



MINUTES
AGNC BOARD OF DIRECTORS & MEMBER MEETING
November 20, 2024
9:00 am to 2:00 pm
Garfield County Admin Bldg, 2nd Floor Meeting Room,
195 W. 14th Street, Rifle, CO 81650

ZOOM: <https://us02web.zoom.us/j/2510562431> **Password:** 2462

PHONE: +1 (669) 900-6833 **Meeting ID:** 251 056 2431 **Password:** 2462

Pledge of allegiance

Call to order – Chairman Cody Davis called the meeting to order at 9:02am. Introductions were made.

Approval of minutes – Mike Samson made a motion to approve the October 23, 2024, meeting minutes; Chris Nichols seconded the motion; the motion passed unanimously.

Financial report – Tiffany Dickenson presented the October 2024 financial reports. The profit and loss was presented with updated budget figures based on last month’s board approval. The balance sheet was presented including the fund balance, which now reflects the retained earnings that was moved to this account. Cody Davis asked about moving some of the funds into CDs. Tiffany reported that we have limitations due to our government status to invest in CDs. Mike Samson suggested some organizations that Garfield County uses for investments that he would like Tiffany to look into. Vinnie Tomasulo said that Colorado Trust is a non-profit that works with communities, as well. The accounts receivable was reviewed including recent billings to EDA for the partnership planning grant. The check register was reviewed including a large payment to Matt Solomon for the balance of the EnergyWerx grant, and reimbursement to Tiffany for travel from January through October, which is a larger than usual amount due to the length of time. A motion to approve the financial reports was made by Lisa Piering, seconded by Chris Nichols, and the motion passed unanimously.

Project and Committee Reports:

Area Agency on Aging – Heather Jones, NW CO AAoA Director provided an overview of AAA efforts. Heather joined online that she is completing monitoring visits and has five more programs to be reviewed. She said the state unit on aging is monitoring AAA and she expects a visit from them soon. She said the AAA is currently launching a volunteer long term care ombudsman program pilot in 2025. She reported that the SUA is now doing quarterly data monitoring and wants 10% or less missing data on several programs within AAA. She said for the most part AAA was under 10% and she will be reaching out to fill in the gaps. She reported that they received the outcome of the Performance Measure Surveys for fiscal year 2024 and the results are in her report. She presented the carryover funds they received and the recommended budget for these funds. The budget is also included in her report. Tiffany Dickenson pointed out the AAA match amount which is billed to the counties in 2025. Cody Davis asked if 2025 allocations will be the same as 2024 due to the carryover. Heather spoke about the use of the carryover funds to make up the difference in what was requested, and they were able to do that in most cases. A motion to approve the carryover funds was made by Jeff Comstock, seconded by Lesa Piering, and the motion passed unanimously. Heather’s report is attached as Appendix A.

Legislative Update – Richard Orf reported spoke about the elections and counts that are still going on. He said the balance has not effectively changed in the state senate, and the house has picked up a couple of republican seats, but they are still waiting on counts to come in from uncured ballots. He said the senate and house at the federal level look to be republican majority. He spoke about the efficiency program that is being introduced and that this may affect federal grants. Dianna Orf spoke about the state budget and how this may drive most of the legislation this year. She said the state budget came up about \$1.4B short this year. She said they received a lot of money from the pandemic that was used for general fund spending and there is more pressure on the TABOR cap. She said the governor turned in his budget with reductions in various areas. She said that some of the things that jumped out to her included staff reductions, sweeping severance tax money, taking money from energy and mineral impact funds, and reviewing all cash funds that generate interest to sweep the interest. She said that it will need to be passed by the legislature. Richard said the state budget is still growing but the TABOR cap is pushing down on it. He said he expects a measure to overhaul TABOR. He also said CDPHE and other departments need to raise FTE to meet regulations and permit burdens, which also increases budget pressures. Dianna said this also slows down permit processes and will increase fees. Cody Davis asked about TABOR refunds and Richard said they are smaller than previous years but is still sizable. Dianna said that one of the recommendations would be that extracted industries would no longer be available to get tax credits in the enterprise zone. She said the county treasurers have a proposed bill regarding tax lien sales. She said she will share this with Tiffany for feedback from the county treasurers. Jeff Comstock said that Moffat County said they support it on the mineral side, but not the property side. She said there is a bill for local government wireless development. Dianna said they had just started orientation for the new legislators. Alicia Gresley asked about Prop 130 and how that will affect the budget. Dianna said that it was not factored in and there is no time frame for implementation. She said they usually come back with a supplemental budget. Richard spoke about Prop 127 being defeated as well as local issues in the Denver area that were defeated in part due to the messages put out by AGNC. Tiffany Dickenson asked when legislative calls should start. Richard said that we could meet on Thursday after January 8th. Tiffany Dickenson asked Cody Davis how the severance tax lawsuit is going, and he said the state has requested that it be dropped and they have 28 days to respond. Jeff Comstock asked about the OJT funding. Dianna said it is currently under the office of labor and employment, and it is not clear right now how it will be affected. Tiffany said they had a call to talk about the funding that was not well attended, but that she is scheduling a second call, and she encouraged participation. Tiffany asked for any concerns to be brought forward so that we could bring them to the Orfs. The Orfs' report is attached as Appendix B.

Meeting adjourned at 10:15 am for EDD Meeting

Meeting reconvened at 11:11 am

American Petroleum Institute (API) – Morgan Vankat presented on the external mobilization program. She introduced Kait Schwartz online. Kait said that she runs the Colorado office for the API. She said that we are one of the only state offices because of all the state problems they face in Colorado. She reviewed legislation from the past year and some of the other challenges they have faced in Colorado. She said API responded by launching a massive campaign to create pressure on leadership. She said that there was a deal that was struck at the end of session last year. She said the deal agreed to fees in exchange for no measures or ballot initiatives for the next three years. She said they are hopeful that the agreement will be upheld. She spoke about tax legislation and that they know that the state will be looking for money and may want to change tax structures for their industries. She spoke about the changes that may be coming at the federal level and if and how this may affect the industry. She said it may not affect Colorado much due to the strict regulations that are already in place. Morgan spoke about the external mobilization team and how to get people involved at the grass roots level. She spoke about the Energy Citizens program. She said to let them know if anyone is interested in becoming an energy citizen. She spoke about the need to involve rural communities. She said they have a lot of local fights happening in eastern Colorado due to local governments implementing stricter regulations.

Richard Orf asked if they had been in contact with the Governor's office regarding the deal that was made, and whether leadership will uphold the deal. Kait said they have met with the Governor and their staff and that many of the people who objected to the deal were not involved in the deal, however, the leadership is committed to making the deal work. Richard asked if air regulations involving Suncor were included, and Kait said part of the deal included the ability for regulators to increase fees which may affect Suncor. Dianna spoke about the possibility of the state "filling the gap" in regulations due to the federal changes that are coming. Jeff Comstock spoke about the challenges they faced in Moffat County and asked if they can see any future of oil and gas returning to the region. Kait said that she is hopeful and that they need more people to speak out. Mike Samson asked if they work closely with the Garfield County liaison, Kirby Winn. Kait said they do and that he is a great asset. Mistalynn Meyeraan asked the Orfs to speak about the proposal that extraction industries no longer qualify for tax credits in the enterprise zone. Michael Clancy spoke about expansion ideas in our area and asked if there might be any capacity for transport or takeaway projects. Kait said that the federal change may help with this, especially large pipelines.

Roundtable Updates –

Alicia Gresley spoke about AGNC's assistance with the Rural Jumpstart program to help a local climbing gym get started. They will provide additional community services and a gathering space.

Mike Samson spoke about seeing if the president elect, Trump, could come to western Colorado to tour the region and begin conversations. He asked if anyone else would be interested in collaborating in this endeavor. He spoke about the growing attitude towards energy independence while still preserving the lands. Cody Davis commented that it would be good to contact Chris Wright, the new appointment for DOE to see if he can help with this. Ray Beck commented that he would like to see energy independence and that JOLT is working to get the governor of Wyoming at the next JOLT conference.

Tiffany Dickenson spoke about the Op-ed she wrote supporting Chris Wright's nomination. She said that she thinks it is important to show our support.

Perry Will spoke that he is "home from the dome" and is excited about being the newest Garfield County commissioner. He spoke about the Orfs and how much he respects them but will not miss being in Denver. He said he promises to do the best job he can do for Garfield County.

Prosono (Strategic Planning Update) – Andrea Styles Pullas presented a PowerPoint. She spoke about their organization and that they are in Colorado and are home grown. She reviewed the agenda for her portion of the meeting. She then had the group do introductions and speak about how each person is associated with AGNC and why that association is important to everyone. She presented the members of Prosono including Margaret Dioguardi, David Thurow and Kylie Wetnight. She spoke about the objectives which are to inform and engage, and to align perspectives for impact. She spoke about the process of strategic planning and the five main questions that the process serves to answer, which are: who are we, where are we now, where to we went to go, how will we get there, and how will we know when we have arrived. She said that they want to identify strategic priorities and clear actions for the implementation of the priorities. She spoke about the work that has been done to understand the "where are we now" step in the strategic planning process. She said they have sent out a survey and she encouraged anyone who has not taken the survey to do so. She said that the survey will inform AGNC's value proposition to understand the role they are playing in the region. She said that the board is a critical voice to AGNC's strategy, and she spoke about the strategic planning roles, one of which is the "consulted" role which includes the AGNC board and members. She spoke about the preliminary results of the survey. She said that most respondents so far are members and that nonprofits are a significant portion of AGNC constituents. She reported that organizations seek support from AGNC for a broad range of services. She said that the survey shows that organizations experience significant problems with limitations in regional

influence, voice and resources. She said that policy, funding and regional coordination are also moderate to significant problems for regional organizations. She said that AGNC representation and legislative engagement are highly valued services among a significant majority. She said that capacity building and technical assistance are highly valued services, and that strategic planning and resource navigation are important but not as highly valued. She said that AGNC’s convening services are seen as extremely valuable. She said that AGNC services are not well understood by respondents. She said the survey also showed that respondents will contact other organizations for services AGNC offers, primarily state agencies. She then opened up the conversation for comments. Mike Samson commented that he doesn’t think a lot of organizations understand how AGNC can help them and that he would like to see more people understand these services. Andrea asked why he thinks this is a barrier and Mike said he thinks most are not aware of the services AGNC provides. Vinnie Tomasulo said he wonders if it has to do with sensory overload and capacity. Alicia Gresley spoke about engaging with business owners when they are busy trying to run their business. Grady Hazelton agreed as a business owner that he must prioritize his focus. Michael Clancy commented that if his accountant doesn’t take advantage of the programs, then he doesn’t know or worry about it. Chris Nichols spoke about capacity and the time cost benefit analysis of prioritizing what they can take on. Andrea asked about what might be needed to get more survey results, and it was discussed to send out the survey again from personal emails which will hopefully have a better outcome.

New Business – Next meeting February 19, 2025, Garfield County Administration Building, 2nd Floor Meeting Room, 195 W. 14th Street, Rifle, CO 81650

Adjournment – meeting was adjourned at 1:57 pm.

Attendance:

IN PERSON	VIA ZOOM
Keith Caddy	Matt Solomon
Grady Hazelton	Jeff Engell – CSU Extension
Stan Harbaugh	Sarah Carlisle
William Dearing	Shannon Scott
Ray Beck	Kami Collins
Chris Nichols	Heather Jones – Region 11 AAA
Doug Overton	Jennifer Pieroni
Lori Malsbury	Lindy Browning
Alicia Gresley	Betsy Bair
Richard Orf	Dallas Blaney
Ted Orf	Teri Cavanagh
Dianna Orf	Ashely Dishman – SBDC
Lisa Piering	Drew Kramer – Tri-State G&T
Vinnie Tomasulo	Kait Schwartz
Morgan Vankat	David Thurow – Prosono
Mike Samson	Margaret Dioguardi
Cody Davis	Richard Orf
Jeff Comstock	Tinker Duclo
Michael Clancy	970-260-3753
Andrea Styles Pullas	
Kylie Wetnight	
Tiffany Dickenson	
Perry Will	
Mistalynn Meyeraan	
Toni Barrett	

APPENDIX A



AREA AGENCY ON AGING OF NORTHWEST COLORADO

Updates from AAA 11/20/2024:

- The AAA has completed ten monitoring visits with contracted providers. I have visited with Alpine Legal Services, High Country Volunteers, Grand River Hospital Meals on Wheels, Hilltop Senior Daybreak, Moffat County Housing Authority, Senior Social Center of Craig, Northwest Colorado Health, Rio Blanco County, St. Mary's Community Connections and Valley Meals and More. Five more programs need to be reviewed.
- The State Unit on Aging (SUA) is monitoring our AAA. Selected providers had to submit requested items to the SUA by Friday, November 1, 2024. The SUA will likely visit the region sometime between April-June 2025.
- The AAA is looking to potentially launching a Volunteer Long-Term Care Ombudsman Program pilot in 2025. We have reached out to other AAAs across the state who have volunteer programs to see how they operate. Our AAA will be working the State Long-Term Care Ombudsman Volunteer Coordinator, Jesse Bond. He will help with training along with Robb Huff (our Regional LTC Ombudsman). We will be working with the Mesa County Retired Senior Volunteer Program to recruit volunteers. We will start slow with one Long-Term Care Ombudsman assigned to one facility.
- The SUA has now started Quarterly Data Monitoring of all AAAs. They are reviewing the following information below and want 10% or less missing data on: Demographics: Age, Gender, Geography, poverty, living with, ethnicity, race
 - Missing assessments
 - Nutrition Eligibility, Nutrition risk assessments
 - Connecting caregivers to care recipients
- The AAA received notice of the outcome of our Performance Measure Surveys for SFY24. See attached.
- The AAA received notice of our SFY24 Carryover funds. The AAA has worked with contracted providers the past couple of weeks on how best to distribute these funds. The recommended budget with carryover funds is attached.

APPENDIX B



Associated Governments of Northwest Colorado (AGNC) Unofficial Election Summary UPDATED November 19, 2024

The November 5 General Election has come and gone, although official winners have not been declared in statewide races here in Colorado. Based on unofficial vote tallies the following summary gives us a good idea of what we will see on January 8 when the General Assembly convenes. Many preliminary activities, including: a three-phase Orientation for new members, election by each chamber of their leadership, naming of committee chairs and members will precede the swearing in.

Senate Elections. The Senate appears to have maintained its partisan balance with Democrats picking up one GOP seat in SD 12 with the election of Rep. Mark Snyder (previous term-limited Senator Bob Gardner) and Republicans regaining one Democratic seat with election of Scott Bright in SD 13 (replacing term-limited Sen. Kevin Priola). Despite concerted efforts by Republicans to target perceived vulnerability in SD 16 (Arapahoe County) the balance remains at 23-12). Two other key Senate races on the Western Slope remain in Republican control with former Representative Marc Catlin winning the open SD 5 seat vacated by Sen. Perry Will and incumbent Senator Cleave Simpson retaining his seat in SD 6., denying the Dems their coveted Super Majority. In addition to promoting Catlin to the Senate, seven other House members are moving up to open Senate seats, including Rep. Lisa Frizell (R) elected to SD 2; Rep. Cathy Kipp moving to the seat of former Sen. Joan Ginal, Rep. Lindsey Dougherty taking over from Sen. Rachel Zenzinger; Rep. Mike Weissman moving up to SD 28 previously represented by Sen. Rhonda Fields, Rep. Marc Snyder moving to SD 12, and Rep. Judy Amabile filling the seat of held by Sen. Steve Fenberg. Republican Senators Kirkmeyer and Liston were both re-elected as were Democrat Senators Bridges, Coleman, Jaquez Lewis, Kolker, Michaelson Jenet, Buckner and Hansen. Senate members who did not face elections this year and will return (absent any resignations) are B Pelton, Hinrichsen, Baisley, Rich, Robers, Lundeen, Exum, Marchman, Butter, Danielson, Mullica, F. Winter, Sullivan, Van Winkle, Rodriguez, J Gonzales, and R Pelton. At least two resignations are anticipated, as Sen. Van Winkle was elected to the Douglas County Board of Commissioners, leaving an open slot for a vacancy committee to fill and Sen. Hansen resigns January 9 to head La Plata Electric Assn.

House Elections. In the 65-member House, Democrats continue with a clear majority, with both parties generally retaining the seats they held during the 2024 session. However, two races remained very close HD 16 challenger Rebecca Keltie leads incumbent Steph Vigil by 7 votes; and in HD 19 former Rep. Dan Woog leads newcomer Jillaire McMillan by 123 votes.

Returning (re-elected) House members include Democrats Bacon, Bird, Boesenecker, Brown, Clifford, Duran, English, Froelich, Garcia, Hamrick, Jodeh, Joseph, Lieder, Lindsey, Lindstedt, Lukens, Mabrey, Marshall, Mauro, Martinez, McCluskie, McCormick, Ricks, Rutinel, Sirota, Story, Titone, Valdez, Velasco, Willford, Woodrow

Returning (re-elected) to the House are Republicans Representatives: Armagost, Bottoms, Bradfield, Bradley, deGraaf, Hartsook, Luck, Pugliese, Soper, Taggart, Weinberg, T Winter

New Faces. More than 20 new faces will be seen at the Capitol in 2025 as winners of open and seats are **sworn in:**

- Amy Paschal (HD 18 western El Paso County)
- Cecelia Espenoza (HD 4 northwest Denver)

- Sean Camacho (HD 6 Central Denver)
- Lindsay Gilchrist (HD 8 northeast Denver)
- Jarvis Caldwell (HD 20 northern El Paso County)
- Lisa Feret (HD 24 northern Jefferson County)
- Rebekah Stewart (HD 30 central Jefferson County)
- Jacqueline Phillips (HD 31 (Thornton))
- Michael Carter (HD 36 western Adams County)
- Gretchen Rydin (HD 38 Littleton area)
- Max Brooks (HD 45 Castle Rock area)
- Leslie Smith (HD 49 Boulder area)
- Yara Zokaie (HD 52 Fort Collins)
- Christopher Richardson (HB 56 rural Adams and El Paso counties)
- Larry Don Suckla (HD 58 Montrose area)
- Katie Stewart (HD 59 Durango)
- Lori Sander (HB 65 parts Larimer and Weld counties)
- Carlos Barron (HD 48 southern Weld County)
- Dusty Johnson (HD 63 northeastern Colorado)
- Ryan Gonzales (Weld County Greeley HD 50)
- Rebecca Kiltie (HD 16) pending recount
- Dan Woog (HD 19 Weld County) pending possible recount

Legislative Leadership Selected

Senate Republicans

Minority Leader: Paul Lundeen (continuing)
 Asst. Minority Leader: Cleave Simpson
 Minority Caucus Chair: Byron Pelton
 Minority Whip: Janice Rich
 JBC Member: Barbara Kirkmeyer (continuing)

Senate Democrats

Senate President: James Coleman
 President Pro Tempore: Dafna Michaelson Jenet
 Majority Leader: Robert Rodriguez (continuing)
 Asst. Majority Leader: Sen. Lisa Cutter
 Caucus Chair: Dylan Roberts
 Majority Whip: Nick Hinrichsen
 JBC members: Jeff Bridges (continuing) and Judy Amabile

House Republicans

Minority Leader: Rose Pugliese (continuing)
 Asst. Minority Leader: Ty Winter (continuing)
 Caucus Chair Anthony Hartsook

Minority Whip Byron Pelton
JBC Members: Rick Taggart

House Democrats

Speaker- Julie McCluskie (HD-13)
Speaker Pro Tempore- will be appointed by the Speaker
Majority Leader- Monica Duran (HD-23)
Asst. Majority Leader- Jennifer Bacon (HD-8)
Co-Majority Caucus Chairs- Mandy Lindsay (HD-42) and Junie Joseph (HD-10)
Co-Majority Whips- Matthew Martinez (HD-62) and Iman Jodeh (HD-41)
JBC Members Emily Sirota and Judy Amabile

Once the newly elected folks begin the Orientation process, set to begin November 18-19, leadership in both House and Senate will face the daunting task of selecting committee chairs and assigning members. Appointments of committee members usually occur in early December after careful review of the relative numbers of each political caucus. Committee membership reflects majority-minority ratios, the backgrounds and strengths of potential committee members, and must also consider the scheduling of each committee. When the respective chambers are not conducting floor work, six or seven committees may be meeting and considering bills simultaneously, so assigning members to committees resemble a Rubik's cube.

Influence of the Budget. Once sworn in on January 8, all members will face a tight budget with an anticipated General Fund shortfall of \$1.4 billion. During the September economic forecast, Legislative Council economists and the Governor's Office of State Planning and Budget both predicted significantly lower General Fund Revenue collections (due in part to tax credits in the previous session) and higher expenses, particularly in the Medicaid caseload. This means few if any new programs can be funded and threatens potential cuts to existing ones. The Governor's budget request submitted to the Joint Budget Committee November 1 reflects this reality and takes steps to reallocate money from various funds in order to meet the requirement for a balanced budget. Among specific actions are a proposal to refinance the severance tax Operational Fund in a way that provides more annual predictability to meet General Fund priorities and fund water projects. It does so by refinancing \$15.2 million in Operational Fund appropriations to the General Fund and the Water Conservation Board Construction Fund respectively, and reducing the reserve on the remaining appropriations from the Operational Fund from 200 percent to 100 percent. The distribution formula for severance tax distributions is modified to increase the portion of severance tax that is diverted to the Water Conservation Board (from 25 to 27 percent). The remaining portion of severance tax that goes to the Operational Fund (23 percent) is then diverted to the General Fund. Other balancing actions will include sweeping interest revenue from certain TABOR non-exempt cash funds and reallocates it to the General Fund for other uses. One-time transfers of interest amount to \$67.5 million in FY 2024-25 and \$50.9 million in FY 2025-26. The budget also proposes to sweep local government severance tax funds into the General Fund for statewide purposes. Many of the changes will require legislation, and **although the JBC hearings do not include opportunity for public comment, the bills to accomplish the various changes will have hearings before regular legislative committees that allow public comment**

The JBC will hold its first meeting November 12-13 to organize and begin briefings on the various departmental budgets. On November 18 the JBC heard a Briefing for the Department of Local Affairs. The JBC will meet on November 21 9:00 – 10:30 for a Briefing for the Department of Natural Resources (Executive Director's Office/ Division of Parks & Wildlife/ Water Conservation Board/ Division of Water Resources) and on December 2 11:00 – 12:00 for a Briefing for the Department of Natural Resources (Division of Reclamation, Mining & Safety/ Energy and Carbon Management Commission/ State Board of Land Commissioners/ **Severance Tax Policy**). Briefings for the Department of Public Health and Environment
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on December 3 to consider funding requests for the Water Quality Control Division at CDPHE. The budget requests 22 FTE in the Clean Water program and spending authority for \$3.3 million in an effort to reduce the backlog of permits. This request anticipates fee increases that result in \$609,336 in additional revenue for Clean Water Program cash funds and \$85,682 in additional revenue for the Drinking Water Cash Fund. Pursuant to SB 22-274, stakeholder meetings continue to gain support for increased fees and explore greater efficiencies within the Division.

The Governor will submit a Supplemental Budget request in January to reflect changes incorporate potential changes stemming from ballot measures decided by voters on November 5, 2024, such as Proposition 130 which requires the legislature to set aside \$350 million for local law enforcement grants and peace officer death benefits, complicating 2025-26 budgeting. Defeat of other ballot measures that would have driven additional fiscal challenges including the school choice and ranked-choice voting measures means lawmakers won't have to face some tricky policy and political issues.



**Associated Governments of Northwest Colorado (AGNC)
Government Affairs Report
November 20, 2024**

Budget Drives Legislation. The main legislative focus at present is the Governor's budget, submitted to the JBC on November 1. Analyses show a \$1.4 billion shortfall in available General Fund to meet current and anticipated obligations, due to the cessation of over \$3.0 billion in one-time General Fund and \$3.8 billion in federal ARPA funds, as well as a range of other special federal allocations and state cash fund revenues were received and available for expenditure by the General Assembly over the last four years. Those one-time dollars offset General Fund expenditures during that period, allowing GF to be used for other programs. Increasing caseload in programs including Medicaid, education and corrections and over-expenditure in Medicaid, along with increasing pressure on the TABOR cap due to cash funds limits the proposed FY 25-26 budget to growth of \$610.1 million or 3.2% over the previous fiscal year. As a result, the JBC is scrutinizing all departmental budgets to see where cuts might be made and efficiencies gained. Cash funds are at risk. **Many if not most of the changes in the Budget require legislation to implement.**

Election results for newly elected legislators attached as separate report

DOLA Budget Issues. The Governor's budget request for DOLA reflects reductions due to the state's \$1.4 billion (\$1.4 billion) shortfall in available General Fund. Specific cuts requested include (but are not limited) to:

- Transfer (one-time) of \$10 million from the Local Government Severance Tax fund to the General Fund (Question raised regarding potential ongoing diversion of \$\$) This would reduce the Energy Impact grant money, but would not affect direct distribution under the formula.
- One-time General Fund reduction of \$392,159 to the Defense Counsel on First Appearance Grant Program, which would leave a General Fund appropriation of \$1,113,093 available for FY 2025-26. (Discussion re ongoing reduction due to over-appropriation and underutilization)

DNR Budget Issues. Refinances of the Operational Fund over three years by restructuring state's share of severance tax allocations beginning in FY 25-26

- 24.5% of the total severance tax revenues (minus the Decarbonization Tax Credit Administration Cash Fund's share under HB 23-1272) to the Operational Fund

- 25.5% to the CWCB Perpetual Base Fund for water projects
- For FY 2026-27 and FY 2027-28, the request allocates 23% of the total severance tax revenues (minus the Decarbonization Tax Credit Administration Cash Fund’s share under HB 23-1272) to the Operational Fund and 27% to the CWCB PBF.
- Reduce the Operational Fund’s reserve percentage from the current 200% to 150% for FY 2025-26, and to 100% for FY 2026-27 and ongoing
- One-time transfer of \$11M from the CWCB PBF to the General Fund
- Divert all spillover amounts from the Operational Fund to the General Fund instead of the CWCB PBF

The DNR Budget has not yet been briefed for the JBC – that will occur Nov. 21 at 9 am. More detailed information will be available after the briefing document is released.

Statewide Budget Balancing. Sweeping non-exempt interest income. The Governor’s Office proposes to introduce legislation to transfer all interest income revenue from the below list of cash funds in FY 2024-25 and FY 2025-26 and then cap returns on interest income revenue to 1.5% beginning in FY 2026-27 for a list of funds that excludes continuously appropriated funds or specific funds with insolvency risk or operational issues. Pinnacol Assurance. A proposal to spin off or convert a portion of Pinnacol’s business to allow it to sell to out of state employers (essentially privatizing it), and using \$100 million revenue derived from a conversion of Pinnacol exempt from TABOR creating create the necessary funds to support the PERA Direct Distribution.

Other Anticipated Legislation.

County Treasurer’s proposed bill on severed mineral interests. How to deal with unpaid tax liens and proceeds of sale.

Clarification of “Ranch” for Property Tax. Defines ranch more broadly than livestock production. Interim committee bill

https://leg.colorado.gov/sites/default/files/images/committees/bill_e_25-0160.01.pdfClassification of.

Create Enterprise for EV Registration fees. (from budget measures)

Enterprise Zones. Eliminate extractive industries from eligibility for Enterprise Zone contributions. (from budget measures).

Local Government permitting for Wireless Telecom Facilities. Changes procedure for approval of application for siting or construction of facilities. Requires that an application by a telecommunications provider for the siting and construction of a new wireless telecommunications facility or for the substantial change of an existing wireless telecommunications facility (application) submitted to a local government is deemed approved by the local government within 60 days upon meeting certain conditions. Interim committee bill.

https://leg.colorado.gov/sites/default/files/images/bill_c_25-0249.01.pdf

Regulatory Issues

Fee Increases for Drinking Water and Clean Water Permits. Stakeholder discussion continue on developing a proposed fee structure including increases for processing permits for both drinking water and discharges. The Governor’s budget outlined an increase of 13% and 14% respectively in order to maintain services at the current level. A rule-making hearing is anticipated October 2025 to adopt the new fees, Prior to this time, the legislature set fees; as a result of SB 23-274, the Water Quality Control Commission is authorized to establish the fees through regulation, following stakeholder input.