

**Federal, State and Intergovernmental Relations (FSIR)
Meeting
April 12, 2019
1:30 PM ♦ Mt. Elbert**

**Council Member Charlie Richardson, Chair
Council Member Marsha Berzins, Vice Chair
Council Member Crystal Murillo, Member**

Serve as leaders and partner with other governments and jurisdictions

1. Approval of March 22, 2019 Minutes Richardson
2. Consent Items (none)
3. State Legislative Session Bill Review LaCrue/Stephens
4. Miscellaneous Matters for Consideration
5. Set/Confirm Next Meeting Richardson

Next meeting – April 26, 2019

Federal, State and Intergovernmental Relations (FSIR) Meeting
March 22, 2019

Members Present: Council Member Charlie Richardson, Chair, Council Member Marsha Berzins, Vice-Chair, and Council Member Crystal Murillo, Member

Others Present: Rachel Allen, Terry Brown, Michael Crews, Judge Shawn Day, Jeff Edwards, Abby Fitch, Karen Hancock, Allison Hiltz, Kathy Kitzmann, Matt LaCrue, Debora O'Connor, Scott Pendleton, Robin Peterson, Kim Skaggs, Amy Stephens, Kristen Thomson (The Green Solution), Phil Turner, and Amber Valdez (The Green Solution)

1. APPROVAL OF MINUTES FROM MARCH 8, 2019 MEETING

The minutes were approved as written.

2. CONSENT ITEMS: None

3. STATE LEGISLATION UPDATES:

HB19-1225 No Monetary Bail for Certain Low-level Offenses: Concerning prohibiting the use of monetary bail for certain levels of offenses except in certain circumstances.

Summary of Issue and Discussion: Per Judge Shawn Day, this bill has been amended to apply only to traffic offenses, petty offenses and municipal ordinance violations that do not have a state counterpart statute. It prohibits the use of money bail for those charges. Matthew LaCrue, State Lobbyist, gave an update on this bill: it passed unanimously in the Senate today and is now headed for the House.

Per Judge Day, the issue is that too many people are being held in jail pre-trial. Originally, this bill would have taken away all authority for municipal courts to issue monetary bonds for all charges. The bill reads that an FTA (failure to appear) or a violation of condition of bond, the Court can issue a monetary amount of bond for that warrant. But, if the alleged offender can't post the monetary bond within 48 hours, they would be eligible for a personal recognizance (PR) bond. After the hearing, if they still cannot post it, the court is forced to release them. There is a risk there, especially with individuals with multiple FTAs. Using a risk assessment tool is something covered in HB19-1226.

The language of the bill has been amended and is supported by both co-sponsors. Judge Day stated that after the clarifying amendment, the bill is not as objectionable, and CML has moved from oppose to neutral on the bill. Per M. LaCrue, the majority of judges are supporting the current amendment, as are the CCJJ (Colorado Commission on Juvenile Justice) and the ACLU.

Council Member Murillo asked Judge Day how we can reduce the number of FTAs. Judge Day said this is a huge issue for even the state; we have a reminder system in place that involves phone calls. There is a proposal/bill that applies only to state courts that would involve a text reminder system. Because of federal laws, we must get a person's permission to send a text to them because there may be costs associated with receiving a text. There are issues relating to that, but that's one thing Judge Day thinks we can do in our Court. Other ideas are to provide daycare, transportation... anything within reason that would eliminate FTA.

Position: Neutral

Follow-up Action: None

HB19-1226 Bond Reform: Concerning changes to release on bond, and, in connection therewith, the development of a pretrial screening process and administrative order for release without any monetary conditions; creating a presumption of release with the least restrictive conditions and without monetary conditions; specifying the information the court considers when making determinations about type of bond and conditions of release; and a requirement for pretrial services programs throughout the state.

Summary of Issue and Discussion: Per Judge Day, this bill is where we will see major reform. It is currently at the task-force level and the task force has been working for the last 6-7 months on reform for detention release similar to NJ, DC, NM, CA, and up to 23 other states. This proposal is just that a risk-based system that utilizes an assessment tool as one tool used to decide each case.

Judge Day continued by stating that as of now, municipal courts are still written into this reform, but that could become an issue at the next task force meeting, which will be April 9, 2019. There is some objection to municipal courts being a part of the system. The Colorado Bar Association, Colorado Defense Lawyers Association, the ACLU are among those concerned about municipal courts having the authority and power to detain an individual depending on the type of charges, so discussions will continue. This is state-charge related because it falls within Title 16. Title 16 has a provision within the scope of it, which is 16-1102 that says Title 16 does not apply to municipal courts unless it's specifically provided for. Council Member Richardson suggested that all this would take is one amendment; Judge Day agreed. There is a legislative committee that can act on behalf of CCJJ to address any post-amendments; they don't have to bring it to the full commission.

Judge Day has been talking with Chief Deputy District Attorney, Bo Zeerip, of Mesa County for several months about this, and this is the first time they may face objection. There is a lot of concern about municipalities being removed from this. We don't want to create a system where it's just a revolving door; we have concerns that if we are required to release a person who has 5 or more FTAs we won't be able to address safety concerns within the community.

This reform will not be proposed in this legislative session. In that proposal, there will be a need for a Constitutional amendment which would have to be done in a general election year. We won't have a lot of time to educate the state as the state has to vote on the amendment. It's a major overhaul in the criminal justice system and it will change the way that all courts – municipal, district, county.

CM Murillo asked how we might prevent bias in a risk-based system. Judge Day said that this concern is written into HB19- 1226. There are several risk-based tools already being used in cities, and none of them are completely immune to bias. There is a task force doing further analysis on the tool to see how we can make it more predictive with fewer concerns about bias. Bottom line, it's on everyone's radar and it's being discussed. The algorithm used in a risk-based tool will predict with surprising accuracy the likelihood of an FTA, as seen in RI, NJ, NM, and PA. Judge Day noted that this bill will not mandate what tool is to be used; we will look at several factors in each case and the judge will decide which tools would be best.

Council Member Marsha Berzins asked if an FTA results in a warrant being issued; Judge Day said yes. If and when they are arrested, they'll have the ability to post a monetary bond. If according to HB19- 1225, they can't pay it, they will be brought before a judge. This is in conflict with another state law, but the bottom line is that if they can't post bond, because there is no counter state statute, they would have to be released. We can't require a bond be posted.

Position: No position.

Follow-up Action: Judge Day will return after the April 9, 2019 task force meeting with an update for the FSIR Committee.

HB19-1234 Regulated Marijuana Delivery: Concerning allowing delivery of regulated marijuana by regulated marijuana sellers.

Discussion: CM Richardson allowed Kristen Thomson and Amber Valdez, lobbyists for The Green Solution to present their concerns with the bill.

Per Ms. Thomson, the first concern is that the entire bill is left up to rule-making. Ms. Thompson noted that rulemaking by the marijuana enforcement division does not guarantee safety, security, license disruption. The way the bill is currently drafted, these issues are not taken into account.

The Green Solution is opposed to the legislation and has proposed a number of potential amendments. Ms. Thomson has spoken with one of the bill's sponsors, Jonathan Singer. Rep. Singer has indicated his interest in hearing the views of local governments, particularly those which have allowed a limited number of licenses in their community.

Ms. Valdez noted that another problem with the bill is that it prohibits municipalities from prohibiting other jurisdictions from delivering in their community. Ms. Valdez then addressed several safety issues with the bill.

The Green Solution is working with the Colorado State Patrol and the Colorado Association of Chiefs of Police to address concerns about driver training, recognizing intoxication and whether that person is allowed to take delivery of the product. There is nothing in the bill about a double-checking of IDs or household purchase limits. The bill does not clarify what 'residential' is, so marijuana could be delivered to bars and public venues.

Ms. Thomson added that this bill is creating a double-tier of storefront standards of appearance vs. what a car service delivery looks like. The Green Solutions would like to see the bill die, but don't expect that it will. However, there needs to be an expectation that the delivery service mirrors the

storefront, including ID checks, safety reporting, money transfer, and advertising. An example is how storefronts cannot advertise pricing; delivery wouldn't be able to either.

CM Richardson asked APD representative, Commander Terry Brown if APD is opposed to the bill; Office Brown confirmed that they are.

Ms. Stephens shared that in the bill as it is, anybody can come in and deliver, and this poses a risk for a number of different areas. It is proposed that medical marijuana delivery would start in 2020 and recreational in 2021. An important question then becomes: who is looking at how much a driver can carry? Anyone who has a criminal life could target the drivers.

CM Murillo asked Ms. Thomson if they have shopped their amendments with the bill sponsors. Ms. Thomson replied that The Green Solution has indeed shopped the amendments, mostly with stakeholders, since February 11, 2019. They've looked for supporters of the bill and found that the biggest supporters are edibles companies that would likely deliver straight from their warehouse.

One amendment The Green Solution is proposing is that marijuana delivery mirror liquor delivery plus additional restrictions required of storefronts, i.e. ID checking, payment, and security.

CM Berzins shared that she ran this issue by the attendees at her Town Hall meeting yesterday morning; their main problem was the safety issues. They're concerned about the safety of the drivers due to the amount of cash that might be carried since charge cards can't be accepted. They were concerned about who would check IDs first, then second they weren't totally opposed to it, but see that problems need to be worked out. CM Berzins then stated that since Aurora does not allow medical marijuana, how would a delivery driver know that? Companies paid a substantial amount of money to get licenses in Aurora and worked diligently to keep everything on the up and up, and CM Berzins has real concerns about how this would affect them.

CM Berzins asked if the bill would differentiate between whether it is medical marijuana or recreational being delivered. Can one driver have both, or will it have to be one or the other? Ms. Stephens reiterated that 2020 is when medical delivery would happen, with recreational added in 2021. We can thus be clear on this in 2020. The driver would have to see the medical card, proof of ID, both of them matching, and then collect an excise sales tax that is appropriate for medical.

Ms. Valdez told the group that payment is not addressed in HB-1234. Proponents say that we have the technology to take care of that, but we don't know what it would be. They want to see how things play out once delivery starts. The Green Solution is not comfortable with this.

CM Berzins asked about the drivers. Will they use armored cars? Will they have another person in the car with them? A security officer? We need to know this.

CM Berzins then stated that she does not want to lose local control on this; too much money and brain cells have gone into this. She'd like to see amendments that fix these problems and concerns come back to City Council. She is not totally opposed to a delivery system if the issues can be worked out.

CM Richardson asked what would stop an Amazon from getting a big warehouse in Denver and superseding all of the efforts of the brick and mortar shops. This would really affect them and take from them. If deliveries were to come from warehouses, the shops miss out on that business.

CM Berzins asked if the bill sponsors would entertain an idea for delivery systems that are limited to jurisdictions, meaning that if it's ordered in Aurora it's delivered by an Aurora business that is already licensed.

Robin Peterson, Manager of Marijuana Enforcement, responded that the city has the ability to do time, place and manner. So whatever the state decides to do with their rules and regulations, whatever they may be, we could on top of that be more restrictive. CM Richardson then asked if the state would preempt on this bill. Could we go to the voters with it? Ms. Thomson responded that the bill is very poorly written; this version of this bill isn't good for anyone. It can, however, be amended to add whatever the city wants.

CM Richardson suggested this: how about if in cities where the industry is already regulated, the decision to allow delivery to be left to the governing body of that city?

CM Murillo wondered how drivers would know when they are crossing a geographical boundary. Michael Crews, Intergovernmental Relations Coordinator, responded with an example of how scooters can be rented in Denver, but nothing prevents them from leaving the city. In Section 5 of this bill, it states that if a jurisdiction does currently allow for medical marijuana, then delivery is not allowed. CM Murillo then asked, but could a delivery driver drive through Aurora if we didn't allow it? This needs to be determined. She is open to the concept but acknowledges the many challenges already mentioned.

CM Murillo then asked if this bill will come up again next year. If so, does it make sense to be proactive in negotiating amendments now? Mr. LaCruce responded saying the Rep. Singer will be term-ed-out this year, but he can work this summer to create a new proposal since he's been working on this for the last 3 or 4 years. Ms. Thomson of The Green Solution stated that it's not 'if' this will come up again, but 'when'. Other sponsors will still be in place next year and the work will be passed to them, and continue to be passed to others until the bill itself is passed. However, there would be no funding for it because nothing is written in stone, so costs can't be applied to it.

CM Richardson asked if perhaps the people who are not invested in brick and mortar shops are likely behind this. Ms. Thomson replied, "nailed it!" CM Richardson was very pleased with having gotten it right.

CM Berzins asked Ms. Peterson if this is part of the Amendment 64 Ad Hoc committee; Ms. Peterson said that it is on the agenda. Ms. Thomson said that she will send Ms. Peterson the amendments to be vetted with her committee.

Position: Monitor

SB19-181 Protect Public Welfare Oil and Gas Operations: The bill prioritizes the protection of public safety, health, welfare, and the environment in the regulation the oil and gas industry by

modifying the oil and gas statute and by clarifying, reinforcing, and establishing local governments' regulatory authority over the surface impacts of oil and gas development.

Discussion: Mr. Crews provided an overview of the five amendments to this bill that have local government impact; the other fifteen amendments are contained in the re-engrossed bill.

Mr. Crews stated that the bill will now go to the House Finance Committee. Mr. LaCrue stated that there have not been amendments in the House. After House appropriations, it will go back to the Senate.

The five local amendment updates provided by Michael Crews:

- a. **L.038** clarifies the term “all affected local governments”.
- b. **L.041** regards federally-recognized Indian tribes.
- c. **L.074 and L.075** deals with the definitions of “minimize adverse impacts”. Originally in the bill the language regarding this term was unclear in two sections which are addressed in the amendments.
- d. **L.076** gives local governments the authority to request that the COGCC (Colorado Oil & Gas Conservation Commission) technical review board review an operator’s application. It provides additional assistance to local governments. Mr. Crews stated that the technical review board does not currently exist, an additional amendment to the bill creates the review board.

Additionally, if a local government has not taken action on an operator’s application within 210 days, the operator can request that the technical review board review the application.

Currently, if the local government or the operator request a review board review, and the local government denies the application, the operator has the right to appeal only if a review board is requested.

CM Richardson asked for the genesis of the concept of the technical review board. Mr. Crews stated that the review board was added as assistance tool for local governments, as the City & County of Broomfield is currently the only local government to have a framework in place to handle oil & gas applications. The board is able to assist local governments that don’t have the staff and resources to process applications. He further stated that Aurora could create its own technical review board because then we would have the ability to review applications and make a determination on applications.

CM Murillo asked if the appeal can happen only after 210 days. Mr. Crews said no, it’s either/or. If a local government requests a technical review board at any point during the application process, the operator can appeal that decision. If the city does not act on an operator’s application within 210, the operator can then go directly to the COGCC and request the technical review board review their application. At either point, because the review board has been asked to review an application, once the local government makes a determination either to approve or disapprove, the operator would be able to appeal the local government’s decision.

CM Murillo asked if a tool such as an operator agreement avoid issues with a technical review board. Mr. Crews responded that the city can avoid all of this if they don't ask for the review board and they make their determination within 210 days. There isn't an appeal process set up within those boundaries. Regardless of what system the city puts in place, as long as an application is reviewed within 210 days, they are fine. The 211th day is where the operator can take action.

HB19-1246 Food Truck Regulations: The bill would require a local government to grant a business license to a food truck operator that has obtained a license from another local government, and prohibits the local government from imposing additional licensing requirements.

Discussion: Ms. Stephens asked the Committee if they would like to take a position on the upcoming food truck regulations (HB19-1246). She explained that this regulation takes away local authority. CML is opposing it. Thus, says CM Richardson, we oppose.

Position: Oppose

HB19-1239 Census Outreach Grant Program: The bill would create a grant program housed within the Department of Local Affairs which would distribute \$12 million dollars to local governments, intergovernmental agencies, councils of government, housing authorities, school districts, and nonprofit organizations to support the accurate counting of the population of the state for the 2020 census.

Discussion: CM Richardson stated that along with CML, we support this.

Position: Support

Draft Mobile Home Park Regulation Overview: The draft bill provides additional protections for mobile home owners in several different areas. Creation of the Mobile Home Park Dispute Resolution and Enforcement Program housed within the Department of Local Affairs's Division of Housing. Authorizes the Attorney General's Office to take complaints, conduct investigations, make determinations, impose penalties, and participate in administrative dispute resolutions when there are alleged violations of the Mobile Home Park Act. Extends the time a mobile home owner has to vacate a mobile home park after a court enters an eviction order to not less than 60 days. Counties are also given the power to enact certain ordinances related to mobile home parks.

Discussion: The proposed legislation creates the Mobile Home Park Dispute Resolution and Enforcement Program. The legislation would allow the Colorado Department of Local Affairs to regulate the Mobile Home Park and the Attorney General's Office to enforce violations of the Act.

Mr. Crews did a comparison between the Mobile Home Task Force in the City with the bill: it covers three points that the task force as recommended and two points that are not covered. Once the bill is introduced, FSIR will receive an update and any amendments.

Position: No Position

SB19-188 FAMLI: The bill creates the family and medical leave insurance (FAMLI) program and the division of family and medical leave insurance (division) in the department of labor and employment to provide partial wage replacement benefits to an eligible individual who takes leave from work.

Discussion: Amendments have been proposed by the Colorado Chamber around what happens if a public or private entity has a more robust system in place for family leave insurance. Mr. Crews added that Michelle Wolfe, Deputy City Manager and Deanna Giordano, HR Director, will be speaking with bill sponsor Senator Winter early next week to walk her through what our HR package looks like. CM Richardson clarified that we voted on Monday to oppose the bill.

Position: Oppose

4. MISCELLANEOUS MATTERS FOR CONSIDERATION

Council Member Berzins would like it known that she has abstained from HB19-1035 (Remove Fee Cap Electrical Inspection Local Government Higher Education) every time it has come up for a vote.

5. CONFIRM NEXT MEETING

The next meeting is scheduled for April 12, 2019, 1:30 PM in the Mt. Elbert conference room.

Approved:

Charlie Richardson Date
Committee Chair



Federal, State and Intergovernmental Relations Agenda Item Commentary

Item Title: State Legislative Session bill review
Item Initiator: Michael Crews, Intergovernmental Relations Coordinator
Staff Source: Michael Crews, Intergovernmental Relations Coordinator
Deputy City Manager Signature:
Outside Speaker: Matt La Crue, Dentons
Council Goal: 2.1: Work with appointed and elected representatives to ensure Aurora's interests--2012: 2.1--Work with appointed and elected representatives to ensure Aurora's interest

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item and Move Forward to Regular Meeting
- Information Only

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

Dentons has served as the city's state lobbyist since January of 2017. They regularly provided updates to the FSIR committee, including reviewing state legislative activity and recommending positions as appropriate.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

City staff is not currently requesting active support or oppose positions on legislation. The attached memo contains updates on legislation the committee has previously reviewed in addition to informational items.

QUESTIONS FOR Committee

EXHIBITS ATTACHED:

FSIR Leg 4.5.19 (1).docx
HB 1258.pdf
HB19-1257.pdf
SB 225.pdf

First Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 19-0810.02 Ed DeCecco x4216

HOUSE BILL 19-1257

HOUSE SPONSORSHIP

Becker and McCluskie, Bird, Buckner, Buentello, Caraveo, Cutter, Esgar, Exum, Gonzales-Gutierrez, Hansen, Hooton, Jackson, Jaquez Lewis, Kennedy, Kipp, Lontine, McLachlan, Melton, Michaelson Jenet, Mullica, Roberts, Singer, Sirota, Snyder, Sullivan, Tipper, Valdez A., Weissman, Galindo

SENATE SPONSORSHIP

Court and Priola, Fenberg, Gonzales, Moreno, Rodriguez, Story, Todd, Williams A., Winter

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORITY FOR THE STATE TO KEEP AND SPEND ALL OF**
102 **THE REVENUE IN EXCESS OF THE CONSTITUTIONAL LIMITATION**
103 **ON STATE FISCAL YEAR SPENDING BEGINNING WITH THE 2018-19**
104 **FISCAL YEAR IN ORDER TO PROVIDE FUNDING FOR PUBLIC**
105 **SCHOOLS, HIGHER EDUCATION, AND ROADS, BRIDGES, AND**
106 **TRANSIT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Beginning with the 2018-19 fiscal year, the bill authorizes the state

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

to annually retain and spend all state revenues in excess of the constitutional limitation on state fiscal year spending that the state would otherwise be required to refund. The bill is a referendum that will be submitted to the voters at the statewide election held on November 5, 2019, and approval of the ballot title at the election constitutes a voter-approved revenue change to the constitutional limitation on state fiscal year spending.

If approved, an amount of money equal to the state revenues retained under this measure is designated as part of the general fund exempt account. The general assembly is required to appropriate or the state treasurer is required to transfer this money to provide funding for:

- ! Public schools;
- ! Higher education; and
- ! Roads, bridges, and transit.

Legislative council staff will be required to specify this retained amount and its associated uses in an annual report that it currently prepares related to revenue retained and spent under referendum C. In addition, the state auditor is required to contract with a private entity to annually conduct a financial audit regarding the use of the money that the state retains and spends under this measure.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-77-103.6, **amend**
3 (2) introductory portion and (4); and **add** (1)(c), (2.5), and (5.5) as
4 follows:

5 **24-77-103.6. Retention of excess state revenues - general fund**
6 **exempt account - required uses - excess state revenues legislative**
7 **report.** (1) (c) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
8 CONTRARY, FOR EACH FISCAL YEAR COMMENCING ON OR AFTER JULY 1,
9 2018, THE STATE IS AUTHORIZED TO RETAIN AND SPEND ALL STATE
10 REVENUES IN EXCESS OF THE LIMITATION ON STATE FISCAL YEAR SPENDING
11 THAT THE STATE WOULD OTHERWISE BE REQUIRED TO REFUND UNDER
12 SECTION 20 (7)(d) OF ARTICLE X OF THE STATE CONSTITUTION IF THE
13 VOTERS HAD NOT APPROVED THIS SUBSECTION (1)(c) AT THE NOVEMBER
14 2019 STATEWIDE ELECTION.

1 (2) There is hereby created in the general fund the general fund
2 exempt account, which shall consist of an amount of moneys equal to the
3 amount of state revenues in excess of the limitation on state fiscal year
4 spending that the state retains for a given fiscal year pursuant to this
5 section. The moneys in the account THAT CORRESPOND TO SUBSECTION
6 (1)(b) OF THIS SECTION shall be appropriated or transferred by the general
7 assembly for the following purposes:

8 (2.5) THE GENERAL ASSEMBLY SHALL APPROPRIATE OR THE STATE
9 TREASURER SHALL TRANSFER THE MONEY IN THE GENERAL FUND EXEMPT
10 ACCOUNT THAT CORRESPONDS TO SUBSECTION (1)(c) OF THIS SECTION TO
11 PROVIDE FUNDING FOR:

- 12 (a) PUBLIC SCHOOLS;
- 13 (b) HIGHER EDUCATION; AND
- 14 (c) ROADS, BRIDGES, AND TRANSIT.

15 (4) The approval of this section by the registered electors of the
16 state voting on the issue at the November 2005 statewide election
17 ~~constitutes a~~ AND THE NOVEMBER 2019 STATEWIDE ELECTION CONSTITUTE
18 voter-approved revenue ~~change~~ CHANGES to allow the retention and
19 expenditure of state revenues in excess of the limitation on state fiscal
20 year spending.

21 (5.5) THE STATE AUDITOR SHALL CONTRACT WITH A PRIVATE
22 ENTITY TO ANNUALLY CONDUCT AN INDEPENDENT FINANCIAL AUDIT
23 REGARDING THE USE OF THE MONEY IN THE GENERAL FUND EXEMPT
24 ACCOUNT THAT IS APPROPRIATED OR TRANSFERRED IN ACCORDANCE WITH
25 SUBSECTION (2.5) OF THIS SECTION.

26 **SECTION 2. Refer to people under referendum.** At the
27 election held on November 5, 2019, the secretary of state shall submit this

1 act by its ballot title to the registered electors of the state for their
2 approval or rejection. Each elector voting at the election may cast a vote
3 either "Yes/For" or "No/Against" on the following ballot title: "Without
4 raising taxes and to better fund public schools, higher education, and
5 roads, bridges, and transit, within a balanced budget, may the state keep
6 and spend all the revenue it annually collects after June 30, 2018, but is
7 not currently allowed to keep and spend under Colorado law, with an
8 annual independent audit to show how the retained revenues are spent?"
9 Except as otherwise provided in section 1-40-123, Colorado Revised
10 Statutes, if a majority of the electors voting on the ballot title vote
11 "Yes/For", then the act will become part of the Colorado Revised
12 Statutes.

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-1012.02 Ed DeCecco x4216

HOUSE BILL 19-1258

HOUSE SPONSORSHIP

Becker and McCluskie, Bird, Buckner, Buentello, Caraveo, Cutter, Esgar, Exum, Gonzales-Gutierrez, Hansen, Hooton, Jackson, Jaquez Lewis, Kennedy, Kipp, Lontine, McLachlan, Melton, Michaelson Jenet, Mullica, Roberts, Singer, Sirota, Snyder, Sullivan, Tipper, Valdez A., Weissman, Galindo

SENATE SPONSORSHIP

Court and Priola, Fenberg, Gonzales, Moreno, Rodriguez, Story, Todd, Williams A., Winter

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ALLOCATION OF MONEY THAT THE STATE KEEPS**
102 **AND SPENDS AS A RESULT OF A VOTER-APPROVED REVENUE**
103 **CHANGE AT THE 2019 STATEWIDE ELECTION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill is contingent on voters approving a related referred measure to annually retain and spend state revenues in excess of the constitutional spending limit. If the measure passes, in years when the state retains and spends revenue under the authority of the measure there will be additional revenue in the general fund exempt account (account).

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

Section 1 of the bill requires 1/3 of this money in the account to be allocated to each of the purposes approved by voters, which are:

- ! Public schools;
- ! Higher education; and
- ! Roads, bridges, and transit.

The general assembly is required to appropriate the money for public schools and higher education for the state fiscal year after the state retains the revenue under the authority of the voter-approved revenue change, with an exception for the state fiscal year 2018-19. The money appropriated for public schools must be distributed on a per pupil basis and used by public schools only for nonrecurring expenses for the purpose of improving classrooms, and it may not be used as part of a district reserve.

The state treasurer is required to transfer the remaining 1/3 of the money to the highway users tax fund (HUTF) after the state treasurer receives a report certifying the state's TABOR revenues (report). **Section 3** clarifies that the report must include the money that the state keeps and spends as a result of the 2019 measure, and that this amount must be reported separately from the referendum C money in the account.

Under **section 4** the money the state treasurer transfers to the HUTF is allocated 60% to the state highway fund, 22% to counties, and 18% to cities and incorporated towns. Under **section 5** no more than 90% of the money allocated to the state highway fund may be expended for highway purposes or highway-related capital improvements and at least 10% must be expended for transit purposes or for transit-related capital improvements.

Section 2 includes a conforming amendment to ensure that the allocation for the referendum C money does not apply to any new revenue in the account as a result of the 2019 voter approval.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-77-104.7 as
3 follows:

4 **24-77-104.7. General fund exempt account - proposition CC**
5 **revenue - allocation - definition.** (1) MONEY IN THE GENERAL FUND
6 EXEMPT ACCOUNT THAT CORRESPONDS TO THE REVENUE THAT THE STATE
7 RETAINS AND SPENDS IN ACCORDANCE WITH THE VOTERS' APPROVAL OF
8 SECTION 24-77-103.6 (1)(c) IS ALLOCATED IN ONE-THIRD SHARES TO

1 PROVIDE FUNDING FOR EACH OF THE FOLLOWING:

2 (a) PUBLIC SCHOOLS;

3 (b) HIGHER EDUCATION; AND

4 (c) ROADS, BRIDGES, AND TRANSIT.

5 (2) FOR ANY STATE FISCAL YEAR IN WHICH THERE IS MONEY
6 SUBJECT TO THE ALLOCATION IN SUBSECTION (1) OF THIS SECTION:

7 (a) THE STATE TREASURER SHALL TRANSFER ONE-THIRD OF THIS
8 MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FROM THE PRIOR FISCAL
9 YEAR TO THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201
10 TO BE ALLOCATED IN ACCORDANCE WITH SECTIONS 43-4-205 TO 43-4-208;

11 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE-THIRD OF
12 THIS MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FOR HIGHER
13 EDUCATION; AND

14 (c) THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE-THIRD OF
15 THIS MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FOR PUBLIC
16 SCHOOLS TO BE DISTRIBUTED ON A PER PUPIL BASIS AND USED ONLY FOR
17 NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING CLASSROOMS,
18 SUCH AS INITIATIVES THAT HELP ATTRACT AND RETAIN EDUCATORS,
19 INITIATIVES TO IMPROVE TEACHER TRAINING, AND BOOKS AND
20 TECHNOLOGY FOR STUDENT LEARNING. A DISTRICT SHALL NOT USE MONEY
21 APPROPRIATED UNDER THIS SECTION AS PART OF A DISTRICT RESERVE.

22 (3) (a) EXCEPT AS SET FORTH IN SUBSECTION (3)(b) OF THIS
23 SECTION, THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY AS
24 REQUIRED BY SUBSECTION (2) OF THIS SECTION FOR THE STATE FISCAL
25 YEAR FOLLOWING THE STATE FISCAL YEAR FOR WHICH THE STATE RETAINS
26 AND SPENDS REVENUE IN ACCORDANCE WITH SECTION 24-77-103.6 (1)(c),
27 AND THE STATE TREASURER SHALL TRANSFER MONEY AS REQUIRED BY

1 SUBSECTION (2)(a) OF THIS SECTION WITHIN THREE BUSINESS DAYS AFTER
2 RECEIVING THE CERTIFICATION FROM THE STATE AUDITOR IN ACCORDANCE
3 WITH SECTION 24-77-106.5 (2) FOR THAT STATE FISCAL YEAR.

4 (b) ON OR BEFORE JANUARY 1, 2020, ANY MONEY IN THE GENERAL
5 FUND THAT WAS RESTRICTED FOR THE PURPOSE OF REFUNDING EXCESS
6 STATE REVENUES FOR THE 2018-19 STATE FISCAL YEAR IS INCLUDED IN
7 THE GENERAL FUND EXEMPT ACCOUNT. THE GENERAL ASSEMBLY MAY
8 APPROPRIATE THE PORTION OF THIS MONEY REQUIRED BY SUBSECTION (2)
9 OF THIS SECTION FOR THE 2019-20 OR 2020-21 STATE FISCAL YEAR. THE
10 STATE TREASURER SHALL TRANSFER THE PORTION OF THIS MONEY
11 REQUIRED BY SUBSECTION (2)(a) OF THIS SECTION ON OR BEFORE JANUARY
12 15, 2020.

13 (4) AS USED IN THIS SECTION, "GENERAL FUND EXEMPT ACCOUNT"
14 MEANS THE GENERAL FUND EXEMPT ACCOUNT CREATED IN SECTION
15 24-77-103.6 (2).

16 **SECTION 2.** In Colorado Revised Statutes, 24-77-104.5, **amend**
17 (1) introductory portion and (1)(b) introductory portion as follows:

18 **24-77-104.5. General fund exempt account - referendum C**
19 **money - specification of uses for health care and education -**
20 **definitions.** (1) The ~~moneys~~ MONEY in the general fund exempt account
21 ~~created in section 24-77-103.6 (2)~~ AS A RESULT OF SECTION 24-77-103.6
22 (1)(b) shall be appropriated or transferred in the following manner:

23 (b) If there ~~are~~ IS any ~~moneys~~ MONEY in the account AS A RESULT
24 OF SECTION 24-77-103.6 (1)(b) after the appropriations or transfers
25 required by ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS
26 SECTION are made, then all ~~moneys~~ MONEY remaining in the account AS
27 A RESULT OF SECTION 24-77-103.6 (1)(c) shall be split equally for the

1 following three purposes:

2 **SECTION 3.** In Colorado Revised Statutes, 24-77-106.5, **amend**
3 (1)(b) and (2); and **add** (4) as follows:

4 **24-77-106.5. Annual financial report - certification of excess**
5 **state revenues.** (1) (b) Notwithstanding section 24-1-136 (11)(a)(I),
6 based upon the financial report prepared in accordance with subsection
7 (1)(a) of this section for any given fiscal year, the controller shall certify
8 to the governor, the general assembly, THE STATE TREASURER, and the
9 executive director of the department of revenue no later than September
10 1 following the end of a fiscal year the amount of state revenues in excess
11 of the limitation on state fiscal year spending imposed by section 20 (7)(a)
12 of article X of the state constitution, if any, for such fiscal year and the
13 state revenues in excess of such limitation that the state is authorized to
14 retain and spend pursuant to voter approval of section 24-77-103.6.

15 (2) Any financial report prepared and certification of state excess
16 revenues made pursuant to subsection (1) of this section shall be audited
17 by the state auditor. No later than September 15 following the
18 certification made by the state controller for any given fiscal year, the
19 state auditor shall report and transmit to the governor, the joint budget
20 committee, the finance committees of the house of representatives and the
21 senate, THE STATE TREASURER, and the executive director of the
22 department of revenue the results of any audit conducted in accordance
23 with this subsection (2).

24 (4) THE STATE REVENUES IN EXCESS OF THE LIMITATION ON STATE
25 FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7)(a) OF ARTICLE X OF
26 THE STATE CONSTITUTION THAT THE STATE IS AUTHORIZED TO RETAIN AND
27 SPEND PURSUANT TO VOTER APPROVAL OF SECTION 24-77-103.6 INCLUDE

1 THE AMOUNTS THAT THE VOTERS APPROVED AT THE NOVEMBER 2005
2 STATEWIDE ELECTION AND THE NOVEMBER 2019 STATEWIDE ELECTION,
3 WHICH AMOUNTS MUST BE REPORTED SEPARATELY.

4 **SECTION 4.** In Colorado Revised Statutes, 43-4-205, **add** (6.2)
5 as follows:

6 **43-4-205. Allocation of fund.** (6.2) MONEY TRANSFERRED TO
7 THE HIGHWAY USERS TAX FUND IN ACCORDANCE WITH SECTION
8 24-77-104.5 (2)(a) IS ALLOCATED AND MUST BE EXPENDED IN
9 ACCORDANCE WITH THE FORMULA SPECIFIED IN SUBSECTION (6)(b) OF THIS
10 SECTION.

11 **SECTION 5.** In Colorado Revised Statutes, 43-4-206, **amend**
12 (2)(a) introductory portion as follows:

13 **43-4-206. State allocation.** (2) (a) Revenue accrued to and
14 transferred to the highway users tax fund pursuant to section 39-26-123
15 (4)(a) or appropriated to the highway users tax fund pursuant to House
16 Bill 02-1389, enacted at the second regular session of the sixty-third
17 general assembly, and credited to the state highway fund pursuant to
18 ~~section 43-4-205 (6.5)~~ SECTION 43-4-205 (6.2) AND (6.5) shall be
19 expended by the department of transportation for the implementation of
20 the strategic transportation project investment program:

21 **SECTION 6. Effective date.** This act takes effect only if House
22 Bill 19-____ is approved by the voters at the 2019 statewide election and
23 becomes law.

24 **SECTION 7. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0423.01 Bob Lackner x4350

SENATE BILL 19-225

SENATE SPONSORSHIP

Gonzales and Rodriguez, Foote, Moreno

HOUSE SPONSORSHIP

Lontine and Gonzales-Gutierrez, Duran, Galindo, Jackson, Singer, Sirota

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE ABILITY OF LOCAL GOVERNMENTS TO STABILIZE**
102 **RENTS ON PRIVATE RESIDENTIAL PROPERTY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill repeals existing statutory language prohibiting counties or municipalities (local governments) from enacting any ordinance or resolution that would control rent on either private residential property or a private residential housing unit (collectively, private residential property). The bill authorizes local governments to enact and enforce any ordinance, resolution, agreement, deed restriction, or other measure that

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

would stabilize rent on private residential property.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **repeal and reenact,**
3 **with amendments,** 38-12-301 as follows:

4 **38-12-301. Authority of local governments to stabilize rent on**
5 **private residential real property - legislative declaration.** (1) THE
6 GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

7 (a) IN 1981, THE GENERAL ASSEMBLY ENACTED LEGISLATION THAT
8 PROHIBITED COUNTIES AND MUNICIPALITIES, REFERRED TO IN THIS PART 3
9 AS "LOCAL GOVERNMENTS", FROM ENACTING ANY RESOLUTION OR
10 ORDINANCE THAT WOULD CONTROL RENT ON PRIVATE RESIDENTIAL REAL
11 PROPERTY OR PRIVATE RESIDENTIAL HOUSING UNITS.

12 (b) SINCE 2000, THE STATE'S NEED FOR AFFORDABLE HOUSING IN
13 ALL GEOGRAPHIC REGIONS HAS GROWN EXPONENTIALLY. AMONG OTHER
14 EFFECTS, THE IMMENSE DEMAND FOR AFFORDABLE HOUSING REPRESENTS
15 A SIGNIFICANT IMPEDIMENT TO ECONOMIC GROWTH AND OPPORTUNITIES
16 FOR RESIDENTS WITHIN THE STATE AS THE MAJORITY OF RENTERS IN
17 COLORADO ARE RENT-BURDENED AND, ACCORDINGLY, ARE CHALLENGED
18 IN THEIR ABILITY TO AFFORD THEIR RENT.

19 (c) THE DEMAND FOR AFFORDABLE HOUSING LIMITS THE ABILITY
20 OF THE STATE TO PROVIDE A HIGH-QUALITY LIFE FOR ALL ITS RESIDENTS
21 AND TO DEVELOP, ATTRACT, AND MAINTAIN A HIGH-QUALITY WORKFORCE.

22 (d) IN ADOPTING ITS MASTER PLANS, MUNICIPALITIES ARE
23 SPECIFICALLY DIRECTED BY SECTION 31-23-207 TO ACCOMPLISH "A
24 COORDINATED, ADJUSTED, AND HARMONIOUS DEVELOPMENT OF THE
25 MUNICIPALITY AND ITS ENVIRONS WHICH WILL, IN ACCORDANCE WITH

1 PRESENT AND FUTURE NEEDS, BEST PROMOTE HEALTH, SAFETY, ORDER,
2 CONVENIENCE, PROSPERITY, AND GENERAL WELFARE...
3 INCLUDING...AFFORDABLE HOUSING....".

4 (e) WHILE RENTAL HOUSING AFFORDABILITY IS AN ISSUE ACROSS
5 THE STATE, THE DYNAMICS FACING COLORADO COMMUNITIES DIFFER.
6 WHILE THE RENT INCREASES IN THE DENVER METROPOLITAN AREA ARE
7 WELL-DOCUMENTED, SUBURBAN CITIES ALSO STRUGGLE TO PROVIDE
8 HOUSING FOR RENTERS MOVING INTO THESE AREAS. FORT COLLINS AND
9 CITIES WITH LARGE NUMBERS OF UNIVERSITY STUDENTS HAVE STUDENT
10 POPULATIONS CONTENDING WITH RISING HOUSING COSTS. SKI
11 COMMUNITIES FACE HOUSING SHORTAGES FOR SEASONAL WORKERS, AND
12 SMALLER CITIES SUCH AS DURANGO ARE ALSO CONFRONTING
13 UNAFFORDABLE RENTAL HOUSING IN THEIR COMMUNITIES.

14 (f) THE INABILITY OF LOCAL GOVERNMENTS TO REGULATE
15 SKYROCKETING RENTS HAS LED TO RENTERS BEING DISPLACED FROM
16 DENVER AND OTHER LARGER COMMUNITIES INTO SMALLER SURROUNDING
17 COMMUNITIES WHOSE EXISTING HOUSING STOCK IS ILL-EQUIPPED TO MEET
18 INCREASED DEMAND. AS A RESULT, COUNTLESS COLORADO RENTERS ARE
19 UNABLE TO WORK IN CLOSE PROXIMITY TO THEIR PLACE OF EMPLOYMENT
20 WITH FAR-REACHING IMPACTS ON THE STATE.

21 (2) BY GIVING LOCAL GOVERNMENTS THE AUTHORITY TO ADOPT
22 THE TYPES OF HOUSING PROGRAMS AUTHORIZED BY SENATE BILL 19-____,
23 ENACTED IN 2019, THE GENERAL ASSEMBLY INTENDS TO GIVE LOCAL
24 GOVERNMENTS AN ADDITIONAL AND MEANINGFUL RESOURCE TO EXPAND
25 THE SUPPLY OF AFFORDABLE HOUSING IN THEIR COMMUNITIES AND TO
26 ENABLE LOW-INCOME AND WORKING-CLASS RESIDENTS TO LIVE IN THE
27 COMMUNITIES IN WHICH THEY WORK, THEREBY PREVENTING THE

1 DISPLACEMENT OF THESE RESIDENTS FROM THEIR COMMUNITIES.

2 (3) A LOCAL GOVERNMENT MAY ENACT AND ENFORCE ANY
3 ORDINANCE, RESOLUTION, AGREEMENT, DEED RESTRICTION, OR OTHER
4 MEASURE THAT WOULD STABILIZE RENT ON EITHER PRIVATE RESIDENTIAL
5 PROPERTY OR A PRIVATE RESIDENTIAL HOUSING UNIT.

6 **SECTION 2.** In Colorado Revised Statutes, **amend** 38-12-302 as
7 follows:

8 **38-12-302. Definitions.** As used in this part 3, unless the context
9 otherwise requires:

10 (1) "LOCAL GOVERNMENT" MEANS A COUNTY, HOME RULE
11 COUNTY, OR A MUNICIPALITY.

12 ~~(1)~~ (2) "Municipality" means a city or town and, in addition,
13 means a city or town incorporated prior to July 3, 1877, whether or not
14 reorganized, and any city, town, or city and county which has chosen to
15 adopt a home rule charter pursuant to ~~the provisions of~~ article XX of the
16 state constitution.

17 **SECTION 3. Act subject to petition - effective date.** This act
18 takes effect September 1, 2019; except that, if a referendum petition is
19 filed pursuant to section 1 (3) of article V of the state constitution against
20 this act or an item, section, or part of this act within the ninety-day period
21 after final adjournment of the general assembly, then the act, item,
22 section, or part will not take effect unless approved by the people at the
23 general election to be held in November 2020 and, in such case, will take
24 effect on the date of the official declaration of the vote thereon by the
25 governor.