



ASSOCIATED GOVERNMENTS  
OF NORTHWEST COLORADO

MINUTES

**AGNC BOARD OF DIRECTORS & MEMBER MEETING**

**October 17, 2018**

***Rangely District Hospital, 222 Eagle Crest Drive, Rangely, CO 81648***

**9:00 am – 1:30 pm**

Pledge of allegiance

**Call to order and introductions**– Chairman, Ray Beck Called the meeting to order at 9:07 am. Introductions were made. Peter Brixius is alternate for Chris Nichols and Ken Kreie will be alternate for Duncan McArthur.

Approval of minutes: Mike Samson made a motion to approve the minutes from the September 19, 2018, meeting as presented; Ken Kreie seconded the motion; motion passed.

**Financial report:** Bonnie Petersen presented the financial report – total funds in checking and savings accounts at the end of September 2018 was \$490,350.13. Income for September was lower than projected budget, which is reflective of the EDA grant funding; year-to-date revenue is higher than the budget projection. September expenses were lower than budgeted and year to date expenses are lower than budgeted. Year to date net income is better than projected budget but remains in negative territory. We have no accounts receivable at this time, so no report was created for the month. Andy Key moved to approve the financial report; Ken Kreie seconded the motion; motion passed.

**Project and Committee Reports:**

**Dinosaur Welcome Center** – Cheryl McDonald provided a written update on the DWC; the DWC written report is included at the end of the minutes as Attachment A. Cheryl shared two letters she received from visitors to the DWC; one was from some hunters and the second was from a young student who had to do a school and did it on his experience at the DWC from two years ago. DWC will close for the season December 1<sup>st</sup>.

**Area Agency on Aging** – Dave Norman introduced Heather Jones who is the new AAoA Executive Director; Dave is technically retired but has contracted to work a few hours each week to help with the transition. He noted that the biggest news they have is that AAoA got a funding letter from the state - federal funding bills have been passed so the state controller is lifting its hold, so the state will be providing funding for programs pending federal reimbursement. Heather is working to meet everyone in the region and is scheduling site visits. She will be working on a new 4-year plan to submit to state. Both Dave and Heather will be going to Breckinridge for a joint meeting on aging. The Colorado health institute will be doing a study to determine how much funding is needed to implement the aging plan. The new 4-year contract will trigger an agreement with AGNC for the next four years of funding. Dave had a meeting with state office where he participated on a panel on regarding the history of AAoA. Dave was presented with a resolution on 9-24-18 designating the day as, “Dave Norman Day,” he was also presented with the flag that flew over the state Capitol that day.

**EDD/CEDS Update** - Tiffany Pehl reported that staff submitted the CEDS to EDA in September; we expect we will have a 3 to 6 month wait for a decision on receiving the designation. Patrick at EDA would like to see AGNC apply for a short-term planning grant for next year, so we can continue work on economic development work as identified in the plan. At the enterprise zone (EZ) administrators meeting last month, Tiffany and the other EZ administrators met with the Department of Revenue (DOR)

to discuss their efforts to repeal redundant rulings from books and potential changes to the rule related to in-kind contributions.

**Legislative Up Date** – Dianna Orf provided the legislative update; she noted that 2019 is an audit year for the EZ and that there is always a push to cut the credits. The DOR has issued an emergency rule outlining criterion for taxes relating to out of state vendors. If the vendor has sales greater than \$100K or 200 or more separate transactions, they must pay use tax. It is uncertain how the rule will work with TABOR; internet sales taxes will go to municipalities, etc. Colorado has the second most complex sales tax system after Louisiana and the legislature is looking at a tax simplification system. Colorado needs the cooperation of home rule cities and TABOR further complicates the issue. The air quality commission has a hearing on the 15th and 16th to discuss low emission vehicle rules based on California standards; the rationale for adopting these rules is that air quality was placed at risk when the EPA eliminated standards. Colorado can adopt the California standards or those of the federal government; the Governor chose to adopt the California emissions standards. A group is proposing the adoption of zero emissions vehicles; if goes to hearing AGNC may want to file comments. The legislature convenes early next year, the first day of the session will be January 4, 2019. A number of Gallagher bills are being proposed which is something the group can ask Representative Rankin about. The state Constitution requires legislators and the governor be sworn in by certain time and the legislature is not typically in session at the appointed time; that the reason the session will begin early in 2019 as the legislature needs to approve the election of the Governor.

**JBC Update & Legislative Issues for 2019** – Representative Bob Rankin, HD 57, provided outlined the legislative budget process for the state; he has served on the Joint Budget Committee (JBC) for 4 years and will be the senior member is he is appointed again in 2019 – he is the only rural and Western Colorado member of the committee. On November 1<sup>st</sup>, the Governor sends his budget to the JBC; that budget will be about \$30 billion. The JBC has a great staff, they are arguably the most valuable people in state. These analysts are key to bringing information to JBC. The September forecast shows that the state is in pretty good shape. While the budget is about \$30 billion, the state legislature works with about \$13 billion, the rest comes in through fees and federal funds. This year the state had more revenue come in than they thought in the last fiscal year (FY); the forecast for the current FY is better than expected. The state will have about a \$600 million spill over from one year to the next. We are looking at \$1.25 billion in additional revenue and there are big issues to consider regarding the use of the funds – should they go into reserves or should we increase spending in critical areas. Transportation is one of the critical issues and the question is will any of the ballot measures pass and what will growth do? K-12 growth has slowed, and the state must account for the Medicaid load which is now starting to shift to seniors, do we reduce the budget stabilization factor and/or put more in higher education? Rep. Rankin would like to set aside funds for visitor centers. What do we think we should do? Ballot measures under consideration would provide \$1.4 million for the transportation initiative, \$1.6 billion for education, and there's another \$1.5 billion under consideration on local issues. There are so many new issues on the ballot it may result in a no vote on everything. If transportation initiatives fail, it falls back on SB1 - 109 does not provide allocation of funds and that will result in legislature making allocations. With the good revenue forecast, the state should reprioritize funding to pay for roads. Where did \$1.2 billion come from; it came from an improving economy, improving property taxes (state contributes less), Medicaid has flattened out - it had been growing about 9% while the state grows at 4 or 5% - Medicaid only increased 3.5 last year. All this created \$1.2 billion more than expected. When SB267 passed, it was thought that the state would not have TABOR refund for years, but these conditions put the state in refund territory now. Why wouldn't we forego refunds for a period of years to fund education or transportation rather than raise taxes. SB1 is the preferred transportation solution. Representative Rankin would like to explore how could we leverage health care - what if we had tax credits devoted to primary care to purchase contract - we have as much as 15% of our folks uninsured. People are coming off Medicaid when they are making more money, perhaps we could encourage more accountable care cooperatives. Under the cooperative model, everyone has a primary care doc and they have access to mental health professionals - this has been proven to work well. Translates to people that can't afford insurance. We could have graduated tax credit - subsidy would be

more for higher cost regions. Representative Rankin would like to explore some of these ideas with people in the region -

AGNC asked if he would like the organization to convene a group in the region to discuss these ideas about health – he indicated that would be helpful.

The state depleted a lot of fire funding accounts this year – the federal delegation is working obtaining funding but those will require matches; the state needs to provide matching funds for restoration work. There is a \$35 million request to replenish the state fund. Restoration is important as it helps water sheds.

Interim discussions have been underway to discuss alternatives to Gallagher. Under the next reassessment, rural fire districts will lose 30 percent of their funding. There is a very serious problem with property taxes in rural Colorado. A bill request is being filed to do a repeal of Gallagher. Under the new valuation and if the valuation stays same some areas will lose 23% of their property tax revenue. The amendment says the calculation will be state wide; the proposal was to repeal the amendment and replace in statute.

Education, the legislature put 10% more into education 2% for PERA in the last session. Since the negative factor was put in place, many districts have raised funds locally; the reality is the state is spending much more than amendment 23 requires. We can't fix school finance till we fix property taxes; we are trying to get equalization across the state, but we have a bad system. We can't fix the formula, we must fix the property taxes.

The Dinosaur Welcome Center (DWC) – Representative Rankin has been on the tourism board for six years and discussions about the DWC may have led to a solution; welcome centers are not up to par anywhere. There is pretty good support to upgrade all welcome centers. When CTO is trying to allocate a cost per visitor, we in NW Colorado don't win. CDOT is interested in visitor centers and we are trying to work with them. The group raised concerns about the proposals to close and/or move the DWC which is a key crossroad to NW Colorado. It was pointed out that this region of the state provides significant funding to the state through natural resource development as well as hunting and fishing tourism, yet the state continually pulls resources from the area. Moving the DWC would be a significant hit economically to Rio Blanco and Moffat counties as well as to the town of Dinosaur.

Senator Scott provided an update for Senate district 7. He indicated that it is difficult to know what will happen until we know who the new Governor is and the makeup of the Senate. Things will be clearer once we are past the elections and we know what happens with the initiatives. Polling data indicates that Proposition 112 is incredibly dangerous; Wall Street withdrew \$1.2 billion of investment the day after the signatures were turned in. \$30 million is being spent by the industry to oppose the proposition, current indicators are that we are winning that battle. Polls indicate that Proposition 110 is failing but 109 seems to be tracking well. The good news is, there is going to be money for transportation we just don't know what it looks like; the fight will be to get it to Western Colorado. Estimates for some of the key roads in Western Colorado come in at \$53 million for Hwy 50, no estimate has been received yet for Hwy 40 or Hwy 139. CDOT is going to have a lot of money, we don't know exactly how much but the economy is producing funding. The 2019 legislative make up will dictate what we can and cannot do. Oil and gas production still have everyone concerned; depending on the Governor election, the 112 fight may just be beginning. There are a lot of tough races on the front range; local races are becoming more important than ever. AGNC work has been amazing keep attention at legislature - without groups protecting the rural areas not sure what would happen. This is the heart of the state of Colorado.

**Update from the Governor's Office** – John Swartout, Senior Policy Advisor provided an update from the Governor's office. He noted that he has 87 days left and he needs to finish projects he has been working on for years in that time. Sage grouse and the management plans are one of those items. John met with Deputy Secretary Bernhardt 4 weeks ago. The IM on mitigation was problematic for all the states and they have a GAO investigation going on with reference to federal agencies taking cash payments for mitigation without telling the federal government what was being done with those receipts. The Deputy Secretary

needs to review everything on mitigation and he implies he can nullify any agreement - if giving states authority this is counter. There is general agreement on approach - at the last minute, the previous administration added these provisions to plan - where it ended up in DC was problematic. The new administration opened the door to fix those issues and they have been working a year and a half to change those plans. The Colorado plan should look different and the state is trying to put things back in the plan that allow economic development and the ability to do things to protect the bird, but we have got to have mitigation. Bernhardt won't do mitigation at the federal level at all anymore. It looks like the state will be able to work out the issues with Bernhardt - when the consultation process is done, what comes out is put into the permit to drill - mitigation can come out of that process and we want federal government to adhere to what we come up with. DS Bernhardt will review every state's mitigation policies and will finalize them with a MOU - other states will have to update authorities that treat lands differently. Colorado does not order mitigation if it comes out of the process and it works out that way that we can enforce it. The state expects to sign the MOU at end of October or early November. The biggest disagreement we have between counties and the state is the no surface occupancy (NSO) provision. We have tried to overcome the disagreement with special waivers, but the Deputy Secretary has an idea about dealing with that issue. He may come to Colorado and sit down with us to go over the idea, so we may need another cooperating agency meeting. BLM is a month behind, so they will go into next year to finalize plans. We are in better shape than we were 3 months ago; it is possible that one solution will be to get automatic MWE's if in certain areas. Jeff Comstock suggested that it would be nice if Garfield and Moffat counties could sit in the meeting together and solve the issue without going back and forth. The question was raised about whether the Governor's election will cause any problems. John will stay to last day to try to finalize the plan; he is not gone till the new Governor is sworn in. He has had conversations with both campaigns asking what their sense is - both said if we can finalize the plan, then get it done if possible. They could waive part of Governor's consistency review and allow for 10 days for review. Jeff Comstock noted that the mitigation thing is huge support coming to solution - truth is if defer to consultations time and time again CPW will say they will grant if agree to X - company always feel that CPW dictates mitigation - if we empower CPW more must have counties more active in process. Any guarantee needs to give local government a role, they need a seat at the table. The habitat exchange may be the solution. When FWS gets funding for mitigation, they send the funds away from the species and uses them for something completely different. Thanks to Rep. Rankin, we have been working together on updating the sage grouse habitat maps; we are almost there; it is a great concept to empower local governments to have a seat at the table. AGNC, CPW and the Governor's office have worked jointly on the mapping effort to come up with updated maps. The plan says BLM will adopt the maps. We are really close - landowners in Jackson County are concerned about the wet hay meadows - CPW can't say it's not habitat; landowners want it removed from habitat but that is not supportable. The landowners are worried that if the bird gets listed then they have no certainty - if they do what Gunnison county did and sign up for CCAAs, they can lock in all their uses so they have certainty. FWS is on board if landowners are; it will be an opt in. These CCAA agreements have been tested in court and have held up. CPW has funds and can get some federal funds to help landowners do it. Ranchers and hay meadows help the bird. Nothing new about moving BLM headquarters to GJ yet. A new BLM state director has been appointed, it is Jamie Connell; she is well thought of and knows Colorado. She starts in the new position the first of November. Pending oil and gas leases did not get support from Governor's office; the BLM did a poor job when they offered them and opened themselves up to a lawsuit so makes sense to take the time to do it right. We are not sure how that will turn out.

**AGNC Matters for Consideration** - Ray Beck, AGNC Chairman, opened discussion regarding a resolution in opposition to Amendment 74. The AGNC Board voted to oppose the amendment at the September meeting and has been requested to provide that opposition in the form of a resolution to groups also opposing the amendment. As this amendment would create confusion, hamstring local governments and, potentially bring a steady stream of lawsuits against local government, Peter Brixius made a motion to approve the resolution, Mike Samson seconded the motion, motion passed. Lisa Piering served as alternate for Andy Key during the remainder of the meeting.

Commissioner John Justman requested AGNC develop a resolution regarding Colorado Wilderness Acts introduced in Congress by state delegates at the September meeting. A resolution was drafted and presented to the board – suggested edits were made to the resolution. Mike Samson made a motion to adopt the resolution with the suggested edits; Grady Hazelton seconded the motion, motion passed.

Chairman Beck presented recognition awards as follows:

Representative Bob Rankin was recognized as 2018 Legislator of the Year by AGNC. This is the first such award made by AGNC. Representative Rankin was recognized for his leadership, support and advocacy for NW Colorado during his time in the legislature.

John Swartout was recognized as a “Champion of NW Colorado” for his efforts to aid local governments in having their voices heard in the Governor’s office as well as within the federal government. He has been a tireless advocate for the region and has had to walk a fine line to manage all the directions he has been pulled.

Dave Norman was recognized for his 44 years of service to AGNC and seniors in the region. He has been a local and state leader in the efforts related to our senior population. He has played a significant role in the development and execution of programs designed to serve seniors in Colorado. He will be greatly missed, and his efforts are very much appreciated.

All were recognized with a statue of a bull elk – a fitting representation of a region known as, “The Elk Capital of the World.”

#### **Federal Delegation Updates:**

George Rossman, representing Congressman Tipton reported that the House has been out of session since September 28th. The Farm Bill expires on September 30<sup>th</sup>, it is still in conference committee. Secure rural schools funding was permanently re-authorized in the omnibus budget. Congressman Tipton is working to make fire areas eligible for disease and insect mitigation. His office working on hospital drug reimbursements. They are also working on how credit scores are evaluated for first time and low to moderate first-time mortgage applicants. Tax bill 2.0 passed the house. Financial institutions can allow use of phones and drivers licenses to open bank accounts to help rural people do online banking. The Congressman and staff have been very involved with fire matters and working on a bill that makes people eligible for grants if private land where a fire is burning is nearby public lands.

Betsy Bair, representing Senator Gardner said that Senator Gardner sends his regards and thanks for all the calls and support for his family after the Kavanaugh vote. Last week the Senator introduced legislation to permanently fund the 9-11 compensation fund for heroes to pay for first responder medical bills. The current funding goes through 2020 and that fund will be depleted; they are seeing a huge increase in cancer in those first responders; this is a bipartisan effort to fund help for them. The Senator signed onto a bipartisan letter about the missing journalist in Turkey. Another bill the Senator is involved with will allow employers to contribute up to \$10K annually to help with employee student loans; the contribution would not be subject to payroll taxes, this is to help with the rising cost of student loans. The FAA reauthorization bill passed, and the Senator got the wildfire drone legislation included in the bill. It is now a felony to fly unauthorized drones over a wildfire. We now have a five-year bill in place rather than 3-month reauthorizations; the FAA passed 93 to 6. There are quite a few public lands bills, the Land and Water Conservation bill provides for full and permanent funding moved out of committee. The Restore Our Parks act provides \$12 billion of deferred maintenance in parks across country; it uses 1/2 of unobligated offshore revenues for 5 years to fund. Senator Gardner Co-sponsored Senator Bennet’s bill to explore Zebulon Pike’s trail and put it on national historic trails list. We Finally have new state BLM director coming; the Senator heard from so many counties that a state director is needed so a letter was sent to the Secretary requesting him to assign someone to the position. Jamie Connell will start the position November 1<sup>st</sup>, Greg Shoop will remain in the Assistant Director position.

Shannon Wadas provided an update for Senator Bennet's office. The Senator secured a provision in the 2018 Water Resources Development Act that directs the Army Corps of Engineers to establish water craft stations across the country to stem the spread of aquatic nuisances. The FAA authorization included helicopter fuel safety standards. The wildfire mitigation assistance act treats wildfires as other natural disasters and makes that authority permanent in the LWCTF. The Senator is co-sponsoring the park maintenance bill. The Conservation Service Corps act is engaging youth focused on conserving and maintaining lands. Modern labeling act for drug and food labels is being introduced; labels may fall out of date and it is important that label be updated regarding dangers, etc. Generic products often don't have updated label information. The Senator and our delegates representing the area wrote an EDD letter of support and submitted it to EDA. Shannon has accepted new position and will be Associate Director of Rivers Edge West where she will work on riparian restoration (formerly tamarisk coalition). She will get updated contact information to AGNC; her last day is on November 6<sup>th</sup>, she begins her new position on November 12<sup>th</sup>.

### **Administrative Update:**

Bonnie Petersen provided an administrative update. A letter drafted by the NWCCOG AQQ group was received yesterday and a request was made that AGNC sign onto the letter which will be sent to both Gubernatorial candidates prior to the election. The letter requests that both candidates commit to three steps, within the first 100 days of their administration, related to implementation of the Colorado Water Plan, municipal conservation and re-use of water, and Colorado River Compact curtailment. AGNC board and members reviewed the letter and felt it was lacking in some regards. Given the short timeframe, the board decided it would not include AGNC as a signatory on the letter.

The AGNC ED Summit will be hosted in Rangely on November 9<sup>th</sup> at CNCC – everyone is encouraged to attend. The agenda was reviewed, and members were encouraged to take note of the “Technology & Data” presentation recently added to the line-up. The sage grouse mapping project is wrapping up and staff is working to do final map reviews with each of the entities in the populations. A sage grouse working group meeting will be held in Moffat County October 26<sup>th</sup>. Letters of support are being gathered from each of the entities involved in the mapping project and the goal is to submit the maps to CPW on October 30<sup>th</sup>.

### **New Business:**

Opponents of Proposition 112 will be gathering at the Rangely car museum at 2:00 pm, everyone is encouraged to attend this rally in support of the opposition to the proposition.

*Next Meeting will be November 14, 2018, at the Grand Valley Rec Center, 398 Arroyo Drive, Parachute, CO 81635*

Meeting was adjourned at 1:36 pm.

### **Attendance:**

Betsy Bair, Senator Gardner's Ofc.	Dave Norman, AAoA
Ken Kreie, Town of Fruita	Heather Jones, AAoA
Amy Provstgaard, Battlement Mesa	Keely Winger, CNCC
Makala Barton, Rio Blanco County	Ron Granger, CNCC
Jeff Comstock, Moffat County	Dianna Orf, Orf and Orf
Ray Beck, Moffat County	Lisa Piering, Town of Rangely
Tiffany Pehl, AGNC	Konnie Billgren, Rangely Chamber of Commerce
Bonnie Petersen, AGNC	Andy Key, Town of Rangely
Grady Hazelton, Town of New Castle	Cheryl McDonald, Dinosaur Welcome Center
Mike Samson, Garfield County	Representative Bob Rankin, HD57
George Rossman, Congressman Tipton	John Swartout, Governor Hickenlooper's Ofc.
Peter Brixius, City of Craig	Senator Ray Scott, SD7
Ted Orf, Orf and Orf	Shannon Wadas, Senator Bennet

## Attachment A

AGNC REPORT  
OCTOBER 2018

Great weather equals Great numbers for the month of September. 3,879 travelers came thru our center. Our new digital sign outside has proven its worth. Another example of the wonderful partnerships Moffat County Tourism has replaced all three outside information panels.

I will be gone October 29<sup>th</sup> thru November 1<sup>st</sup> for the Governor's Conference. The conference will be in Vail this year.

We have four volunteers reaching new goals for time volunteered:

1,000 hours Paula Davis

2,000 hours Connie Winkler and Bill Zadra

3000 hours Rita Lancaster

We will honor them at our appreciation banquet in December.

We have received some very complementary letters from previous travelers and hunters. This is because of the great job all the volunteers do.

Cheryl McDonald, Manager

## Attachment B



### Associated Governments of Northwest Colorado (AGNC) Legislative Update October 15, 2018

The **Department of Revenue** has adopted Emergency Regulations, in process of becoming permanent, to collect use tax from out-of-state vendors who do not have a physical presence in Colorado, but in the previous calendar year or the current calendar year:

- (I) the retailer's gross revenue from the sale of tangible personal property or services delivered into Colorado exceeds one hundred thousand dollars; or
- (II) the retailer sold tangible personal property or services for delivery into Colorado in two hundred or more separate transactions

This action takes advantage of the U.S. Supreme Court decision in *South Dakota v. Wayfair, Inc.*, 585 U.S. \_\_\_\_ (2018). As explained by the Dept. of Revenue, "In *Wayfair*, the United States Supreme Court overruled *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992), and *National Bellas Hess, Inc. v. Department of Revenue of Illinois*, 386 U.S. 753 (1967), and held that physical presence is not required for a state to impose sales and use tax collection requirements on an out-of-state retailer."

The **Air Quality Control Commission** will hold a hearing **November 15-16** on proposed requirements for **Low Emission Vehicles (LEV)** California standards). The proposed rule is to comply with the Governor's Executive Order. States may comply with EPA vehicle requirements by meeting either federal standards or California standards. Because federal standards are being rolled back, the Executive Order calls for Colorado to adopt the California standards. Opposition to the rule arises not only from automobile manufacturers' groups, but from Larimer County and the Northern Front Range Metropolitan Planning Organization. Numerous environmental organizations and a Local Government Coalition composed of The City of Aspen, Boulder County Public Health, The City and County of Denver, Eagle County Public Health, The City of Fort Collins, Jefferson County Public Health, The City of Lakewood Sustainability Division, The City of Longmont, and The County of Pueblo are supporting the rule. A motion to continue the hearing until a later date was denied by the Commission, which deferred to the Governor's call to adopt the rule before year-end. The requirement for manufacturers to produce and sell a specific percentage of Low Emission Vehicles would begin with Model Year 2022.

In January 2018, an advocacy group proposed a **zero emissions vehicle (ZEV)** mandate. Zero emission vehicles are those powered entirely by electric battery or hydrogen fuel cells. That proposal is currently under discussion by a stakeholder group which is expected to request the Commission to set the matter for hearing at its December Commission meeting. If the Commission does set the proposal for hearing, that hearing would be held in March according to the Commission. The stakeholder group is scheduled to meet again October 19.

**Of Interest:** The Colorado Supreme Court will hear oral argument in the case of Martinez vs. the Colorado Oil and Gas Conservation Commission. On March 23, Colorado Court of Appeals judges ruled that protecting public health and the environment is "a condition that must be fulfilled" by the state before oil and gas drilling can be done. to give primary consideration to health and environment when granting/denying an oil/gas permit. The COGCC has appealed that decision to the Supreme Court. Following is a recap of legislative proposals from interim committees.

#### **Legislative Interim Committees**

The **Sales and Use Tax Simplification Committee** recommended one bill, directing the Department of Revenue to source, within existing appropriations and under the procurement code, a sales and use tax simplification system. Once the system is on line, the department shall accept returns and payments



through the system for state sales and use tax and on behalf of local taxing jurisdictions for which the department collects and remits the tax.

The **Transportation Legislation Review Committee (TLRC)** wrapped up its work, recommending three bills for interim committee sponsorship:

- Bill to allow foster children to obtain driver's licenses by obtaining insurance on their own behalf by showing evidence of financial responsibility. Of interest to counties, it lowers the age that the state or a county must obtain permission from a foster parent or guardian to help a foster child obtain an instruction permit from 17 1/2 years old to 17 years old. It allows each county department of human services or social services that has custody of a foster child or ward of the court to implement a program that provides foster kids under the age of 18 with an instruction permit if the minor's foster parent consents or the county has first consulted with the foster parent for a child 17 years old or older. (Currently foster children are unable to obtain a driver's license because they have no parent who can obtain insurance on their behalf.)
- Bill to allow the Chief Engineer of CDOT may acquire land by purchase or exchange through negotiations, without putting the information about the land acquired to the Transportation Commission, unless the land must be acquired by condemnation. If the Chief Engineer of CDOT determines that filing a petition of condemnation is necessary, he or she must submit a written report to the Transportation Commission describing the project and the Transportation Commission may then adopt a resolution approving the action. (This bill is the result of changes that had been imposed following litigation.)
- Bill to decrease the age for obtaining a commercial driver's license from 21 to 18 years of age, if the federal government allows.

The **Wildfire Matters Committee** extended its' scheduled two-hour meeting to three and one-half as it considered and ultimately recommended four bills:

- Bill allowing counties to restrict sale and use of fireworks in unincorporated areas of the county between May 31 and July 5 of any year by adopting a resolution instead of enacting an ordinance as required under current law. The action must be based upon an express finding of high fire danger (as under current law) and adds a prediction of future fire danger such as issued by the national interagency coordination center. The bill was requested by Arapahoe County and supported by CCI)
- Bill establishing a state Fire Commission in the division of fire prevention and control in the department of public safety. The commission would consist of 18 members which include (as drafted) representatives of counties, special districts, fire chiefs, professional firefighters, emergency managers, volunteer firefighters, county sheriffs, and others. (The membership and focus of the commission were heavily debated and it is likely that some amendments will be offered when the bill is formally introduced in January.)
- Bill directing the Center of Excellence to study, and if feasible, implement a system to patrol the airspace above a wildland to determine whether the airspace is clear of obstacles. The bill is subject to available appropriations. (This arises from the concern over drones in the airspace interfering with firefighting activities such as occurred during the past year.)
- Bill directing the state forest service to solicit applications for grants to fund fuel reduction projects from groups of landowners (HOAs, or similarly organized groups) with property in the wildland-urban interface where risk of fire is moderate to high and land is covered by a community wildfire protection plan. Grant applicants must match any money received dollar-for-dollar; grants may not exceed two hundred thousand dollars for any one application. Grant applications shall be evaluated by a technical advisory panel.

The **Alternatives to Gallagher Study Committee** concluded its work with the recommendation of three bills:

- Bill which would refer to the voters a repeal of the Gallagher amendment to be placed on the 2019 ballot. It repeals the 29 percent assessment rate in the constitution for most nonresidential property, the calculation of the target percentage, and references to the residential assessment rate
- Bill authorizing payment from the General Fund to backfill lost revenues to a fire protection district that 1) did not increase its mill levy rate between 2018 and 2019; 2) experienced a decrease of five percent or more in its 2019 adjusted residential property tax compared to its 2018 residential property tax. If enacted, the bill would not take effect if the Gallagher repeal is adopted by the voters in the 2019 election.
- Bill to allow establishment of regional residential assessment rates based on the eight DOLA regions rather than a single statewide rate. The bill is conditional on repealing the Gallagher Amendment from the constitution in 2019 and the first year it can be in effect is 2021.

These three bills require careful study, so we are attaching them along with their respective fiscal notes for your review.

The **Sales and Use Tax Simplification Committee** recommended one bill, directing the Department of Revenue to source, within existing appropriations and under the procurement code, a sales and use tax simplification system. Once the system is on line, the department shall accept returns and payments through the system for state sales and use tax and on behalf of local taxing jurisdictions for which the department collects and remits the tax.

The **Water Resources Review Committee** recommended that two bills and two memorials to Congress move forward. They are:

- Bill to adjust the boundaries of the Republican River Water Conservation district (Eastern Plains) to more equitably allocate the costs of complying with the Republican River Compact to address depletions from groundwater pumping from the Ogallala aquifer.
- Bill to change the distribution of severance taxes in the State's Operational Fund (DNR portion) to rely on funds received rather than relying on projected revenues and increases the required statutory reserve for DNR grant-related programs to assure more stability for those programs.
- Memorial to Congress calling on the Corps of Engineers to dredge the lower Arkansas River to alleviate flooding.
- Memorial to Congress to carry out its commitment to fund the construction of the Arkansas Valley Conduit to provide safe drinking for people in the lower Arkansas Valley.

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Memorial to Congress to carry out its commitment to fund the construction of the Arkansas Valley Conduit to provide safe drinking for people in the lower Arkansas