

# LOCAL GOVERNMENT

Research Notes are prepared by Legislative Council Staff's nonpartisan research and committee staff. Research notes provide a summary of the bill, background information on the bill, and information on committee hearings and amendments adopted on the bill as it moves through the legislative process. Legislative Council Staff prepares final research notes for bills passed by the General Assembly as well as select bills that were considered but not adopted, and may be accessed through the links below. Research notes are provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly.

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<b>SB 15-205</b> <i>(Enacted)</i> Veterans Fire Corps for Wildland Firefighting		

**Date:** 9/3/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** HB15-1370

**Short Title:** *Auditor Access To Confidential County Records*

**Prime Sponsors:** Representative Primavera  
Senators Guzman and Neville

**Research Analyst:** Elizabeth Burger (x6272)

### Current Status

This research note reflects the final version of the bill, which was signed by the Governor and became effective on June 5, 2015.

### Summary

The bill requires a county department of human or social services to provide to a county auditor conducting a financial or performance audit of the department access to all records, reports, papers, files, and communications of the department, including personal identifying information, necessary to achieve the audit objectives. The department is not required to release information if the release would violate a federal confidentiality or privacy law. Information that is obtained pursuant to the bill must not be released by the auditor, audit staff, or audit oversight committee or disclosed in the public audit report, and individuals who violate this requirement are subject to a civil penalty.

### Background

Current law permits the release of child abuse and neglect records and reports for purposes of a county audit, but specifies that such information is to be released without information identifying the individuals named in the report. The bill does not affect the current statutory authority of the state auditor to access confidential records.

### House Action

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**House Public Health Care and Human Services Committee (April 24, 2015).** At the hearing, representatives of the Denver Auditor's Office and a private citizen testified in support of the bill. The committee referred the bill unamended to the House Committee of the Whole.

**House second reading (April 28, 2015).** The House adopted amendment No. 1, which added a safety clause to the bill, and passed the bill, as amended.

**House third reading (April 29, 2015).** The House passed the bill with no further amendments.

### **Senate Action**

**Senate Finance Committee (April 30, 2015).** At the hearing, representatives of the Denver Auditor's Office testified in support of the bill. The committee adopted amendment L.002, which specified that a county department of human or social services is not required to make information available to a county auditor if the release would violate a federal confidentiality or privacy law. The committee referred the bill, as amended, to the Senate Committee of the Whole.

**Senate second reading (May 5, 2015).** The Senate adopted the Senate Finance Committee report and passed the bill, as amended.

**Senate third reading (May 6, 2015).** The Senate passed the bill on third reading with no additional amendments.

**Date:** 5/21/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** HB15-1348

**Short Title:** *Urban Redevelopment Fairness Act*

**Prime Sponsors:** Representative Hullinghorst  
Senator Heath

**Research Analyst:** Katie Ruedebusch (x3001)

### Current Status

This research note reflects the final version of the bill, which has been signed by the Governor and becomes effective on August 5, 2015, assuming no referendum petition is filed.

### Summary

This bill creates new requirements for urban renewal authorities (URA) in Colorado.

**URA governance.** Under current law, the governing body of a municipality determines the number of commissioners on the governing board of a URA (urban renewal board) to be appointed by the mayor, or the governing body of a municipality may alternately designate itself as the urban renewal board. The bill changes current law to instead require that all urban renewal boards provide for the appointment of up to three additional members, consisting of one appointee each from affected counties, school districts, and special districts. Urban renewal boards must have 13 members or, in the case of municipal governing bodies that also serve as the urban renewal board, up to four additional members as required to accommodate required appointees from other local taxing entities and achieve an odd number of members.

**Municipal requirements to adopt or modify urban renewal plans with Tax Increment Financing (TIF).** Under current law, URAs may negotiate with other taxing entities to share a portion of TIF revenue, but are not required to do so. This bill requires municipalities to undertake a negotiation process with affected local taxing entities prior to approving an urban renewal plan with TIF (TIF plan). If authorized by the municipal governing body, these negotiations may be delegated to the urban renewal board. The implementation of TIF plans must:

- authorize a municipality to specifically designate which local taxing entities are and are not subject to allocation of TIF proceeds;

- allow obligations of the URA toward another local taxing entity to be waived by mutual agreement;
- require municipalities to notify affected taxing authorities prior to adopting a TIF plan and to meet and attempt to negotiate an agreement that allocates property and sales tax revenue to address the cost for each affected taxing entity to serve the area affected by an urban renewal plan;
- allow counties to dedicate a portion of county sales tax generated within the urban renewal area to the urban renewal project as part of a revenue sharing agreement;
- select a third-party expert, if an agreement is not reached with any taxing entity by 120 days after the municipality sends its notice, to recommend an allocation of costs, based upon which the municipality may elect to revise the urban renewal plan to reflect the expert's recommendations or may elect to enter into an intergovernmental agreement with an alternative allocation scheme; and
- exclude from TIF revenue any taxes generated as a result of voter approval after the original TIF allocation commences.

**Redistribution of excess funds.** Under current law, when the purposes of a TIF have been fulfilled, excess TIF revenue must be redirected to the local taxing entities responsible for the original tax levy. This bill specifies that any excess revenue collected by the URA and deposited into its special fund must be repaid to local taxing authorities *pro rata*. Also, the bill clarifies that local jurisdictions that contribute to the upfront costs of an urban renewal project may be reimbursed from TIF revenues.

**Cooperative participation in urban renewal projects.** Under current law, a municipality or urban renewal authority may enter into an intergovernmental agreement (IGA) to contribute to the costs of providing county infrastructure or services impacted by an urban renewal project. The bill clarifies that local jurisdictions that contribute to the upfront costs of an urban renewal project may be reimbursed from TIF revenue.

**Effective date and application.** The bill applies to new URAs and plans as of January 1, 2016, and to urban renewal districts and plans modified after that date. Modifications of urban renewal plans subject to the bill include adjustment of the boundaries of an urban renewal area, structural changes to TIF provisions, or expansion of an urban renewal plan. Finally, when the purposes of a TIF have been fulfilled, excess TIF plan revenue must be redirected to the local taxing entities responsible for the original tax levy.

## **Background**

Urban renewal is a tool used by municipalities to address blighted conditions through planning and public improvements, encouraging the development of housing, mixed use, office parks, industrial, or retail land use. In practice, regardless of land use, all urban renewal projects aim to increase assessed values within an urban renewal area and generate a potential property tax increment. Projects with a retail component generate a potential municipal sales tax increment, as well as new county sales taxes.

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TIF is an urban renewal tool used to generate capital, setting aside growth in tax collections over and above an existing property tax and municipal sales tax revenue stream for the repayment of bonds or for another specific purpose. The tax increment is identified as the difference between the initial revenue base within the TIF district and the amount of additional tax collections after the TIF is established. Base revenues are unaffected by the TIF, but tax collections above the base are subject to allocation by a URA. Current law provides that the use of TIF authority does not require a municipality or any other public body to levy taxes.

## House Action

**House Finance Committee (April 15, 2015).** At the hearing, representatives of counties, special districts, and school boards testified in support of the bill. In addition, representatives of municipalities, URAs, office parks, shopping centers, and business groups testified in opposition to the bill. The Property Tax Administrator of the Colorado Division of Property Taxation answered committee questions. The committee referred the bill unamended to the House Committee of the Whole.

**House second reading (April 17, 2015).** The bill passed the House Committee of the Whole on second reading.

**House third reading (April 20, 2015).** The bill passed the House with no further amendments.

**House concur with Senate amendments (May 6, 2015).** The House voted to concur with Senate amendments and repassed the bill.

## Senate Action

**Senate Finance Committee (April 30, May 1, and May 5, 2015).** At the hearing on April 30, 2015, representatives of counties and special districts testified in support of the bill. Also, representatives of cities, URAs, shopping centers, realtors, and business groups, testified in opposition to the bill. The committee laid over the bill on both April 30, 2015 and May 1, 2015, pending possible amendments.

On May 5, 2015, the committee adopted amendment L.007. Amendment L.007 struck everything below the enacting clause. The major change removed the default tax allocation scheme set forth in the introduced bill and created a mediated negotiation provision. Also, amendment L.007 created a stakeholder process before TIF plans are adopted. Stakeholders must agree on a revenue-sharing agreement. If the stakeholders do not reach an agreement after 120 days, a third-party expert will be selected by the affected parties to identify and recommend an allocation of costs, especially non-municipal costs associated with a TIF project.

**Senate second reading (May 5, 2015).** During debate by the Committee of the Whole, one amendment was withdrawn, two amendments failed, and the committee adopted amendments L.011, L.015, L.016, and L.017. Amendment L.011 clarified that the bill includes both property and sales taxes. Amendment L.015 changed the negotiation requirement in the bill from arbitration to binding

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mediation. Amendment L.016 clarified the bill's effective date and effect on current TIF projects. Amendment L.017 corrected a drafting error, changing the word "special" to "school." The bill passed the House Committee of the Whole, as amended, on second reading.

**Senate third reading (May 6, 2015).** On third reading, the Senate adopted amendment L.019, which modified the conditions under which the bill will take effect. The bill passed the Senate.

**Date:** May 6, 2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill 15-1262

**Short Title:** *Contractual Joint Governmental Entity Powers*

**Prime Sponsors:** Representative Rosenthal  
Senator Balmer

**Research Analyst:** Damion Pechota (x4789)

### Current Status

This note reflects the final version of the bill. The bill was signed by the Governor and became effective on May 20, 2015.

### Summary

The bill clarifies that a separate legal entity established by a contract between two or more counties, municipalities, special districts, or other political subdivisions of the state:

- is a political subdivision and public corporation of the state and is separate from the parties to the contract if the contract or an amendment state the entity is formed in conformity with the provisions of the bill;
- may exercise any general power of a special district as provided by the contract, except it may not levy a tax or exercise the power of eminent domain;
- may issue bonds, notes, or other financial obligations that are exempt from taxation; and
- may acquire, lease, and sell property.

### Background

Under current law, two or more counties, municipalities, special districts, or other political subdivisions of the state may enter into a contract to establish a separate legal entity to provide public improvements. Federal agencies and political subdivisions in states that border Colorado may also

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enter into these contracts. Some bonds, notes, and other financial obligations of a separate legal entity may be issued on a tax exempt basis.

## **House Action**

**House Local Government Committee (March 11, 2015).** At the hearing, a legal expert in local government matters testified in support of the bill.

The committee adopted the following amendment: Amendment L.001, which requires that a contract establishing a separate legal entity include the following information:

- the name and purpose of the entity and the services provided by the entity;
- the establishment and organization of the entity's board of directors;
- the number, compensation, and manner of selection of members of the board;
- the duties and manner of appointment of officers of the entity; and
- the voting requirements for action by the board.

The committee referred the bill, as amended, to the House Committee of the Whole.

**House second reading (March 13, 2015).** The House Committee of the Whole adopted the House Local Government Committee Report and passed the bill, with no additional amendments, on second reading.

**House third reading (March 16, 2015).** The House passed the bill, unamended, on third reading.

## **Senate Action**

**Senate Local Government Committee (April 21, 2015).** At the hearing, a representative from the Special Districts Association spoke in favor of the bill.

The committee referred the bill, unamended, to the Senate Committee of the Whole.

**Senate second reading (April 23, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate third reading (April 24, 2015).** The Senate passed the bill, unamended, on third reading.

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# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill 15-1256

**Short Title:** *Classification Of Routt County To Category II*

**Prime Sponsors:** Representative Mitsch Bush  
Senator Baumgardner

**Research Analyst:** Damion Pechota (x4789)

### Current Status

This research note reflects the final version of the bill, which becomes effective August 5, 2015, assuming no referendum petition is filed.

### Summary

The bill reclassifies Routt County as category II for the fixing of salaries of county officers. Routt County is currently classified as category III.

### Background

**Constitutional Requirements.** The Colorado Constitution establishes the following county officers: assessor, clerk, commissioners, coroner, recorder, sheriff, surveyor, and treasurer, with duties provided under state law. All counties in Colorado are assigned to a category based on population and other factors for the purposes of setting the salaries of elected county officers.

**County Categorization.** Colorado's counties are separated into six categories for fixing salaries of county officers. Table 1 provides the current categorization of each county. The home rule cities and counties of Denver and Broomfield can determine their own salaries for county officials and are not included in a category.

**Salary Requirements.** Table 1 also provides the salaries for county officials in each category. The salaries provided are for officers whose term or office begins on or after January 1, 2007. No elected official can have his or her compensation increased or decreased during the term of office for which they have been elected or appointed.

**Routt County.** Routt County is located in the northwest part of Colorado. The county seat

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is Steamboat Springs. According to the 2010 U.S. census, the population was 23,509 people.

**Senate Bill 15-288.** The bill creates 24 categories for counties and establishes the salaries of county officers in each category. The bill assigns each of Colorado's counties to one of six categories, and permits the General Assembly, on and after January 1, 2016, to move a county to another category after considering variation among counties' populations, persons residing in unincorporated areas, assessed valuation, motor vehicle registrations, building permits, military installations, and other factors that may be relevant to reflect the variations in workloads and responsibilities of county officers and the tax resources of the several counties.

The bill requires the director of research, prior to January 1, 2018, and prior to January 1 every two years thereafter, to adjust the salaries of elected county officials for inflation and post such adjusted salary amounts on the General Assembly's website.

### House Action

**House Local Government Committee (March 11, 2015).** At the hearing, representatives from Routt County; Colorado Counties, Inc.; and the Associated Governments of Northwest Colorado spoke in support of the bill.

The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (March 13, 2015).** The House Committee of the Whole passed the bill, unamended, on second reading.

**House third reading (March 16, 2015).** The House passed the bill, unamended, on third reading.

### Senate Action

**Senate Local Government Committee (March 24, 2015).** At the hearing, a representative from Routt County spoke in support of the bill.

The committee referred the bill, unamended, to the Senate Committee of the Whole.

**Senate second reading (March 27, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate third reading (March 30, 2015).** The Senate passed the bill, unamended, on third reading.

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**Table 1. County Categorization and Fixed Salary Amounts**

County Category	Counties	Salaries and Positions				
		County Commissioners	County Sheriffs	County Treasurers, Assessors, and Clerks	County Coroners	County Surveyors
I	Adams; Arapahoe; Boulder; Douglas; El Paso; Jefferson; Larimer; Pueblo; and Weld	\$87,300	\$111,100	\$87,300	\$87,300	\$5,500
II	Eagle; Fremont; Garfield; La Plata; Mesa; Pitkin; and Summit	\$72,500	\$87,700	\$72,500	\$44,200	\$4,400

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III	Alamosa; Archuleta; Chaffee; Clear Creek; Delta; Gilpin; Grand; Gunnison; Las Animas; Moffat; Montezuma; Montrose; Morgan; Otero; Park; Rio Blanco; San Miguel; Routt; Logan; and Teller	\$58,500	\$76,000	\$58,500	\$33,100	\$3,300
IV	Custer; Elbert; Huerfano; Kit Carson; Lake; Ouray; Prowers; Rio Grande; Washington; and Yuma	\$49,700	\$66,600	\$49,700	\$22,100	\$2,200
V	Baca; Bent; Cheyenne; Conejos; Costilla; Crowley; Dolores; Himsdale; Lincoln; Mineral; Phillips; Saguache; and San Juan	\$43,800	\$49,100	\$43,800	\$9,900	\$1,100
VI	Jackson; Kiowa; and Sedgwick	\$39,700	\$46,500	\$39,700	\$9,000	\$1,000

Source: Section 30-1-102, C.R.S.

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# Legislative Council Staff

## Research Note

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**Bill Number:** HB15-1245

**Short Title:** *Bd Of Land Commns Use Fund For Maintenance Costs*

**Prime Sponsors:** Representative Vigil  
Senator Sonnenberg

**Research Analyst:** Katie Ruedebusch (x3001)

### Current Status

This research note reflects the final version of the bill, which was signed by the Governor and became effective on April 13, 2015.

### Summary

The bill allows the State Board of Land Commissioners (state land board) to use up to \$1 million per fiscal year of the moneys in the Investment and Development Fund (fund) for asset maintenance, including, but not limited to, upkeep and replacement of buildings, agricultural sprinklers, fences, windmills, and water wells.

### Background

The state land board oversees the land and mineral rights that the federal government gave to Colorado at statehood in order to generate revenue for public education and other state institutions. The state land board manages over three million acres of land and four million acres of mineral rights, which generate significant revenue through agricultural leases, recreational activity leases, mineral development, interest earned on invested funds, and commercial development.

Currently, the state land board can allocate up to \$5 million per year of the revenue generated from state school lands to the fund for the purpose of increasing the income and value of land and assets managed by the board. However, money from the fund cannot be explicitly used for asset maintenance, such as the upkeep of a barn or the building of fences.

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## House Action

**House Finance Committee (March 11, 2015)**. At the hearing, representatives from the state land board, a member of the public, and a witness representing both the Colorado Association of School Executives and the Children's Land Alliance Supporting Schools, testified in support of the bill. The committee referred the bill to the House Committee of the Whole.

**House Second Reading (March 13, 2015)**. The bill passed the House Committee of the Whole on second reading.

**House Third Reading (March 16, 2015)**. The bill passed the House with no further amendments.

## Senate Action

**Senate Finance Committee (March 26, 2015)**. At the hearing, a representative from the state land board and a representative of the Colorado Association of School Boards testified in support of the bill. The committee referred the bill to the Senate Committee of the Whole.

**Senate Second Reading (March 31, 2015)**. The bill passed the Senate Committee of the Whole on second reading.

**Senate Third Reading (April 1, 2015)**. The bill passed the Senate with no further amendments.

## Relevant Research

Colorado State Land Board, Asset Management:  
<http://trustlands.state.co.us/Districts/Pages/Districts.aspx>

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# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill 15-1225

**Short Title:** *Federal Land Coordination*

**Prime Sponsors:** Representative Rankin, Becker K.  
Senator Roberts, Donovan

**Research Analyst:** Damion Pechota (x4789)

### Current Status

This note reflects the final version of the bill. The bill was signed by the Governor and became effective on May 13, 2015.

### Summary

The bill requires the Governor, in coordination with the Executive Director of the Department of Natural Resources, the Commissioner of Agriculture, and the Executive Director of the Department of Local Affairs (DOLA), to provide technical support to aid local governments in:

- entering into cooperating agency relationships with federal agencies;
- sharing information and expertise with federal land managers;
- developing local land use plans within the Colorado planning and zoning requirements for county and local governments;
- hiring consultants to perform analyses of local government interests;
- entering into memoranda of understanding with federal land management agencies; or
- implementing similar methods to improve coordination, cooperation, and collaboration in federal land management decision making.

The Governor may establish an advisory committee to provide technical assistance to local governments on federal land management decision-making processes. In addition, local governments must be notified of the availability of technical assistance.

The bill also requires the Executive Director of DOLA to distribute moneys from the Local Government Mineral Impact Fund for planning, analysis, public engagement, and coordination and collaboration with federal land managers needed by local governments for engagement in federal land management decisions.

## Background

**Federal land and management.** The federal government has an interest in approximately 24,885,000 acres in Colorado. The U.S. Forest Service is responsible for the largest share of federal land, which makes up 21.64 percent of all land in Colorado. The Bureau of Land Management (BLM), in the U.S. Department of the Interior, is charged with administering 12.58 percent of land in Colorado for sustainable landscapes and productivity of resources. For example, BLM is charged with overseeing the protection and preservation of wilderness areas, such as the Gunnison Gorge National Conservation Area.

**Impacts on local governments.** The production of materials on non-taxable federal land is an important source of revenue for many Colorado municipalities and counties. This includes payments made for natural resources, such as the Federal Mineral Lease.

**Local government zoning and planning.** State law authorizes a county planning commission to enact a zoning plan for all or any part of the unincorporated territory within the county. County zoning regulations promulgated under the county planning code may include the classification of land uses and the distribution of land development. Statutory municipalities are granted zoning and planning powers that are similar to those granted to counties. The state constitution provides the authority for a home rule municipality to regulate local and municipal matters.

**Energy and Mineral Impact Assistance Program.** The Local Government Energy and Mineral Impact Assistance Program was created in 1977 to provide funds and technical assistance to communities affected by the energy and mineral industry. The DOLA administers grants and loans through this program to municipalities, counties, school districts, and most special districts from funding sources that include federal mineral lease revenue and state severance tax funds.

Grants and loans through the impact assistance program can be used for the planning, construction, and the maintenance of public facilities and certain public services. Examples of public facilities include water and sewer infrastructure projects, public road and street improvements, emergency medical and fire protection facilities and equipment, community centers, and local government planning.

## House Action

**House Local Government (February 26, 2015).** At the hearing, representatives from the Department of Local Affairs, the Department of Natural Resources, Conservation Colorado, the Colorado Coalition of Land Trusts, Colorado Cattlemen's Association, and the Colorado Wildlife Federation spoke in favor of the bill.

The committee adopted two amendments:

- Amendment L.001 adds the distribution of moneys from the executive director of DOLA for the purposes of planning, analysis, public engagement, and coordination and collaboration with federal land managers needed by local

governments for engagement in federal land management decisions to the local government severance tax fund requirements.

- Amendment L.002 was a technical amendment that changed the grant funding to three years.

The committee referred the bill, as amended, to the House Committee on Appropriations.

**House Appropriation Committee (March 5, 2015).** At the hearing, the committee adopted the following amendment: Amendment L.001 made an appropriation.

**House second reading (March 9, 2015).** The House Committee of the Whole adopted the House Local Government Committee and the House Committee of Appropriation reports and passed the bill, with no additional amendments, on second reading.

**House third reading (March 10, 2015).** The House passed the bill, unamended, on third reading.

## **Senate Action**

**Senate Local Government Committee (March 24, 2015).** The committee referred the bill, unamended, to the Senate Committee on Appropriations.

**Senate Appropriations Committee (April 17, 2015).** The committee referred the bill, unamended, to the Senate Committee of the Whole.

**Senate second reading (April 22, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate third reading (April 23, 2015).** The Senate passed the bill, unamended, on third reading.

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# Legislative Council Staff

## Research Note

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**Bill Number:** HB15-1142

**Short Title:** *Public Trustee Conduct Electronic Foreclosure Sale*

**Prime Sponsors:** Representative McCann  
Senator Guzman

**Research Analyst:** Luisa Altmann (x3518)

### Current Status

This research note reflects the final version of the bill, which becomes effective on September 1, 2015, assuming no referendum petition is filed.

### Summary

The bill authorizes the county public trustee to conduct foreclosure sales electronically if he or she chooses to do so. The bill also allows the public trustee to collect a specific fee for foreclosure sales that are conducted electronically. The trustee must post information related to electronic foreclosure sales both electronically and through traditional postings and physical documents.

### Background

Under current law, foreclosure sales in Colorado can only occur in person. According to witness testimony from committee, electronic foreclosure sales currently take place across the country. In addition, the Denver county treasurer has conducted electronic auctions in tax lien sales since 2006 in a similar process.

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## House Action

**House Business Affairs and Labor Committee (February 24, 2015).** At the hearing several local public trustees, representatives from Colorado Bankers Association, and several business owners testified in support of the bill. The committee adopted amendments L.002 and L.003 which incorporate the fee details into an existing part of the statute and clarify that a bid previously submitted during an electronic foreclosure sale may be amended electronically during the sale. The committee referred the bill to the House Finance Committee.

**House Finance Committee (March 12, 2015).** At the hearing, a representative from the city and county of Denver discussed foreclosure sales via phone with the committee. The committee adopted amendment L.004, which amended the Business Affairs and Labor Committee report to allow the holder to include a maximum bid for properties sold in electronic foreclosure sales. The committee referred the bill to the House Committee of the Whole.

**House Second Reading (March 16, 2015).** The House Committee of the Whole adopted the committee reports and the bill.

**House Third Reading (March 17, 2015).** The House adopted the bill, unamended, on third reading.

## Senate Action

**Senate Business, Labor, & Technology Committee (March 25, 2015).** At the hearing the Denver County Clerk and Recorder testified in support of the bill. The committee adopted amendment L.007, which clarifies how electronic bid increases will be handled in electronic foreclosure sales and specifies that the maximum bid on the foreclosure bid form only applies to electronic foreclosure sales. The committee referred the bill to the Senate Committee of the Whole consent calendar.

**Senate Second Reading (March 30, 2015).** The Senate Committee of the Whole adopted the committee report and the bill on second reading.

**Senate Third Reading (March 31, 2015).** The Senate adopted the bill, unamended, on third reading.

**Date:** May 6, 2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill 15-1092

**Short Title:** *Special District Transparency Requirements*

**Prime Sponsors:** Representative Lebsock  
Senators Martinez-Humenik and Kafalas

**Research:** Damion Pechota (x4789)

### Current Status

This research note reflects the final version of the bill, which becomes effective on August 5, 2015, assuming no referendum petition is filed.

### Summary

The bill requires the budget of a special district to include any resolution that adopts the budget, appropriated moneys, and fixes the rate of any mill levy.

The bill also requires the Division of Local Government, in the Department of Local Affairs, to publish on its official website, in a way that is easily accessible to the public, the election results in a special district. The Secretary of State must provide a link to these election results.

In addition, the bill requires an organization, dissolution, or change in the name of a special district to be recognized by the county clerk and recorder before going into effect. The name of the special district must also be included on the name of a subdistrict or special improvement district created by the special district.

### Background

**Special districts.** Special districts are local governments that provide services or infrastructure to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the district. Each special district is represented by a board of directors who are elected by the voters of the special district and serve as the governing body.

**Current budget requirements for a special district.** Each special district must submit a

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budget to the Division of Local Government on an annual basis. The budget must contain revenues, expenditures, and fund balances. Each budget must also include a message regarding the significant budget issues for the year, the basis of accounting, and a description of leases to which the district is a party.

## **House Action**

**House Local Government Committee (February 5, 2015).** At the hearing, representatives from the Department of Local Affairs and the Special Districts Association testified in support of the bill. Specifically, they said the bill would address current issues regarding special district filing requirements.

The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (February 13, 2015).** The House Committee of the Whole passed the bill, unamended, on second reading.

**House third reading (February 19, 2015).** The House passed the bill, unamended, on third reading.

**House consideration of Senate amendments (March 19, 2015).** The House concurred with the Senate amendment and repassed the bill.

## **Senate Action**

**Senate Local Government Committee (March 3, 2015).** At the hearing, representatives from the Department of Local Affairs and the Special Districts Association testified in support of the bill. The committee adopted the following amendment: Amendment L.003 is a non-substantive amendment that clarifies the information needed regarding members of a special district board of directors.

The committee referred the bill, as amended, to the Senate Committee of the Whole.

**Senate second reading (March 9, 2015).** The Senate adopted the Senate Local Government committee report and passed the bill, unamended, on second reading.

**Senate third reading (March 10, 2015).** The Senate passed the bill, unamended, on third reading.



# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill 15-1074

**Short Title:** *Board Of County Commissioners Member Liability*

**Prime Sponsors:** Representative Vigil  
Senator Crowder

**Research Analyst:** Damion Pechota

### Current Status

This research note reflects the final version of the bill, which becomes effective on August 5, 2015, assuming no referendum petition is filed.

### Summary

The bill allows a court to order an individual member of a board of county commissioners, who authorized a contribution or expenditure in violation of campaign contribution laws for political subdivisions, to reimburse the money. The amount may not exceed the amount ordered for reimbursement by any other individual of the board who also authorized the contribution.

### Background

**Board of county commissioners.** A board of county commissioners is the primary policy making body in the county. The board is also responsible for the county's administrative and budgetary functions. Most Colorado counties have three commissioners who represent separate districts, but are elected by the entire county. A county with a population over 70,000 may expand its board to five members with voter approval.

**Judgements against a board of county commissioners.** Current law specifies that a board of county commissioners can sue or be sued. In addition, a county officer, when authorized by the law, can sue in the name of their office for the benefit of the county.

A plaintiff can sue a board, individual members of a board, or both. In certain cases, a member has been held individually liable for the actions of the board.

**Date:** *May 6, 2015*

**Version:** *Final*

## **House Action**

**House Local Government Committee (January 28, 2015).** At the hearing, representatives for Colorado Counties Inc. and Associated Governments of Northwest Colorado testified in support of the bill. Specifically, they said that a member should not be held individually liable for a decision made by the board while serving as a governing authority.

The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (February 2, 2015).** The House Committee of the Whole adopted the bill, unamended, on second reading.

**House third reading (February 3, 2015).** The House passed the bill, unamended, on third reading.

**House consideration of Senate amendments (March 27, 2015).** The House concurred with the Senate amendments and repassed the bill.

## **Senate Action**

**Senate Local Government Committee (February 17, 2015).** At the hearing, representatives for Colorado Counties Inc. and the Associated Governments of Northwest Colorado testified in support of the bill. A representative from Colorado Ethics Watch remained neutral on the bill.

The committee adopted the following amendment: Amendment L.007 amends the reengrossed bill to clarify that if a Board of County Commissioners is found to have made a contribution or expenditure in violation of the campaign contributions laws for political subdivisions, then an individual member of the board who authorized the contribution may be ordered to reimburse the money. The amount may not exceed the amount ordered to be reimbursed by any other individual of the board who also authorized the contribution.

The committee passed the bill, as amended, to the Senate Committee of the Whole.

**Senate second reading (February 20, 2015).** The Senate Committee of the Whole adopted the Senate Local Government Committee report and passed the bill, unamended, on second reading.

**Senate third reading (February 23, 2015).** The Senate passed the bill, unamended, on third reading.



# Legislative Council Staff

## Research Note

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**Bill Number:** House Bill15-1017

**Short Title:** *Volunteer Fire Department Organization*

**Prime Sponsors:** Representatives Hamner, Buck  
Senator Roberts

**Research Analyst:** Damion Pechota (x4789)

### Current Status

This note reflects the final version of the bill. The bill was signed by the Governor and became effective on March 11, 2015.

### Summary

The bill enacts the Volunteer Fire Department Organization Act. Specifically, the bill authorizes the Division of Fire Prevention and Control (DFPC) within the Department of Public Safety to provide an organizational framework to nonprofit, non-governmental, volunteer fire departments in unincorporated areas of the state. To receive state support, the volunteer fire department must comply with existing laws for nonprofit corporations and must enter into an agreement with a local jurisdiction, county sheriff, or state entity. All agreements must specify the type of services that will be provided by the volunteer fire department and the boundaries of its service area.

Under the bill, a volunteer fire department recognized by the state is:

- eligible to receive grants to provide funding for equipment and training, including moneys from the Local Fire Fighter Safety and Disease Prevention Fund;
- subject to donation requirements for surplus equipment; and
- immune from liability while performing the duties of the job.

### Background

The bill was drafted and recommended to the General Assembly by the Wildfire Matters Review Committee. Pursuant to Senate Bill 13-082, the Wildfire Matters Review Committee is charged with reviewing and proposing legislation or other policy changes related to wildfire

**Date:** May 6, 2015

**Version:** Final

prevention, mitigation, and related matters, including public safety and forest health issues.

HB15-1017 extends the following programs and provisions of law to volunteer fire departments organized pursuant to the bill:

- The Local Firefighter Safety and Disease Prevention Fund consists of gifts, grants, and donations and moneys appropriated by the General Assembly. The fund is used for the reimbursement and training of firefighter safety equipment.
- Any entity that donates surplus fire equipment to a fire department is not liable for damages due to the nature, age, condition, or packaging of the equipment, except under the conditions of neglect or reckless acts. In addition, a fire department is prohibited from selling or attempting to sell the donated equipment.
- A volunteer firefighter who is assisting and acting in good faith in a firefighting effort or emergency care is not liable for civil damages as a result of an act, except in matters of gross neglect or reckless acts.

Under current law, the county sheriff is the chief fire warden and all unincorporated areas fall under his or her jurisdiction. The Division of Fire Prevention and Control in the Department of Public Safety is charged with supporting communities to reduce the risk of wildfire, increasing preparedness and response, and providing access to support training and equipment.

## House Action

**House Local Government Committee (January 21, 2015).** At the hearing, representatives from the Division of Fire Prevention and Control and rural fire departments spoke in favor of the bill.

The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (January 27, 2015).** The House Committee of the Whole adopted the following amendment: Amendment L.003 clarifies that the bill does not prohibit a private entity from organizing, training, or equipping itself as a private fire department or providing fire protection services.

The House Committee of the Whole passed the bill, as amended, on second reading.

**House third reading (January 28, 2014).** The House adopted the bill, unamended, on third reading.

## Senate Action

**Senate Local Government Committee (February 10, 2015).** At the hearing, there were no witnesses who testified on the bill. The committee referred the bill, unamended, to the Senate Committee of the Whole with a recommendation that it be placed on the consent calendar.

**Date:** *May 6, 2015*

**Version:** *Final*

**Senate Committee of the Whole, Second Reading (February 13, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate Third Reading (February 17, 2015).** The Senate passed the bill, unamended, on third reading.

**Date:** 7/2/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-205

**Short Title:** *Veterans Fire Corps For Wildland Firefighting*

**Prime Sponsors:** Senator Roberts  
Representative Keyser

**Research Analyst:** Damion Pechota (x4789)

### Current Status

This research note reflects the final version of the bill. The bill was signed by the Governor and became effective on May 12, 2015.

### Summary

The bill authorizes the Division of Fire Prevention and Control in the Department of Public Safety to use moneys in the Wildfire Preparedness Fund for the purpose of training, equipping, or supervising one or more hand crews employed by veterans' fire corps programs in Colorado for wildland fire mitigation and suppression. In addition, the bill specifies that the Veterans Fire Corps Program is organized by a conservation corps or youth corps association and provides training and on-the-job experience for post-9/11-era veterans interested in entering into careers and gaining experience in natural resource management and wildland fire control. The bill defines a post-9/11-era veteran as a veteran who served on active duty during the military campaign period that started after September 11, 2001, and who received an honorable discharge, a general discharge under honorable conditions, or a general discharge.

### Background

**Veterans Fire Corps.** The Veterans Fire Corps (VFC) is a program to provide military veterans training and experience in wildland management and fire suppression. The VFC, in cooperation with the United States Forest Services, works in partnership with regional conservation corps organizations. The goal of the VFC program is to provide veterans with education and training experience for potential employment opportunities.

**Conservation and youth corps.** Conservation and youth corps programs are local and statewide service organizations. Participants gain experience in civic and environmental management through training and education. The programs in Colorado generally focus on land, water, and

energy.

**Wildfire Preparedness Fund.** The Division of Fire Prevention and Control may use the Wildfire Preparedness Fund for wildfire preparedness activities as determined by executive order or proclamation from the Governor. In addition, the division may use funds transferred from the Healthy Forests and Vibrant Communities Fund for the following purposes:

- increase upgrades to fire engines acquired through the federal excess personal property program that are on loan to local fire departments;
- increase technical assistance in wildland fire preparedness to counties, municipalities, and fire protection districts; and
- ensure that state firefighting equipment is fully operational and that local government operations are trained.

## Senate Action

**Senate Judiciary Committee on Judiciary (March 23, 2015).** At the hearing, representatives from the Division of Fire Prevention and Control, the United Veterans Committee of Colorado, and the Colorado Youth Corps Association spoke in favor of the bill.

The committee referred the bill, unamended, to the Committee on Appropriations.

**Senate Committee on Appropriations (April 10, 2015).** The committee referred the bill, unamended, to the Senate Committee of the Whole with a recommendation that it be placed on the consent calendar.

**Senate Second Reading (April 13, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate Third Reading (April 14, 2015).** The Senate passed the bill, unamended, on third reading.

**Senate Consideration of House Amendments (May 1, 2015).** The Senate considered and concurred with the House amendment.

## House Action

**House Local Government Committee (April 22, 2015).** At the hearing, representatives from the Division of Fire Prevention and Control, the United Veterans Committee of Colorado, and the Colorado Youth Corps Association spoke in favor of the bill.

The committee adopted amendment L.002, which specifies that an eligible veteran is a veteran who has received an honorable discharge, a general discharge under honorable conditions,

**Date:** 7/2/2015

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or a general discharge.

The committee referred the bill, as amended, to the Committee on Appropriations.

**House Committee on Appropriations (April 29, 2015).** The committee referred the bill, unamended, to the House Committee of the Whole.

**House Second Reading (April 29, 2015).** The House Committee of the Whole, adopted the Local Government Committee Report and passed the bill, with no additional amendments, on second reading.

**House Third Reading (April 30, 2015).** The House passed the bill, unamended, on third reading.



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-041

**Short Title:** *Local Government Regulation Amateur Radio Antennas*

**Prime Sponsors:** Senator Holbert  
Representative Van Winkle

**Research Analyst:** Damion Pechota

### Current Status

This research note reflects the final version of the bill, which becomes effective on August 5, 2015, assuming no referendum petition is filed.

### Summary

The bill specifies that no local government shall enact or enforce an ordinance or resolution regulating amateur radio antennas that fail to comply with PRB-1 issued by the federal communications Commission (FCC). In addition, local government regulations involving the placement, screening, or height of antennas must:

- be based on health, safety, or aesthetic considerations;
- be crafted to reasonably accommodate amateur communications; and
- represent the minimum practicable regulations required to accomplish the local government's legitimate purpose.

### Background

In 1985, the FCC issued PRB-1, or the federal preemptions of state and local regulations pertaining to amateur radio facilities. The federal preemptions limit the state and local regulations of amateur radio antennas. Specifically, PRB-1 requires local governments to consider and accommodate reasonable amateur communications while regulating the placement and form of antennas based on health, safety, and aesthetic considerations. In addition, PRB-1 specifies that the federal government is not involved in most reviews and that the responsibility to determine compliance with federal policy would need to be done through state legislative action.

**Date:** *May 21, 2015*

**Version:** *Final*

## **Senate Action**

**Senate Local Government Committee (January 20, 2015).** At the hearing, a representative from the Amateur Radio Relay League spoke in favor of the bill.

The committee referred the bill, unamended, to the Senate Committee of the Whole with a recommendation that it be placed on the consent calendar.

**Senate second reading (January 23, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate third reading (January 26, 2015).** The Senate passed the bill, unamended, on third reading and final passage.

## **House Action**

**House Local Government Committee (February 12, 2015).** At the hearing, a representative from the Amateur Radio Relay League spoke in favor of the bill. The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (February 19, 2015).** The House Committee of the Whole passed the bill, unamended, on second reading.

**House third reading (February 20, 2015).** The House passed the bill, unamended, on third reading and final passage.

## **Relevant Research**

PRB-1: <http://wireless.fcc.gov/services/index.htm?job=prb-1&id=amateur&page=1>

**Date:** 5/19/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-029

**Short Title:** *Volunteer Firefighter Pension Plan Study*

**Prime Sponsors:** Senator Ulibarri  
Representative Melton

**Research Analyst:** Kori Donaldson (x4976)

### Current Status

The bill was signed into law by the Governor and took effect June 5, 2015.

### Summary

This bill, recommended by the Police Officers' and Firefighters' Pension Reform Commission, authorizes and funds a study of volunteer firefighter pension plans. It also requires the State Auditor, the Fire and Police Pension Authority (FPPA), and the Department of Local Affairs to develop recommendations regarding changes to the system of volunteer firefighter pension plans based on the information reported in the study.

### Background

The FPPA administers a statewide retirement system for current and former police officers and firefighters employed by the state and local governments. It also administers a volunteer firefighter pension plan. There are an estimated 225 local jurisdictions with volunteer firefighter pension plans in the state. Of this number, 175 are affiliated with the FPPA. The remainder are organized and managed by the local jurisdiction.

### Senate Action

**Senate Finance Committee (January 27, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee adopted amendment L.001, which clarifies that an actuary can be hired to assist in the study of volunteer firefighter pension plans and added the Legislative Audit Committee to the list of entities that will receive the completed report. The committee

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referred the bill to the Senate Appropriations Committee.

**Senate Appropriations Committee (April 10, 2015).** The committee adopted amendment J.001, which adds an appropriation to implement the bill.

**Senate second reading (April 14, 2015).** The Senate Committee of the Whole adopted Senate Finance and Senate Appropriation Committee reports.

**Senate third reading (April 15, 2015).** The full Senate adopted the bill on third reading with no additional amendments.

## **House Action**

**House Business Committee (April 21, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred the bill to the House Appropriations Committee.

**House Appropriations Committee (May 4, 2015).** The committee adopted amendment J.003, which adjusts the amount appropriated to conduct a study of volunteer firefighter pension plans.

**House second reading (May 4, 2015).** The House Committee of the Whole adopted the bill with no amendments.

**House third reading (May 5, 2015).** The full House adopted the bill on third reading with no amendments.

## **Relevant Research**

FPPA website: [http://www.fppaco.org/toc\\_frames.html](http://www.fppaco.org/toc_frames.html)

Police Officer and Firefighter Reform Commission 2014 Report: <http://tinyurl.com/ko5v5px>

**Date:** 5/19/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-028

**Short Title:** *FPPA Plan Employee Participation Reqmnts*

**Prime Sponsors:** Senator Balmer  
Representative Ginal

**Research Analyst:** Kori Donaldson (x4976)

### Current Status

The bill was signed into law by the Governor and took effect March 13, 2015.

### Summary

This bill, recommended by the Police Officers' and Firefighters' Pension Reform Commission, clarifies that if the chief of a fire or police department opts out of the Fire and Police Pension Association (FPPA) statewide defined benefit plan, he or she must participate in either social security or a federal insurance contribution act replacement plan. The bill further clarifies a department chief's eligibility to participate in other plans offered by FPPA if he or she is not enrolled in the statewide defined benefit plan. Finally, the bill requires, beginning in January 2017, that FPPA-affiliated social security employers that elect coverage under the statewide death and disability plan to also participate in the social security supplemental retirement plan.

### Background

The FPPA administers a statewide retirement system for current and former police officers and firefighters employed by the state and local governments. The FPPA manages several investment funds and pension plans, including a statewide defined benefit plan, a statewide death and disability plan, and a social security supplemental retirement plan. The statewide defined benefit plan is funded by member and employer contributions and covers most full-time employees from participating fire and police departments in Colorado. Under current law, a department chief can be exempted from the statewide defined benefit plan upon written agreement and notice to the FPPA. The social security supplemental retirement plan is intended to supplement a member's social security benefits earned from a social security employer. Members of the FPPA do not generally contribute to social security, and relatively few fire departments are social security employers.

**Date:** 5/19/2015

**Version:** Final

## Senate Action

**Senate Finance Committee (January 27, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred to bill to the Senate Committee of the Whole with no amendments and with a recommendation that it be placed on the consent calendar.

**Senate second reading (February 2, 2015).** The Senate Committee of the Whole adopted the bill with no amendments.

**Senate third reading (February 3, 2015).** The full Senate adopted the bill on third reading with no amendments.

## House Action

**House Finance Committee (February 18, 2015).** The committee referred the bill to the House Committee of the Whole. No witness testimony was heard on the bill.

**House second reading (February 23, 2015).** The House Committee of the Whole adopted the bill with no amendments.

**House third reading (February 25, 2015).** The full House adopted the bill on third reading with no amendments.

## Relevant Research

FPPA website: [http://www.fppaco.org/toc\\_frames.html](http://www.fppaco.org/toc_frames.html)

Police Officer and Firefighter Reform Commission 2014 Report: <http://tinyurl.com/ko5v5px>

**Date:** 5/19/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-027

**Short Title:** *FPPA Bd Assess Admin Charges*

**Prime Sponsors:** Senator Ulibarri  
Representative Court

**Research Analyst:** Kori Donaldson (x4976)

### Current Status

The bill was signed into law by the Governor and took effect March 13, 2015.

### Summary

This bill, recommended by the Police Officers' and Firefighters' Pension Reform Commission, authorizes the Fire and Police Pension Association (FPPA) board to assess interest on unpaid contributions to statewide plans administered by the FPPA at a rate of .005 percent per month. The bill also authorizes the board to assess costs incurred by the FPPA in complying with regulatory requirements.

### Background

The FPPA, established in 1980, administers a statewide retirement system for current and former police officers and firefighters employed by the state and local governments. The FPPA manages several investment funds and pension plans, including a statewide defined benefit plan, a statewide death and disability plan, and a number of "old hire" plans for police officers and firefighters hired before 1978.

Recent changes in financial standards and regulations, including the recommendations of the Governmental Accounting Standards Board, have increased the efforts required by FPPA and local governments with other pension plans to comply with applicable requirements.

### Senate Action

**Date:** 5/19/2015

**Version:** Final

**Senate Finance Committee (January 27, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred to bill to the Senate Committee of the Whole with no amendments and with a recommendation that it be placed on the consent calendar.

**Senate second reading (February 2, 2015).** The Senate Committee of the Whole adopted the bill with no amendments.

**Senate third reading (February 3, 2015).** The full Senate adopted the bill on third reading with no amendments.

### **House Action**

**House Finance Committee (February 18, 2015).** The committee referred the bill to the House Committee of the Whole. No witness testimony was heard on the bill.

**House second reading (February 23, 2015).** The House Committee of the Whole adopted the bill with no amendments.

**House third reading (February 25, 2015).** The full House adopted the bill on third reading with no amendments.

### **Relevant Research**

FPPA website: [http://www.fppaco.org/toc\\_frames.html](http://www.fppaco.org/toc_frames.html)

Police Officer and Firefighter Reform Commission 2014 Report: <http://tinyurl.com/ko5v5px>

**Date:** 5/19/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-026

**Short Title:** *FPPA Beginning Member Contrib Rate*

**Prime Sponsors:** Senator Balmer  
Representative Ginal

**Research Analyst:** Kori Donaldson (x4976)

### Current Status

The bill was signed into law by the Governor and took effect March 13, 2015.

### Summary

This bill, recommended by the Police Officers' and Firefighters' Pension Reform Commission, sets the defined benefit plan contribution rate for a firefighter who becomes a member of the Fire and Police Pension Association (FPPA) as the result of a merger or similar action by his or her employer. The set contribution rate is the continuing uniform rate established by the FPPA board as directed by statute.

### Background

The FPPA, established in 1980, administers a statewide retirement system for current and former police officers and firefighters employed by the state and local governments. The FPPA manages several investment funds and pension plans, including a statewide defined benefit plan, a statewide death and disability plan, and a number of "old hire" plans for police officers and firefighters hired before 1978. The statewide defined benefit plan is funded by member and employer contributions and covers most full-time employees from participating fire and police departments in Colorado.

A number of fire protection districts have recently initiated mergers intended to improve cost effectiveness and other service measures. Mergers involving districts not participating in FPPA plans may result in new FPPA members at various levels of seniority and advancement toward retirement status. Current FPPA statutes contemplate appropriate contribution rates for entire departments joining FPPA, but not individuals as a result of the merger.

**Date:** 5/19/2015

**Version:** Final

## Senate Action

**Senate Finance Committee (January 27, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred to bill to the Senate Committee of the Whole with no amendments and with a recommendation that it be placed on the consent calendar.

**Senate second reading (February 2, 2015).** The Senate Committee of the Whole adopted the bill with no amendments.

**Senate third reading (February 3, 2015).** The full Senate adopted the bill on third reading with no amendments.

## House Action

**House Finance Committee (February 18, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred the bill to the House Committee of the Whole.

**House second reading (February 23, 2015).** The House Committee of the Whole adopted the bill with no amendments.

**House third reading (February 25, 2015).** The full House adopted the bill on third reading with no amendments.

## Relevant Research

FPPA website: [http://www.fppaco.org/toc\\_frames.html](http://www.fppaco.org/toc_frames.html)

Police Officer and Firefighter Reform Commission 2014 Report: <http://tinyurl.com/ko5v5px>

**Date:** 5/19/2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-025

**Short Title:** *Transfer Pension Plan Funds To FPPA*

**Prime Sponsors:** Senator Jones  
Representative Melton

**Research Analyst:** Kori Donaldson (x4976)

### Current Status

The bill was signed into law by the Governor and took effect March 13, 2015.

### Summary

This bill, recommended by the Police Officers' and Firefighters' Pension Reform Commission, creates a process to transfer funds from a retirement account established under a previous employer to the statewide defined benefit plan administered by the Fire and Police Pension Association (FPPA), in a way that causes the transaction to be considered a rollover rather than a purchase of service credit under applicable tax law. The bill maintains the current process for the purchase of service credit, but requires that service credit granted in a rollover be calculated on an actuarially equivalent basis, rather than calculated using the dates and salaries of past employment.

### Background

Until 1978, all fire and police pension plans in Colorado were administered and funded by local governments. The FPPA, established in 1980, administers a statewide retirement system for current and former police officers and firefighters employed by the state and local governments. The FPPA manages several investment funds and pension plans, including a statewide defined benefit plan, a statewide death and disability plan, and a number of "old hire" plans for police officers and firefighters hired before 1978. The statewide defined benefit plan is funded by member and employer contributions and covers most full-time employees from participating fire and police departments in Colorado. In certain circumstances, retirement benefits accrued through past employment, such as military service, can be transferred to the FPPA statewide defined benefit plan.

Until the passage of SB 15-025, an FPPA member could use distributions from another eligible

**Date:** 5/19/2015

**Version:** Final

pension plan to purchase service credit in the statewide defined benefit plan administered by the FPPA, but the purchase was not considered a rollover between pension plans for tax purposes. Federal tax law recognizes a distinction between the purchase of pension benefits and a rollover between pension funds.

## Senate Action

**Senate Finance Committee (January 27, 2015).** At the hearing, one individual representing the FPPA testified in favor of the bill. The committee referred to bill to the Senate Committee of the Whole with no amendments and with a recommendation that it be placed on the consent calendar.

**Senate second reading (February 2, 2015).** The Senate Committee of the Whole adopted the bill with no amendments.

**Senate third reading (February 3, 2015).** The full Senate adopted the bill on third reading with no amendments.

## House Action

**House Finance Committee (February 18, 2015).** The committee referred the bill to the House Committee of the Whole. No witness testimony was heard on the bill.

**House second reading (February 23, 2015).** The House Committee of the Whole adopted the bill with no amendments.

**House third reading (February 25, 2015).** The full House adopted the bill on third reading with no amendments.

## Relevant Research

FPPA website: [http://www.fppaco.org/toc\\_frames.html](http://www.fppaco.org/toc_frames.html)

Police Officer and Firefighter Reform Commission 2014 Report: <http://tinyurl.com/ko5v5px>

**Date:** May 28, 2015

**Version:** Final



# Legislative Council Staff

## Research Note

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**Bill Number:** SB15-024

**Short Title:** *Local Government Audit Law Updates*

**Prime Sponsors:** Senator Sonnenberg  
Representative Ryden

**Research Analyst:** Damion Pechota

### Current Status

This research note reflects the final version of the bill, which becomes effective on August 5, 2015, assuming no referendum petition if filed.

### Summary

The bill allows any local government with revenues or expenditures of no less than \$100,000 and no more than \$750,000 to be exempt from audit requirements with the approval of the State Auditor. In addition, the bill updates the law to be consistent with the standards adopted by the Governmental Accounting Standards Board.

### Background

Colorado law requires each local government to annually audit their financial statements (Section 29-1-603, C.R.S.). The audit must be conducted by a certified public accountant licensed to practice in Colorado.

Prior to the passage of SB15-024, the law allowed for the exemption of a local government audit if the revenues or expenditures are at least \$100,000 but no more than \$500,000.

**Governmental Accounting Standards Board.** The Governmental Accounting Standards Board is a non-governmental agency that provides accounting support to state and local governments. In addition, they adopt generally accepted accounting principles (GAAP) as a tool to standardize governmental accounting policy and language.

**Date:** *May 28, 2015*

**Version:** *Final*

## **Senate Action**

**Senate Local Government (January 20, 2015).** At the hearing, a representative from the Office of the State Auditor spoke for questions only. A member of the public expressed concerns regarding local government revenue.

The committee referred the bill, unamended, to the Senate Committee of the Whole.

**Senate second reading (January 26, 2015).** The Senate Committee of the Whole passed the bill, unamended, on second reading.

**Senate third reading (January 27, 2015).** The Senate passed the bill, unamended, on third reading. The bill was reconsidered and passed, unamended.

## **House Action**

**House Local Government (February 11, 2015).** At the hearing, no public testimony was heard.

The committee referred the bill, unamended, to the House Committee of the Whole.

**House second reading (February 19, 2015).** The House Committee of the Whole passed the bill, unamended, on third reading.

**House third reading (February 20, 2015).** The House passed the bill, unamended, on third reading.