

2025 Legislative Session Overview

Arapahoe County

The 2025 General Assembly was in session from January 8 to May 7. The Democrats held the "trifecta" of control again, with Governor Polis in office and large majorities in the Senate (23-12) and the House (43-22).

Since regaining the majority several years ago, the Democrats have continued to focus on legislation to "save people money"; however, that was difficult this session with a constrained budget. In order for bills to pass, they had to have either no, or a very limited, fiscal impact. As a result, we saw very few bills creating or extending tax incentives and grant programs.

We still saw proposed bills that would pass on expenses to Colorado consumers, create unfunded mandates to local governments, and place requirements on certain industry sectors in the state. Most of these initiatives were defeated, and moderation and flexibility prevailed.

A total of 657 bills were introduced this session with roughly 500 of them passing the full legislative process. The Governor has already signed more than 200 bills and has until June 6 to sign, veto, or let become law without his signature the remaining bills. Here is a full <u>list</u> of action he has currently taken.

Major Policy Bills

<u>Transportation</u>: Improving transit and increasing its use was a main priority of the legislature. Specifically, <u>SB 25-161</u> (Transit Reform) made it through the full legislative process. SB 25-161, updates RTD operations, requires RTD to create a 10-year strategic plan, and creates the RTD Accountability Committee all with the goal of improving performance and reliability.

<u>Worker's Rights</u>: Both chambers introduced workers' rights bills early in the session, marking them as priorities. The House introduced <u>HB 25-1001</u> Enforcement Wage Hour Laws to modify wage and hour laws with the goal of preventing wage theft. In the Senate, <u>SB 25-005</u> Worker Protection Collective Bargaining was introduced, which eliminates the requirement of a second election for employees to unionize, thereby making it easier to unionize. After months of stalemated negotiations, the Democrats passed the bill which then was vetoed by the Governor. Both labor and business groups have threatened to place competing measures on the ballot in 2026. Later in the session, the legislature passed <u>HB 25-1300</u>, allowing employees instead of employers to choose a physician in worker's compensation cases, which would dramatically alter the current system.

<u>Voting and Elections</u>: Amid growing concerns after the 2024 presidential election, many progressive Democrats introduced bills aimed at expanding transparency and voting access.

Senate Democrats introduced <u>SB 25-001</u>, creating the Colorado Voting Rights Act and codifying the rights of equal access to voting. In addition, the legislature passed <u>HB 25-1315</u> and <u>HB 25-1319</u>, which create vacancy elections for the General Assembly and County Commissioners (in large counties) respectively.

<u>Gun Control</u>: This session, Democrats successfully passed a plethora of controversial gun-related bills. Most notably was <u>SB 25-003</u> (Semiautomatic Firearms and Rapid-Fire Devices), prohibiting the sale of certain semi-automatic firearms unless certain conditions are met, including taking gun safety courses.

<u>Federal Action and Reaction</u>: Federal uncertainty was a hot topic this session, and the Democratic caucus took preemptive measures to attempt to protect the state against certain federal action. The Senate brought <u>SB 25-276</u> (Protect Civil Rights Immigration Status), which modifies state immigration laws and creates guardrails concerning data privacy, information sharing, and "safe havens" for immigrants. <u>HB 25-1321</u> (Support Against Adverse Federal Action) also passed, which will provide funding for the state's response to engage in lawsuits.

State Budget

The state budget – the Long Bill, <u>SB 25-206</u> – passed the full process with much debate and a few changes. The bill appropriates approximately \$40 billion (total funds), of which approximately \$17 billion is General Fund (general tax revenue). The FY 2025-26 budget was constrained by a \$1.1 billion General Fund shortfall. This shortfall is a result of increased Medicaid utilization, voter approval of required expenditures for law enforcement, property tax reductions (requiring additional state backfill for school finance), and other issues.

To address the budget shortfall, JBC reduced or eliminated various state programs, such as:

- Reducing funding for Senior Services.
- Eliminating High Income Tutoring Programs.
- Reducing funding for Substance Abuse Recovery Peer Services.
- Reducing General Fund transfers for multimodal transportation projects.

Despite General Fund reductions, the JBC:

- Increased funding for K-12 education by over \$265 million.
- Increased funding for higher education and capped resident tuition increases at 3.5 percent.
- Increased Medicaid Provider Rates by 1.65 percent.

Arapahoe County Bills of Interest

It was a busy session for local governments – many bills were introduced that place unwarranted mandates on local authorities. Some of these bills include <u>HB 25-1056</u> (Local Government Permitting Wireless Telecommunications Facilities), HB 25-1096 (Automated Permits for Clean

Energy Technology), and SB 25-030 (Increase Transportation Mode Choice Reduce Emissions). Arapahoe County was very engaged in the effort to amend these bills, much of which proved successful. We joined the local government coalition led by statewide local government organizations to modify HB 25-1056 and HB 25-1096. HB 25-1056 will require us to approve permits for telecom services in a specific timeframe. After working with various legislators and lobbying local government champions, the coalition was successful in adopting an amendment to add a 45-day tolling period to approve or deny telecom applications and to extend the shotclock to 90 days to approve permits for most projects. While still imposing a mandate on local governments, the proponents and sponsors were unwilling to move any further with amendments, the bill ended up in the best possible place. On the other hand, HB 25-1096 (Automated Permits for Clean Energy Technology) ended in a very good place for local governments. The bill as introduced would have required local governments to use an automated permitting system for the installation of solar technology, which would have required us to assess a fee on residents and caused us to change our permitting and financial systems to accommodate the new system. After pressure from local governments and environmental groups, the bill was amended to only make updates to a current grant program within the Colorado Energy Office there is no unnecessary mandate in the bill. Lastly, Arapahoe County worked to amend SB 25-030 to its current state because the introduced version placed an unfunded mandate on us. This bill came out of the interim Transportation Legislation Review Committee and as passed, requires CDOT and Metropolitan Planning Organizations to improve transportation options by increasing mode choice targets - the share of trips made by biking, carpooling, public transit, singleoccupancy vehicles, or walking. All in all, Arapahoe County played a big role in changing these pieces of legislation for the better.

It was also a busy session on the housing front. This year, construction defect reform finally passed the full legislature in the form of HB 25-1272 (Construction Defects & Middle Market Housing). After much stakeholding, the bill now creates a program with warranties as an incentive for homebuilders to build starter condominiums. However, an amendment was added to the bill that awards attorney's fees to construction defect claimants, which would be a deterrent for homebuilders to enter into the program. This amendment was pushed by the trial lawyers, and there is now concern that the bill may not achieve its original intent. Arapahoe County was originally concerned with the language in the bill regarding certificate of occupancy, and we were successful in removing that language, shifting the County's position from amend to support. Although concerns with the effectiveness of this bill still exist, the threshold increasing to 65 percent of homeowners to vote to engage in litigation remained in the bill and is a victory. The other big housing bill of the 2025 session was one of Governor Polis' priority bills, HB 25-1169 ("Yes in God's Backyard" - YIGBY). This bill would have required local governments to allow the construction of residential developments on properties owned by faith-based organizations, school districts, or state colleges or universities. Local governments were concerned with the overall implications of the bill as it overrode local zoning laws, posed questions regarding religious discrimination, and did not include enough affordability standards. The bill was killed by Senate leadership late in session as it did not have the votes to pass. This was a big deal for the local government coalition.

The County also supported two housing bills that came from members of the Arapahoe delegation, <u>SB 25-002</u> (Regional Building Codes for Factory Built Structures) and <u>SB 25-020</u> (Tenant Landlord Law Enforcement). On SB 25-002, the County was initially concerned with the study portion of the bill as it would have been an unfunded mandate; however, that part of the bill was removed. Further, more local government representation was added to the technical advisory committee, due to the lobbying efforts of local governments. SB 25-020 will allow the County to initiate enforcement actions to regulate tenant and landlord law, which will be an overall benefit to our residents.

Legislation affecting the courts was a hot topic this session, and Arapahoe County was a big player in this arena. Specifically, we were successful adding a footnote to the Long Bill (the state budget). This footnote directs the state to evaluate the adequacy of the number of district and county judges relative to workload, and to prioritize an additional county judge in Arapahoe. In SB 25-024 (Judicial Officers), we worked to add language before session started to state that district court judges assigned in Arapahoe County can have more than one office location. Further, the bill awarded Arapahoe County two additional judges, one starting July 1, 2025 and one July 1, 2026. This bill was a priority for us and we worked with our delegation members on the importance of the bill as it worked its way through the legislative process. We were successful in this effort. On a more unfortunate note, HB 25-1147 (Fairness & Transparency in Municipal Court) passed the full legislature, which prohibits municipalities from establishing their own sentencing requirements. It may result in the City of Aurora sending certain municipal cases to the County, without providing us any resources to manage those cases. The bill sponsors were unreceptive to amendments, and the bill remains in a difficult spot for local governments; however, on a positive note, the Governor vetoed the bill. This will likely come back next year.

Arapahoe County was also very busy with human services legislation. We actively worked to amend <u>HB 25-1271</u> (Federal Benefits for Youth in Foster Care) to add a county attorney to the working group and eliminate the mandates in the bill until the group has made their recommendations. Unfortunately, we were not able to amend the bill as much as we would have hoped. We also kept a close eye on <u>HB 25-1097</u> (Placement Transition Plans for Children). The County was initially seeking amendment language to add a "transition plan" to allow more flexibility to comply with the bill, and our concerns were remedied as the bill moved further through the process. We also carefully tracked <u>HB 25-1279</u> (State-Level Data for Colorado Works Program), which will require the state and county departments to collect monthly data and report on the Colorado Works Program. After conversations with one of the bill sponsors (who was also a delegation member), the bill was amended to align the reporting requirements with existing policies.

It was a big year for general government legislation as well. Starting on a high note, <u>SB 25-285</u> (Updating Food Establishment Inspection Fees) easily passed the legislative process, and now funding exists that will assist the County in covering the costs of managing the Retail Food Program. We also supported <u>HB 25-1247</u> (County Lodging Tax Expansion), which increases the allowed county lodging tax rate and expands how the revenue may be used. Lastly, we worked hard to amend <u>SB 25-001</u> (Colorado Voting Rights Act) to clarify that counties in compliance with

Secretary of State (SOS) regulations are also in compliance with the bill. Unfortunately, the politics on this issue were too strong to amend the bill.

Overall, the 2025 legislative session was successful for Arapahoe County. Our biggest successes were in housing, judicial, and general government policy, and because of our relationships and willingness to come to the table, we achieved many of our top priorities this year.

Looking Toward 2026

Next session, both chambers will look the same. The energy of the 2026 legislative session will be different, as this will be the last year of the Polis administration and legislators will be gearing up for the 2026 election.

This summer and fall, legislators will be busy with interim committees, stakeholder work, and preparation for what 2026. Due to a lack of funding, however, only a select few interim committees will be meeting this summer, including: Transportation, Water Resources and Agriculture, Wildfires, and Juvenile Justice Systems.

It has been predicted that the budget situation for next year is just as bad, if not worse than the 2025 budget. With this in mind, the Joint Budget Committee and budget experts will be preparing and strategizing on how to keep state funded programs afloat. Whispers of a special session on budget changes have already been floating around as more federal funding changes roll out. The 2025 interim is already shaping up to be busy!