



**OFFICE OF GOVERNMENT RELATIONS**  
*CU Initiated State Legislation*

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The First Regular Session of the seventieth session of the Colorado General Assembly convened on January 11, 2017 and ended on May 10, 2017.

**S.B. 17-41**                      **Higher Education Employment**                      **(Priola/Willett, Hooton)**  
**Contract Terms**

Under current law, institutions of higher education are limited in the number and length of term employment contracts or contract extensions that the institution can award. In addition, institutions are prohibited from providing postemployment compensation or benefits to a government-supported employee after the individual's employment has ended, except in limited situations and in limited amounts. Further, under current law, the terms of government-supported employment contracts are generally available for public inspection. For state institutions of higher education, the bill exempts the institution's employee positions that are funded by revenues generated through auxiliary activities, as defined in the bill, from the provisions of current law.

**APPROVED** by Governor March 20, 2017

**EFFECTIVE** August 9, 2017

**S.B. 17-193**                      **Research Center Prevention**                      **(Jahn, Lundberg/Rankin,**  
**Substance Abuse Addiction**                      **Pettersen)**

The bill establishes the center for research into substance use disorder prevention, treatment, and recovery support strategies at the university of Colorado health sciences center.

The bill makes an appropriation of \$1M to the Anschutz Medical Campus to establish the center.

**APPROVED** by Governor May 17, 2017

**EFFECTIVE** May 17, 2017

**H.B. 17-1332**                      **Teachers Nonpublic Child Care &**                      **(Bridges, Wilson/Smallwood,**  
**Preschool Facility**                      **Fenberg)**

The bill provides that the state board of education may issue an alternative teacher license to an applicant who agrees to participate fully in a one- or 2-year alternative teacher program provided by a designated agency, which may include working in a nonpublic child care facility or other preschool facility.

**APPROVED** by Governor May 30, 2017

**EFFECTIVE** August 9, 2017





**H.B. 17-1004 College Credit for Military  
Education and Training**

**(Michaelson Jenet,  
Danielson/Garcia, Hill)**

The bill requires the governing board of each institution of higher education to adopt, make public, and implement a prior learning assessment policy for awarding academic credit for college-level learning acquired while in the military. The policy adopted by the governing board must require each campus to use the American Council on Education's recommendations on the joint services transcript and, at its discretion, assign appropriate credit. Further, the institutions shall provide specific guidance to active duty and veteran military members in selecting a program of study and optimizing prior learning assessment credit. Finally, the institutions shall accept in transfer from other state institutions prior learning assessment credit awarded for courses with guaranteed-transfer designation. During the 2018 legislative session, the department of higher education shall report to certain committees of the general assembly concerning the policies adopted by the institutions.

**APPROVED** by Governor June 1, 2017

**EFFECTIVE** June 1, 2017

**H.B. 17-1081 Olympic Athletes Colorado In-state  
Tuition**

**(Nordberg/Fenberg)**

The bill allows a state-supported institution of higher education to charge in-state tuition to an athlete residing anywhere in Colorado and training in an elite level program in Colorado approved by the United States Olympic committee and the governing body of an Olympic, Paralympic, Pan American, or Parapan American sport. The bill removes the requirement in current law that athletes must be residing in Colorado Springs. This bill is permissive and implementation is subject to the discretion of the governing boards of institutions of higher education.

**APPROVED** by Governor April 13, 2017

**EFFECTIVE** August 9, 2017

**H.B. 17-1251 Reporting Requirements By Higher  
Education Agencies to General  
Assembly**

**(Nordberg/Moreno)**

Statutory Revision Committee. Pursuant to section 24-1-136 (11)(a)(I), Colorado Revised Statutes, any report that is required to be made to the general assembly by an executive agency or the judicial branch on a periodic basis expires on the day after the third anniversary of the date on which the first report was due unless the general assembly, acting by bill, continues the requirement. The bill addresses the reporting requirements of higher education agencies. Section 3 of the bill repeals a report that was scheduled to repeal according to section 24-1-136 (11)(a)(I). Currently there is no repeal date listed in the organic statute. Sections 1 through 16 of the bill amend the organic statute to continue indefinitely the reporting requirements to send a report to the general assembly notwithstanding the repeal date specified in section 24-1-136 (11)(a)(I).

**APPROVED** by Governor May 25, 2017

**EFFECTIVE** August 9, 2017

**H.B. 17-1367 Authorize Marijuana Clinical Research**

**(Pabon,  
Arndt/Baumgardner,  
Jahn)**

The bill creates a marijuana research and development license that allows the holder to possess marijuana for research purposes and a marijuana research and development cultivation license that allows the holder to grow, cultivate, possess, and transfer marijuana for research purposes. An applicant must submit with the license application a description of the research to be conducted, and if the research involves a public entity or public money, then the scientific advisory commission shall review

and assess the research project. A marijuana research and development cultivation licensee may only sell marijuana it grows to other marijuana research and development cultivation licensees. A marijuana research and development licensee or marijuana research and development cultivation licensee may contract with a public research institution of higher education or another marijuana research and development licensee. The state licensing authority may promulgate rules related to marijuana research and development licenses and marijuana research and development cultivation licenses.

The bill allows a medical marijuana testing facility licensee to test medical marijuana and medical marijuana-infused products for marijuana research and development licensees and marijuana research and development cultivation licensees, and marijuana or marijuana-infused products grown or produced by a registered patient or registered primary caregiver on behalf of a registered patient, upon verification of registration and verification that the patient is a participant in a clinical or observational study conducted by a marijuana research and development licensee or marijuana research and development cultivation licensee.

**BECAME LAW** June 10, 2017

**PORTIONS EFFECTIVE** August 9, 2017

**PORTIONS EFFECTIVE** January 1, 2018

**\*This bill does not supersede current federal regulations for research on the Schedule I controlled substances.**



**OFFICE OF GOVERNMENT RELATIONS**

*Key State Health Care Legislation*

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**S.B. 17-33                      Delegate Dispensing Over-the-counter Medications                      (Aguilar/Lawrence)**

The bill allows a professional nurse to delegate to another person, after appropriate training, the dispensing authority of an over-the-counter medication to a minor with the signed consent of the minor's parent or guardian.

**APPROVED** by Governor March 30, 2017

**EFFECTIVE** August 9, 2017

**S.B. 17-65                      Transparency In Direct Pay Health Care Prices                      (Lundberg/Lontine)**

The bill creates the 'Transparency in Health Care Prices Act', which requires health care professionals and health care facilities to make available to the public the health care prices they assess directly for common health care services they provide. Health care professionals and facilities are not required to submit their health care prices to any government agency for review or approval. Additionally, the act prohibits health insurers, government agencies, or other persons or entities from penalizing a health care recipient, provider, facility, employer, or other person or entity who pays directly for health care services or otherwise exercises rights under or complies with the act. The bill takes effect January 1, 2018.

**APPROVED** by Governor April 6, 2017

**EFFECTIVE** January 1, 2018

**S.B. 17-74                      Create Medication-assisted Treatment Pilot Program                      (Garcia/Esgar)**

The bill creates the medication-assisted treatment (MAT) expansion pilot program, administered by the university of Colorado college of nursing, to expand access to medication-assisted treatment to opioid-dependent patients in Pueblo and Routt counties. The pilot program will provide grants to community- and office-based practices, behavioral health organizations, and substance abuse treatment organizations to: Assist nurse practitioners and physician assistants working in those settings to obtain training and support required under the federal 'Comprehensive Addiction and Recovery Act of 2016' (CARA) to enable them to prescribe buprenorphine and other FDA-approved medications and therapies as part of providing MAT to opioid-dependent patients; and Provide behavioral therapies in conjunction with medication as part of the provision of MAT to opioid-dependent patients. The general assembly is directed to appropriate \$500,000 per year for the 2017-18 and 2018-19 fiscal years from the marijuana tax cash fund to the University of Colorado, for allocation to the college of nursing to implement the pilot program. Each grant recipient must submit a report to the college of nursing regarding the use of the grant, and the college of nursing must submit a summarized report to the governor and the health committees of the senate and house of representatives regarding the pilot program. The pilot program is established and funded for 2 years and repeals on June 30, 2020.

**APPROVED** by Governor May 22, 2017

**EFFECTIVE** May 22, 2017

**S.B. 17-88**

**Participating Provider Network Selection  
Criteria**

**(Holbert, Williams,  
A./Van Winkle, Hooton)**

The bill requires a health insurer (carrier) to develop and use standards for: Selecting participating health care providers (providers) for its network of providers; and Tiering providers within a tiered network if the carrier offers a tiered network. A carrier cannot establish selection and tiering criteria in a manner that would allow a carrier to discriminate against high-risk populations or exclude providers that treat high-risk populations. A carrier must make its standards for selecting and tiering available to the commissioner of insurance for review, communicate the standards to providers participating in one or more of the carrier's networks, and make the standards available, in plain language, to the public. Additionally, upon request but not more often than quarterly, a carrier is required to provide a provider who is participating in one or more of its networks with a complete list of all network plans and products the carrier offers to consumers. At least 60 days before implementing a decision to terminate or place a participating provider in a tiered network, a carrier must notify the affected provider in writing of the pending action, including an explanation of the reasons for the proposed action, and inform the provider of the right to request that the carrier reconsider its decision. The bill requires the carrier to develop procedures for providers to request reconsideration and sets forth minimum requirements for, components of, and deadlines for the procedures. When a carrier does not select a provider to participate in the carrier's provider network, the carrier shall provide written notice to the provider. If the commissioner determines that a carrier has failed to comply with a requirement of the bill, the commissioner shall require the carrier to follow a corrective plan and may use enforcement powers available under the insurance laws to obtain compliance. The bill appropriates \$42,006 to the department of regulatory agencies for use by the division of insurance to implement the bill, with \$36,828 allocated for personal services and \$5,178 allocated for operating expenses and capital outlay costs.

**APPROVED** by Governor April 18, 2017

**EFFECTIVE** January 1, 2018

**S.B. 17-142**

**Breast Density Notification Required**

**(Williams/Danielson)**

The bill requires that each mammography report provided to a patient include information that identifies the patient's breast tissue classification based on the breast imaging reporting and data system established by the American college of radiology. If the health care facility that performed the mammography determines that a patient has dense breast tissue, the facility is required to notify the patient of the determination using specific language.

**APPROVED** by Governor April 6, 2017

**EFFECTIVE** October 1, 2017

**S.B. 17-203**

**Prohibit Carrier From Requiring  
Alternative Drug**

**(Todd/Covarrubias,  
Kennedy)**

The bill prohibits a carrier from requiring a covered person to undergo step therapy: When being treated for a terminal condition; or if the covered person has tried a step-therapy-required drug under a health benefit plan and the drug was discontinued by the manufacturer. A carrier that requires step therapy must have an override process for health care providers. 'Step therapy' is defined as a protocol that requires a covered person to use a prescription drug or sequence of prescription drugs, other than the drug that the covered person's health care provider recommends for the covered person's treatment, before the carrier provides coverage for the recommended drug.

**APPROVED** by Governor June 2, 2017

**EFFECTIVE** September 1, 2017

**H.B. 17-1057**

**Interstate Physical Therapy Licensure Compact**

**(Winter, Liston/Gardner, Kerr)**

The bill enacts the 'Interstate Physical Therapy Licensure Compact Act' that allows physical therapists and physical therapist assistants licensed or certified in a compact member state to obtain a license or certificate to practice physical therapy in Colorado. The bill authorizes the physical therapy board to obtain fingerprints from applicants for a license or certification for the purposes of a fingerprint-based criminal history record check. The compact requires that the physical therapy board participate in the compact's data system and notify the compact commission of any adverse action taken by the board. Physical therapists and physical therapy assistants are subject to the requirements of the 'Michael Skolnik Medical Transparency Act of 2010'.

\$12,386 is appropriated to the department of regulatory agencies for use by the division of professions and occupations for implementation of the bill

**APPROVED** by Governor May 10, 2017

**EFFECTIVE** May 10, 2017

**H.B. 17-1094**

**Telehealth Coverage Under Health Benefit Plans**

**(Buck, Valdez/Crowder, Donovan)**

Under current law, health benefit plans are required to cover health care services delivered to a covered person by a provider via telehealth in the same manner that the plan covers health care services delivered by a provider in person. The bill clarifies that: A health plan cannot restrict or deny coverage of telehealth services based on the communication technology or application used to deliver the telehealth services; The availability of telehealth services does not change a carrier's obligation to contract with providers available in the community to provide in-person services; A covered person may receive telehealth services from a private residence, but the carrier is not required to pay or reimburse for any transmission costs or originating site fees the covered person incurs; A carrier is to apply the applicable copayment, coinsurance, or deductible amount to health care services a covered person receives through telehealth, which amount cannot exceed the amount applicable to those health care services when delivered through in-person care; and Telehealth includes health care services provided through HIPAA-compliant audio-visual communication or the use of a HIPAA-compliant application via a cellular telephone but does not include voice-only telephone communication or text messaging.

**APPROVED** by Governor March 16, 2017

**EFFECTIVE** March 16, 2017

**H.B. 17-1173**

**Health Care Providers and Carriers Contracts**

**(Hansen/Neville, T)**

The bill requires a contract between a health insurance carrier (carrier) and a health provider (provider) to include a provision that prohibits a carrier from taking an adverse action against the provider due to a provider's disagreement with a carrier's decision on the provision of health care services. Current law requires the contract to state that the carrier cannot terminate the contract for these same reasons.

The bill also requires the contract to contain provisions that prohibit a carrier from: Taking adverse actions for communicating with public officials on health care issues; filing complaints or reporting to public officials about conduct by a carrier that might negatively affect patient care; provides information in a forum concerning the required contract provisions; reporting alleged carrier violations; or participating in an investigation of an alleged violation

**APPROVED** by Governor April 6, 2017

**EFFECTIVE** July 1, 2017



**S.B. 17-40**

**Public Access to Government Files**

**(Kefalas/Pabon)**

Section 1 of the bill adds a legislative declaration. Section 4 of the bill modifies the 'Colorado Open Records Act' (CORA) by creating new procedures governing the inspection of public records that are stored as structured data. Section 2 defines key terms including 'structured data', which the bill defines as digital data that is stored in a fixed field within a record or file that is capable of being automatically read, processed, or manipulated by a computer. Section 2 of the bill provides a definition of the term 'infrastructure security data'. Section 2 also specifies that, for purpose of the definition of 'public records in CORA, the terms 'state' and 'agency' include the judicial department of state government. If the custodian has made the requested records publicly available in a structured data format, section 3 of the bill allows the custodian to satisfy the request by redirecting the requester, in writing and in detail, to the location of the records. If public records are stored as structured data, section 4 requires the custodian of the public records to provide an accurate copy of the public records in a structured data format when requested. If public records are not stored as structured data but are stored in an electronic or digital form and are searchable in their native format, the custodian is required to provide a copy of the public records in a format that is searchable when requested. Section 4 specifies the circumstances that exempt the custodian from having to produce records in a searchable or structured data format. If a custodian is not able to comply with a request to produce public records that are subject to disclosure in a requested format, the custodian is required to produce the records in an alternate format or issue a denial and to provide a written declaration attesting to the reasons the custodian is not able to produce the records in the requested format. If a court subsequently rules the custodian should have provided the data in the requested format attorney fees may be awarded only if the custodian's action was arbitrary or capricious. Nothing in the bill requires a custodian to produce records in their native format or to release metadata. When a custodian produces records in a searchable or structured format, the choice of format is in the sole discretion of the custodian. Section 4 also clarifies that the bill does not relieve or mitigate the obligations of a custodian to produce records in a format accessible to individuals with disabilities in accordance with Title II of the federal 'Americans with Disabilities Act', and other federal or state laws. Section 5 of the bill adds as an additional ground that a custodian has for disallowing the inspection of public records that the inspection seeks access to infrastructure security data. This section of the bill also permits the custodian to deny the right of inspection of the following records, unless otherwise provided by law, on the ground that disclosure to the applicant would be contrary to the public interest: Software programs; network and systems architectural designs; source code; source documentation; information in tangible or intangible form relating to released and unreleased software or hardware, database design structures, database schema and architecture, security structures and architecture, and data stored in support structures; agency original design ideas; nonpublic business policies and practices relating to software development and use; and the terms and conditions of any actual or proposed license agreement or other agreement concerning the products and licensing negotiations. The bill permits any public employee, or former public employee, of any branch or level of government, to request that his or her home address, personal telephone number, or other similar personal identifying or location information be withheld from the production of any public records produced in a structured data or searchable format by presenting to any custodian of such public records a written declaration signed by the employee attesting that disclosure of the personal identifying or location information poses a credible risk to the health, welfare, safety, or security of the employee or to any member of the employee's family or household. Upon receipt of a signed declaration meeting the bill's requirements or a declaration containing the same information that has been executed by a federal law enforcement

agency, POST certified law enforcement official, or a judicial officer, the custodian of any public records produced in a structured data or searchable format is required to either deny the inspection of such public records or redact from any such public records provided to any requester in a structured data or searchable format the employee's personal identifying or location information. The bill prohibits any claim of any kind from being asserted against either any records custodian or any agency of government that is premised on the failure of the custodian or the agency to comply with these requirements of the bill. If the custodian denies access to any record on the grounds that the record contains infrastructure security data, the bill requires the custodian to forthwith furnish the applicant with a written statement specifying why the requested record is infrastructure security data. At the same time, the custodian is also required to provide copies of the written statement to the attorney general of the state and also to the division of homeland security and emergency management within the department of public safety. The applicant may apply to state district court for a determination that the requested record is in fact a public record and does not satisfy the definition of infrastructure security data. In such legal action, the applicant bears the burden of proof. Section 5 also expands the grounds permitting the filing of a civil action seeking inspection of a public record to include an allegation of a violation of the digital format provisions in the bill or a violation of record transmission provisions specified in CORA. This section also specifies that altering an existing record, or excising fields of information, to remove information that the custodian is required or allowed to withhold does not constitute the creation of a new public record. Such alteration or excision may be subject to a research and retrieval fee or a fee for the programming of data as allowed under existing provisions of CORA. Section 6 modifies CORA provisions governing the copy, printout, or photograph of a public record and the imposition of a research and retrieval fee. Among these modifications: The bill deletes existing statutory language permitting the custodian to charge the same fee for services rendered in supervising the copying, printing out, or photographing of a public record as the custodian may charge for furnishing a copy, printout, or photograph; The bill replaces a reference in the statute to the phrase 'manipulation of data' with the phrase 'programming, coding, or custom search queries so as to convert a record into a structured data or searchable format'; In connection with determining the amount of the fee for a paper or electronic copy of a public record, the bill specifies that, if a custodian performs programming, coding, or custom search queries to create a public record, the fee for a paper or electronic copy of that record may be based on recovery of the actual or incremental costs of performing the programming, coding, or custom search queries, together with a reasonable portion of the costs associated with building and maintaining the information systems; and When a person makes a request to inspect or make copies or images of original public records, the bill permits the custodian to charge a fee for the time required for the custodian to supervise the handling of the records, when such supervision is necessary to protect the integrity or security of the original records. Section 7 repeals the existing criminal misdemeanor offense and penalty for a willful and knowing violation of CORA. Section 8 of the bill appropriates \$50,810 to the judicial department for the 2017-18 state fiscal year from the general fund. This section of the bill also appropriates \$855 to the department of law for the 2017-18 state fiscal year. This latter appropriation is from reappropriated funds received from the office of the state public defender in the judicial department. To implement the bill, the department of law is permitted to use this appropriation to provide legal services for the office of the state public defender in the judicial department.

**APPROVED** by Governor June 1, 2017

**EFFECTIVE** August 9, 2017

**S.B. 17-154**                      **Uniform Unsworn Declarations Act Include**                      **(Gardner/Wist)**  
**Domestic**

Colorado Commission on Uniform State Laws. Colorado has adopted the 'Uniform Unsworn Foreign Declarations Act', which allows the use of foreign unsworn declarations.. The bill expands the uniform law to include domestic unsworn declarations as contemplated by the 'Uniform Unsworn Declarations Act' and clarifies that the act applies only to the use of unsworn declarations in state courts.

**APPROVED** by Governor April 13, 2017

**EFFECTIVE** August 9, 2017

**S.B. 17-192**                      **Marijuana Business Efficiency Measures**                      **(Neville, T./Singer,**  
**Melton)**

The bill allows the state licensing authority to authorize single-instance transfers of retail marijuana or retail marijuana products from a retail marijuana licensee to a medical marijuana licensee. If granted, the transfer must be completed within 30 days of the date the transfer was approved. A retail marijuana license that is subject to suspension is not eligible for the transfer and any retail marijuana or retail marijuana product that is subject to an administrative hold is not eligible for transfer.

Under current law, the department of revenue determines the average market rate for purposes of excise tax collection on retail marijuana every 6 months. The bill gives the department the authority to calculate the average market rate on a quarterly basis. The average market rate cannot include taxes paid on sales or transfers. The bill requires a separate average market rate for unprocessed marijuana for extraction that is lower than the average market rate for unprocessed marijuana for direct sale. The bill states that the average market rate should be used to calculate the state excise tax on affiliated transactions, and the contract price should be used to calculate the excise tax on unaffiliated transactions. The bill clarifies that the average market rate will be used to calculate the excise tax on all county, municipal, or metropolitan district transactions.

**APPROVED** by Governor June 2, 2017

**EFFECTIVE** August 9, 2017

**S.B. 17-254**                      **2017-18 Long Appropriations Bill**                      **(Lambert/Hammer)**

Provides for the payment of expenses of the executive, legislative, and judicial departments of the state of Colorado, and of its agencies and institutions, for and during the fiscal year beginning July 1, 2017, except as otherwise noted.

**APPROVED** by Governor May 26, 2017

**EFFECTIVE** May 26, 2017

**S.B. 17-267**                      **Sustainability of Rural Colorado**                      **(Guzman, Sonnenberg/Becker,**  
**J., Becker, K.)**

Section 16 of the bill repeals the existing hospital provider fee program, effective July 1, 2017, and section 17 creates a new Colorado healthcare affordability and sustainability enterprise (CHASE) within the department of health care policy and financing (HCPF), effective July 1, 2017, to charge and collect a healthcare affordability and sustainability fee that functions similarly to the repealed hospital provider fee. Because CHASE is an enterprise for purposes of the Taxpayer's Bill of Rights (TABOR), its revenue does not count against the state fiscal year spending limit (Referendum C cap). Section 17 of the bill also requires CHASE to seek any federal waiver necessary to fund and, in cooperation with HCPF and hospitals, support the implementation, no earlier than October 1, 2019, of a health care delivery system reform incentive payments program. Sections 2, 3, 6, 7, 11, 13, 15 through 20, 22, and 32 make conforming amendments, with section 32 extensively modifying FY 2017-18 appropriations to reflect the repeal of the hospital provider fee program and the creation of CHASE. Section 34 specifies that the effective date of sections 2, 3, 6, 7, 11, 13, 15 through 20, 22, and 32 of the bill is July 1, 2017, and that

those sections do not take effect if the centers for medicare and medicaid services determine that they do not comply with federal law. Section 11 of the bill permanently reduces the Referendum C cap by reducing the FY 2017-18 cap by \$200 million and specifying that the base amount for calculating the cap for all future state fiscal years is the reduced FY 2017-18 cap. As is the case under current law, the reduced cap is annually adjusted for inflation, the percentage change in state population, the qualification or disqualification of enterprises, and debt service changes. Section 24 of the bill specifies that for any state fiscal year commencing on or after July 1, 2017, for which revenue in excess of the reduced Referendum C cap is required to be refunded in accordance with TABOR, reimbursement for the property tax exemptions for qualifying seniors and disabled veterans that is paid by the state to local governments for the property tax year that commenced during the state fiscal year is a refund of such excess state revenue. The exemptions continue to be allowed at current levels and the state continues to reimburse local governments for local property tax revenue lost as a result of the exemptions regardless of whether or not there are excess state revenues. Section 27 prioritizes the new TABOR refund mechanism ahead of the existing temporary state income tax rate reduction refund mechanism as the first mechanism used to refund excess state revenue. Section 12 of the bill requires the state, on or after July 1, 2018, to execute lease-purchase agreements, including associated certificates of participation (COPs), for up to \$2 billion of eligible facilities identified collaboratively by the state architect, the office of state planning and budgeting (OSPb), and state institutions of higher education for the purpose of generating funding for capital construction projects and transportation projects. The lease-purchase agreements must be issued in increments of up to \$500 million in FYs 2018-19, 2019-20, 2020-21, and 2021-22. The first \$120 million of lease-purchase agreement proceeds from the FY 2018-19 issuance must be used to fund capital construction projects with most of that amount being dedicated for funding of level I, II, and III controlled maintenance projects. The first \$120 million of lease-purchase agreement proceeds from the FY 2019-20 issuance must be used for capital construction projects as prioritized by the capital development committee. Remaining proceeds are credited to the state highway fund and are required by section 31 to be expended to fund state strategic transportation project investment program projects that are designated for tier 1 funding as 10-year development program projects on the department's development program project list, with at least 25% of such proceeds being expended to fund projects that are located in rural counties. At least 10% of such proceeds must be expended for transit purposes or for transit-related capital improvements. The maximum term of the lease-purchase agreements is 20 years, and the maximum total annual repayment amount for lease-purchase agreements is \$150 million. Lease-purchase agreements must be paid, subject to annual appropriation by the general assembly or annual allocation by the transportation commission, first from up to \$9 million from the general fund or any other legally available source of money, next from up to \$50 million of legally available money under the control of the transportation commission solely for the purpose of allowing the construction, supervision, and maintenance of state highways to be funded with the proceeds of lease-purchase agreements, and last from up to \$85 million from the general fund or any other legally available source of money. Sections 5 and 8 of the bill specify that an academic facility is not eligible for controlled maintenance funding if it is acquired or constructed, or, if it is an auxiliary facility repurposed for use as an academic facility, solely from a state institution of higher education's cash and operated and maintained from such cash funds and if the acceptance of construction or repurposing occurs on or after July 1, 2018. Section 29 of the bill, in accordance with previously granted voter approval, increases the rate of the retail marijuana sales tax, which is currently 10% and is scheduled under current law to decrease to 8%, to 15%, effective July 1, 2017. Section 30 holds local governments that currently receive an allocation of 15% of state retail marijuana sales tax revenue based on the current tax rate of 10% (i.e. the amount attributable to a 1.5% tax rate) harmless by specifying that on and after July 1, 2017, they receive an allocation of 10% of state retail marijuana sales tax revenue based on the new rate of 15% (i.e., the same amount attributable to a 1.5% tax rate). Of the 90% of the state retail marijuana sales tax revenue that the state retains for state FY 2017-18: 28.15% less \$30 million

stays in the general fund; 71.85% is credited to the marijuana tax cash fund; and \$30 million is credited to the state public school fund and distributed to rural school districts as specified in section 4. Of the 90% of the state retail marijuana sales tax revenue that the state retains for state fiscal year 2018-19 and for each succeeding state fiscal year: 15.56% stays in the general fund; 71.85% is credited to the marijuana tax cash fund; and 12.59% is credited to the state public school fund and distributed to all school districts as specified in section 4. Section 4 of the bill requires the \$30 million of state retail marijuana sales tax revenue that is transferred to the state public school fund for FY 2017-18 to be appropriated to the department of education and allocated 55% to large rural school districts and 45% to small rural school districts and then distributed to the large and small rural school districts on a per pupil basis. Section 4 requires all of the state retail marijuana sales tax revenue that is transferred to the state public school fund for FY 2018-19 and for each subsequent fiscal year to be distributed to all school districts and institute charter schools as part of the state share of total program funding. On and after July 1, 2017, section 28 offsets a portion of the state retail marijuana sales tax rate increase by exempting retail sales of marijuana upon which the state retail marijuana sales tax is imposed from the 2.9% general state sales tax and section 23 makes a conforming amendment to ensure that local governments can continue to impose their local general sales taxes on retail sales of marijuana. Section 9 of the bill requires each principal department of state government, other than the departments of education and transportation, that submits an annual budget request to the OSPB, when submitting its budget request for FY 2018-19 to the OSPB, to request a total budget for the department that is at least 2% lower than its actual budget for the FY 2017-18. The OSPB must strongly consider the budget reduction proposals made by each principal department when preparing the annual executive budget proposals to the general assembly for the governor and must seek to ensure that the executive budget proposal for each department for FY 2018-19 is at least 2% lower than the department's actual budget for FY 2017-18. Section 10 of the bill eliminates FY 2018-19 and FY 2019-20 general fund transfers to the highway user tax fund required by current law. The eliminated transfers are in the amounts of \$160 million on June 30, 2019, and \$160 million on June 30, 2020. Section 14 of the bill specifies that on and after January 1, 2018, for pharmacy and for hospital outpatient services, including urgent care centers and facilities and emergency services provided under the 'Colorado Medical Assistance Act', HCPF rules that specify the amount of copayments for such services must require the recipient to pay: For pharmacy, at least double the average amount paid by recipients in state fiscal year 2015-16; or For hospital outpatient services, at least double the amount required to be paid as specified in the rules as of January 1, 2017; except that For both pharmacy and hospital outpatient services, the amount required to be paid by the recipient may not exceed any specified maximum dollar amount allowed by federal law or regulations as of January 1, 2017. Section 21 of the bill requires HCPF, within 120 days of the enactment of the federal 'Advancing Care for Exceptional Kids Act' (ACE Kids Act) and subject to available appropriations, to seek any federal approval necessary to fund, in cooperation with hospitals that meet the specified requirements, the implementation of an enhanced pediatric health home for children with complex medical conditions. HCPF must comply with ACE Kids Act requirements for its participation. Section 25 of the bill terminates an existing temporary income tax credit for business personal property taxes paid that is available only for income tax years commencing before January 1, 2020, one year early so that it is available only for income tax years commencing before January 1, 2019. Section 26 replaces the terminated temporary credit with a more generous permanent income tax credit for business personal property taxes paid on up to \$18,000 of the total actual value of a taxpayer's business personal property. Section 1 of the bill makes a legislative declaration that all provisions of Senate Bill 17-267 relate to and serve and are necessarily and properly connected to the General Assembly's purpose of ensuring and perpetuating the sustainability of rural Colorado.

**APPROVED** by Governor May 30, 2017

**EFFECTIVE** Unless the Centers for Medicare and Medicaid Services determine that they do not comply with federal law, the portions of the bill that create the Colorado Healthcare Affordability and

Sustainability Enterprise, adjust the Referendum C cap, repeal SB17-256, and make corresponding appropriations take effect on July 1, 2017. The remainder of the bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**H.B. 17-1070**                      **Study Drone Use By Public Safety Agencies**                      **(Wilson/Donovan, Coram)**

The bill requires the center of excellence (center) within the division of fire prevention and control within the department of public safety (department), upon receiving sufficient money in the form of gifts, grants, and donations, to conduct a study concerning the integration of unmanned aircraft systems (UAS) within state and local government operations that relate to certain public-safety functions (study). At a minimum, the study must: Identify the most feasible and readily available ways to integrate UAS technology within local and state government functions relating to firefighting, search and rescue, accident reconstruction, and emergency management; and Include consideration of privacy concerns, costs, and timeliness of deployment. The bill also creates, upon receipt of sufficient money in the form of gifts, grants, and donations, a UAS pilot program (pilot program) to integrate UAS within state and local government operations that relate to certain public-safety functions. The bill requires the center to operate the pilot program. Not later than one month after completing the study, the center shall submit a report to the wildfire matters review committee and to the judiciary committees of the house of representatives and senate, or to any successor committees. The report must address each item of the center's study, as well as the results of the pilot program. The bill adds the study and the pilot program as permissible uses of money from the existing Colorado firefighting air corps fund.

**APPROVED** by Governor June 5, 2017

**EFFECTIVE** June 5, 2017

**H.B. 17-1177**                      **Mediation For Disputes Arising Under**                      **(Wist, Garnett/Cooke)**  
**CORA Colorado Open Records Act**

Under current law, any person denied the right to inspect any record covered by the 'Colorado Open Records Act' (CORA) may apply to the district court of the district wherein the record is found for an order directing the custodian of such record to show cause why the custodian should not permit the inspection of such record; except that, at least 3 business days prior to filing an application with the district court, the person who has been denied the right to inspect the record is required to file a written notice with the custodian who has denied the right to inspect the record informing the custodian that the person intends to file an application with the district court. The bill changes this deadline from 3 days to 14 days.

During the 14-day period before the person may file an application with the district court, the bill requires the custodian who has denied the right to inspect the record to either meet in person or communicate on the telephone with the person who has been denied access to the record to determine if the dispute may be resolved without filing an application with the district court. The meeting may include recourse to any method of dispute resolution that is agreeable to both parties. The bill requires any common expense necessary to resolve the dispute to be apportioned equally between or among the parties unless the parties have agreed to a different method of allocating the costs between or among them. If the person who has been denied access to inspect a record states in the required written notice to the custodian that the person needs to pursue access to the record on an expedited basis, the bill requires the person to provide such written notice, including a factual basis of the expedited need for the record, to the custodian at least 3 business days prior to the date on which the person files the application with the district court. In such circumstances, no meeting to determine if the dispute may be resolved without filing an application with the district court is required.

**APPROVED** by Governor May 4, 2017

**EFFECTIVE** August 9, 2017

**H.B. 17-1229**

**Workers' Compensation For Mental  
Impairment**

**(Singer, Becker,  
J./Cooke, Todd)**

The bill adds the definitions 'psychologically traumatic event' and 'serious bodily injury' to the workers' compensation statutes for the purposes of clarifying a worker's right to compensation for any claim of mental impairment.

**APPROVED** by Governor June 5, 2017

**EFFECTIVE** July 1, 2018