

# South Metro Fire Rescue

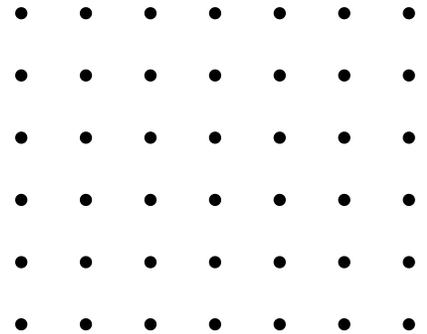


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## 74TH GENERAL ASSEMBLY

*End of Session Report*

*Presented by: Camille Driver, 3015*



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MAY 2024

# INTRODUCTION

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As the second regular session of Colorado's 74th General Assembly began, most Capitol observers expected a repeat of the previous year's acrimony and contentiousness, which had also marked last November's special session. However, by the end of the 120-day legislative session last week, it was evident that this session concluded on a more measured and productive note.

Entering 2024, Democrats retained their strong 46-19 supermajority in the House and a 23-12 near supermajority in the Senate. Despite these unchanged margins, new faces joined the House and Senate Democratic caucuses. State Rep. Serena Gonzales-Gutierrez was elected to the Denver City Council, and community activist Tim Hernandez was selected to complete her term. Sen. Dominick Moreno left his role as majority leader to join Denver Mayor Michael Johnston's administration, and state Rep. Dafna Michaelson Jenet was appointed to Moreno's Senate seat. Manny Rutinel, an environmental attorney, was chosen to replace Michaelson Jenet. Additionally, state Reps. Ruby Dickson and Said Sharbini resigned after the contentious 2023 special session, citing the toxic work environment. They were replaced by Chad Clifford and Julia Marvin, respectively. This reshuffling had a significant impact, and leaders from both parties worked hard to reassure members and the public that the 2024 session would return to normal operations and decorum; surprisingly, it largely did. This return to normalcy was evident in late-session compromises on bills related to oil and gas development, civil litigation damage caps, and property tax, involving collaboration between lawmakers, the governor's office, and key stakeholders.

## TOP 5: OVERALL

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### PROPERTY TAX REFORM

Discussions about property tax relief were closely linked to the broader conversation on housing affordability, largely influenced by two ballot measures: Initiative 50 and Initiative 108. Initiative 50, already approved for the November ballot, proposes a 4% cap on the annual growth of all property tax revenue. Initiative 108, which still needs to gather signatures for ballot approval, aims to significantly cut property tax rates for both residential and commercial properties, with the state compensating school districts and other local districts for the estimated \$3 billion revenue loss from state funds.

In the last three days of the legislative session, SB 233 was introduced and passed. This bill caps revenue growth for local districts (excluding school districts) at 5.5%, reduces property tax rates for certain residential and commercial properties, exempts a portion of property tax value from taxation, and offers minimal reimbursement to local districts. School districts will receive full reimbursement for lost revenues this year from the state education fund, financed by income tax. The legislature's fiscal analysts estimate the tax break will total \$1.3 billion statewide, while the Governor's Office estimates homeowners will save an average of \$300 to \$400 annually on their property tax bills. Proponents of Initiatives 50 and 108 do not support SB 233, but the legislature has positioned the bill as an alternative to these measures, contingent on their failure in the November vote.

### HOUSING

Governor Jared Polis introduced a package of land use bills aimed at changing local zoning codes to increase housing options, with support from most Democrats. These bills include allowing accessory dwelling units by right (HB 1152), requiring more density around transit areas (HB 1313), eliminating parking minimums for multifamily residential developments (HB 1304), and prohibiting local governments from limiting the number of unrelated people living together (HB 1007).

Legislators also passed bipartisan bills requiring local governments to conduct housing needs assessments (SB 174) and expanding the state's affordable housing tax credit program (HB 1434). However, some housing initiatives failed, including a tax credit for qualified renters (SB 146) and a tax credit for converting commercial buildings to residential use (HB 1125).

Progressive Democrats succeeded in passing narrower versions of bills from the previous year, which limit eviction circumstances (HB 1098) and give local governments the first option to purchase affordable housing being sold (HB 1175). Meanwhile, a bill (SB 106) supported by moderate legislators and the business community to address construction defects and encourage new condo construction encountered significant opposition, including from a competing bill (HB 1230) that proposed different reforms. Ultimately, both bills failed.

## **TRANSPORTATION**

Colorado's Democratic leaders and the Governor's Office launched an ambitious campaign to overhaul the state's transit systems, focusing particularly on funding for the Front Range Passenger Rail project. At the heart of this effort was SB 184 (Support Surface Transportation Infrastructure Development), which introduced a new and controversial \$3 rental car fee statewide. This fee is intended to fund rail projects, supplemented by SB 230 (Oil and Gas Production Fees). By leveraging the Bi-Partisan Infrastructure Law's 80-20 funding match, this strategy aims to unlock billions in federal dollars needed to complete these projects.

To support the expanded funding, several key measures were enacted. HB 1012 restructured the Front Range Passenger Rail District to enhance its accessibility and accountability. SB 032 created an exploratory committee to consider statewide transit passes and free fares for young people. Although significant reforms proposed in HB 1447 to overhaul the RTD board of directors were scaled back, the legislative goal to improve transparency and efficiency in transit operations remained clear.

The session also prioritized transit safety with new mandates, including HB 1030, which introduced stringent safety protocols for rail operations, HB 1464, which refined highway zone designations, and SB 100, which increased enforcement and penalties for road safety violations. Additionally, SB 65 banned the use of mobile electronic devices while driving, reflecting a comprehensive approach to transit safety.

Colorado aims to elevate its transit funding ranking from 42nd to 23rd nationwide. This improvement is expected to coincide with significant developments in transit-oriented infrastructure, promoting increased density and connectivity, especially along the Front Range.

## **PUBLIC SAFETY**

Public safety and criminal justice issues remained prominent for policymakers. Democrats passed several gun violence prevention measures, including a ban on concealed carry in sensitive spaces (SB 131), increased training requirements for permit holders (HB 1174), and a new excise tax on firearms and ammunition referred to voters (HB 1349). However, for the second consecutive year, they failed to pass an assault weapons ban; this year's attempt, HB 1292 (Prohibit Certain Weapons Used in Mass Shootings), was tabled by the Senate sponsor on the session's penultimate day.

Efforts to increase penalties for firearm theft (HB 1162) and to prevent certain prior offenders from owning firearms (SB 107) were rejected by progressive members, who argued these policies could disproportionately affect marginalized communities. Other law enforcement reforms also faced significant scrutiny. A bill to limit the use of prone restraint by law enforcement (HB 1372) was scaled back to focus on education and training for appropriate use. Additionally, a surprise bill (HB 1460) that sought to impose professional and civil liability on peace officers for failing to report policy violations or misconduct was defeated on the House floor after law enforcement groups criticized the lack of stakeholder engagement.

## ENVIRONMENT

This session's energy and environment policy debate began with numerous bills aiming for strict regulation of Colorado's oil and gas industry and concluded with a significant deal in the final weeks. The agreement, involving the governor, environmental advocates, and the state's three major oil and gas companies, resulted in the withdrawal of four proposed bills in exchange for passing two compromise bills and a commitment to no new oil and gas legislation for the next three years. Additionally, both sides agreed to withdraw all ballot measures. The withdrawn bills included the "ozone trio," which aimed to implement a seasonal pause on oil and gas preproduction (SB 165), increase penalties for repeat air-quality violators (SB 166), and enhance air-quality permit modeling (HB 1330). Another withdrawn bill, HB 1367, proposed eliminating a tax exemption on stripper wells.

In their place, SB 229 and SB 230 were introduced. SB 229, sponsored by Senators Faith Winter and Kevin Priola, incorporated elements from the failed legislation and introduced new regulations. It codified the Governor's 2023 executive order on nitrous oxide reductions, mandated an annual air quality report, expanded state authority to revoke licenses and require polluters to fix equipment malfunctions, limited court powers to delay license suspensions or revocations, and enhanced protections for disproportionately impacted communities. It also expanded the state's orphaned well mitigation enterprise fund. SB 230, brought by Senator Lisa Cutter and Senate President Steve Fenberg, introduced two new fees on oil and gas production to fund local transit systems, Front Range passenger rail development, and Colorado Parks and Wildlife initiatives for species reintroduction, habitat cleanup, and public land restoration. While the deal will prevent new oil and gas legislation for three years, it does not apply to other industries such as manufacturing.

Another major energy and environment debate focused on wetland protections following the U.S. Supreme Court decision in *Sackett v. EPA*, which left some state waters without federal jurisdiction and a legal process for developers to seek dredge and fill discharge permits. Two competing bills were introduced: SB 127, a bipartisan proposal by Rep. Shannon Bird and Sen. Barbara Kirkmeyer, which proposed a new division in the Department of Natural Resources (DNR), and HB 1379, sponsored by House Speaker Julie McCluskie, which created a new program within the Water Quality Control Commission. SB 127 was tabled, and Sen. Kirkmeyer supported the successful HB 1379.

SB 212, a priority for the Colorado Energy Office, aimed at local permitting of renewable energy projects, reached the Governor's desk. Initially designed to establish a statewide framework for local renewable energy project siting, it was ultimately revised to commission a statewide study on local permitting processes, balancing the interests of local governments, environmental advocates, and renewable energy developers.

Other successful proposals included HB 1370, allowing local governments and certain utilities to develop neighborhood-scale alternative energy projects, and HB 1346, streamlining the permitting process for carbon-capture operations in the state.

However, HB 1357, which sought to impose new pipeline safety requirements and increased penalties for violations, and SB 095, a bipartisan bill requiring new air quality studies, did not pass. HB 1339, introduced by Reps. Mike Weissman and Manny Rutinel, also failed to advance, drawing sharp criticism from the energy industry. This bill aimed to overturn a controversial 2023 Air Quality Control Commission rulemaking on greenhouse gas emitters, which environmentalists believed contained loopholes favorable to the energy industry.

## TOP 5: EMPLOYEES

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### **HB24-1016: Defined Personnel for Emergency Telephone Services**

1016 is legislation that redefines emergency communications specialists (911 operators) as first responders. This bill recognizes the critical role these specialists play in emergency situations by providing them the same status as other first responders like police, firefighters, and emergency medical personnel. It also clarifies that the funding from emergency telephone charges can be used for training not only public safety answering point (PSAP) personnel but also technical support staff and other essential emergency services personnel. The bill was sponsored by a bipartisan group of legislators, including Representatives Sheila Lieder (D) and Ryan Armagost (R), as well as Senators Chris Kolker (D) and Kevin Van Winkle (R). It aims to ensure that emergency communications specialists receive the recognition and resources necessary to perform their critical duties effectively.

### **HB24-1103: Prohibiting Term Excited Delirium**

1103 bans the use of the term "excited delirium" by law enforcement, emergency medical service providers, and coroners. It prohibits first responder training from including this term, except for its history. Police cannot use "excited delirium" in reports, and coroners cannot cite it as a cause of death.

The move makes Colorado the second state, after California, to officially ban this controversial diagnosis. The term has been criticized for being a pseudoscientific explanation often used to justify deaths in police custody, with claims that it has roots in racial bias and lacks medical validity. This legislation follows investigations and reports that highlighted the misuse of "excited delirium" in numerous cases, including high-profile incidents in Colorado such as the death of Elijah McClain.

#### *Public Opinion:*

- **Supporters:** Advocates for the bill include civil rights organizations and some law enforcement reform groups. They argue that the term "excited delirium" lacks scientific validity and has historically been used to justify the use of excessive force in law enforcement, often against minorities. Supporters highlight cases like the death of Elijah McClain to underscore the harmful impact of using this term. They believe banning its use will encourage more accurate reporting and better de-escalation practices by police and emergency responders.
- **Opponents:** Some law enforcement associations and certain medical groups have expressed concerns about the bill. They argue that removing the term could limit the ability of first responders to describe specific, acute states of agitation and physiological distress. Opponents worry about potential confusion and the need for alternative terminology to describe similar medical conditions.

## **HB24-1104: Prohibiting Firefighter Personal Information on Internet**

1104 aims to enhance the privacy protections for firefighters. Specifically, the bill adds firefighters to the group of individuals whose personal information can be protected from being published on the internet by public entities upon the firefighter's request. This measure is designed to safeguard firefighters from potential harassment or threats by keeping their personal information private.

The bill was introduced in the House by Representatives Marc Snyder (D) and Ryan Armagost (R), and in the Senate by Senator Tony Exum Sr. (D). It passed through both the House and Senate with significant support, culminating in the governor signing it into law on April 11, 2024.

The legislative process included reviews and favorable recommendations from the Judiciary Committees in both the House and Senate, with unanimous votes in favor of moving the bill forward at each stage. The House Judiciary Committee passed it with a 10-0 vote, and the Senate Judiciary Committee followed suit with a 4-0 vote.

## **HB 24-1219: First Responder Employer Health Benefit Trusts**

1219 focuses on expanding state-funded health benefit programs for first responders. The bill introduces two main changes to current firefighter benefit programs:

1. **Expanded Coverage:** It extends state funding for heart and circulatory malfunction benefits to include paid part-time and volunteer firefighters, in addition to full-time firefighters. This expansion aims to ensure that more firefighters have access to crucial health benefits. The bill also mandates participation in a cancer benefits trust for eligible firefighters but makes this requirement optional if state reimbursement funds are insufficient.
2. **Health Screenings for Peace Officers:** The bill requires employers to provide cardiovascular screenings and other health screenings and preventive measures to peace officers through a funded trust.

### *Public Opinion:*

- **Supporters:** First responder organizations and health advocates support the bill, highlighting the need for comprehensive health benefits and screenings to protect those who risk their lives in public service.
- **Opponents:** Some critics argue about the financial implications, expressing concerns over the sustainability of funding these expanded benefits and the potential burden on taxpayers.

## **HB 24-1372: Regulating Law Enforcement Use of Prone Restraint**

1372 mandates law enforcement agencies to create written policies on the use of prone positions and restraints for officers, sheriff's deputies, and state patrol officers. These policies, which must be posted online or made available upon request, cover medical aid procedures during and after prone restraints and transitioning to a recovery position. Agencies must review these policies every five years and train officers by July 1, 2026. The P.O.S.T. board will provide statewide training on prone restraint use.

The bill also requires a model state policy on the risk of positional asphyxia and prone restraint use during arrests or to prevent escapes. State and local law enforcement, including those managing detention facilities, must adopt written policies and training requirements based on this model. Agencies without their own policies by July 1, 2026, must follow the state model. The bill mandates reporting policy violations and allows private legal action against agencies and officers who fail to adopt, train, or adhere to these policies. The P.O.S.T. board may discipline officers for related violations.

Introduced on March 11, 2024, the bill underwent significant changes (via a strike below amendment); it passed through the House and Senate Judiciary Committees, was approved by the House on April 20, 2024, and by the Senate on May 2, 2024. It is currently awaiting the governor's signature.

### *Public Opinion:*

- **Supporters:** Civil rights advocates and community organizations support the bill, emphasizing the need to prevent deaths from positional asphyxia and promote safer policing practices.
- **Opponents:** Law enforcement agencies and some police unions oppose the bill, arguing that it restricts officers' ability to manage combative suspects and could put both officers and the public at greater risk

# TOP 5: OPERATIONS

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## **HB 24-1089: Vehicle Electronic Notifications**

1089 requires the Department of Revenue to establish a process for vehicle owners to opt into electronic notifications for vehicle transactions. This includes notifications for vehicle registration renewals and the issuance of license plates. However, electronic notifications will not be used for the revocation of vehicle registrations or license plates.

The bill also mandates that the department adopt rules for requesting electronic notifications. The bill aims to modernize and streamline communication between the Department of Revenue and vehicle owners, reducing reliance on paper notifications. It has passed through various legislative stages, including committee reviews and amendments, and has received bipartisan support. The bill was introduced by Representatives Eliza Hamrick (D) and Lisa Frizell (R), and Senators Rachel Zenzinger (D) and Rod Pelton (R).

## **HB 24-1260: Prohibition Against Employee Discipline**

1260 aims to protect employees from being disciplined for refusing to attend or participate in employer-sponsored meetings that involve religious or political matters. The bill prohibits employers from requiring employees to attend such meetings and from threatening or disciplining employees for refusing to participate. Certain employer communications required by law or necessary for job performance are exempt from this prohibition such as those from nonprofit faith-based health systems, religious corporations and educational institutions.

The bill allows an aggrieved person to seek relief by filing a complaint with the Department of Labor and Employment or in district court after exhausting administrative remedies. It also creates an affirmative defense for employers. Employers must post and distribute a notice to employees outlining their rights under the bill.

### *Public Opinion:*

- Supporters: Believe the bill is essential for protecting employees' rights and preventing coercion in the workplace.
- Opponents: Some business groups argue it could limit necessary communications between employers and employees and complicate enforcement

## **SB 24-108: Prohibit Unauthorized Use Public Safety Radio**

108 aims to make it illegal for individuals to affiliate with a public safety radio network without proper authorization. This unauthorized affiliation is classified as a class 2 misdemeanor under the bill. The legislation seeks to protect the integrity and security of public safety communications, ensuring that only authorized personnel have access to these critical networks.

The bill was introduced by Senators Kevin Priola (D) and Mark Baisley (R), and Representatives Jennifer Parenti (D) and Ron Weinberg (R).

## **SB 24-139: Creation of 911 Services Enterprise**

139 establishes a 911 services enterprise within the Department of Regulatory Agencies. The enterprise is authorized to impose a fee, capped at \$0.50 per month, on service users who have a 911 access connection. This fee, combined with the existing 911 surcharge, aims to fund various initiatives related to 911 services.

Key provisions of the bill include:

- Funding for training initiatives and public education campaigns.
- Cybersecurity and GIS Support: Enhancements to cybersecurity and Geographic Information Systems (GIS) for 911 services.
- Grant Programs: Grants to benefit governing bodies and public safety answering points (PSAPs).
- Matching Funds: Providing matching funds for federal, state, or private grants related to 911 services or emergency notification services.
- Administrative Expenses: Covering administrative costs of the enterprise.
- The bill also requires the creation of the 911 services enterprise cash fund and mandates the inclusion of enterprise activities and revenue use in the annual "State of 911" report by the Public Utilities Commission.

## **HB 24-1220: Workers' Compensation Disability Benefits**

1220 allows workers' compensation claimants to refuse modified employment if it requires driving and the treating physician has restricted them from driving. It adds the loss of an ear to the list of body parts eligible for whole person permanent impairment benefits.

The bill increases the compensation limits for claimants based on their impairment ratings: from \$75,000 to \$185,000 for ratings of 19% or less, and from \$150,000 to \$300,000 for ratings over 19%. Additionally, it requires workers' compensation insurers to pay benefits via direct deposit upon the claimant's request.

The bill has garnered support for its potential to improve the financial stability and recovery process for injured workers by providing more substantial compensation and facilitating quicker payment methods. However, some opposition exists due to concerns about increased costs for insurers and potential implications for employers.

The bill was introduced by Representative Lindsey Daugherty (D) and Senator Janice Marchman (D).

*Public Opinion:*

- Supporters: Believe the bill provides much-needed support to injured workers, ensuring they receive adequate compensation and timely payments.
- Opponents: Some insurers and employer groups are concerned about increased costs and the potential impact on insurance premiums

## TOP 5: COMMUNITY

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### **HB24-1006: Assist Rural Community Wildfire-Related Grant Application**

1006 aims to help rural communities secure funding for wildfire mitigation, prevention, response, and risk management. It mandates the Colorado State Forest Service to establish a rural grant navigator program to provide NGOs with funding for outreach and grant writing assistance for state and federal wildfire mitigation and preparedness grants.

The Office of Economic Development's Rural Opportunity Office will assist these communities in identifying and applying for these grants. Starting March 1, 2025, NGOs can apply to the forest service for grant money based on established application and eligibility guidelines. By March 1, 2026, and annually thereafter, the forest service must prepare a report summarizing its efforts to award grants to NGOs aiding rural communities in securing wildfire-related grants. This report will be submitted to the wildfire matters review committee or relevant legislative committees. For the 2024-25 fiscal year, \$200,000 is appropriated from the general fund to the Department of Higher Education for use by the forest service at Colorado State University to implement the bill.

The bill was sponsored by Representatives Marc Snyder (D) and Elizabeth Velasco (D), and Senators Lisa Cutter (D) and Perry Will (R). It has passed through various legislative committees, including Agriculture, Water & Natural Resources, and Appropriations, in both the House and the Senate, and has been sent to the governor for signing as of May 15, 2024. This legislative effort is part of a broader initiative to enhance wildfire preparedness and resilience in Colorado's rural areas, ensuring they have the necessary resources to effectively manage and mitigate wildfire risks.

### **HB 24-1024: Extend Outreach Campaigns Wildfire Risk Mitigation**

1024 mandates the Colorado State Forest Service (CSFS) to continue and enhance its wildfire awareness and education campaigns through 2027. The bill aims to increase awareness and promote effective wildfire mitigation strategies among residents in the wilderness-urban interface. It is part of a broader effort by the Wildfire Matters Review Committee to improve wildfire preparedness, bolster the forestry workforce, and enhance overall wildfire awareness. The bill appropriates \$40,000 from the general fund for fiscal year 2024-25 to support these ongoing campaigns and outreach efforts. It emphasizes the importance of informing residents about measures like reducing vegetation around homes to mitigate wildfire risks.

### **HB 24-1091: Fire-Hardened Building Materials in Real Property**

1091 focuses on allowing the use of fire-hardened building materials in residential properties, including those in common interest communities (HOAs). The bill prohibits covenants and other restrictions that prevent the installation, use, or maintenance of such materials. However, it does allow HOAs to establish reasonable standards regarding the design, dimensions, placement, or external appearance of fire-hardened materials used for fencing within the community. Proponents emphasized that the law empowers homeowners to protect their homes using fire-resistant materials, which is particularly crucial given Colorado's history of destructive wildfires, like the 2021 Marshall Fire.

Fire-hardened building materials are defined as those meeting specific criteria outlined by the International Wildland-Urban Interface Code, the NFPA standards for wildland fire protection, or the Insurance for Business and Home Safety standards. This legislative move aims to enhance the safety of homes against wildfires and reduce associated insurance costs.

## **SB 24-081: Perfluoroalkyl & Polyfluoroalkyl Chemicals**

Current law prohibits the sale or distribution of products in specific categories containing intentionally added PFAS chemicals starting from certain dates. The bill amends this law by updating definitions relevant to the product phaseout timeline:

- January 1, 2025: prohibiting the sale or distribution of certain outdoor apparel designed for severe wet conditions that contains intentionally added PFAS chemicals unless it comes with a disclosure stating the presence of PFAS chemicals.
- January 1, 2026, banning the sale or distribution of cookware, dental floss, menstruation products, and ski wax containing intentionally added PFAS chemicals.
- January 1, 2028, repealing the disclosure requirement and banning the sale or distribution of outdoor apparel for severe wet conditions, and commercial food equipment containing intentionally added PFAS chemicals.
- From January 1, 2026, prohibiting the installation of artificial turf with intentionally added PFAS chemicals on any property in the state.

The bill was sponsored by Senator Lisa Cutter (D) and Representatives Cathy Kipp (D) and Manny Rutinel (D). It successfully passed through both the House and Senate, and was signed into law by Governor Jared Polis on May 1, 2024. This legislation makes Colorado the 13th state to implement a ban on PFAS in various products. Overall, while SB24-081 is praised for its environmental and public health benefits, it faces criticism from industry stakeholders who are concerned about its practical and economic implications. The bill represents a significant step in Colorado's efforts to address the issues posed by PFAS chemicals, reflecting a broader national and global trend toward stricter regulation of these substances.

### *Public Opinion:*

- **Support:** Proponents of the bill, including environmental advocates and some legislators, argue that SB24-081 is crucial for protecting public health and the environment from harmful chemicals known as "forever chemicals." These substances are persistent in the environment and have been linked to serious health issues, including cancer. Supporters highlight that this legislation will help reduce the burden of PFAS contamination in water supplies and prevent long-term health impacts.
- **Opponents:** Industry groups and some legal experts have raised concerns about the potential economic and operational impacts of the bill. The American Chemistry Council argues that the ban could disrupt numerous industries, including healthcare, semiconductor manufacturing, and renewable energy, which rely on PFAS for critical applications. They also warn that the legislation could lead to significant challenges for businesses in finding viable alternatives to PFAS, potentially causing economic harm and operational difficulties.

## **24-1055: Child Passenger Safety & Education**

1055 updates child restraint system requirements as follows:

- Children must use a child restraint system until they are 9 years old (previously 8 years old).
- Children under 2 years old and under 40 pounds must be restrained in a rear-facing system in the back seat.
- Children under 2 years old but over 40 pounds must be restrained in either a rear-facing or forward-facing system.
- Children aged 2 to under 4 years must be in a rear-facing or forward-facing system, based on their weight, in the back seat if available.
- Children aged 4 to under 9 years and at least 40 pounds must use a child restraint system or booster seat in the back seat if available.
- Children must be restrained in a safety belt or child restraint system until they are 18 years old (previously 16 years old).

Additionally, the bill requires the Division of Highway Safety to use existing funds to implement a public information and education program about these updates and the use of child restraint systems according to Colorado law.

### *Public Opinion*

- **Supporters:** Advocates, including Children's Hospital Colorado, emphasize the importance of updated safety regulations to protect children from motor vehicle injuries. They highlight the necessity of increasing education on child passenger safety to ensure compliance and enhance overall safety measures.
- **Opponents:** Some legislators express concerns over potential enforcement challenges and the increased burden on families to comply with the new regulations. There is also some resistance to the expanded requirements for child restraints and booster seats.

# TOP 5: BOTTOM LINE

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## **SB23B-001: Property Tax Relief**

**Summary:** Senate Bill 23B-001, passed during Colorado's 2023 special session, aims to provide substantial property tax relief for homeowners while safeguarding funding for essential local services.

Key components of the bill include:

1. **Reduction in Assessment Rates:** The residential assessment rate is reduced from 6.765% to 6.7% for the 2023 tax year.
2. **Increased Property Value Exemption:** The bill raises the property value exemption for multifamily and single-family residential properties from \$15,000 to \$55,000.
3. **Backfilling Revenue Losses:** To offset the revenue loss from these tax reductions, the bill allocates \$146 million from the general fund to the State Education Fund to support school districts. Additionally, \$54 million is appropriated to backfill local governments and services such as fire districts and ambulance services.

Implications:

- **For Homeowners:** The bill aims to alleviate the financial burden on homeowners facing steep property tax increases due to rising property values. This reduction is expected to provide significant savings, particularly benefiting those on fixed incomes and working families.
- **For Local Services:** By ensuring that funding for essential services like schools and emergency services is maintained through general fund allocations, the bill seeks to balance tax relief with the continued support of critical community functions.
- **Economic Impact:** While the bill offers immediate relief, some concerns remain about the long-term sustainability of such measures and the potential need for future adjustments to address ongoing property valuation increases and their impact on local budgets.

*Public Opinion:*

- **Supporters:** Advocates for the bill, including many state legislators and Governor Polis, emphasize its necessity in providing immediate financial relief to homeowners while ensuring that essential services remain funded. They view it as a balanced approach to managing the state's fiscal responsibilities and supporting residents amid rising living costs.
- **Critics:** Some critics worry about the long-term fiscal implications and whether the state can continue to support such measures without compromising other budget areas. There are also concerns about the complexity of property tax systems and the potential for inequities in relief distribution.

## SB24-233: Property Tax

**Summary:** Senate Bill 24-233 aims to provide substantial property tax relief for homeowners and businesses while ensuring stable funding for local services and schools.

The bill includes the following key measures:

### 1. Assessment Rates Reduction:

- 2025 Tax Year: The residential assessment rate for local governments is set at 6.7%, with a \$55,000 value reduction. The commercial rate is set at 27.9%, with a \$30,000 value reduction.
- 2026 Tax Year: The residential assessment rate for local governments is set at 6.95%, and the commercial rate is reduced to 26%.
- Future Adjustments: Residential assessment rates will adjust to 6.95% for local governments and 7.15% for schools, with the potential for inflation adjustments and other modifications based on revenue metrics.

### 2. Caps on Property Tax Revenue Growth:

- 5.5% Cap: A cap is introduced on annual non-school property tax revenue growth for non-home rule jurisdictions, with exceptions for tax increment financing and voter-approved increases.
- School Funding Protections: A mechanism is established to temporarily reduce the K-12 assessment rate if property taxes make up more than 60% of statewide school funding.

### 3. Reimbursements:

- State Education Fund: The bill allocates \$350 million from the state's education fund to offset the loss in school funding due to reduced property taxes.
- Local Governments: Approximately \$10 million is allocated to reimburse local governments for revenue losses.

Implications:

- For Homeowners: SB24-233 is expected to save homeowners several hundred dollars annually by reducing property tax rates and increasing value exemptions, providing significant financial relief.
- For Local Services and Schools: The bill ensures that essential services, particularly schools, continue to receive adequate funding through state reimbursements and separate assessment rates.
- Long-Term Predictability: By setting long-term rates and caps, the bill aims to create a predictable property tax environment, preventing abrupt spikes in tax bills and allowing for better financial planning by homeowners and local governments.

*Financial Impact* (from the Bell Policy Center):

	2024	2025	2026	2027	2028
Local Cap District		5.5%	5.5%	5.5%	5.5%
School District Regular		Reduction if 60% local share	Reduction if 60% local share	Reduction if 60% local share	Reduction if 60% local share
Local Gov Residential Assessment Rate	6.7% - \$55K	6.40%	6.95% - (10% of first \$700K, adjusted by CPI, 0 if negative) Combined Effective Assessment = 6.5% for home up to \$700K	6.95% - (10% of first \$700K, adjusted by CPI, 0 if negative) Combined Effective Assessment = 6.5% for home up to \$700K	6.95% - (10% of first \$700K, adjusted by CPI, 0 if negative) Combined Effective Assessment = 6.5% for home up to \$700K
Local Gov Commercial and Ag	27.9%-\$30K	27%	25%	25%	25%
School District Residential	n/a	7.15%	7.15%	7.15%	7.15%
School District Commercial and Ag	n/a	27%	25%	25%	25%
Loss of Revenue (Local and Schools)	\$1,283M	\$929M	\$1,254M	\$1,281M	\$1,299M

7.15% only applies to school finance mills. Backfill incentive for rural counties raise their mills.

## **SB24-194: Special District Emergency Services Funding**

**Summary:** 194 allows fire protection districts in Colorado to impose impact fees on new construction and levy sales taxes to generate additional revenue. This bill aims to provide much-needed funding for fire districts to handle increased call volumes and infrastructure demands due to population growth and development within their jurisdictions.

Key components of the bill include:

1. **Impact Fees:** Fire districts can impose fees on new buildings, structures, and other improvements within their jurisdiction. These fees must be reasonably related to the cost of the district's services and be uniformly applied.
  - **Limitations**
    - Individual landowners cannot be required to provide specific site improvements or dedications to address the same needs for which an impact fee is imposed.
    - An impact fee cannot be imposed on construction projects that have a completed development permit application submitted before the fire district adopts an impact fee schedule.
    - A district cannot collect an impact fee until the local government issues a building permit.
    - Property owners or interested parties who are subject to a fire district's impact fee schedule after receiving a building permit can file for a declaratory judgment to determine the fee's compliance with legal requirements. They may also pay the fee and continue with construction without forfeiting their right to challenge the fee later.
    - At least 60 days before adopting an impact fee schedule, a fire district must notify and invite written comments from every municipality or county within its jurisdiction that may be affected by the proposed fee schedule.
2. **Sales Tax:** Fire districts are authorized to levy a sales tax, subject to approval by a majority of voters within the district. This tax will be collected and administered similarly to the state sales tax.
  - **More information:**
    - Sections 5 of the bill gives fire districts the additional financial power to levy a sales tax within the fire district's jurisdiction, at a rate determined by the fire district's board, upon every transaction or other incident with respect to which a sales tax is levied by the state.
    - The tax must be approved by a majority of the eligible electors within the district voting at a regular special district election or at a special election that complies with section 20 of article X of the state constitution and related statutory requirements. Such a sales tax must be collected, administered, and enforced by the executive director of the department of revenue in the same manner as the state sales tax.

**Implications for Fire Districts:**

1. **Increased Funding:** Fire districts will have additional revenue sources to fund their operations, purchase equipment, and maintain facilities. This is particularly important for districts experiencing rapid growth and increased service demands.
2. **Reduced Reliance on Property Taxes:** By introducing impact fees and sales taxes, fire districts can reduce their dependency on property taxes, which have traditionally been the primary funding source. This can alleviate the financial burden on long-time residents.
3. **Support for Growing Communities:** The ability to impose fees and taxes will help fire districts better manage and support the needs of expanding communities, ensuring they can continue to provide essential emergency services without overburdening existing taxpayers.

**Public Opinion:**

- **Supporters:** Many fire chiefs and local officials support the bill, emphasizing the necessity of additional funding to cope with increased call volumes and the challenges of growing communities. They argue that new developments should help cover the costs associated with the expanded need for emergency services.
- **Opponents:** Critics, including representatives from the homebuilding industry, express concerns that additional fees and taxes on new construction could exacerbate housing affordability issues. They argue that these costs will ultimately be passed on to homebuyers, making new homes less affordable.

## **HB24-1042: Fire & Police Pension Law Technical Corrections**

**Summary:** This bill makes technical corrections to statutes governing fire and police pensions. It follows up on House Bill 22-1034, which merged three retirement plans administered by the Fire and Police Pension Association (FPPA). The corrections aim to clarify language and improve the administration of the merged pension plans to ensure accurate and effective governance.

Implications:

- For Pension Administration: The technical corrections help streamline the management of pension plans, reducing ambiguities and potential administrative errors. This ensures that the plans operate smoothly and efficiently.
- For Firefighters and Police Officers: Clearer and more precise pension statutes can enhance understanding and trust among beneficiaries regarding their pension benefits. This can lead to improved financial planning and security for current and retired personnel.
- For State Government: By making these corrections, the state can better manage its pension liabilities and ensure that the FPPA operates within a well-defined legal framework, potentially reducing legal disputes and enhancing financial stability.

## **HB24-1043: State Contribution to Fire & Police Pension Association Death & Disability Fund**

**Summary:** This bill addresses a funding shortfall in the statewide death and disability trust fund for FPPA members hired before January 1, 1997. The bill mandates the state treasurer to pay \$2 million until 2059.

Implications:

- For Retirees and Beneficiaries: Ensures that retired fire and police personnel hired before January 1, 1997, will receive their due death and disability benefits. This provides financial security to these individuals and their families, honoring the state's commitment to its public servants.
- For State Budget: The state will need to allocate \$2 million through 2059, impacting budget planning and allocations. This ensures that the trust fund is adequately funded to meet its obligations, potentially avoiding future financial crises.
- For Public Safety Departments: By securing the necessary funding, the bill helps maintain morale and trust within the fire and police departments. It demonstrates the state's commitment to supporting its public safety personnel, both current and retired.

*Together*, these bills aim to ensure the effective administration and financial stability of the pension and disability funds for Colorado's fire and police personnel, safeguarding their benefits and supporting the sustainability of the funds.

## **SB24-089: Firefighter Heart Benefits Trust**

**Summary:** Senate Bill 24-089, known as the "Firefighter Heart Benefits Trust," mandates that firefighter employers participate in a multiple employer health trust to provide benefits for firefighters who experience heart and circulatory malfunctions. This bill removes the previous options for employers to select accident insurance, self-insurance, or self-insurance pools to meet these statutory benefit requirements.

### **Implications:**

- **For Firefighters:** The bill aims to streamline access to benefits, ensuring that firefighters receive the necessary medical coverage promptly. By requiring participation in a multiple employer health trust, the bill seeks to eliminate the red tape and delays associated with claims approval under self-insurance or accident insurance plans. This change is expected to provide more consistent and reliable support for firefighters facing heart-related health issues due to their job.
- **For Firefighter Employers:** Local governments and special districts employing firefighters will need to adjust their benefits programs to comply with the new requirements. Participation in the health trust may involve administrative changes and potential adjustments to budgeting and funding for firefighter health benefits.
- **For the Health Trust System:** The multiple employer health trust will see an increase in participation, which may enhance its capacity and resources to support firefighters more effectively. This centralized approach can lead to better resource allocation and management of firefighter health benefits.

### **Public Opinion:**

- **Supporters:** Proponents, including firefighter advocacy groups and many legislators, argue that the bill is crucial for ensuring firefighters have timely and adequate access to medical benefits. They highlight the high risks associated with firefighting and the need for dependable health coverage to support those who protect public safety.
- **Opponents:** Some local governments and employers might express concerns about the administrative and financial impacts of the mandatory participation in the health trust. There could be apprehensions about the costs and logistical challenges of transitioning from existing benefit structures to the mandated trust participation.

# PROPERTY TAX BALLOT INITIATIVES

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## INITIATIVE 50

**Summary:** Colorado Initiative 50, titled the "Colorado Property Tax Revenue Cap Initiative," proposes a constitutional amendment to cap the annual increase in state property tax revenue at 4%. If local governments anticipate exceeding this limit, they must seek voter approval.

### Implications:

- **For Homeowners:** If passed, this initiative could provide property tax relief, particularly benefiting homeowners on fixed incomes who have been adversely affected by rising property taxes.
- **For Local Governments and Services:** The 4% cap on revenue growth could severely limit the financial resources available for essential services like education, public safety, and infrastructure. Local governments will likely struggle to meet budgetary needs without voter-approved increases. The cap could introduce financial instability for local governments, requiring frequent elections to approve necessary funding beyond the 4% cap. This could lead to funding uncertainties and potential delays in critical services.

### Financial Analysis:

- **Revenue Impact:** Historical data shows that property tax revenue in Colorado has grown by more than 4% in most years over the past six decades. The 4% cap would significantly constrain revenue growth, potentially creating a \$3 billion shortfall annually in local government budgets.
- **State Reimbursements:** Similar measures have suggested state reimbursements to cover shortfalls, but the financial feasibility and sustainability of such reimbursements are highly contentious. The State would need to find substantial new revenue sources or make cuts elsewhere to honor these commitments.

### Public Opinion:

- **Supporters:** Proponents, including organizations like Advance Colorado and Colorado Concern, argue that the measure is necessary to protect taxpayers from exorbitant tax increases and ensure they have a say in significant tax hikes. They believe this initiative promotes fiscal responsibility and prevents unchecked growth in government spending.
- **Opponents:** Critics, including various local government officials and public service advocates, warn that the cap could devastate local budgets, leading to cuts in essential services. They argue that the measure undermines local autonomy and could force painful reductions in public services that communities rely on.

## INITIATIVE 108

**Summary:** Colorado Initiative 108 proposes a significant change in the valuation for property tax assessments. Key components include:

### **Reduction in Valuation for Assessment:**

- Residential property assessment rate would be reduced to 5.7% of actual value.
- Non-residential property assessment rate (including commercial, industrial, and agricultural properties) would be reduced to 24% of actual value.

**State Reimbursement:** The state would be required to reimburse local districts (including counties, school districts, and water districts) for revenue lost due to these changes.

**Maintaining Education Funding:** The initiative mandates that the state maintain current funding levels for the State Education Fund.

### **Financial Analysis:**

- **Revenue Impact:** The initiative is projected to reduce property tax revenue by approximately \$3 billion annually starting in 2025. This significant reduction will impact the funding available for local governments, schools, and other districts funded by property taxes.
- **State Reimbursements:** To offset the loss in revenue for local districts, the state will need to find an additional \$3 billion annually. This could place considerable strain on the state budget, potentially necessitating reallocations from other areas or finding new revenue sources.

### **Budget Implications:**

- Local governments and school districts would initially face a substantial reduction in their revenue streams. While the state is required to reimburse these losses, the logistics and timeliness of these reimbursements could affect budget planning and financial stability at the local level

### **Long-Term Financial Sustainability:**

- The initiative's requirement for state reimbursements may pose long-term sustainability issues, especially during economic downturns or periods of lower state revenue. The burden on the state to continually cover these substantial reimbursements could lead to budgetary constraints and difficult financial decisions.

### *Public Opinion:*

- **Supporters:** Proponents, including some taxpayer advocacy groups, argue that the initiative provides much-needed relief from rising property taxes, especially benefiting homeowners and businesses struggling with high tax bills.
- **Opponents:** Critics, including various public service organizations and local government officials, warn that the initiative could destabilize funding for essential services. They express concerns over the state's ability to consistently provide the necessary reimbursements without impacting other critical areas of the state budget.

# PRACTICAL IMPLICATIONS

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## COMBINED EFFECT OF BALLOT MEASURES

If both initiatives pass, the reduced assessment rates from Initiative 108 would lower the initial amount of revenue. The cap from Initiative 50 would then limit the growth of this already reduced revenue. This dual limitation could result in significant shortfalls for local budgets.

### **State Obligations:**

Initiative 108 requires the state to reimburse local governments for the lost revenue due to reduced assessment rates. Initiative 50's cap does not provide a direct mechanism for reimbursement but rather controls growth. The state might face severe financial strain trying to fulfill reimbursement obligations while managing a capped revenue growth environment.

### **Conflicts?**

While not directly contradicting each other in legislative terms, the practical implementation of both could lead to severe financial and operational conflicts. The cap on revenue growth (Initiative 50) could undermine the state's ability to meet reimbursement obligations set by Initiative 108, especially during economic downturns or periods of limited state revenue growth.