements and CCI and the Clerks Association will advocate for additional program funding as the bill moves forward. The bill will be heard in the House State Affairs Committee on April 18 at 1:30 p.m.

Position: Amend

Sponsors: Sens. Fenberg & Priola, Rep. Lontine

### **SB22-178, Licensees Ability to Change Marijuana Designation**

SB 178 would allow medical marijuana grow operations to sell their cannabis to a retail dispensary, if the change in designation is approved by the Marijuana Enforcement Division. While the bill does require a medical grow operation that changes its designation to then pay any necessary state and local marijuana excise taxes, commissioners were concerned that without notification to the local licensing authority the county may still miss out on owed excised tax. Commissioners are also concerned that this blurring of

lines between medical and retail marijuana may undermine the credibility of medical marijuana and go against the wishes of local voters. The bill was amended in the Senate Finance Committee last week to require that the grow operation notify the local licensing authority of a change in designation and to remit any applicable local excise taxes. As amended, the bill passed on a unanimous vote.

Position: Oppose

Sponsors: Sen. Gonzales, Reps. A. Valdez & Van Winkle





115 Years

**Health & Human Services**

Chair: Commissioner Janet Rowland, Mesa County

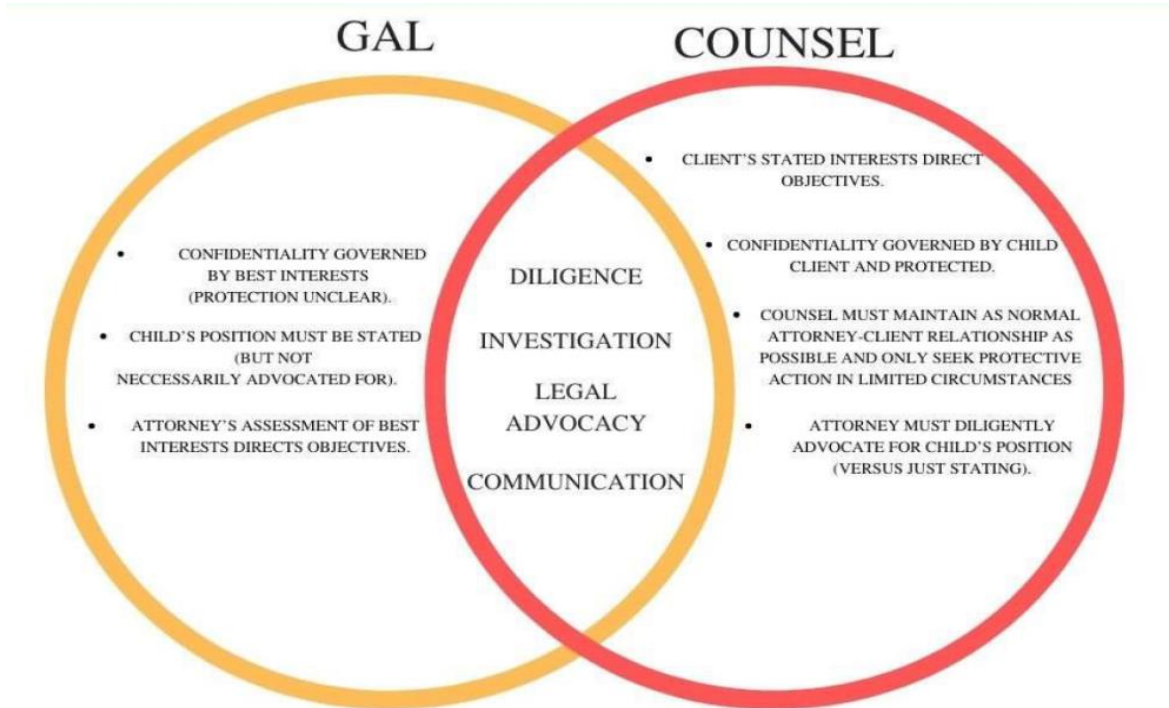
Vice Chair: Commissioner Wendy Buxton-Andrade, Prowers County

CCI Staff: Gini Pingentot / Kiley 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

Final Status: Awaiting Governor's Signature

Staff: Kiley 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

This bill is waiting to be heard in appropriations committee.

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

Final Status: Awaiting Governor's Signature

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.

This bill is waiting to be heard in appropriations committee.

Position: Oppose

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

Staff: Kiley 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 justice 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: Kiley 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 Senate on Monday, April 4<sup>th</sup>.

Position: Support

Sponsors: Reps. Young & Pelton, Sen. Kolker

Final Status: Sent to the Governor

Staff: Gini Pingnot

### **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 owing tens of thousands of dollars.

Position: Monitor

Sponsors: Rep. Tipper & Soper, Sen. Gonzales

Staff: Kiley 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.

Position: Support

Sponsors: Rep. Van Beber, Sen. Hisey & Fields

Staff: Kiley Burress

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

HB1240 is being brought forward by the Child Protection Ombudsman (CPO) to review the mandatory reporting system. 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.

A strike below amendment was brought forward by the bill sponsors in committee to amend the bill to remove all proposed changes to current law (such as defining 'immediately' as 24-hours) and only creates the Mandatory Reporter Task Force. The task force is broadly assigned with recommending specialized and standardized training materials 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.

The strike below amendment adds to the task force additional topics to be studied, including:

- Definition of “immediately”
- Reporting time frames for reporters who are creating a safety plan for victims of domestic violence, sexual assault or stalking
- The personal information of a child that is collected for a report

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, a county attorney representative, and a law enforcement representative.

Next, the bill will be reviewed by the House Appropriations Committee, but has yet to be scheduled.

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**

HB 1259 creates a series of changes to the Colorado Works Program (aka TANF – Temporary Assistance to Needy Families). This is Colorado’s welfare program that is currently providing assistance to about 14,000 Coloradoans who earn roughly \$13,000 a year (for an individual who qualifies for the program).

HB 1259 has been amended heavily in response to county concerns around fiscal sustainability and the potential of losing the supportive services (eviction assistance, job training, transportation supports, paid internships, car repairs, supports for non-profits that work with TANF clients, etc.) that counties provide to help move individuals and families on TANF move out of situational and generational poverty.

As amended, the most substantial policy change in HB 1259 is the increase in basic cash assistance (BCA) that all TANF clients will receive beginning on July 1, 2022. Specifically, all TANF clients will see a 20%

increase in their BCA. This increase will be paid for in the first year with America Rescue Plan Act (ARPA) Funding. Beginning on July 1, 2023, the 20% bump + an average (over 3 years) inflationary adjustment will be paid for as follows:

- 1.) 1/3 covered by the State General Fund;
- 2.) 1/3 covered by the Unclaimed Property Trust Fund; and
- 3.) 1/3 covered by a mix of County & State TANF Reserves

Recognizing the fact that the County & State TANF Reserves are one-time dollars, HB 1259 creates a 'backstop' on both reserves to ensure that the total balance does not drop below the floor. For the state reserve, the floor is 25% of the state block grant (which is about \$37.5 million). For the county reserve, the floor is 15% of the county block grant (which is about \$22.5 million). Should these floors be reached, the fiscal obligation to maintain the BCA increases shifts entirely to the State General Fund and the Unclaimed Property Trust Fund.

In addition to the increase in BCA, HB 1259 creates additional policy changes that will have the effect of increasing the number of individuals who are eligible for TANF and the amount of time they may receive benefits. Those include:

- 1.) Allowing those with drug-related felony offense to be eligible (this results in a relatively few new individuals into the program)
- 2.) Requiring the State Board of Human Services to develop rules outlining a 'gradual' step down in the BCA amount for those transitioning off the program (this is a bit of an unknown and depends on how a gradual step down is defined)

The cost of these provisions is captured in the shared fiscal obligation outlined earlier around the BCA increases. These are not stand alone, separate cost drivers.

Another helpful amendment states that counties are only required to spend available TANF money, including county TANF reserves and the maintenance of effort, for the Colorado Works Program.

CCI has requested a few additional amendments related to the Works Allocation Committee and the need to develop a reserve mitigation fund to anticipate a situation whereby an individual county's TANF reserve could drop below 15%. CCI also expects an amendment that will require the state to track and report what – if any – changes have occurred around a county's ability to offer supportive services to TANF clients. These amendments are expected on second reading in the house.

HB 1259 is waiting to be heard in the house appropriations committee.

Position: Oppose (on the introduced version)  
Sponsors: Reps. Duran & Jodeh, Sen. Moreno  
Staff: Kyley Burress & Gini Pingent

### **[HB22-1278, Behavioral Health Administration](#)**

HB 1278 is the long awaited for Behavioral Health Administration (BHA) bill.

[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 (HCPF) and, specifically the ability of the BHA to hold HCPF and the Regional Accountable Entities (RAEs) 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 cleared the Public & Behavioral Health and Human Services Committee on Friday, March 25<sup>th</sup> on a 10-1 vote. CCI would like to thank Summit County Commissioner Tamara Pogue, Prowers County Commissioner Wendy Buxton Andrade and Weld County Human Services Director Jamie Ulrich for testifying. HB 1278 is a critical step in the right direction and commissioners and human services directors have played a key role in this transformative bill.

HB 1278 has passed the house and is waiting to be assigned to a senate committee for a hearing.

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 (BHA) (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 secured an amendment that allows 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 also secured an amendment that requires applicants to demonstrate in their proposal collaboration/communication with local governments/relevant stakeholders in which services will be offered

HB 1281 will be heard in the House Appropriations Committee on Tuesday, April 19<sup>th</sup>.

Position: Support

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

Staff: Gini Pingnot

## **HB22-1295, Department of Early Childhood**

HB 1295 creates a brand-new state department in Colorado. The new Department of Early Childhood will be responsible for the new universal preschool program. HB 1295 moves a number of existing programs to the new department – including the Colorado Child Care Assistance Program (CCAP) and various child maltreatment programs that counties work with closely to help prevent child abuse and neglect.

CCI secured a number of amendments that will help the DEC to succeed. Those include reporting on the number of children & families who receive child care assistance (aka CCAP) and how that may – or may not change – as universal pre-k is launched. Additionally, CCI secured an amendment around the performance contract that will be entered into between the state and the county around the administration of CCAP. That amendment creates a more level playing field between counties and the DEC by outlining the responsibilities and duties of both and allowing for a dispute resolution process in the event that there is a disagreement. CCI also secured an amendment to statutorily create the CCAP allocation committee. While this type of committee has informally existed for years, many advocated for the formal creation of it under the new umbrella of the DEC. Finally, amendments were also adopted to improve the rules advisory council. Those included:

- 1.) the inclusions of two (of 15) representative from county departments of human services;
- 2.) the ability for an in-home child care provider to serve on the advisory council;
- 3.) the explicit creation of a county subcommittee of the rules advisory council that will promote alignment and coordination of family strengthening and CCAP between the DEC and CDHS;
- 4.) a requirement that the recommendation of the rules advisory council be “detailed and measurable” and consider the impacts of all children, providers, schools and counties;
- 5.) requiring the executive director of the DEC – prior to promulgating a rule - to solicit feedback from and consider the recommendations of the council (as opposed to informing the council after the fact);

CCI advocated for a governor appointed rule making body in lieu of a unilateral decision making Executive Director. Those efforts fell short. Instead, the rule-making function of the Executive Director of the DEC will be reviewed by the general assembly by September 2024 and the discussion around the governance structure will be revisited at that time.

Position: Amend

Sponsor: Reps. Sirota & Garnett, Sens. Buckner & Fenberg

Staff: Gini Pingnot

## **HB22-1360, Retaining Percentage of Federal Child Support Payments**

This bill is being brought forward by Rep Titone who sits on the Joint Technology Committee (JTC). The JTC has had extensive conversations about how to update the current IT systems that County DHS uses, specifically the system counties use to collect child support dollars this system is often referred to as ACES. The goal of this bill is to collect federal incentive dollars that are not currently being captured and utilizing these dollars to update ACES. The reason we haven't collected these dollars before is the state made changes to the program which allows the state to drawn down more incentive dollars. DHS indicates that they can collect up to \$800,000 of federal incentive dollars annually. There is a 3 -year review piece in the bill, but the purpose of the review is to determine whether the money should continue to go to update ACES or if these dollars can be shifted to update other county systems.



This bill will be heard in Public and Behavioral Health & Human Services Committee on Tuesday, April 19<sup>th</sup>.

Position: Oppose  
Sponsors: Reps. Titone & Baisley, Sen Kolker  
Staff: Kyley Burress

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

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

Position: Support  
Sponsors: Sen. Kirkmeyer, Rep. Young  
Final Status: Awaiting Governor's Signature  
Staff: Kyley 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 been assigned, but not calendared, to be heard in the House Appropriations Committee.

Position: Support  
Sponsor: Sens. Kolker & Sonnenberg, Reps. Michaelson Jenet & Rich  
Staff: Gini Pingenot



## **Justice & Public Safety**

Chair: Commissioner Tamara Pogue, Summit County  
Vice Chair: Commissioner Longinos Gonzalez, El Paso County  
CCI Staff: 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: Reps. Boesenecker & Larson, Sen. Ginal  
Final Status: Signed by Governor

### **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.

This bill passed committee and will be heard on the House floor in the coming days.

Position: Amend

Sponsors: Reps. Amabile & McCluskie, Sens. Moreno & Gardner

### **HB22-1272, Repeal of Attorney Fees on Motions to Dismiss**

Current law allows public entities to recover attorney's fees when they are successful in obtaining a court-ordered dismissal of certain types of tort claims brought forward. This bill removes these existing provisions by which a defendant in court may be awarded attorneys fees in tort actions.

This bill will be in Senate Judiciary committee on Thursday, April 21<sup>st</sup>.

Position: Oppose

Sponsors: Reps. Gonzalez-Gutierrez & Benavidez, Sens. Gonzalez & Rodriguez

## **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 must 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. Public entities are required to consider unique rural characteristics (related to grazing, wildlife impacts, and potential liability concerns of landowners with land adjacent or inclusive of a transmission corridor), prior to the construction of any powerline trail.

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 the Senate on a 21-12 vote. The bill now awaits the Governor's signature.

Position: Monitor

Sponsors: Rep. Boesenecker, Sen. Priola

Final Status: Governor Signed

### **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, given that the fire department is not always the appropriate local entity to receive controlled burn notices. County commissioners met with the bill sponsor, and an amendment is expected to clarify that the required notice must go to the applicable local entity, whether a fire district, county sheriff's office, or other incident commander.

The bill now awaits a hearing in the House Appropriations Committee.

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

### **[HB22-1218](#), 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 passed the Energy & Environment Committee on a 8-3 vote, with an amendment to specify the definitions of multi-family and large commercial buildings that would be subject to the bill's requirements, to clarify that buildings can comply with fewer charging units if they install level 3 chargers. This amendment also clarifies that the required percent of EVs required for a building is based on the number of units in a multifamily residence, not the percentage of parking spaces total.

HB 1218 now heads to the House floor but is not yet calendared.

Position: Monitor

Sponsors: Rep. Valdez, A.

### **[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 the House Finance Committee on a 7-3 vote. The bill now awaits a hearing in the House Appropriations Committee.

Position: Support

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

### **HB22-1355, Producer Responsibility Program for Recycling**

HB 1355 creates a centralized system for recycling in the state funded through annual dues paid by producers of packaging and managed by an independent nonprofit organization (called a producer responsibility organization or PRO) in consultation with a stakeholder-driven advisory board.

The program would require brand owners (producers) to pay for and manage a statewide recycling system for cardboard, plastic, metal, paper, and other common recyclables included in a “readily-recyclable materials” list. This recycling program only applies to materials used for packaging, paper products and single-use food serviceware, and would only be available to residences, businesses, educational institutions, state and local governments buildings, and public places (defined as covered entities).

Producers would be required to pay dues to the PRO if they make more than \$5 million in annual gross total revenue, and contributions would be calculated based on the amount (weight) and type of packaging the producer sells in Colorado (producers are exempt if they sell/distribute less than a ton of covered materials in any given year). The PRO would use a portion of funds to reimburse service providers, including private companies and local governments, for their full costs of operating recycling collection and processing programs (a local government is not required to provide recycling services, but if they elect to do so, this would cover 100% of costs of administering a recycling program, including for consumer education).

The Colorado Department of Public Health & Environment (CDPHE) would oversee the PRO, in consultation with an advisory board that consists of:

- Local governments (one municipality, one county, and one local government outside of the Front Range)
- Recycling companies, including public and private haulers
- Environmental or community-based nonprofit organizations
- Packaging material suppliers (not a producer)
- Manufacturers of recycled paper products (not a producer)
- Trade associations, chambers of commerce, or other state business advocacy organizations
- Retailer associations (not a producer)
- Composting facility operators
- Environmental justice advocates representing underserved communities
- Statewide recycling program experts
- Non-voting members representing CDPHE and the PRO

In overseeing the PRO, CDPHE would be responsible for:

- Selecting a nonprofit organization to implement and manage the statewide program
- Reviewing and approving a plan that establishes the statewide recycling program.

The program is projected to launch in late 2025 – early 2026, but before then, the bill sets up the following timeline:

- 2023:
  - o PRO is established and must conduct an assessment covering existing recycling services provided in the state as well as statewide recycling needs that are not being met
  - o Advisory Board convenes
- 2024:
  - o PRO plan is developed and results of the assessment provided to CDPHE and advisory board
- 2025:
  - o PRO solicits input from advisory board and stakeholders, and submits plan proposal to be approved by CDPHE.

HB 1355 passed the House Energy & Environment Committee on a 7-5 vote, and was amended to exempt all Colorado agricultural producers and local newspapers from the program, to require the PRO board to have representation from producers of various sizes and types, to allow exemptions of additional covered materials pending analysis from the PRO and advisory board, to clarify that producers may submit individual program plans in lieu of joining the PRO, to require a flat rate due structure for small producers, and to give the PRO more discretion on calculation of dues. The bill now heads to the House Appropriations Committee but is not yet calendared.

Position: Amending

Sponsors: Rep. Cutter, Sens. Priola & Gonzales

### **HB22-1362, Building Greenhouse Gas Emissions**

HB 1362 updates minimum energy code requirements that must be adopted by local governments with building codes. The bill requires the Colorado Energy Office (CEO) to identify a model electric and solar ready code by July 2023 that local governments would need to adopt by January 2025. Counties would need to adopt the 2021 international energy conservation code (IECC) code in addition to the model electric and solar ready code, or a code that achieves equivalent or better energy performance.

The model electric and solar ready code would apply to new residential or commercial buildings and would need to include

- Solar ready requirements
- EV ready or EV capable requirements
- Requirements that mixed fuel use buildings provide dedicated electrical wiring and adequate panel capacity to accommodate future installation of electric heat pump space heating and cooling, electric cooking, and other electric appliances

The bill also requires CEO to identify a model low energy and carbon code by January 2025 for adoption by local governments by January 2030. This would either be the 2021 or 2024 IECC code, and CEO

would be authorized to modify that code or include additional appendices that the Office deems appropriate, so long as those modifications only relax the stringency of the code.

The model low energy and carbon code would include all-electric or mixed fuel compliance pathways, and the bill requires this code to take into account home affordability, as well as other criteria.

The bill requires CEO to identify a third, model green code by July 2024 and to promote the voluntary adoption of this code.

The bill restricts a county's ability to prohibit or otherwise restrict acceptable refrigerants identified by the EPA.

CEO would be required to provide energy code training to local governments, builders and contractors in adopting and implementing the 2021 IECC code, the electric and solar ready code, and the low energy and carbon code. CEO must provide financial assistance to support local government adoption and enforcement of these codes, but makes this support contingent on funding being made available.

The bill creates two grant programs to support training, technical assistance, adoption, and enforcement. The first program is the Building Electrification for Public Buildings Grant Program available to institutions of higher education, local governments, school districts, state agencies, and special districts for the installation of high efficiency electric heating equipment. CEO is required to award at least a quarter of those grant funds to eligible entities from low-income, disproportionately impacted, or just transition communities. Any entity that receives a grant would be required to submit an annual report to CEO for the first five years after receiving the grant. The bill also creates the High Efficiency Electric Heating and Appliances Grant Program available to institutions of higher education, local governments, utilities, nonprofit organizations, and housing developers for the installation of high efficiency electric heating equipment in multiple structures within a neighborhood. The bill directs \$22 million total to the new fund created in the bill, with \$10 million dedicated to the creation, implementation, and administration of the grant programs. Each grant program would have \$1 million available for competitive grant awards.

The bill applies the same code requirements to all construction by the Division of Housing, the Office of State Architect, and on state-owned properties or facilities, including those leased by the state. As such, code requirements apply to factory-built structures, manufactured homes, hotels, motels, multi-family structures, etc. The bill allows the state to make any amendments to the code so long as those amendments do not decrease the effectiveness or energy efficiency of the code.

HB 1362 passed the House Energy & Environment Committee on a 8-4 vote, and was amended to ensure CEO provides technical support to low-income organizations that are applying for grant funding available to the bill. The amendment dedicates an additional 5% of total grant funds (from 25% to 30%) to low-income, disproportionately impacted, and just transition communities, and also specifies that a homeowner does not need to comply with all of the bill's requirements (on pre-wiring for electric heat pumps, for example) if replacing a furnace or single piece of equipment. Finally, the amendment aligned definitions of "EV-capable," "EV supply equipment," and other related definitions to those found in HB22-1218.

CCI is continuing to work with bill sponsors to make consideration of affordability in the bill more robust, and to secure additional technical and financial resources to support local government adoption and enforcement of the mandated codes (currently limited to a \$2 competitive grant program).

HB 1362 now awaits a hearing in the House Appropriations Committee.

Position: Amending

Sponsors: Rep. Bernett & Valdez, A., Sen. Hansen & Winter

### **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). This trust will require employers, including county protection districts, to participate and contribute to the trust, and the state is required to reimburse all contributions to the trust. If at any point reimbursement funding becomes insufficient, employer participation in the trust becomes voluntary.

SB 2 passed the Senate Appropriations Committee with a \$5,000,000 state General Fund appropriation to the Local Firefighter Safety and Disease Prevention Fund. An amendment was adopted to clarify that the Division of Fire Prevention & Control may use a portion of this appropriation to directly purchase and distribute protective equipment to governing bodies and volunteer fire departments, or to directly pay for firefighter training (this also includes reimbursements without grant applications to governing bodies and volunteer departments for their costs of equipment and training).

SB 2 passed the Senate unanimously, and will be heard by the House Transportation & Local Government Committee on Tuesday, April 19<sup>th</sup>.

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 has been signed into law by the Governor.

Position: Support

Sponsors: Sen. Holbert, Rep. Titone

Final Status: Signed by Governor

### **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 new facilities constructed after April 2022. 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 impose civil penalties for non-compliance up to \$1,000 per day.

SB 110 passed the Senate State, Veterans & Military Affairs Committee unanimously, and was amended to ensure that the FAA approves installation of light mitigation technology, and to only require installation of the equipment on 30% of a wind farm's turbines. It also ensures that time extensions are granted and no penalties are issued if the pricing or availability of equipment limits the ability of an owner and operator to comply with the bill's timeline.

As amended, SB 110 passed the Senate unanimously, and will be heard by the House Energy & Environment Committee on Thursday, April 21<sup>st</sup>.

Position: Support

Sponsors: Sen. Sonnenberg & Kolker, 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 firefighting 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 on which ponds to evaluate as potential fire suppression ponds
2. Provide notice to the State Engineer on location and approximate size of ponds that will be evaluated
3. Conduct a local needs assessment that identifies and evaluates potential 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
6. At the time of application submission, provide notice and copy of application to the Substitute Water Supply Plan list with a summary of assessment findings (this is an email distribution list provided by the State Engineer), and a 140-day comment period

Approved fire suppression ponds 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 15 years, after which counties and fire districts would need to conduct an updated assessment and submit to the State Engineer for re-designation. Fire suppression ponds require an annual inspection by the county and fire district to ensure ongoing compliance with criteria.

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, within 70 days of the designation.

SB 114 passed the Senate Agriculture & Natural Resources Committee on a 6-1 vote, the Senate Appropriations Committee unanimously, and the full Senate on a 31-3 vote. The bill was amended further to provide additional clarity and protections for water rights holders. This includes setting a 30-surface acre maximum designation of fire suppression ponds per county, extending timelines to provide ample time for comments, claims of injury, and petitions to the Water Court, and reducing the designation timeline from 20 to 15 years.

The bill passed the House Agriculture, Livestock & Water Committee on a 8-2 vote, and now awaits a hearing in the House 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 65% reduction goal for 2035 compared to 2005 GHG pollution levels.
2. It provides financial incentives to promote the replacement of small, gas-powered equipment with electric alternatives by creating a state income tax credit equal to 30% of the purchase price for lawn equipment (defined as lawn mowers, leaf blowers and trimmers) under 10 horsepower 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, and requires operators of a class VI well to provide adequate financial assurance demonstrating that the operator is financially capable of fulfilling obligations imposed on the operator, including the cost of corrective action, well plugging, post-injection site care, site closure, etc.
4. It requires the Commissioner of Agriculture, in consultation with an institution of higher education, 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, and can adopt rules in consultation with the Air Quality Control Commission and the Colorado Energy Office, to implement recommendations from the study.
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, and 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. An amendment was adopted to strike the sale prohibition and limit the equipment replacement incentive program to a tax credit for electric lawn equipment under ten horsepower.

SB 138 passed the Senate Transportation & Energy Committee on a 3-2 vote, and the Senate Finance Committee on a 4-1 vote. The bill will be heard by the Senate Appropriations Committee on Tuesday, April 19<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.

If HB 1062 passes, it will become effective on January 1, 2023. As such, it will have a half 'state fiscal year impact' of \$220m. The full year impact (starting on July 1, 2023 – June 30, 2024) will amount to \$462 million in lost state sales tax revenue. Out year projections beyond June 30, 2024 are not included in the fiscal note.

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 was heard in the House Finance Committee on Monday, March 7th. The bill, however, was laid over and has not been rescheduled for a vote.

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 (Local Marketing Districts & County Lodging Tax) and empowers local voters to identify how their county lodging tax revenues should be invested.

Specifically, HB 1117 now allows local voters to direct lodging tax revenues to housing and childcare needs as well as to investments that enhance the visitor experience. If a community wishes to revisit where and how their lodging taxes are invested, they must continue to commit at least 10% of the revenue to marketing and advertising efforts.

Position: Support

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

Final Status: Signed by Governor

## **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 would have amended the public entity statutes to allow any financial institution that is federally insured – including credit unions – to deposit public dollars (including county revenues). The bill would have specifically amended the Public Deposit Protection Act (PDPA) to include credit unions.

HB 1277 pitted credit unions against banks. [You can find factsheets for both advocates here.](#) HB 1277 was postponed indefinitely on Thursday, March 24<sup>th</sup> in the House Business Affairs and Labor Committee.

Position: Monitor

Sponsors: Reps. Mullica & Neville, Sen. Gonzales

Final Status: Postponed Indefinitely

### **HB22-1296, Residential Real Property Classification**

HB 1296 codifies existing practice whereby nursing homes are classified as residential for property tax purposes. When assessors classify properties, they look at the predominant use of the property. The vast majority of nursing homes in the state are already classified as residential. Some nursing homes have a separate wing dedicated to rehabilitation and/or convalescent care. In other cases, a nursing home facility might operate out of an office building whereby other portions of the building include an optometrist, dentist or other uses. In these cases, an assessor might classify the property as ‘mixed’ and assess the rehabilitation/convalescent care portion of the operation as commercial and the nursing home portion as residential. Nothing in HB 1296 will preclude a ‘mixed’ classification for properties that warrant it.

HB 1296 was amended to clarify that a ‘nursing home’ must meet the definition of a ‘nursing care facility’ as set forth in the Department of Public Health and Environment Regulations. Amendments also clarified that a nursing home is a ‘residential improvement’ (for classification purposes) regardless of the length of stay (above or below 30 days). This is in accordance with recent Board of Assessment Appeal and Court of Appeal rulings on this topic.

HB 1296 has passed the house and now heads to the senate for consideration.

Position: Support

Sponsors: Reps. Mullica & Van Winkle, Sen. Priola

### **HB22-1301, Controlled Environmental Agricultural Facility As Agricultural Property**

HB 1301, as amended, **will result in a loss of property tax revenue for local governments. The magnitude of the loss, however, is unknown.**

As amended, HB 1301 exempts the business personal property (bpp) in a “controlled environment agricultural facilities” (“CEAs” - think greenhouses) from local taxation.

The following conditions **must be met** to secure the exemption under HB 1301:

- 1.) The business personal property is used solely for planting, growing or harvesting crops in a raw or unprocessed state. This could include shelves, lighting, overhead sprinklers, etc. (bpp used to process, manufacture and package agricultural products for food and animal consumption would still be taxed)
- 2.) The CEAs must solely grow crops for human or livestock consumption;
- 3.) The CEAs must use hydroponics – as affirmed via an affidavit by the taxpayer – to obtain a profit from the wholesale of plant-based food; **AND**
- 4.) The CEA must provide a license verifying that the crop is hemp and not marijuana

**It is important to note that counties, cities and special districts can already exempt the business personal property from these facilities via business incentive agreements.** Recently, one company,

known as Spring Born, set up a CEA near Glenwood Springs and received a 4 year exemption from their business personal property tax liability from Garfield County.

In addition to large corporations like [Spring Born](#) and [Gotham Greens](#), the committee hearing also suggested that individual ranchers and farmers could secure the exemption under HB 1301. Ranchers and farmers that may already be using hydroponics to feed their animals and family members (as relayed in committee) currently do not pay taxes on their business personal property because it is not being used to generate a profit. Only in the instance where the business personal property was used to generate crops that were then sold by **wholesale** would the bpp be exempt.

Other issues that many have debated is the ‘removal’ of two bright line policy approaches. Those are:

1.) **Agricultural products are grown in the ground.** HB 1301 is a departure from this long-standing premise for identifying what is ‘agriculture’ and what is deemed ‘other agriculture’. ‘Agriculture’ business personal property is exempt from taxation. ‘Other agriculture’ (think greenhouses and feedlots) business personal property is subject to taxation. (Part of the reason for this includes the ‘risk’ factors of mother nature. CEAs greatly reduce the risk factors of hail, tornados and other natural occurrences. Open air farming/ranching is exposed to the elements which helps justify the favorable tax status agriculture receives today).

2.) **Clear delineation that marijuana is not an agricultural product.** While HB 1301 explicitly states that marijuana is not subject to the new bpp exemption in the bill, many see the bill as a slippery slope. The definition of ‘agricultural and livestock’ products’ in the bill could be subject to additional erosion in future years to include marijuana and possibly other items too such as flowers.

CCI is opposed to HB 1301 because local governments can – and do – waive the business personal property liability for many corporations. In doing so, local governments often look for the ‘public benefit’ and consider factors such as how many jobs will be created, will those jobs pay a livable wage and does the company hold the same environmental values as the community. Counties believe these decisions are best left to local communities as opposed to the state legislature.

HB 1301 will be heard on third reading and final passage on Monday, April 18<sup>th</sup>.

Position: Oppose

Sponsors: Reps. Soper & Roberts

## **[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 adopt 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 allows local governments to exempt decarbonizing building materials from their local sales tax if they so choose.

SB 51 will be heard in the House Energy & Environment Committee on Thursday, April 21.

Position: No position

Sponsor: Sen. Hansen, Rep. Sirota



## **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 provide working capital grants, incentives for per-unit development, and loans for factory development 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 unit's affordability to the end user, and 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 innovative housing factories. 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 sought an amendment to HB 1282 to (1) clarify how OEDIT would identify "COVID-19 impacted areas of the state," (2) ensure that long-term affordability is considered in the distribution of loans and grants, (3) expand the \$75,000 minimum grant amount to other communities facing fiscal crises.

An amendment was adopted to strike the reference to COVID impacted areas, and clarify that OEDIT can offer these “plus-up” incentives to areas of the state with limited economic opportunity, inadequate or poor-quality housing, a lack of housing inventory, or other economic challenges. The amendment also allows OEDIT to consult with industry experts and stakeholders to consider other areas that might be eligible for a higher grant minimum. Lastly, the amendment prioritizes loan applicants that are willing to dedicate a portion of their production for purchase by individuals or organizations that provide affordable homeownership opportunities, including opportunities for opportunities that are affordable in the long-term.

The bill passed the Housing Business Affairs & Labor Committee on a 9-4 vote, and the full House on a 45-19 vote. The bill now heads to the Senate but has not yet been assigned to a Committee.

\*Note: HB 1282 presents 1 of 7 funding recommendations from the AHTTF. See the other recommendations in the table below.

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

Position: Support

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

**HB22-1304, State Grants Investment Local Affordable Housing**

HB 1304 implements a funding recommendation from the Affordable Housing Transformational Task Force (AHTTF) by creating two new state grant programs available to local governments and non-profit organizations for affordable housing projects.

The **Local Investments in Transformational Affordable Housing (LITAH) Grant Program** would receive \$150 million from State American Rescue Plan Act (ARPA) funds and would be administered by



the Division of Housing (DOH) in the Department of Local Affairs (DOLA). This program would be available to fund:

- Infrastructure projects tied to affordable housing development, including funding for capital construction and cost of infrastructure design
- The costs of construction, including but not limited to construction costs, land acquisition costs, tap fees, building permits, and impact fees
- Gap financing for housing development projects (including transactions under federal LIHTC program and the affordable housing tax credit, for the purchase or conversion of existing affordable housing and multi-family developments, land, and buildings)
- Preservation, restoration, retrofitting, renovation, capital improvement, and/or repair of current affordable housing stock, including public housing, with commitments for long-term affordability.

These investments can include but are not limited to:

- o Senior housing
- o Remediation of low-quality and condemned properties
- o Housing for people living with disabilities
- o Purchase and transition of current housing stock, including short-term rentals, into affordable long-term units
- o Rental assistance for households disproportionately impacted by the COVID-19 pandemic, including funding for outreach, housing navigation assistance, and legal services
- o Financing energy improvements in single-family and multi-family affordable housing for existing and new homes and rental units.
- o Property conversion for transitional or long-term housing
- o Permanent supportive housing and supportive services
- o Land banking and land trust strategies for long-term affordable housing planning and development
- o Funding for eviction legal defense

In administering the LITAH program, the bill directs DOH to give preference to grant applications that promote one or more of the following goals:

- Increase the supply of housing that is
  - o Restricted at income levels demanded by the local workforce
  - o Transit-oriented
  - o Restricted to persons with disabilities, or to victims of domestic violence or sexual assault
- Leverage capital and operating subsidies from various public and private sources
- Involve the purchase of real property necessary to secure land areas needed for future development
- Represent a one-time funding proposal to the state with minimal or no multi-year financial obligations
- Provide mixed-income developments based on local need

The bill also creates the **Infrastructure and Strong Communities (Strong Communities) Grant Program** that would receive \$28 million in state General Fund and be administered by the Division of Local Government (DLG) in DOLA. This program would be available to municipalities and counties that partner with municipalities for infill infrastructure projects that support affordable housing. Grant awards are available to cover planning, infrastructure, and local capacity expenses, and for developments of unused or underutilized land within existing development patterns.

DLG is directed to coordinate with stakeholders, the Colorado Department of Transportation (CDOT), and the Colorado Energy Office (CEO) to identify sustainable development patterns and best practices. This list of best practices is intended to address or promote one or more of the following:

- Enable accessory dwelling units or the use of multiplexes by right in residential zones
- Zoning for mixed-use higher density development in downtown areas of municipalities and around transit stations
- Annexation policies
- Intergovernmental agreements that coordinate future development
- Reduced parking requirements
- Relaxed occupancy rules
- Budgeting policies
- Water rate structures
- Road standards
- Hazard risk reduction and mitigation standards
- Energy efficient building codes
- Zoning for innovative housing options, including modular, manufactured, and pre-fabricated homes

All grants awarded through the Strong Communities Program must be used, in whole or in part, to fund infrastructure projects that (1) are within or adjacent to a downtown, core business district, or transit-oriented development OR (2) assist in increasing the supply of affordable housing. The bill specifies that a portion of any grant through this program can be used for delivery, planning, and community engagement, and encourages a portion of any grant to be used for accessibility improvements or amenities that make the project age-friendly and accessible to people with disabilities.

Stakeholders negotiated and reached agreement on regional AMI caps to apply to these grant programs, with urban, rural, and rural resort regions defined by the [Strategic Housing Working Group](#). Urban counties will have an 80% AMI cap for rental projects, 140% AMI for rural counties, and 170% for rural resort counties. A 140% AMI cap would be applied statewide for for-sale projects. All counties would be able to apply to DOH for re-classification into a different region, or for higher AMI caps based on demonstrated needs. Further, this agreement includes a 50/50 geographic split of funds through December 2023 (50% total to urban counties, 50% to rural/rural resort counties) given that a large majority of state affordable housing funds have historically gone to the metro area.

HB 1304 passed the House Transportation & Local Government Committee on a 9-3 vote, and passed second reading in the House. Amendments were adopted focusing on the Strong Communities program created in the bill, to ensure that the Division of Local Government provides sufficient program flexibility so rural counties can seek grant funding, to expand eligible land use practices to include tools that are more applicable to rural counties, and to increase the homeownership area-median income (AMI) cap in rural resort counties to 160%. The amendment also includes language that allows counties and municipalities to apply for projects above the included AMI caps based off of demonstrated need.

HB 1304 will be heard on third reading and final passage in the House on Monday, April 18<sup>th</sup>.

Position: Support

Sponsors: Reps. Roberts & Bradfield, Sens. Gonzales & Coleman

### **[SB22-159](#), Revolving Loan Fund Invest Affordable Housing**

SB 159 implements a funding recommendation from the Affordable Housing Transformational Task Force (AHTTF) by creating a revolving loan fund administered by the Division of Housing (DOH) in the Department of Local Affairs (DOLA) for affordable housing projects. The loan program receives \$150

million and is intended to provide flexible, low-interest, and below-market rate loan funding to assist in the development of affordable housing in a manner that generates enough return on loans to replenish the program for future allocations.

The bill authorizes DOH to contract with a third-party entity to administer the loan program, and may also work with the Colorado Housing and Finance Authority (CHFA).

The loan program is available to local governments (including housing authorities), for-profit developers, or non-profit organizations to fund up to 120% area median income (AMI) rental and for-sale housing projects, or projects that incorporate mixed-income development.

Loan projects must do one or more of the following:

- Develop infrastructure to offset construction and predevelopment costs
- Provide gap financing for housing development projects (including transactions under federal LIHTC program and the affordable housing tax credit, for the purchase or conversion of existing affordable housing and multi-family developments, land, and buildings)
- Maintain existing affordable housing through preservation, restoration, retrofitting, renovation, capital improvements, and/or repair of current affordable housing stock, including public housing, with commitments for long-term affordability. These investments can include but are not limited to:
  - o Senior housing
  - o Remediation of low-quality and condemned properties
  - o Housing for people living with disabilities
  - o Purchase and transition of current housing stock, including short-term rentals, into affordable long-term units
  - o Rental assistance for households disproportionately impacted by the COVID-19 pandemic, including funding for outreach, housing navigation assistance, and legal services
  - o Financing energy improvements in single-family and multi-family affordable housing for existing and new homes and rental units.
  - o Property conversion for transitional or long-term housing
  - o Permanent supportive housing and supportive services
  - o Land banking and land trust strategies for long-term affordable housing planning and development
  - o Funding for eviction legal defense
- Finance energy improvements in affordable housing to provide funding for incremental up-front costs of installing efficient, electric equipment and renewable energy systems for both existing and new housing.

In administering the loan program, the bill directs DOH to give preference to applications for projects that:

- Are located in communities that
  - o Face barriers to accessing capital from traditional sources
  - o Have suffered significant negative financial or other impacts resulting from the COVID-19 pandemic
  - o Are otherwise underserved
- Align with other state economic development efforts
- Create permanently affordable home ownership opportunities
- Are highly energy efficient or use high-efficiency electric equipment for space and water heating.

SB 159 passed the Senate Local Government committee on a 3-2 vote, and the Senate Finance Committee unanimously. The bill was amended to ensure that rural resort counties have the flexibility needed to utilize these programs (given that area median income or AMI caps that are included in these programs often fail to recognize disparities in the cost of construction and living in rural resort areas of the state). The amendment sets the AMI cap at 120% statewide, 140% for rental projects in rural resort counties, and 160% for homeownership projects in rural resort counties. All counties and municipalities will have the ability to apply to the Division of Housing for projects above the cap based on demonstrated need. The bill now awaits a hearing in the Senate Appropriations Committee.

Position: Amending

Sponsors: Sens. Zenzinger & Bridges, Reps. Ortiz & Will



## **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**

As introduced, HB 1028 would have allowed 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 had concerns about the safety of this permissive authority and felt it might be overreach of local government authority by the General Assembly. The bill was also opposed by the Colorado Municipal League and both CDOT and State Patrol had concerns.

The bill was amended in the Senate Transportation and Energy Committee to apply **only** to riders who are 15 or older or are accompanied by an adult. The bill was also amended to allow local jurisdictions to post traffic signs at controlled intersections that require riders to come to a full stop. The bill is now awaiting the Governor’s signature.

Position: Oppose  
Sponsors: Reps. Gray & Hooton, Sens. Winter & Priola  
Final Status: Awaiting Governor’s Signature

### **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 to clarify that the ability of counties to enter into winter maintenance agreements with landowners was not affected by the bill. The bill is awaiting the Governor’s 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: Reps. McLachlan & Catlin, Sen. Winter  
Final Status: Awaiting Governor’s Signature

### **HB22-1306, Broadband Deployment Grant Processes**

HB 1306 makes changes to current broadband statutes to align them with federal regulations, thereby allowing the Broadband Deployment Board to begin awarding \$35M in American Rescue Plan Act

(ARPA) funds to broadband providers. The bill also streamlines some existing grant review processes and extends the time for broadband deployment projects to take into account supply chain delays. The bill has passed the House and is awaiting introduction in the Senate.

Position: Support

Sponsors: Reps. Titone & Baisley, Sens. Bridges & Priola

### **HB22-1351, Temporarily Reduce Road User Charges**

HB 1351 would extend the temporary reduction in FASTER fees and delay the onset of the road usage fee (created in SB21-260) for six months in order to lower the cost of gas for consumers. The bill requires the state to backfill local and state HUTF to ensure that counties are held harmless. While commissioners support the intent of the bill, they would like to see the fees delayed for a full year to give consumers additional financial relief (with a guaranteed backfill for state and local HUTF). The bill will be heard in the House Finance Committee on April 18.

Position: Amend

Sponsors: Reps. McLachlan & Roberts, Sen. Pettersen

### **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.

The bill was amended at CCI's request in the Senate to include a rural elected official on the advisory panel that will review the grant applications and make funding recommendations. The bill passed the House Judiciary Committee last week on a 7-4 vote. The bill is now awaiting a hearing in 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

Sponsor: 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 awaiting the Governor's signature.

Position: Support

Sponsors: Sen. Coram, Reps. Catlin & Bird

Final Status: Signed by Governor

### **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 & Woodward

Final Status: Postponed Indefinitely

### **SB22-180, Transit Grants to Provide Free Ridership During Ozone Season**

SB 180 would create a grant program in the Colorado Energy Office to provide funding to transit associations to provide free transit services during ozone season (defined as June 1 – August 31) for the next two years. The bill allocates \$58 million to the program to provide grants to state and local transit agencies to offer free ridership during the defined ozone season. The sponsors hope the bill will both reduce ozone levels and incent commuters to return to public transit after ridership fell dramatically during the pandemic. The bill will be heard on third reading on the Senate floor this week.

Position: Pending

Sponsors: Sens. Winter & Hinrichson, Reps. Gray & Bacon