

2017 End of Session Report

City and County of Denver

MAY, 2017

Brandeberry McKenna (BBMK) is pleased to provide the following report on legislation of interest to the City and County of Denver.

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SECTION 1 SESSION OVERVIEW

It was an honor to once again represent the City before the Colorado General Assembly. Many thanks to Councilwoman Kendra Black, Emily Hauber, Skye Stuart, David Broadwell, Will Fenton and Alton Dillard for their hard work.

Negotiation, compromise and cooperation were critical to success in the 2017 Legislative Session, particularly given split control of the House and Senate. New leadership in both Chambers and the election of over twenty new legislators created opportunities to pursue fresh ideas. Perhaps most significantly, after two years of extensive debate, the legislature reached a conclusion about how the Hospital Provider Fee is accounted for within the state budget (more on SB17-267 below). There was partial progress on construction defects and transportation funding, the status quo largely prevailed on health care issues and the legislature continued to address marijuana revenue and emerging technologies.

While HB17-1279 addressed only one aspect of construction defects reform, it was an important step forward. This bill, supported by the Homeownership Opportunity Coalition, requires that a majority of the membership of a Homeowners Association approve the initiation of a legal complaint. The bill further mandates certain disclosures to homeowners detailing the expected cost and time of pursuing a complaint and the potential difficulty of selling their unit during a lawsuit.

Prior to the legislative session, legislative leaders from both parties conducted conversations with a large stakeholder group that included business organizations, the Colorado Department of Transportation, transportation advocates and local governments to discuss increased funding for transportation. After months of negotiations, HB17-1242, New Transportation Infrastructure Funding Revenue, was introduced. The bill would have required a ballot question to be submitted to the voters of the state in 2017. The initiative would have increased the state sales and use tax rate for 20 years. After passing with a bi-partisan vote in the House, HB17-1242 failed in the Senate Finance Committee.

In addition to these headline issues, the legislature spent much energy discussing and debating health care legislation. There were approximately sixty bills related to health care and health insurance introduced, several of which were championed by the Executive Branch. HB17-1318, Division of Insurance Annual Report Pharmaceutical Costs Data, was killed in the Senate State Affairs Committee. That same committee dealt the fatal blow to HB17-1235, Financial Relief Defray Individual Health Plan Cost, which would have assisted individuals living in high-cost areas with the purchase of insurance on the Colorado health benefit exchange. Bills related to improving the administration of the Medicaid program proved to be more successful with the adoption of H17-1139, Medicaid Provider Compliance Billing Safety Rules, and HB17-1143, Audits of Medicaid Client Correspondence.

Continuing the trend of adopting legislation related to Colorado's legalization of recreational marijuana, there was a focus this year on spending some of the tax revenue generated with this new economic activity. The Governor's proposal to spend \$15.3 million building housing units for homeless individuals was approved as part of the budget. Additionally, \$9 million was added to the School Health Professionals Grant Program for substance abuse education in the schools.

Finally, the State continued to demonstrate leadership in the adoption and acceptance of new technologies with the passage of SB17-213, Automated Driving Motor Vehicles. The bill declares the regulation of automated driving systems as a matter of statewide concern. State and local government jurisdictions are prohibited under the amended version of the bill from adopting or enforcing a policy, rule or ordinance that sets standards for an automated driving system that are different from the standards set for a human driver.

SB17-267 Sustainability of Rural Colorado

One of the most notable accomplishments of the 2017 Legislative Session was the adoption of SB17-267. Senate President Pro Tempore Jerry Sonnenberg, Senate Minority Leader Lucia Guzman, House Majority Leader K.C. Becker, and Rep. Jon Becker worked incredibly hard to create legislation that would address some of the State's most serious challenges. Several longstanding problems were

addressed including making the Hospital Provider Fee an Enterprise fund. In doing so, a \$528 million cut to hospitals for this fiscal year was avoided and the state's revenue cap was lowered by \$200 million. Additional key components of SB17-267 include the following:

- \$150 million to bond \$1.8 billion in transportation projects for four years;
- \$120 million for controlled maintenance capital funding;
- \$30 million for rural and small rural schools;
- Creation of a Business Personal Property Tax Credit for small businesses funded through an increase in the retail marijuana tax;
- Targeted copay increases for Medicaid patients using outpatient services and pharmacies;
- Protection for the Senior Homestead Property Tax Exemption which becomes the first funding priority if there is a TABOR refund;
- A requirement that state agencies submit plans for a two percent budget reduction.

SB17-267 passed with bi-partisan support in both Chambers. In the Senate, the bill was adopted by a vote of 25-15 and in the House the bill succeeded by a 49-16 vote. As a result of this legislation, there will be room within the General Fund budget to fund additional state needs. TABOR refunds are not anticipated to return for several years.

SECTION 2 CONSTRUCTION DEFECTS

HB17-1169 Construction Defect Litigation Builder's Right to Repair sponsored by Rep. Leonard and Senator Tate. This bill would have clarified that a construction professional has the right to receive notice from a prospective claimant concerning an alleged construction defect, to inspect the property, and then to elect to either repair the defect or tender an offer of settlement before the claimant can file a lawsuit seeking damages. ***This bill was postponed indefinitely in the House State Veterans and Military Affairs Committee on March 1st.***

SB17-045 Construction Defect Claim Allocation of Defense Costs sponsored by Senators Grantham and Williams and Reps. Duran and Wist. This was a bipartisan measure concerning a requirement for the equitable allocation of the costs of defending a construction defect claim. The bill would have allowed courts to have evaluated the level of culpability of contractors to allocate litigation costs but would not have removed a company's duty to defend. ***The bill was postponed indefinitely in the Senate Appropriations Committee on May 9th.***

SB17-155 Statutory Definition of Construction Defect sponsored by Senator Tate and Rep. Saine. The bill would have defined construction defect as a defect in the design or construction that would have caused damages to or the loss of use of property or personal injury. ***The bill was laid over until May 11th, effectively killing the bill.***

SB17-156 Homeowners' Association Construction Defect Lawsuit Approval Timelines sponsored by Senator Hill and Reps. Wist and Saine. This bill was supported by the Homeownership Opportunity Alliance. The bill would have required written consent from a majority of homeowners in an association prior to initiating litigation, disclosure of the costs, duration of litigation, and a process for

alternative dispute resolution. ***The bill was postponed indefinitely by the House State Veterans & Military Affairs Committee.***

SB17-157 Construction Defect Actions Notice Vote Approval sponsored by Senator Angela Williams and Rep. Melton. This bill clarified that before a homeowners' association (HOA) could bring a lawsuit against a developer or builder in a construction defect case, the HOA's executive board must first have obtained approval from a majority of the unit owners. In seeking prior approval, the bill would have detailed various disclosures that must be made to unit owners and limited the amount and type of contact that a developer who is subject to the lawsuit may have had with the unit owners in the HOA. ***The bill was postponed indefinitely by the Senate Business Labor & Technology Committee.***

SECTION 3 TRANSPORTATION

SB17-303 State Highway System Funding and Financing sponsored by Senators Cooke and Neville. The bill would have placed a question to the voters that if approved would have required ten percent of the net revenue generated by existing state sales and use tax to be credited to the HUTF. These dollars would have been used by CDOT to issue bonds in the amount of \$3.5 billion. The bill did not create a new tax rather the voters would have had to approve the purchase of bonds to fund the projects. The bill included a specific project list and had similar components to the ballot initiative organized by the Independence Institute. ***The bill was laid over on Second Reading in the Senate until May 11th, effectively killing the bill.***

HB17-1362 Plan for Addressing Statewide Infrastructure Needs sponsored by Rep. Mitsch Bush and Senator Baumgardner. The bill would have required the TLRC to meet with the Capital Development Committee, at least once, to discuss a plan to address critical statewide infrastructure needs and how such critical needs should be funded. ***The bill was postponed indefinitely in the Senate Finance Committee.***

HB17-1348 Prohibit HOV High Occupancy Vehicle 3 Requirements North I -25 sponsored by Senator Scott and Rep. Lebsock. The bill specified that after July 1, 2018 the use of the North I-25 express lane that is managed by HPTE or a P3 partner would have been free for any motor vehicle that was occupied by two or more individuals including the driver. During the hearing in House Local Government Committee the sponsor testified to his concerns about the initial agreement between CDOT and local governments in the I-25 corridor. The local governments made significant financial investments in the project on the assumption was that the corridor would remain HOV2. ***After passing the bill in the House Local Government Committee the sponsor requested that the bill be postponed indefinitely in the House Transportation Committee.***

SB17-205 Multimodal Transportation Infrastructure Funding sponsored by Senator Kefalas and Rep. Rosenthal. This bill required the Transportation Commission to submit a ballot question to the voters that if approved would have authorized the State to increase state sales tax and use the tax to fund and finance transportation projects including passenger rail. ***The bill was postponed indefinitely in the Senate Transportation Committee.***

HB17-1171 Authorize New Transportation Revenue Anticipation Notes sponsored by Reps. Carver and Buck. This bill would have required that the Transportation Commission submit a ballot question in November of 2017 asking voters to approve \$3.5 billion in bonds for transportation funding. The bill would have set aside 10 percent of future state sales tax for transportation projects. ***The bill was postponed indefinitely in the House State Veterans and Military Affairs Committee.***

HB17-1206 Eligibility Colorado Road and Community Safety Act sponsored by Reps. Arndt and Singer and Senators Moreno and Coram. Under current law a person who is not lawfully present in the US may obtain a driver's license or identification card if certain requirements are met. One of the requirements is the presentation of a taxpayer identification card. This bill would have allowed a social security number to also meet this requirement and would have further allowed the license or identification card to be reissued or renewed in accordance with the current process used for other licenses and identification cards. ***The bill was postponed indefinitely in the Senate Transportation Committee.***

SB17-188 Repeal Income Tax Credit Innovative Motor Vehicles sponsored by Senator Marble. This bill would have referred a ballot measure to the 2017 ballot asking for voter approval to repeal the state income tax credits for purchase of innovative motor vehicles and trucks. The money collected would have been diverted to the HUTF to use for transportation purposes. ***The bill was laid over on the Senate Second Reading Calendar until May 11th, effectively killing the bill.***

SB17-229 Penalties when Passing Stationary Vehicles sponsored by Senator Holbert and Reps. Mitsch Bush and Lawrence. The bill requires that when a driver approaches or passes a stationary public utility vehicle he or she must move over one lane, if possible or reduce and maintain a safe speed. The bill also adds that if the driver fails to act carefully around a stopped emergency vehicle, towing carrier or public utility vehicle and the driver's actions result in injury to another person the penalty is a class 1 misdemeanor and if a death occurs increases the penalty to class 6 felony. ***The bill passed both chambers.***

SECTION 4 HOUSING

The 2017 session saw several bills related to affordable housing. Although the measures to provide funding for affordable housing failed the Governor's budget request for \$11 million for supportive housing was successful.

HB17-1309 Documentary Fee to Fund Affordable Housing sponsored by Reps. Jackson and Winter, and Senators Guzman and Coram. This bill would have doubled the existing filing fee on real estate transactions from the state's existing one cent per \$100 valuation documentary fee. The bill would have also expanded the pool of homebuyers eligible for assistance to those who make 110 percent of the area median income. Renters could qualify at up to 80 percent of median income. The money would have funded affordable housing programs offered by Colorado Housing and Finance Authority, including financial assistance for first time homebuyers and gap financing for developers. ***The bill was postponed indefinitely in the Senate State Veterans and Military Affairs Committee.***

HB17-1310 Residential Landlord Application Screening Fee sponsored by Reps. Kennedy and Jackson, and Senator Fenberg. The bill would have limited the application screening fee that a landlord could charge to a prospective tenant to a fee that covers only the landlord's actual costs. Landlords would have had to provide prospective tenants who paid the fee with either a disclosure of anticipated expenses or an itemized receipt of actual expenses. If the fee had exceeded the actual screening costs, the landlord would have had to return the overage amount to the tenant. A landlord that violated any of these provisions would have been liable to his or her tenant for two times the amount of the application screening fee, plus court costs and reasonable attorney fees. ***The bill was postponed indefinitely in the Senate State Veterans and Military Affairs Committee.***

HB17-1312 Residential Lease Copy and Rent Receipt sponsored by Reps. Benavidez and Exum and Senator Martinez Humenik. The bill would have required a residential landlord to provide each tenant with a copy of a written rental agreement signed by the parties and to give a tenant a receipt for a payment made with cash or a money order. The landlord could have provided the tenant with an electronic copy of the agreement or the receipt, unless the tenant requests a paper copy. ***The bill was postponed indefinitely in the Senate State Veterans and Military Affairs Committee.***

SB17-245 Tenancies One Month to One Year Notice sponsored by Senator Priola and Rep. Pabon. Currently, a tenancy of one month or more but less than 6 months, may be terminated by either party with 7 days notice. The bill extends the notice to 21 days. The bill also requires 21 days notice for a landlord to increase rent in tenancies of one month or longer but less than one year. ***The bill has passed both chambers.***

SECTION 5 URBAN RENEWAL

HB17-1161 TIF Tax Increment Financing Transparency sponsored by Rep. Beckman. The bill would have required that urban renewal authorities prepare a public report no later than 90 days after the end of the first fiscal year in which an urban renewal plan had used TIF financing that had been authorized and every year after. ***The bill was postponed indefinitely in the House Business Affairs and Labor Committee.***

HB17-1167 Existing Businesses in a Business Improvement District sponsored by Reps. Leonard and Senator Neville. Under current law, a municipality can include areas in the business improvement district that do not have any existing business. This bill would have required these areas to have existing businesses. ***This bill was postponed indefinitely by House Business Affairs and Labor Committee.***

SB17-279 Applicability Recent Urban Renewal Legislation sponsored by Senators Zenzinger and Martinez Humenik and Reps. Beckman and Gray. This legislation will address the remaining issue created by the 2015 legislation HB 1348, the applicability of the legislation to urban renewal plans created prior to January 1, 2016. SB17-279 ensures plans created before the effective date are grandfathered unless a decision is made to trigger a qualifying change that would apply the provisions of HB 1348. ***The bill passed both chambers.***

SB17-285 Downtown Development Authorities Fairness Act sponsored by Senator Grantham and Reps. KC Becker and Lawrence. The bill would have made several changes to the statutes related to Downtown Development Authorities (DDA). ***The bill was postponed indefinitely in the Senate Finance Committee.***

SECTION 6 ELECTIONS

HB17-1088 Voter Signature Verification and Electronic Petition Pilot sponsored by Rep. Neville. This bill requires the Department of State to compare each signature on a candidate petition with the signature stored in the statewide voter registration system (SCORE) for any candidate petition filed for an election conducted on or after January 1, 2018. ***This bill passed both chambers.***

SB17-071 Voter Service and Polling Centers Early Voting General Election sponsored by Senator Tate. The bill would have reduced the required number of voting centers during the first week of early voting period and would have allowed the centers to stay open later during election week. ***The bill was laid over until May 11th, effectively killing the bill.***

SB17-138 Election Watchers sponsored by Senator Tate and Rep. Foote. This bill would have authorized each political party participating in a primary election to have at least one election watcher in each voter service and polling center (vote center). For general elections, the bill would have authorized the registered agent of an issue committee to appoint one or more election watchers. For non-partisan elections, candidates and proponents and opponents of ballot issues are authorized to have appointed one or more election watchers in every county. Under current law, only one election watcher is allowed in each of these circumstances. For each of these elections, the names of the election watchers must be submitted no later than the Wednesday prior to the vote centers opening. ***The bill was laid over until May 11th, effectively killing the bill.***

SB17-305 Primary Election Clean Up sponsored by Senators Lundberg and Fenberg and Reps. Neville and Foote. The bill makes statutory modifications concerning the implementation of Propositions 107 and 108 which were approved by the voters in the 2016 general election. The bill eliminates the use of a single combined ballot for regular primary elections for unaffiliated voters. The bill requires the voter registration form to include a question asking which political party's mail ballot an unaffiliated voter would like to receive and if left unmarked the county clerks are required to send all the ballots of the major political parties to the voter. The bill changes the timing requirement for candidates wishing to appear on a presidential primary ballot. The candidate must submit a notarized statement of intent no later than 85 days before the presidential primary. ***An amendment to eliminate confusion for unaffiliated voters was adopted, ensuring those voters who wish to vote in a primary can and will not be automatically registered in that party going forward. The bill passed both chambers.***

SECTION 7 LIQUOR

HB17-1120 Alcohol Beverage License Higher Education Campus sponsored by Rep. Willett and Senator Coram. This bill creates a Campus Complex License to allow for the designation of multiple facilities on a campus to serve alcohol. ***This bill was signed by the Governor on April 24th.***

HB17-1123 Extend On-premises Retail Alcohol Beverages Sales Hours sponsored by Reps. Lebsack and Thurlow and Senator Marble. Under current law, it is illegal for a person licensed to sell alcohol beverages for on-premises consumption to sell, serve or distribute any alcohol between the hours of 2 a.m. and 7 a.m. The bill would have allowed a local government to extend the hours during which alcohol beverages for on-premises consumption can be sold at licensed establishments within its jurisdiction, and would have added an exception to the crime if the jurisdiction extended the hours. ***The bill was laid over by the Senate until May 11th, effectively killing the bill.***

HB17-1370 Retail Sales of Alcohol Beverages sponsored by Reps. Winter and Liston and Senators Neville and Kerr. This bill would have allowed retail liquor stores, Wal-Mart Stores and smaller grocery chains to add locations to sell full-strength beer, wine and spirits. ***The bill was postponed indefinitely in the House Appropriations Committee.***

SB17-143 Cleanup Alcohol Beverage Retail Sales sponsored by Senator Williams and Rep. Nordberg. This bill was introduced to clarify certain provisions of last year's SB16-197. ***The bill lost on Senate Third Reading.***

SB17-195 Retail Liquor Stores Additional Licenses and SB17-199 sponsored by Senators Neville and Kerr and Reps. Winter and Liston. These two bills would have allowed liquor stores to hold multiple licenses. ***Both bills were postponed indefinitely.***

SB17-253 Alcohol Manufacturer Customer Sales sponsored by Senators Marble and Guzman and Reps. Garnett and McKean. Currently, a brewery licensed as a wholesaler may conduct tastings and sell its alcohol beverage products at its licensed premises. A spirits distillery or winery may do so at its licensed premises and at one additional sales room. The bill would have permitted all of these licensees to operate up to 2 additional sales rooms. Current law authorizes the state licensing authority to specify, by rule, the time by which a local licensing authority must submit a response to an application to operate a temporary sales room for not more than 3 days. The bill would have applied this standard to a brewery. ***The bill was postponed indefinitely in the House Business Affairs and Labor Committee.***

SECTION 8 CIVIL FORFEITURE

HB17-1313 Civil Forfeiture Reform sponsored by Reps. Herod and Humphrey, and Senators Kagan and Neville. The legislation requires local law enforcement agencies to provide biannual reports to DOLA that contain information on the amount and use of seized assets. The bill prohibits seizing agencies from receiving forfeiture proceeds from the federal government unless the aggregate net equity value of the property and currency seized in the case is in excess of \$50,000 and the federal

government commences a forfeiture proceeding that relates to a filed criminal case. ***The bill passed both chambers.***

SB17-136 Reporting and Limiting Civil Forfeiture sponsored by Senators Neville and Kagan and Reps. Herod and Humphrey. This bill would have required the Division of Criminal Justice to create and maintain a website that tracks criminal forfeiture involving property. The website would have been required to contain information on how proceeds from forfeitures would have been utilized. The bill would have authorized the division to charge a fee to seizing agencies when they update their information, to help offset costs. The legislation would have also prohibited law enforcement agencies in Colorado from transferring seized property to the federal government unless the property subject to forfeiture had a value of greater than \$100,000. ***The bill was postponed indefinitely by the Senate Judiciary Committee.***

SECTION 9 MARIJUANA

HB17-1220 Prevent Marijuana Diversion to Illegal Market sponsored by House Majority Leader Becker, Rep. Wist and Senators Gardner and Priola. The bill places a cap on the number of plants that can be possessed or grown on a residential property to 12 with no more than 6 being mature. The bill provides flexibility for local governments to allow for a plant count that is greater than 12. A medical marijuana patient or primary caregiver who cultivates more than 12 plants must cultivate the plants in compliance with applicable city, county or city and county law. An amendment added in the Senate Judiciary Committee increased the allowed plant count for patients and caregivers to 24 without affecting any local limitations if they register with local governments. ***The bill passed both chambers.***

HB17-1221 Grey and Black Market Marijuana Enforcement Efforts sponsored by Reps. Willet and Pabon and Senator Aguilar. The bill creates the Grey and Black Market Marijuana Enforcement Grant Program in the Division of Local Government within the Department of Local Affairs. The bill also creates an offense for a person who is not a primary caregiver for possessing a marijuana plant that the person is growing on behalf of another person. Lastly, the bill includes a grant program for local law enforcement agencies and district attorneys to cover investigation and prosecution costs associated with illegal marijuana cultivation or distribution operations. ***The bill passed both chambers.***

HB17-1345 Retail Marijuana Sales Tax Rate sponsored by Rep. Rankin and Senator Moreno. This was a JBC bill that would have continued the 10 percent special sales tax rate on retail marijuana. The rate was scheduled to decline to 8 percent starting July 1, 2017. ***The bill was postponed indefinitely in the Senate Finance Committee.***

SB17-017 Allow Medical Marijuana Use for Stress Disorders sponsored by Senator Aguilar and Rep. Singer. The bill creates a statutory right for a patient with acute stress disorder or PTSD to use medical marijuana. The bill creates the same rights, limitations, affirmative defense and exceptions from criminal laws for these conditions as the constitutional right to use medical marijuana for other debilitating conditions. ***The bill was sent to the Governor.***

SB17-063 Marijuana Club License sponsored by Senator Marble and Rep. Melton. This bill would have outlined regulations for licensure of marijuana consumption clubs. ***The bill was postponed indefinitely by the Senate Business Affairs Committee.***

SB17-192 Marijuana Business Efficiency Measures sponsored by Senator Neville and Reps. Melton and Singer. The bill as introduced allows for a single-instance transfer of retail marijuana and retail marijuana products from a retail marijuana licensee to a medical marijuana licensee. The bill changes the provisions for calculating the average market rate and creates a contract price to use when calculating the average market rate and creates a contract price to use when calculating excise taxes between unaffiliated retail marijuana business. Lastly, the bill clarifies that the Marijuana Enforcement Division can take action against a license upon a violation of law. An amendment was added in the House to clarify that the state licensing authority shall give the licensee an opportunity to retest the product if the product is found to be contaminated and remove the one-time transfer from retail marijuana licensee to a medical marijuana licensee. ***The bill passed both chambers.***

SB17-184 Private Marijuana Clubs Open and Public Use sponsored by Senator Gardner and Rep. Pabon. This bill was written by the Colorado Municipal League to clarify the exact definition of what constitutes a “private marijuana club.” The passage of Amendment 64 left municipalities and counties to regulate or prohibit private clubs through zoning and land use regulations. This bill would have created a statewide minimum definition of “open and public” consumption. ***After two conference committees met to find an agreement on language, none was found and the bill died in the waning hours of the legislative session.***

SB17-275 Marijuana Pesticides Test Medical Effectiveness sponsored by Senators Baumgardner and Jahn. This bill would have allowed Marijuana Tax Cash Fund (MTCF) moneys to have been used for research into the health effects of marijuana and allowed pesticide manufacturers to have conducted research on the cultivation of medical and retail marijuana. ***The bill was postponed indefinitely in the House Business Affairs and Labor Committee; however, the provisions of the bill were added to HB17-1367.***

HB17-1367 Authorize Marijuana Clinical Research sponsored by Reps. Pabon and Arndt and Senators Baumgardner and Jahn. The bill creates two research licenses in the Medical Marijuana Code to be issued by the Marijuana Enforcement Division in the Department of Revenue and local licensing authorities. The marijuana research and development cultivation license allows a person to grow, cultivate, possess and transfer marijuana by sale or donation for limited research purposes. ***An amendment was added in the Senate to include the provisions of the SB17-275 into this bill. The bill passed the both chambers.***

SECTION 10 COURTS

HB17-1083 Municipal Judge Advisement for Traffic Offenses sponsored by Rep. Liston and Senator Gardner. Under current law municipal judges will be required to inform defendants of certain rights at his or her first appearance in municipal court beginning on May 1, 2017. HB17-1083 excludes

traffic infractions for which the penalty is only a fine and arrest is prohibited and for which a court cannot issue a bench warrant for this offense. ***The bill was signed by the Governor on April 13th.***

HB17-1162 Outstanding Judgments and Driver's Licenses sponsored by Rep. Gray. As introduced, the bill would have removed the Department of Revenue's ability to cancel or suspend an individual's license if the person has an outstanding judgement warrant against them. The bill also provided the court the ability to take funds from an individual's tax return to recover owed fines. An amendment was added to the bill in the House that retained the use of outstanding judgement warrants for municipal courts in certain circumstances and created a low-level traffic infraction that can be written into municipal court. ***The bill passed both chambers.***

HB17-1268 Change Maximum Criminal Penalty One Year to 364 days sponsored by Rep. Herod and Senator Coram. The bill would have changed the penalty for class 2 misdemeanors, class 2 drug misdemeanors, misdemeanors without a fixed statutory penalty and municipal ordinance violations from one year to 364 days. ***The bill was postponed indefinitely in the Senate State Veterans and Military Affairs Committee.***

HB17-1185 Report of Suspected Child Abuse or Neglect sponsored by Rep. Singer and Senator Smallwood. The bill adds officials and employees of county departments of health, human services or social services to the list of mandatory reporters of child abuse. It also allows these county employees to receive certain follow up information about the children whom they file a report of child abuse and neglect if they continue to be officially and professionally involved in the ongoing care of the child. Lastly, the bill expands the period for county departments of human services to provide such follow up information to all eligible mandatory reports from 30 days to 60 days after the report of is filed. ***The bill passed both chambers.***

HB17-1188 Harassment Sexual Orientation of Disability sponsored by Rep. Foote and Senators Coram and Moreno. Currently harassment is a class 3 misdemeanor unless the offender intends to intimidate or harass someone based on his or her actual or perceived race, color, religion, ancestry or national origin, in which case it is a class 1 misdemeanor. Under HB 1188, harassment based on a person's physical or mental disability or sexual orientation is also a class 1 misdemeanor. ***The bill passed both chambers.***

HB17-1207 No Detention Facility Requirement Youth Ages 10-12 sponsored by Rep. Lee. This bill states that no juvenile aged 10,11,12 may be ordered to detention in the Division of Youth Corrections within the Department of Human services unless he or she was arrested for a felony or a weapons charge. ***The bill passed both chambers.***

HB17-1316 Delay Implementation of House Bill 16-1309 sponsored by Rep. Lontine and Senator Marble. The bill delays the implementation of a bill passed in 2016 from May 1, 2017 to July 1, 2018. HB16-1309 requires municipal courts to appoint legal counsel to any defendant in custody and charged with an offense that carries a potential sentence of incarceration. Counsel must be present

for the defendant's initial appearance unless he/she waives their right to counsel. ***The bill was signed by the Governor on April 28th.***

SB17-021 Assistance to Released Mentally Ill Offenders sponsored by Senator Martinez Humenik and Rep. Singer. This bill is a product of the Legislative Oversight committee concerning Treatment of Persons with Mental Illness in the Criminal and Juvenile Justice System. The bill establishes supportive programs for persons with mental illness transitioning from incarceration. The program is funded with Marijuana Tax Cash Funds. ***The bill passed both chambers.***

SECTION 11 SALES AND USE TAX

SB17-112 Sales & Use Tax Payment to Wrong Local Government sponsored by Senator Neville and Rep. Pabon. This bill was introduced to address the statute of limitations in the case of taxes paid erroneously to a local jurisdiction. The measure was proposed by Rent-a-Center. ***This bill was signed by the Governor on April 18th.***

HB17- 1049 Eliminate Property Tax Abatement Refund Interest sponsored by Rep. Thurlow at the request of the Mesa County Assessor. Currently interest accrues from the point that erroneous taxes are paid, which can be up to two years before an abatement petition is filed. This bill reduces the time that interest accrues by calculating interest based on when the petition is filed. ***The bill was signed by the Governor on April 24th.***

HB17-1216 Sales and Use Tax Simplification Task Force sponsored by Reps. Kraft-Tharp and Sias and Senators Neville and Jahn. The bill creates the sales and use tax simplification task force, made up of legislative members and state and local sales and use tax experts. The bill requires the task force to study sales and use tax simplification between the state and local governments, and in particular, between the state and home rule jurisdictions. ***The bill passed both chambers.***

SECTION 12 OTHER BILLS OF INTEREST

SB17-013 FPPA Multi-Employer Deferred Compensation Plan sponsored by Senator Jones and Reps. Danielson and Van Winkle. This bill, as recommended by the Police Officers' and Firefighters' Pension Reform Commission, allows the board of directors of the FPPA to develop, maintain and amend a multi-employer deferred compensation plan document. ***The bill was signed by the Governor on March 8th.***

SB17-014 Limits on Underground Storage Tank Regulation sponsored by Senators Baumgardner and Coram and Rep. J. Becker. The bill would have prohibited the inspection of and the charging of inspection fees for underground storage tanks. ***The bill was postponed indefinitely in the House Transportation Committee.***

SB17-042 Repeal Local Government Internet Service Voter Approval sponsored by Senators Donovan and Guzman. This bill would have repealed the election requirements in SB05-152 before a local

government could become a broadband service provider. ***This bill was postponed indefinitely by the Senate Business Labor & Technology Committee.***

SB17-078 Residential Storage Condo Unit Property Taxation sponsored by Senator Gardner and Reps. Van Winkle and Melton. This bill would have treated storage units as residential property for property tax purposes if the unit was owned by an individual; if its owner stored items related to the owner's residence; if the unit was not used for storage related to a business; and if the owner submitted an affidavit to the county assessor that all conditions were met. ***The bill was postponed indefinitely in the House Finance Committee.***

HB17- 1118 Exempt State from Daylight Saving Time sponsored by Reps. Pabon and Covarrubias. The bill would have exempted Colorado from daylight savings time and required Colorado to observe Mountain Standard Time year-round. ***This bill was postponed indefinitely by the House Agriculture Livestock & Natural Resources Committee.***

HB17-1134 Hold Colorado Government Accountable Sanctuary Jurisdictions sponsored by Rep. Dave Williams and Senator Marble. The bill would have defined a "sanctuary jurisdiction" as a jurisdiction that adopts a law, ordinance or policy that prohibits or in any way restricts an official or employee of the jurisdiction from cooperating or assisting federal immigration officials to enforce the President's order. The bill would hold elected leaders of sanctuary cities liable in civil and criminal courts for crimes committed by undocumented residents. Victims of crimes could sue for close to 2 million dollars under the proposed language in the bill. The bill also would have created a crime of providing assistance to an illegal alien that can be brought against an official for creating a sanctuary jurisdiction. ***This bill was postponed indefinitely by the House State Veterans & Military Committee.***

HB17-1166 Access Between Highways and Adjoining Businesses sponsored by Rep. Navarro and President Grantham. The bill would have required that state highways must provide reasonable access to and from public highways and adjoining businesses to the existing purposes for which CDOT and local governments regulate access. The denial of such access would have amounted to a government taking and would have required just compensation under eminent domain ***This bill was postponed indefinitely by the House Transportation & Energy committee.***

HB17-1229 Workers Compensation for Mental Impairment sponsored by Reps. Singer and J. Becker and Senators Cooke and Todd. This bill makes changes to the worker's compensation law. It requires mental impairment claims to be proven by evidence supported by the testimony of a licensed psychiatrist rather than a physician or a psychologist. The bill defines a "psychologically traumatic event" as one generally outside of a worker's usual experience that would evoke significant symptoms of distress in a worker in similar circumstances, or an event within a worker's usual experience only when the worker is diagnosed with PTSD by a licensed psychiatrist or psychologist. ***The bill passed both chambers.***

HB17-1230 Protection Colorado Residents from Federal Government Overreach sponsored by Reps. Salazar and Esgar and Senators Guzman and Kagan. The bill would have required a state or political subdivision to determine the legality and constitutionality of any request from the federal

government concerning a Colorado resident's race, ethnicity, national origin, immigration status or religious affiliation before complying with such request. The bill would have further mandated that neither the state nor any political subdivision would have to aid or assist the federal government in enforcing the President's Executive Order. ***The bill was postponed indefinitely in the Senate Judiciary Committee.***

HB17-1314 Colorado Right to Rest Act sponsored by Reps. Salazar and Melton. The bill would have created the "Colorado Right to Rest Act" which would have established basic rights for persons experiencing homelessness. These rights were to include but not be limited to the right to use and move freely in public spaces, to rest in public spaces, to eat or accept food in any public space where food is not prohibited, to occupy a legally parked vehicle, and to have a reasonable expectation of privacy of one's property. The bill would not have created an obligation for a provider of services for persons experiencing homelessness to provide shelter or services where none are available. ***The bill was postponed indefinitely in the House Local Government Committee.***

SB17-213 Automated Driving Motor Vehicles sponsored by Senators Moreno and Hill and Reps. Bridges and Winter. This bill authorizes the use of automated driving systems if the system is capable of conforming to every state and federal law applying to driving and declares the regulation of such systems a matter of statewide concern. ***The bill passed both chambers.***

SB17-221 Sunset Review Court Security Fund Commission sponsored by Senator Court and Rep. Melton. This bill will eliminate the repeal of the statutory sections that create the court security cash fund, the court security cash fund commission and duties related to the cash fund. ***The bill passed the both chambers.***

SB17-040 Public Access to Government Files sponsored by Senators Kefalas and Gardner and Rep. Pabon. The bill concerns public access to digital database records. SB17-040 passed the Senate with amendments that required the judicial division to be subject to CORA. Additional amendments were added in the Senate that provided exemptions to CORA for infrastructure as well as information allowing public employees to request certain information be protected from disclosure. During the House Finance Committee hearing on the bill the Senate amendments were removed. ***On third reading, an amendment was adopted regarding infrastructure and the bill passed.***

HB17-1177 Mediation for Disputes Arising Under CORA sponsored by Reps. Wist and Garnett and Senator Cooke. This bill is intended to encourage record requesters and governmental entities to resolve disputes through mediation rather than in the court system. The bill, as amended in the House, will simply require a meeting or call between the records custodian and requestor after a denial of a request but before filing a request with district court to resolve a dispute. The meeting may include recourse to any dispute resolution agreeable and paid for by both parties. ***The bill has passed both chambers.***

SECTION 13 LOOKING AHEAD

As is the case in most non-election years, legislators will have a greater opportunity to focus on substantive policy issues.

Several interim committees have been given the funding needed to meet over the Summer and Fall. These include committees on Opioid and Other Substance Use Disorders, Support for Young and Beginning Farmers, Sentencing in the Criminal Justice System, County Courthouse and County Jail Funding and Overcrowding Solutions, School Finance and Sales and Use Tax Simplification.

Members of these Interim committees will be appointed by legislative leadership and they will start meeting after June 1. Additionally, the standing interim committees including the Transportation Legislative Review Committee and the Water Resources Review Committee will meet as usual.

Several ballot initiatives have been filed for potential inclusion on the 2017 statewide ballot. Thirteen separate titles have been submitted that would provide additional funding for transportation needs through sales tax increases or increased bonding authority. In addition to transportation, titles have been filed regarding a Prohibition on Sales of Smartphones to Minors, State Scholarship Program and Prohibit Conversion Therapy.

In addition to efforts to find solutions to Colorado's transportation challenges, we believe there will also be substantive conversations during the interim about the K-12 accountability system, the system for selling beer and wine, and the health care delivery system.

As always, the BBMK team will spend a great deal of time over the Summer and Fall meeting with legislators and engaging in policy discussions with our clients and members of the General Assembly. We look forward to providing additional information.