

# Legislative Report for 2020 Legislative Session

## **In this Issue**

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

## **[General Government](#)**

## **[Health and Human Services](#)**

## **[Justice and Public Safety](#)**

## **[Land Use and Natural Resources](#)**

## **[Tax and Finance](#)**

## **[Tourism, Resorts and Economic Development](#)**

## **[Transportation and Telecommunications](#)**

## **General Government**

### **[HB20-1029, Allow County Officers to Accept Lower Salary](#)**

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

Position: Support

Sponsors: Rep. Pelton

Lobbyist: Eric Bergman

### **[HB20-1073, Prevent Gerrymandering of County Commissioner Districts](#)**

HB 1073 would take the political gerrymandering protections established in the state constitution by Amendments Y and Z and attempt to apply them to county commissioner districts in those counties where at least one commissioner is not elected by the voters of the whole county. The bill would only be applicable to counties with populations greater than 70,000 that elect to move to a five-member commission or ones that have a home rule charter. For those counties subject to the legislation, the creation and staffing of an independent commission to oversee the drawing of commissioner districts is required. Once drawn, the commissioner districts must face judicial review. The fiscal note on the bill estimates it would cost counties up to \$135,000 each to comply.

CCI has been meeting with the bill sponsor and representatives from affected counties and we appreciate the sponsor's efforts to try and find a path forward on this issue. The bill will be heard in the House State Affairs Committee on Thursday, Jan. 30, at 1:30 p.m.

Position: Oppose  
Sponsors: Rep. Kennedy  
Lobbyist: Eric Bergman

### **HB20-1081, Multilingual Ballot Access**

HB 1081 would require the Secretary of State (SOS) and certain counties to provide multilingual ballot access. The SOS would be required to have translators available by phone to help electors translate ballot language. Additionally, counties that have at least 2,000 citizens (or 2.5 percent of the total population) who speak a minority language would be required to prepare an in-person minority language ballot that would be available upon request at voting service centers. The bill will be heard in the House State Affairs Committee on Thursday, Jan. 30, at 1:30 p.m.

Position: Oppose  
Sponsors: Rep. Caraveo, Sen. Gonzales  
Lobbyist: Eric Bergman

### **HB20-1089, Employee Protection Lawful Off-duty Activities**

HB 1089 would prohibit an employer from terminating an employee for the employee's off-duty activities that are lawful under state law, even if those activities are not lawful under federal law. The goal of the legislation is to basically allow employees to use marijuana during non-work hours without fear of termination. While well-meaning, the legislation is at odds with Article XVIII of the Colorado Constitution, which specifically allows employers to have drug-free workplace policies. Moreover, many county employees possess commercial driver's licenses (CDLs) which can be revoked for failing a drug test. Until a scientific test is developed that can differentiate between actual impairment from THC and the mere presence of THC in the bloodstream from past use, it will be difficult for employers to allow afterwork use of marijuana. The bill will be heard in House Business Affairs and Labor on Wednesday, Feb. 5, at 1:30 p.m.

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

### **HB20-1093,, County Authority to License Businesses**

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

Position: CCI Legislation - Support  
Sponsors: Reps. McCluskie & Wilson, Sen. Donovan  
Lobbyist: Eric Bergman

## **Health and Human Services**

### **HB20-1012 Child Welfare Program Children Developmental Disabilities**

HB 1012, a bill initiated by Colorado's Children's Hospital, modifies provisions of a bill that passed in 2018 that addressed, in part, the needs of children with intellectual and developmental disabilities. At that time, the legislature established and funded a new ten-bed residential child care facility (RCCF) to support children and youth with co-occurring I/DD and mental health conditions who do not meet criteria for an inpatient hospitalization but are not yet safe to be in the community. Even with this investment, the demand for this service outpaces the availability of beds. At any given time, the state estimates that there are 8-10 children served in hospital emergency rooms or being placed in costly and disruptive out-of-state care. The Children's Hospital is trying to address situations whereby Medicaid eligible children with I/DD languish in hospital beds waiting for treatment *without having these children unnecessarily enter the child welfare system just to receive these services*. HB 1012 requires the CO Department of Human Services (CDHS) to provide a report that highlights the average length of wait time for children and youth on the wait list, aggregated information about the child's or youth's expected placement following discharge and other key data points. This is intended to document the need for additional beds.

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

HB 1012 will be heard on Wednesday, January 29, in the House Public Health Care & Human Services Committee. CCI's membership took a monitor position on HB 1012 because counties would like to see the state fund more beds for this vulnerable population.

Position: Monitor  
Sponsors: Reps. Young & Landgraf, Sens. Todd & Gardner  
Lobbyist: Gini Pingnot

### **SB20-029 Cost of Living Adjustment for Colorado Works**

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

SB 29 relies on the *state's TANF reserve* for a 10 percent increase in the BCA amount beginning in July 2020. Starting in July 2021 and continuing into future fiscal years, a cost of living adjustment

equal to 1.5 percent or the federal social security administration's COLA, whichever is greater, will be applied to the BCA. The bill requires the Joint Budget Committee (JBC) to review this commitment and its sustainability beginning in 2025 and each five years thereafter. Should the state's long term reserve, which has a balance of about \$80 million, be determined to no longer be a sustainable source of revenue for the increases that have been made, the JBC must identify new sources of funding.

In December, CCI hosted a meeting with the bill proponents and sponsors, county commissioners and directors. Counties expressed concerns over the sustainability of this policy. Bill proponents asked counties to develop an alternative approach that would result in an increase in basic cash assistance (a goal counties share with the proponents) and help address our concerns about the sustainability of the proposal. CCI then hosted a meeting on Friday, January 3, for counties to brainstorm ways in which SB 29 could be modified.

Prior to CCI's members taking a position on SB 29 on Friday, January 24, staff had shared ideas for a potential path forward based on the feedback received from our January 3 meeting. Those suggestions include 1) removing the automatic cost of living adjustment that would begin in July 2021; 2) clarifying that state revenues and state TANF reserve must fund these increases; 3) explicitly stating that county TANF reserves are not to be used to meet this commitment; and 4) requiring the JBC to review the policy and its sustainability beginning in July 2021.

The Children's Campaign has been very receptive to county feedback and we look forward to working through the details of SB 29 in a manner that will result in an increase to TANF recipient's BCA amounts while addressing funding sustainability concerns.

Position: Oppose Unless Amended

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

Lobbyist: Gini Pingenot

### **HB20-1100, Pass-Through Child Support Payments**

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

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

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

HB 1100 states that it will be up to the state board of human services to decide whether or not the general fund reimbursement is sufficient to cover our costs. If it's deemed insufficient, the pass-through policy will be 'turned off.' Staff has shared with Rep. Froelich and the Department that

counties are likely to be concerned that the state board of human services would be opining on what is and is not a sufficient amount of funding for county reimbursement.

On Friday, January 24, CCI members took a position to oppose the bill unless amended. Similar to the protections counties received in SB15-012, counties will continue to work with CDHS to find an amendment that will not shift the cost of this policy to counties.

Position: Oppose Unless Amended  
Sponsors: Rep. Froelich, Sen. Crowder  
Lobbyist: Gini Pingnot

## **Justice and Public Safety**

### **SB20-070, Traffic Offenses Classification and Penalties**

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

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

The fact sheet for this bill can be found here: <http://ccionline.org/legislative/fact-sheets/>

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

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

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

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

HB 1150 would change the possession of schedule I and II controlled substances from a misdemeanor back to a felony.

Position: Monitor

Sponsors: Rep. McKean

Lobbyist: Kyley Burress

### **HB20-1052, Privacy Protections for Human Services Workers**

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

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

The fact sheet for this bill can be found here: <http://ccionline.org/legislative/fact-sheets/>

Position: Support

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

Lobbyist: Kyley Burress

### **HB20-1071, Driving Instruction for Foster Children**

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

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

Position: Support

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

Lobbyist: Kyley Burress

## **Land Use and Natural Resources**

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

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

Because the bill simply removes the prohibition against these kinds of regulations, county attorneys confirmed that the repeal does not give counties any independent authority to regulate plastics. In order for counties to gain the same power as municipalities, the bill needs to explicitly grant county governments the authority to regulate plastics. If need be, this amendment could specify that any county regulations would only apply to the unincorporated part of the county. CCI has shared this caveat with CML, and they are open to discussing amendments that would include counties. Since counties expressed interest at CCI's recent steering committee (some have been actively trying to find ways to do this), CCI is working with the bill sponsors and CML to include counties. This will necessitate a title change and additional language.

The bill is calendared for a hearing by the Senate Local Government Committee on Tuesday, Feb. 4.

Position: Support if amended

Sponsor: Sen. Donovan, Reps. Froelich & Valdez

Lobbyist: Daphne Gervais

### **HB20-1004, Assistance Landowner Wildfire Mitigation**

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

CCI confirmed directly with Rep. Cutter that counties are intended to apply for this new grant, as the original language describing eligible entities classifies counties as "agencies of local government." Counties are generally categorized as "political subdivisions of the state," or more simply, local governments. CCI raised this with the sponsor and drafter, and an amendment was drafted that explicitly includes "counties and municipalities" in the list of eligible recipients. In addition, a second amendment passed that changes the original preservation of the wildfire mitigation tax deduction to a tax credit. This effort was pursued because the tax deduction was capped around

~\$100 per landowner, and would be lapsed for a year due to TABOR restrictions. The tax credit can take effect immediately. This amendment further defines landowners as individual homeowners. Finally, a third amendment is in the works that would move this grant program from DOLA to the Colorado State Forest Service.

The bill was heard in the House Rural Affairs and Agriculture Committee this past week and the aforementioned amendments were added, and the bill was laid over for action. It will be heard for action only on Monday, Jan. 27.

Position: Support  
Sponsor: Reps. Cutter & Will, Sen. Lee  
Lobbyist: Daphne Gervais

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

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

In the past, similar or identical versions of HB 1070 were introduced to the State, Veterans, & Military Affairs Committee, where they were postponed indefinitely. This year, HB 1070 will be considered by the House Energy and Environment Committee. It is calendared for Monday, January 27.

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

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

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

CCI and the bill sponsors hosted a stakeholder phone call on the bill earlier this month. Subsequent to that call, the Colorado Association of Homebuilders (CAHB) notified CCI that they would like an amendment specifying that a county will provide information on how the permit fee was calculated upon request. CCI is collaborating with county public health officials and CAHB to develop this amendment, and it is drafted for consideration on the January 30.

Position: CCI Bill – Support  
Sponsor: Reps. Catlin & Arndt, Sens. Ginal & Coram

Lobbyist: Daphne Gervais

### **HB20-1133, Land Use Entitlements and Municipal Disconnection**

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

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

Position: Support

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

Lobbyist: Daphne Gervais

### **HB20-1161, Private Activity Bond Allocation**

The private activity bond program funds privately developed projects. The bonds are tax exempt and the amount of the bonds issued are limited by the IRS. The statewide balance is allocated among all issuing authorities, and currently DOLA's executive director makes all of the allocations from the statewide balance with the advice of the private activity bond allocation committee. To streamline and coordinate this process, HB 1161 eliminates the bond allocation committee that currently reviews and makes recommendations to DOLA and requires the state housing board to conduct the review and make recommendations. In addition, the bill eliminates a cap on the amount of the direct allocation fee paid to DOLA by entities that issue private activity bonds or make a mortgage credit certificate election, and eliminates DOLA's Director's authority to promulgate rules that govern private activity bond allocation.

The bill is not yet calendared but is assigned to the House Finance Committee.

Position: Monitor

Sponsors: Rep. Bird, Sens. Winter & Tate

Lobbyist: Daphne

## **Tax and Finance**

## **HB20-1001, Nicotine Product Regulation**

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

- 1.) Raises the statewide minimum age of sale from 18 to 21 (on 12/20/2019, President Trump signed a bill into law setting the age of sale for tobacco products– effective immediately – to 21);
- 2.) Requires every retailer selling nicotine products to have a state license;
- 3.) Requires the Colorado Department of Revenue (CDOR) to coordinate with counties and other local governments who are already licensing retailers pursuant to HB19-1033;
- 4.) Prohibits new retail locations where these products are sold from being located within 500 feet of a school; and
- 5.) Prohibits delivery of cigarettes, tobacco products or nicotine products to a consumer (cigars are not subject to this delivery prohibition);

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

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

Position: Support

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

Lobbyist: Gini Pingnot

## **HB20-1022, Sales and Use Tax Simplification Task Force**

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

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

HB 1023 has cleared the Business Affairs & Labor Committee and is waiting to be heard in the House Appropriations Committee

Position: Support

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

Lobbyist: Gini Pingenot

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

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

Given county experience with state IT systems in the past, HB 1023 sponsors modified their bill in the fall to specify that the hold harmless provision would not be effective until the sales tax GIS database was online, tested and verified by the CO Department of Revenue to be operational, supported and available for use. This wording is intended to avoid the roll out of a system that is not fully ready for use.

HB 1023 has cleared the Business Affairs & Labor Committee and is waiting to be heard on second reading in the house.

Position: Support

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

Lobbyist: Gini Pingenot

### **HB20-1083 Nursing Home Definition for Residential Property Tax**

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

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

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

CCI is aware that an amendment will be forthcoming that removes broad language that would impact facilities that provide convalescent care or rehabilitation services such as physical and occupational therapy that operate without a license from CDPHE. Removing this language would limit the impact of HB 1083 to the few counties identified above.

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

Position: Monitor  
Sponsors: Reps. Kraft-Tharp & Van Winkle, Sen. Holbert  
Lobbyist: Gini Pingenot

### **HB20-1115 Sales Tax Exemption for Farm Fencing Material**

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

As introduced, HB 1115 would impact the local sales tax base. Staff has reached out to the bill sponsors to see if they would be amenable to making the exemption optional for local governments. Currently, there are 16 optional sales tax exemptions that boards of county commissioners can choose to adopt or not. With an amendment, this could become the 17<sup>th</sup> exemption option.

Position: Support if amended  
Sponsors: Reps. Catlin & McLachlan, Sen. Coram  
Lobbyist: Gini Pingenot

### **HB20-1124, Disaster Emergency Transfers From County General Fund**

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

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

HB 1124 will be heard on Tuesday, February 4, in the Transportation and Local Government Committee.

Position: Support  
Sponsors: Reps. McKean & Snyder  
Lobbyist: Gini Pingenot

## **Tourism, Resorts and Economic Development**

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

SB 2 would bolster the existing Rural Economic Development Initiative (REDI) grant program. The purpose is to provide grants for projects that create new jobs through new or existing employers, or for projects that help foster diverse and resilient local economies in rural communities (applies to counties with a population of fewer than 50,000 residents). The Department of Local Affairs

(DOLA), in collaboration with the Office of Economic Development & International Trade (OEDIT), currently administers the REDI grant program. Local governments, as well as organizations or individuals working in partnership with a local government, are eligible to receive REDI grants. Recipients would be required to provide matching funds, with the amount of the match to be decided by DOLA). A local government may partner with entities including intergovernmental agencies, councils of government, housing authorities, beginning farmers, the Southern Ute Indian Tribe, the Ute Mountain Ute Tribe, nonprofit economic development organizations, and private employers. In partnering, the local government would serve as the grant administrator.

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

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

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

The REDI program is already administered by DOLA, but Senator Donovan would like to add the program in state statute to create a more robust appropriation and to further guide how such funds are used. Recent budget amendments have been approved, and this year, DOLA has requested an ongoing increase of \$257, 248 General Fund for REDI, amounting to a roughly \$1,000,000 appropriation.

SB 2 was passed by Agriculture and Natural Resources Committee and will be heard on Second Reading on Tuesday, Jan. 28.

Position: Support

Sponsor: Sen. Donovan

Lobbyist: Daphne Gervais

## **Transportation and Telecommunications**

### **[SB20-044, Sales and Use Tax Revenue for Transportation](#)**

SB 44 would direct a portion of the state's sales and use tax proceeds to the Highway Users Tax Fund (HUTF) for use by the state, counties and municipalities on transportation projects. Fiscal

projections estimate that the bill would generate \$360 million in transportation revenue during the first year. The bill will be heard in the Senate State Affairs Committee on Wednesday, Jan. 29, at 1:30 p.m.

Position: Monitor

Sponsors: Sen. Lundeen, Rep. Carver

Lobbyist: Eric Bergman

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

HB 1137 would guarantee more local input on the need for broadband funding in areas of the state that lack high-speed Internet. The bill requires a local government entity (county, municipality, school district, etc.) to collect and review any relevant speed data, make a determination on the “unserved status” of a community and then submit a written certification of this unserved status as part of the application process for the state’s Broadband Fund Program. CCI is seeking an amendment to the bill to make these local government submittals discretionary instead of mandatory. The bill will be heard in the House Business Affairs and Labor Committee on Wednesday, Feb. 5, upon adjournment.

Position: Support if Amended

Sponsors: Reps. McCluskie and Soper, Sen. Donovan

Lobbyist: Eric Bergman