



# **2020 Annual Report**

Statutory  
Revision  
Committee



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To Members of the General Assembly:

Pursuant to section 2-3-902 (1)(e), C.R.S., we are submitting the 2020 annual report of the Statutory Revision Committee. Formed in 2016, the Committee is charged<sup>1</sup> with "[recommending] legislation annually to effect such changes in the law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law and to bring the law of this state into harmony with modern conditions."

Sincerely,

Office of Legislative Legal Services

Statutory Revision Committee staff: Kristen Forrestal and Jessica Wigent

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<sup>1</sup> § 2-3-902 (1)(d), C.R.S.

# Statutory Revision Committee

## Committee Members<sup>2</sup>

Senator Rob Woodward, Chair  
Senator Rachel Zenzinger, Vice-Chair  
Representative Jeni James Arndt  
Representative Hugh McKean  
Senator Dominick Moreno  
Senator Jack Tate  
Representative Donald Valdez  
Representative Kevin Van Winkle  
Committee Member Patrice Bernadette Collins, Esq.  
Committee Member Brad Ramming, Esq.

The Committee is staffed by the Office of Legislative Legal Services. Any person interested in reporting defects in the law or antiquated, redundant, or contradictory law may contact Committee staff by e-mailing [StatutoryRevision.ga@state.co.us](mailto:StatutoryRevision.ga@state.co.us) or by calling (303) 866-2045.

## Review of Committee's Work<sup>3</sup>

The Committee met three times during the 2019 interim and 2020 legislative session. The members considered 21 bills, and 20 were approved for introduction. Of those, 18 bills were passed by the General Assembly and became law.

## Descriptions of Bills Introduced in the 2020 Legislative Session

### ***H.B. 20-1036 – Recommended by: Office of Legislative Legal Services***

In 2019, [S.B. 19-242](#) authorized emergency medical service (EMS) providers to seek licensure. That same year, [S.B. 19-065](#) created a peer health assistance program for EMS providers and referenced certified, but not *licensed*, EMS providers. [H.B. 20-1036](#)

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<sup>2</sup> § 2-3-901, C.R.S.

<sup>3</sup> To view the agendas, memos, and bills from previous Committee meetings, as well as the archived audio recordings of meetings, please visit: <https://leg.colorado.gov/content/src-meeting-documents-archive>.

The Committee's has not yet scheduled its next meeting. To receive notices of meetings and agendas, memos, and bill drafts, please subscribe to our [mailing list](#).

adds references to licensed EMS providers to the peer health assistance program statute.

*Status: Signed into law*

**H.B. 20-1038** – *Recommended by: Department of Public Health and Environment*

[H.B. 13-1117](#), enacted in 2013, transferred five child and youth prevention, intervention, and treatment programs from the department of public health and environment (CDPHE) to the department of human services. The bill repeals obsolete provisions relating to these programs in the CDPHE statutes.

*Status: Signed into law*

**H.B. 20-1042** – *Recommended by: Office of Legislative Legal Services*

In 2019, the General Assembly passed [H.B. 19-1279](#), which requires manufacturers of class B firefighting foam that contains intentionally added PFAS chemicals to notify the sellers of their products about new state regulations "no less than one year prior to the effective date of section 25-5-103." The effective date of that section was August 2, 2019. The bill corrects the error to require notice prior to August 2, 2020, to align with the General Assembly's intent in H.B. 19-1279.

*Status: Signed into law*

**H.B. 20-1166** – *Recommended by: Department of Revenue*

An income tax credit for new business facility employees in enterprise zones for income tax years prior to January 1, 2014, repealed on December 31, 2019. The income tax credit was replaced in 2013 with a modified income tax credit for tax years after January 1, 2014. When the modified income tax credit was enacted, certain conforming amendments for the eventual repeal of the previous tax credit were not made. The bill makes those conforming amendments.

*Status: Signed into law*

**H.B. 20-1167** – *Recommended by: Office of Legislative Legal Services*

The bill repeals the definition of "alternative fuel" in the air quality control statutes because there is no longer any reference to the definition in those statutes and moves the definition to the statutes regarding the department of personnel's central state motor vehicle fleet system, where the defined term is used. Cross-references to the

definition of "alternative fuel" are updated to refer to the statute where the definition was moved.

*Status: Signed into law*

**H.B. 20-1174 – Recommended by: Department of Revenue**

The bill:

- Makes corrections to the penalty for a taxpayer's failure to pay the correct amount of sales tax due or for a taxpayer's failure to account for sales tax correctly so that the statute reads the way the department of revenue applies the law;
- Changes the penalty section for use tax collections so that it is the same as for sales tax collections; legislative history makes clear that the General Assembly has intended these sections to be the same, but over the years bills revising these sections did not successfully align the two sections; and
- Repeals a temporary partial sales tax rate reduction for a new or used commercial truck, truck tractor, tractor, semitrailer, or vehicle used in combination therewith that has a gross vehicle weight rating in excess of 26,000 pounds. While the rate reduction could still be used, it is preempted by a full rate reduction for low-emitting vehicles in another statutory section. Any vehicle that could qualify for the temporary partial rate reduction in a TABOR refund year already qualifies for the full exemption from sales or use tax under the other section, so the partial rate reduction is not used.

*Status: Signed into law*

**H.B. 20-1175 – Recommended by: Department of Revenue**

The bill:

- Addresses an inconsistency in statute regarding section 39-21-113 (4), C.R.S., which prohibits the disclosure by the executive director of the department of revenue and his or her agents, clerks, and employees of information obtained during the course of investigations conducted by the department or disclosed in any document, report, or return filed in connection with the collection and payment of tax; various provisions of the section allow for exceptions to the prohibition, but not all of them are listed together and therefore the bill updates the section to reflect all the exceptions to the prohibition;

- Adds some missed mandatory electronic filing and payment requirements that didn't make it into the correct section of [H.B. 19-1256](#), which broadly authorized the department to promulgate rules requiring mandatory electronic filing and payment; and
- Fixes a conflict with regard to the tax threshold above which a taxpayer must remit estimated payments between two statutes that jointly impose payment requirements for severance tax on corporations.

*Status: Signed into law*

**[H.B. 20-1176](#) – *Recommended by: Department of Revenue***

The bill:

- Repeals an income tax deduction for money earned on Colorado investment deposits issued by a qualified financial institution because the definition of "Colorado investment deposits" relies on the "Colorado Investment Deposit Act," which was repealed in 2004. It is unlikely that there have been any new certificates of deposit issued since 2004, and there are also no known eligible certificates of deposit that still exist, and thus there would be no allowable amount of interest earnings to subtract.
- Repeals two income tax deductions meant to correct for the difference between the standard deduction amounts for federal income tax filings that used to be called the "marriage penalty" approximately 15 years ago. The "marriage penalty" was addressed by Congress in 2003, so the deductions are no longer necessary.
- Repeals an income tax credit for estate taxes paid on the transfer of agricultural land. The Colorado estate tax is effectively zero because it is based on a federal credit in the provisions of the federal estate tax. The federal provision for the credit is not allowed for estates of decedents who passed away after December 31, 2004. Because the federal credit has not been extended, there is no state estate tax, and thus the income tax credit is not useable.
- Corrects an issue in statute that erroneously requires nonresident beneficiaries to prepay income tax twice, once through estimated payments and again through tax withheld by the fiduciary.

*Status: Signed into law*

**[H.B. 20-1177](#) – *Recommended by: Department of Revenue***

The bill:

- Repeals obsolete provisions that allow an income tax credit for contributions to enterprise zone administrators to implement economic development plans;
- Moves certain cross-references that are incorrectly placed in a section that allows for an investment tax credit in enterprise zones; and
- Fixes an incorrect cross-reference in the section that allows a credit for new enterprise zone business employees.

*Status: Signed into law*

**[H.B. 20-1181](#) – *Recommended by: Tax Expenditure Evaluation Interim Study Committee***

Under current law, the fuel tax exemption for nonprofit transit agencies exempts nonprofit transit agencies from the fuel excise tax on liquefied petroleum gas and natural gas used in vehicles for transit purposes. Because this exemption has not been claimed since it was created in 1994 and only a small percentage of vehicles qualify, the bill repeals the exemption.

*Status: Signed into law*

**[H.B. 20-1182](#) – *Recommended by: Tax Expenditure Evaluation Interim Study Committee***

Under current law, the sales tax exemption for sales to residents of bordering states without retail sales taxes exempts from state sales tax all retail sales made within 20 miles of the Colorado border to residents of states that border Colorado and do not have a retail sales tax, so long as those residents are in Colorado for the primary purpose of making the purchase. Because no one has been able to qualify for this exemption since 1967, the bill repeals the exemption.

*Status: Signed into law*

**[H.B. 20-1202](#) – *Recommended by: Tax Expenditure Evaluation Interim Study Committee***

Under current law, the income tax deduction for previously taxed income or gain for C corporations allows C corporations, when calculating their Colorado taxable income, to deduct from their federal taxable income any income or gain that was taxed by Colorado prior to 1965, to the extent that such income or gain is included in their current federal taxable income. Because it is extremely unlikely that anyone could qualify for this deduction, the bill repeals the deduction on January 1, 2021.

*Status: Postponed indefinitely by the Senate Business, Labor, and Technology Committee*

**H.B. 20-1205** – *Recommended by: Tax Expenditure Evaluation Interim Study Committee*

Under current law, the pre-1987 net operating loss deduction for individuals, estates, and trusts allows individuals, estates, and trusts to deduct Colorado net operating losses carried forward from tax years beginning prior to January 1, 1987, from their federal taxable income when computing their Colorado taxable income. Because no individual, estate, or trust has been able to qualify for this deduction since 2002, the bill repeals the deduction.

*Status: Signed into law*

**S.B. 20-034** – *Recommended by: Office of Legislative Legal Services*

The bill changes the date that the Statutory Revision Committee is required to report its findings and recommendations to the General Assembly from on or before November 15 of each year to on or before July 1 of each year.

*Status: Signed into law*

**S.B. 20-043** – *Recommended by: Office of Legislative Legal Services*

The bill corrects the reimbursement rate specified in law that a health insurance carrier is required to reimburse an out-of-network health care provider that provides either emergency services to a covered person or covered nonemergency services to a covered person at an in-network facility so that the law accurately states the reimbursement rate as the greater of:

- 110% of the carrier's median in-network rate of reimbursement; or
- The sixtieth percentile of the in-network rate of reimbursement for the same service in the same geographic area for the prior year based on claims from the all-payer health claims database.

*Status: Signed into law*

**S.B. 20-046** – *Recommended by: Office of Legislative Legal Services*

The bill clarifies that electrical inspection fees charged by the state electrical board may be doubled if an application for an electrical permit is not filed in advance of the commencement of an electrical installation.

*Status: Laid over to December 31, 2020, during second reading in the House*

**S.B. 20-113 – Recommended by: Department of Public Health and Environment**

The bill repeals language requiring each health facility license issued by CDPHE to include the signature of the president of the state board of health, the attestation of the secretary of the state board, and the state board's seal.

*Status: Signed into law*

**S.B. 20-134 – Recommended by: Department of Personnel**

Current law limits the amount of uncommitted reserves that may remain in a cash fund at the end of any fiscal year. The definition of "uncommitted reserves" excludes revenue credited to a cash fund that is estimated to be derived from non-fee sources.

Current law further specifies that when calculating the estimated revenue from non-fee sources, the estimate is required to be an amount equal to the portion of total revenues received from non-fee sources in the prior fiscal year. This requirement and, in particular, the phrase "prior fiscal year" are causing confusion among executive branch departments and are not necessary for the proper administration of the statute. The bill repeals the requirement that the estimate for non-fee revenue is equal to the portion of total revenues received from non-fee sources in the prior fiscal year.

*Status: Signed into law*

**S.B. 20-136 – Recommended by: Office of Legislative Legal Services**

The bill makes a number of changes to Colorado Revised Statutes in accordance with the statutory charge of the Statutory Revision Committee.

The bill updates:

- Incorrect references in statute related to the term "commitment," as used in the context of treatment and evaluation of mental health disorders, to the current language of "certification";
- Outdated references to the "Colorado tourism board" and replaces them with the "Colorado tourism office," and repeals a reference to a one-time transfer to a now-defunct tourism promotion fund;
- References to the term "regional accountable entity" to the current language of "managed care entity";
- Obsolete federal references for the definition of a "federally qualified health center"; and

- Miscellaneous references to programs, funds, boards or commissions, terminology, or other provisions in statute that conflict with current law.

The bill repeals:

- Subsections in title 43 that reference obsolete provisions or actions that have already occurred and are no longer relevant, including deleting references to the terms "motorscooter" and "motorbicycle," which were removed from statute by [H.B. 09-1026](#);
- Outdated and previously repealed references to the "pilot alternate protest procedure" in title 39; and
- Subsections in title 33 that reference obsolete or conflicting provisions or actions that have already occurred and are no longer relevant.

*Status: Signed into law*

**S.B. 20-152 – Recommended by: Office of Legislative Legal Services**

Current law requires the state treasurer to execute up to \$500 million of lease-purchase agreements in each of the 2020-21 and 2021-22 state fiscal years for the purpose of funding transportation projects. [S.B. 19-263](#) refers a statewide ballot issue at the 2020 general election which would, if approved, authorize the state to issue up to \$1.837 billion of transportation revenue anticipation notes (TRANs) for the purpose of funding transportation projects.

When enacting S.B. 19-263, the General Assembly intended that, upon approval of the ballot issue, the TRANs authorized would replace the lease-purchase agreements as a source of funding for transportation projects. However, due to an error in the effective date clause of S.B. 19-263, if the TRANs are approved, the state treasurer will still be required to execute the lease-purchase agreements. The bill amends the Session Laws of Colorado 2019 to correct the error and thereby ensure that approval of the ballot issue eliminates the requirement that the state treasurer execute the lease-purchase agreements.

*Status: Signed into law*