

**Federal, State and Intergovernmental Relations (FSIR)
Meeting
April 26, 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 April 12, 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 – May 10, 2019

Federal, State and Intergovernmental Relations (FSIR) Meeting
April 12, 2019

Members Present: Council Member Charlie Richardson, Chair, and Council Member Crystal Murillo, Member

Others Present: Michael Crews, Abby Fitch, Matt LaCrue, Debora O'Connor, Suhyeong (Daniel) Park, Nancy Rodgers and Roberto Venegas

1. APPROVAL OF MINUTES FROM MARCH 22, 2019 MEETING

The minutes were approved as written.

2. CONSENT ITEMS: None

3. STATE LEGISLATION UPDATES:

- a. **Senate Bill 19-225 – Rent Stabilization**. Concerning ability of local governments to stabilize rents on private residential property.

Summary of Issue and Discussion: Per Matt LaCrue, this was to be discussed on Wednesday, April 10, 2019, but because of the snowstorm, the government closed early and this discussion will be moved to Monday, April 15, 2019. Council Member Murillo was there to testify about local control, but cannot testify now due to the changed time.

Council Member Richardson asked Mr. LaCrue if the bill is going to “go”; Mr. LaCrue responded that it will. He continued saying that Senator Fields is on the committee and encouraged CM Richardson to let her know if we take a position to support, which CM Richardson confirmed that we do.

Position: Support

Follow-up Action: None

- b. **HB19-1210 – Local Government Minimum Wage**. Concerning the repeal of the prohibitions on a local government establishing minimum wage laws within its jurisdiction.

Summary of Issue and Discussion: Per Matt LaCrue, this has been pulled. They heard testimony this week but Senator Moreno wants to work with stakeholders to figure out how to support the small businesses since they oppose this.

Follow-up Action: None

- c. **SB19-181 - Protect Public Welfare Oil and Gas Operations.** Concerning additional public welfare protections regarding the conduct of oil and gas operations, and, in connection therewith, making an appropriation.

Summary of Issue and Discussion: CM Richardson stated that he's heard rumors that the oil and gas industry is going to do a referendum on this. Is that possible? Mr. LaCrue responded that he hadn't heard that, but they are hearing a lot of things on this bill. Per Roberto Venegas, it would be a ballot initiative to repeal 181. Mr. LaCrue said that if one gets 60,000 signatures, somehow the money will be there. He then said that they are focusing their efforts on the recalls. Ears will be kept to the ground.

Follow-up Action: Monitor

- d. **HB19-1246 – Local Regulation of Food Trucks** – Concerning the regulation of food truck businesses by local governments.

Summary of Issue and Discussion: Mr. LaCrue explained they changed the whole bill and they aren't going to implement it this year; they are going change it into a study so that CML can work with the industry and local governments and we will have an interim committee on that.

Position: Monitor

Follow-up Action: None at this time

- e. **HB19-1234 – Regulated Marijuana Delivery.** Concerning allowing delivery of regulated marijuana by regulated marijuana sellers.

Discussion: CM Richardson complimented Mr. LaCrue on the good work that Denton's has done on this. Mr. LaCrue said that all of the concerns that we addressed in the last FSIR meeting (March 22, 2019) about public safety are now in the bill.

Position: Monitor

Follow-up Action: None at this time

- f. **HB19-1177 – Extreme Risk Protection Orders (Red-flag Bill).** Concerning creation of an extreme risk protection order, and, in connection therewith, making an appropriation.

Discussion: Per Michael Crews, this bill was signed today.

- g. **SB19-188 - FAMLI - Family Medical Leave Insurance Program.** Concerning the creation of a family and medical leave insurance program.

Discussion: Per Mr. LaCrue, this was supposed to be on an appropriations counter this morning but because the fiscal note is seven pages, they pulled it from the docket. Amendments have not changed; most of them are technical, and the strike-below covers the opt-in option for local governments.

CM Richardson pondered what our role is here: do we say the city has an opt-out so we don't care, or what about all of the businesses in Aurora? Mr. LaCrue responded that he has not reached out to the Chamber, but he can and find out their stance. Nobody has asked Denton's to continue to lobby the bill, but that's a decision for council. Do they want to stay neutral on it now? Mr. Venegas said that typically, we only take positions that have direct operational impact. Once they have operational impact, we don't usually weigh in. But, on this one if the business community says it thinks this is important, then Council will need to decide what to do. CM Richardson asked Mr. Venegas to call Kevin and advise him that on Monday, April 15, 2019, Council will talk about this in Study Session.

Mr. LaCrue then said that he knows for a fact that the State Chamber is not changing any of their positions. Which likely means that Kevin and the Chamber are not changing their position either. Does that mean they want us to continue lobbying? Probably, but we don't know. CM Richardson then said that he would invite him to send us information and then we'll decide.

Mr. Crews asked Mr. LaCrue, 'were they stakeholders as part of the amendment process?' Mr. LaCrue responded that the Colorado Chamber was. Right now they are working on the premium and changing the 64-year-old for employers and employees. Also, the definition for 'indefinite relationship' isn't clear and they're working on defining it.

CM Murillo stated that she did not agree with the majority vote on the Family Leave Bill. She supports the foundation of it, but there were additional conversations that needed to be had. If we are going to reach out to the Chamber, we know that they don't represent all of the businesses. She is aware of one small business that has a different opinion, but she's okay with reaching out to them. How do we balance the fact that they are not the sole business community voice? That's a concern.

Mr. Crews stated that during the testimony when we were there, he'd estimate that three or four small businesses had testified in favor of the bill, but they weren't part of an organized coalition or group. He's unaware if there is one out there.

CM Richardson wondered how we can actively oppose something that has been so radically changed. Mr. LaCrue said that if Aurora, MADD or anyone else goes to the legislature and says 'we still actively oppose this', they will be told, 'you aren't even impacted by this bill because you opted-out.' Mr. LaCrue will likely present this Monday night.

Position: Monitor

Follow-up Action: None at this time

- h. **Sports Betting.** Mr. LaCrue has seen some language around sports betting, however this has not been introduced. Once the language is finalized, they should be dropping it in a week or so. This will be a ballot measure that will go to the voters in November. That could change, but that's the language he's seen. He read that it would allow casinos to hold a master license, but we don't know how it would play out with the dog track. They may have to apply through a master license person. It also includes college sports betting. In full: it would cover professional sports, college sports and fantasy sports. Mr. Venegas said that soon we'll be

hearing from the gaming association and Christy Feracci (sp?).

CM Murillo asked if this is a tax; Mr. LaCrue affirmed that it is. He also stated that universities have lobbyists.

- i. **SB19-012 - Use of Mobile Electronic Devices While Driving (Texting While Driving Bill).**
Concerning the use of mobile electronic devices while driving, and, in connection therewith, making an appropriation.

Discussion: Mr. LaCrue stated that this finally got scheduled and will be up next week. There will be an up-to \$500 fine and 8 points penalty. Mr. Crews stated that we have to carve out from Aurora Water, which included the exemption of people using 2-way radios for their job duties. This will be a municipal offense and we will not have to pass an ordinance. Per Nancy Rodgers, it will become part of the Model (?) Traffic Code. We just have to check our adoption and integration into the Code.

CM Murillo is concerned that this fine is very steep for people who live paycheck to paycheck or can't afford even their rent. She understands the severity of what distracted driving could cause, but the high fine feels like a big burden to her. Also, it's expensive to install a Bluetooth system. She'd like to see a tiered, income-based fine structure, but Mr. Crews explained that this is just like any other traffic-based ticket or fee – the fee is set. However, there will be a graduated point system based off of how many offenses one has: first offense has fewer points lost, more with each offense following.

Mr. LaCrue said they tried to pass this two years ago. CM Murillo asked that if this does gain traction we consider amendments to the monetary portion. Mr. LaCrue said that it would be a \$50 fine while driving, a \$100 fine for a second offense, and it goes up to \$500.

- j. **Draft Mobile Home Park Regulation Overview**

Discussion: CM Murillo went to testify on this. She was talking to Dray (sp?) and the 9-5 Team who have been working with us, and they were asking for support on trying to count votes from our lobbyists. She wants clarification on whether this is something we're able and comfortable doing since that is part of the coalition and we're supporting the bill. Mr. Venegas said yes. He was part of the stakeholder meetings, but he doesn't know who the point of the sphere is. He told them we'll count our votes on terms of our delegation and then however they want to split up the floor if they need to do that. CM Murillo asked Mr. LaCrue to specifically reach out to Dray (sp?) since she's in contact with her. Mr. Venegas said that at the very least we can tell them where our delegation is. CM Murillo said, now that they're hiring more lobbyists on the other end, she doesn't know how far they are in their contract with their own lobbyists. Mr. Venegas responded saying that since this is her bill, and Boulder County has been the one pushing it, he doesn't want to step on their strategy, but we'll step in with whatever they need. CM Murillo wants Dray (sp?) to know that we don't want to step on toes, but we do want to work with the larger effort.

4. MISCELLANEOUS MATTERS FOR CONSIDERATION

- a. Suhyeong Park (American name: Daniel) was introduced to the committee as an intern with our intergovernmental relations team. Suhyeong is a political science major in South Korea and will be working with Ricardo Venegas and Michael Crews for four months.
 - b. CM Richardson suggested that we have a small event for the committee at the end of session like this committee used to.
 - c. Because this meeting was expected to be brief, CM Richardson said that he told Council Member Berzins not to come since she was running late.
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5. CONFIRM NEXT MEETING

The next meeting is scheduled for April 26, 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 4.19.19.docx

MEMORANDUM

TO: FSIR
FROM: MICHAEL CREWS, INTERGOVERNMENTAL RELATIONS
COORDINATOR
SUBJECT: STATE LEGISLATION UPDATE
DATE: 4/19/2019

FSIR Active Support Update

Housing Tax Credit: HB19-1228 Increase Tax Credit Allocation Affordable Housing. Currently, under the affordable housing tax credit, during each calendar year of the period beginning in 2015 and ending in 2024 the Colorado housing and finance authority (CHFA) may allocate tax credits in an aggregate amount up to \$5 million annually. The bill increases the annual aggregate cap to \$10 million for the years beginning on January 1, 2020, and ending on December 31, 2024. While the increase in the annual aggregate cap would not directly impact the city it could aid in addressing our affordable housing issues if projects and developments are awarded in the city.

The bill has been assigned to the Senate Finance Committee.

Vendor Fee: HB19-1245 Affordable Housing Funding From Vendor Fee Changes. A retailer who collects state sales tax is currently allowed to retain 3 1/3% of the state sales taxes collected as compensation for the retailer's expenses incurred in collecting and remitting the tax (vendor fee). Beginning January 1, 2020, the bill increases the vendor fee to 4% and establishes a \$1,000 monthly cap on the vendor fee. This limit applies regardless of the number of the retailer's locations. A vendor with multiple locations is required to register all locations under one account with the department of revenue. The changes to the state vendor fee do not apply to a local government that imposes a sales tax and permits a vendor fee that is based on the state's vendor fee. A cap of \$1,000 a month would only impact large retailers. A retailer would have to have \$862,000 in taxable sales in the month to be impacted by the cap. The city fully eliminated vendor fees on January 1st, 2018.

The bill passed out of the House Finance Committee on April 1st

Census Grants: HB19-1239 Census Outreach Grant Program 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. The bill specifies that eligible recipients may use grant money to conduct 2020 census outreach, promotion, and education to focus on hard-to-count communities in the state and to increase the self-response rate and accuracy of the 2020 census.

An amended version of the bill reducing the funding level from \$12 million dollars to \$6 million is scheduled to be heard in the Senate State, Veterans, & Military Affairs Committee.

Nicotine Taxation: HB19-1033 Local Governments May Regulate Nicotine Products would enable local governments to impose an additional sales tax on nicotine products. Under the current statute in order to participate in the revenue share back provided by the state sales tax on nicotine products local governments are prohibited from enacting their own sales tax on such products. This bill would allow local governments to continue to receive state revenue share back and levy an additional sales tax on nicotine products. The bill would allow the city to collect sales tax twice on the sale of nicotine products.

The Governor signed the bill on March 28th.

Electrical Inspections: HB19-1035 Remove Fee Cap Electrical Inspection Local Government Higher Education would enable local governments to charge more than 15% over what the state charges to perform an electrical inspection. Under the current statute, local governments are prohibited from charging more than 15% of what the state charges to perform an electrical inspection. The bill would allow the city to set and charge a higher fee for electrical inspections performed by the building department.

The Governor signed the bill on April 10th.

Extreme Risk Protection Order: HB19-1177 Extreme Risk Protection Orders creates the ability for a family or household member or a law enforcement officer to petition the court for a temporary extreme risk protection order (ERPO). The petitioner must establish by a preponderance of the evidence that a person poses a significant risk to self or others by having a firearm in his or her custody or control or by possessing, purchasing, or receiving a firearm. The petitioner must submit an affidavit signed under oath and penalty of perjury that sets forth facts to support the issuance of a temporary ERPO and a reasonable basis for believing they exist. The court must hold a temporary ERPO hearing in person or by telephone on the day the petition is filed or on the court day immediately following the day the petition is filed. Upon issuance of the ERPO, the respondent shall surrender all of his or her firearms and his or her concealed carry permit if the respondent has one. After issuance of a temporary ERPO, the court must schedule a second hearing no later than 14 days following the issuance to determine whether the issuance of a continuing ERPO is warranted.

The Governor signed the bill on April 12th.

FSIR Active Oppose Update

Legalizing Minors' Businesses: SB19-103 Legalizing Minors' Businesses would prohibit a municipality from requiring a license or permit for a business that is operated on an occasional basis (not in operation for more than 84 days in a calendar year) by a minor and is located a sufficient distance from a commercial entity as determined by the municipality to prevent the minor's business from becoming a direct economic competitor of the commercial entity.

The Governor signed the bill on April 1st.

Plumbing Inspections: HB19-1086 Plumbing Inspections Ensure Compliance would require plumbing inspections to be performed only by state-licensed plumbers. Under current law, only plumbing inspectors employed by qualified state institutions of higher education are required to have the same qualifications as state plumbing inspectors. The bill would expand that requirement to plumbing inspectors employed by a municipality.

The bill was sent to the Governor's Office on April 8th.

FSIR Monitor Update

FAMLI: SB19-188 FAMLI Family Medical Leave Insurance Program would create 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.

The bill is scheduled for House Second Reading on April 22nd.

Marijuana Delivery: HB19-1234 Regulated Marijuana Delivery creates marijuana delivery permits for licensed medical marijuana centers and transporters and licensed retail marijuana stores and transporters that allow the centers, stores, and transporters to deliver medical marijuana, medical marijuana-infused products, retail marijuana, and retail marijuana products to customers. The bill gives the state licensing authority rule-making authority over the permit and delivery system. Medical marijuana delivery permitting begins January 2, 2020, and retail marijuana delivery permitting begins January 2, 2021.

An amended version of the bill passed House third reading of bills on April 18th.

Clean Indoor Air Act: HB19-1076 Clean Indoor Air Act Add E-cigarettes Remove Exceptions would be an update to the Colorado Clean Indoor Air Act. The update would include the following: Eliminating the existing exceptions for certain places of business in which smoking may be permitted, such as airport smoking concessions, businesses with 3 or fewer employees, designated smoking rooms in hotels, and designated smoking areas in assisted living facilities; and Adding a definition of "electronic smoking device" (ESD) to include e-cigarettes and similar devices within the scope of the act.

An amended version of the bill passed House third reading of bills on April 18th.

Mobile Devices: SB19-012 Use of Electronic Devices while Driving would establish penalties for individuals using electronic devices while operating a motor vehicle.

The bill was postponed indefinitely by the House Judiciary Committee on April 16th.

Plastic Straws: HB19-1143 Distribute Plastic Straws Only Upon Request would prohibit a restaurant, food vendor, or other food service establishment from providing a single-use plastic beverage straw to a customer unless the customer requests a straw.

The bill was postponed indefinitely by the House Energy & Environment Committee on February 25th.

Equal Pay for Equal Work Act: SB19-085 concerns the creation of the "Equal Pay for Equal Work Act in order to implement measures to prevent pay disparities.

The bill passed out of the House Business Affairs & Labor Committee on April 17th.

Improper Guilty Pleas: SB19-030 Remediating Improper Guilty Pleas would address that in some instances when criminal defendants entered a guilty plea in connection to a deferred judgment they were not advised that there may be additional penalties that attach to the plea even if the plea is later withdrawn and the case is dismissed. These defendants did not knowingly, intelligently, and voluntarily enter the plea of guilty as required by law. The bill authorizes these persons to petition the court for an order vacating the guilty plea. The bill will have an impact on municipal courts in that it will add requirements currently not supported by Supreme Court case law. The language of the proposed bill is broad and unclear.

The bill has been assigned to the House Judiciary Committee.