# 2024 Legislation in Review

# COLORADO HEALTH INSTITUTE

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# Introduction

Colorado legislators in 2024 made substantial progress in reducing childhood poverty.

The legislature dedicated nearly \$700 million to a program that allows families with low and medium incomes to claim a new tax credit of up to \$3,200 per child. Supporters say the initiative could bring about a major reduction in child poverty in the state.

But that wasn't all that happened in the 2024 session.

Democrats aimed to make a difference in affordable housing, firearms control, and youth mental health. But in most cases, they had to settle for incremental progress.

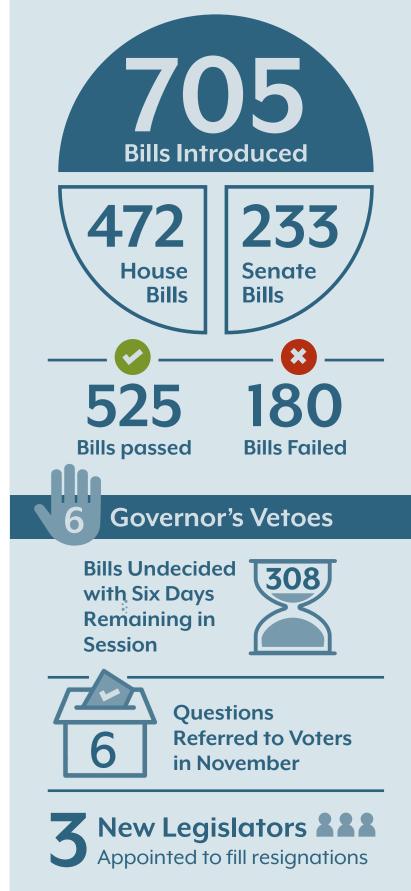
Health care was notably absent as a main topic in 2024. The most substantial health care bills dealt with interstate agreements to allow more providers licensed in other states to practice in Colorado. The session also brought a pause to a long-running feud between hospitals and the administration of Gov. Jared Polis over the price of medical care.

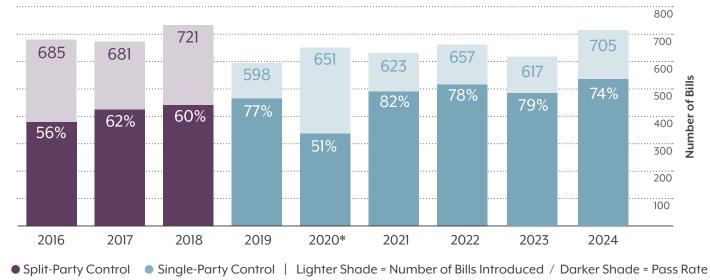
But health is more than health care. Several bills addressed social policies that influence health.

The 705 bills introduced in 2024 marked the highest number since 2018. Measures with impacts on health and well-being fall roughly into six categories:

- The Legacies of 2024: Fighting Poverty and Regulating Technology
- Firearm Violence: Some Changes Amidst Intraparty Challenges
- **Behavioral Health:** A Focus on Youth
- Health Care: Looking for a Bigger Workforce
- Climate and Environment: Earth, Air, Fire, and Water (and Trains!)
- **Housing:** Density and Renters' Rights

# **By The Numbers**





#### Introduced Bills and Pass Rate by Year

\* The COVID-19 pandemic disrupted the session and forced many bills to be tabled due to time and budget constraints.

# Legacies of 2024

#### **Fighting Poverty**

Colorado's 2024 legislative session may be best remembered for taking steps to fight poverty. The weapon of choice: state tax credits.

The Family Affordability Tax Credit, **House Bill 1311**, creates a tax credit of up to \$3,200 per child 5 or younger for single taxpayers earning \$15,000 a year or less, or \$25,000 for joint taxpayers. Eligible families with children can get the money even if they owe little or nothing in taxes. The amount decreases for children ages 6 to 16 and as family incomes rise. Colorado will pay out an estimated \$684 million in credits in the 2025-26 budget year.

Lawmakers also expanded the state's Earned Income Tax Credit. **HB 1134** offers a refundable tax credit to Coloradans with incomes low enough to qualify for the federal version of the earned income credit. Income limits range from roughly \$17,000 to \$63,000, depending on family size. The measure will cost the state up to \$207 million in 2025-26. Taken together, these initiatives are considered among the most effective public policies for fighting poverty.

Lawmakers passed a third tax credit, HB 1312, to

support an often underpaid workforce — direct care workers. This tax credit provides up to \$1,200 a year to people who work in elder care, child care, and similar jobs. The credit will cost the state an estimated \$43 million in 2025-26.

And **HB 1322** sets the stage for seeking federal permission to use Medicaid money to pay for members' food security and housing.

#### **Regulating Technology**

Colorado became the first state to pass an artificial intelligence bias law. <u>Senate Bill 205</u> prohibits discrimination by Al algorithms used in hiring, school admissions, bank lending, and more. Polis signed the law reluctantly, saying he is worried it could get in the way of innovative technology.

The legislature also made Colorado a pioneer with **HB 1058**, designed to protect people's biological and neurological data. Advocates say the new law makes Colorado the first jurisdiction in the world to impose privacy laws on brainwave data collected by a new class of consumer devices that can track and interpret people's neural activity. The technology could soon find its way into earbuds and other popular products. The measure passed with just one no vote in the whole legislature.

NOTE: Throughout this report, bills that passed are highlighted in GREEN. Bills that failed are highlighted in RED.

# **Firearm Violence:** Some Changes Amidst Intraparty Challenges

For the second year in a row, debate over firearm violence widened the partisan divide over the issue. Legislators, mostly Democrats, introduced over 10 bills aimed at mitigating gun violence. Republicans opposed most of them, though GOP lawmakers did float **HB 1123**, which would have provided money to schools to install firearm detection equipment.

Of the many gun proposals, two stood out; only one of them survived — sort of.

**HB 1292** would have banned the selling or buying of assault weapons, including the popular AR-15 rifle. It died in a Senate committee when Democrats questioned its effectiveness at reducing violence. **SB 131** fared better, though with significant amendments that reduced its scope. The initial bill would have banned carrying firearms in most public places, including parks, recreation centers, health care facilities, and places of worship. The final version bans firearms (with some exceptions) in the Capitol, courthouses, local government buildings, child care and educational facilities, and polling places.

The Democratic majority also passed bills requiring gun owners to safely store firearms left alone in vehicles (**HB 1348**); granting the Colorado Bureau of Investigation more authority to investigate firearm crimes (**SB 3**); asking voters in November to approve an excise tax on sellers of firearms and ammunition (**HB 1349**), and a measure increasing the training requirements to receive a concealed weapon permit (**HB 1174**).

# **Behavioral Health:** A Focus on Youth

Even though much of the legislative focus was on guns and housing, the 2024 session did notch some wins in the behavioral health space as well, particularly youth mental health and substance use.

#### **Youth Mental Health**

Starting in 2026, teenagers will get a pop-up warning or full-screen notification when they are on a social media platform for an hour after 10 p.m. under **HB 1136**. The notifications would provide information on the harm of social media use, which has been linked to anxiety and depression. With the bipartisan measure, Colorado joins Arkansas, Ohio, and Utah in regulating social media use by youth.

**SB 1** extends indefinitely the youth mental health services program, I Matter. The program, which provides up to six free therapy sessions annually to youth, was to expire on June 30. Bill sponsors Sen. Dafna Michaelson Jenet and Rep. Kyle Brown, both Democrats, said the program is an important part of the state's efforts to address youth mental health.

**SB 59** was an attempt to create a system of behavioral health care for children. The statewide system would have served as a point of access to address all the behavioral health needs of Colorado children regardless of their payer, insurance, and income. However, a lawsuit over the youth mental health system made the bill too complicated to pass in 2024 (see sidebar).

A smaller bill on the same topic did pass. **HB 1038** will develop a targeted system of care for children who are Medicaid members with complex behavioral health needs.

A record number of states have introduced bills aimed at limiting the rights of transgender people. Colorado has gone in a different direction with legislation affirming rights for trans youth. **HB 1039** permits public school students to be identified by names reflecting their gender identity and requires school employees to address students by their chosen names.



#### A Major Lawsuit Settlement

In February, the state entered into a settlement agreement following the dismissal of a lawsuit by children's advocates over access to community-based behavioral health services. Under the settlement's terms, the state has five years to set up and implement a system to provide comprehensive care, from early screenings to crisis treatment, for young people covered by Health First Colorado, the state's Medicaid program. The settlement complicated efforts to pass SB 59, but it's likely the legislature will have to deal with reforming and funding the system in its 2025 session and beyond.

#### Substance Use

An interim committee on substance use advanced bills that will make changes and improve programs that monitor prescription drug use (**SB 47**), alcohol abuse recovery (**SB 48**), and clean syringe programs (**HB 1037**) and create more programs and services targeting substance use disorder treatments (**HB 1045**).

**HB 1028** would have allowed cities to authorize overdose prevention centers, which offer a safer environment where people can take drugs while being monitored by health care experts or trained personnel. These facilities promise timely intervention during overdoses and offer various harm reduction services.

Another measure related to substance use, **<u>SB 181</u>**, would have placed a fee on alcohol sales. The revenue would have established programs for treatment and recovery from alcohol addiction. Though the bill failed, advocates remain committed to addressing this issue as Colorado continues to rank high nationally for alcohol-related deaths.

# Health Care: Looking for a Bigger Workforce

This session saw a variety of minor bills aimed at recruiting and retaining the health care workforce and promoting affordable and quality health care services.

#### **Workforce Expansions**

Legislators removed barriers for eligible providers from outside Colorado to practice and provide services within the state.

**SB 10** makes Colorado a participant in the Dentist and Dental Hygienist Compact, which allows licensed professionals from one participating state to get licensed and practice in another compact state, including via telehealth. Likewise, **SB 18** adds Colorado to states in the Physician Assistant Licensure Compact. Other bills approved interstate compacts for school psychologists (**HB 1096**) and social workers (**HB 1002**).

**HB 1231** provides construction funding for a new medical college at the University of Northern Colorado, along with building funds for three other health education programs around the state.

#### **School-Based Health Care**

Lawmakers turned to schools for another opportunity to provide quality health services to children. **SB 142** established the Oral Health Screening in Public Schools Pilot Program, which will support oral health screenings of children in kindergarten or third grade beginning in 2027.

#### **Drug Prices**

Last year, the legislature passed a law that limits the out-of-pocket price of a two-pack of epinephrine auto-injectors to \$60. EpiPens are essential to treat severe allergic reactions. This year, **HB 1438** gives the Colorado Attorney General the authority to oversee both the Epinephrine Auto-Injector Affordability Program and the Insulin Affordability Program. With the involvement of the Attorney General, there will be higher fines and harsher punishments for manufacturers and pharmacies that fail to comply.



# Climate and Environment:

### Earth, Air, Fire, and Water (and Trains!)

#### A Deal on Oil and Gas Drilling

Toward the end of the session, Democratic lawmakers and Polis brokered a significant agreement between Colorado's environmental advocates and major oil and gas producers on air quality and transit. The agreement aims to avoid costly, contentious battles by pausing new ballot initiatives related to fossil fuel drilling until after 2027.

The two sides agreed on SB 229 and 230, which introduce new fees on oil and gas production to fund public transit and improve air quality enforcement. SB 229 mandates the Colorado Department of Public Health and Environment (CDPHE) to propose rules on air pollution from drilling, requires a benchmark enforcement report, allows civil penalties for certain violations, and adds requirements for oil and gas permits. **SB 230** requires oil and gas companies to pay fees to support clean transit initiatives, as well as wildlife and land remediation. Significant air quality monitoring measures, **SB 165** and **166**, were postponed indefinitely as part of the agreement. This deal is seen as a significant step toward balancing industry interests and environmental protection in Colorado.

#### **Environmental Justice Legislation**

Polis signed <u>HB 1338</u> into law, aiming to address long-standing environmental injustices in Colorado. The bill directs CDPHE to implement recommendations from the Environmental Justice Action Task Force, created by law in 2021. HB 1338 seeks to mitigate the effects of pollution on communities of color and low-income neighborhoods, ensuring cleaner air and healthier living conditions for all Colorado residents. The bill creates an Office of Environmental Justice at CDPHE. It also tells CDPHE to enhance pollution monitoring, establish a rapid response team to quickly investigate air quality complaints, and analyze the cumulative impact of pollution from all sources, particularly focusing on the state's sole petroleum refinery in Commerce City.

#### Bipartisan Agreement on Water, Floodplains, and Wildfire

Water conservation was a priority for both sides of the aisle with the approval of 10 bills. Of note were HB 1379 and SB 197.

**HB 1379**, sponsored by Democratic House Speaker Julie McCluskie of Dillon and Republican Sen. Barbara Kirkmeyer of Weld County, will regulate dredge and fill activities in state waters. This bill seeks to reestablish protections for certain streams and wetlands following a 2023 Supreme Court decision that excluded them from the federal Clean Water Act.

**SB 197**, another bipartisan effort, will implement water conservation proposals endorsed by the Colorado River Drought Task Force, including expanding temporary water rights loans to the Colorado Water Conservation Board for environmental protection.

Legislators prioritized wildfire mitigation in the 2022 session, just after the Marshall Fire, the state's most destructive in terms of houses burned. Two years later, mitigation is still a priority. Lawmakers passed a variety of wildfire mitigation-related bills, including **HB 1024**, extending wildfire

awareness month outreach campaigns; **HB 1006**, establishing a navigator program to help rural communities to apply for wildfire grants; **HB 1091**, prohibiting restrictions on fire-hardened building materials in residential property; and **HB 1315**, mandating a study on the remediation of homes damaged by fire, focusing on smoke, soot, ash, and other contaminants, and recommending uniform standards.

While wildfires have been destructive in recent years, floods also pose a threat to the health and well-being of Coloradans. **SB 179** requires local government floodplain management regulations to meet or exceed federal standards and ensures compliance with a floodplain management plan.

#### **Funding Source for Passenger Rail**

SB 184 introduces a new fee of up to \$3 per day on rental cars to generate \$58 million annually, supporting the development of a new passenger rail system along the Front Range and enhancing the state's competitiveness for federal rail grants. (See <u>CHI's Health and Climate Policy Agenda</u> for more on Transportation and Health.)

# Housing: Density and Renters' Rights

Housing was one of the hottest issues in 2024 with around 30 bills introduced. The issues included affordable housing planning, renters' rights, and the authority of local government and the state.

Last year, legislators rejected SB23-13, which would have encouraged cities and towns to soften their development restrictions, a move critics called an encroachment by the state into local affairs. The bill was initially supported and proposed by Polis. Cities fought back hard against the plan, which took away some of their traditional authority over land use. After last year's defeat, Polis remained committed to addressing housing barriers and called on state legislators to take action on housing.

#### **Transit-Oriented Communities**

One of the most notable efforts was **HB 1313**. The measure sets targets for Colorado's largest cities

to boost housing density around public transit stations, with a \$35 million infrastructure fund as an incentive for cities. The Department of Local Affairs (DOLA) will be working closely with the Colorado Energy Office and the Colorado Department of Transportation to ensure local governments have the assistance and funding to plan a housing opportunity goal by the end of 2026. This housing bill also has environmental benefits. Transitoriented communities reduce reliance on cars, lower greenhouse gas emissions, and improve public health by promoting walkable, sustainable neighborhoods.

A separate bill, <u>SB 174</u>, requires local governments to assess their housing needs by the end of 2026. DOLA will publish the resulting reports on its website.

#### **Renters' Rights**

Renters won three major victories in 2024. **HB 1098** calls on landlords to offer lease extensions in case tenants need more time to renew their leases and forbids landlords from evicting tenants without good cause. **HB 1259** will protect tenants from price gouging after a disaster, such as a wildfire. The cap for landlords would either be a 10 percent increase or the same percentage hike as the previous year's rent raise, whichever is greater.

**SB 94** gives landlords a tighter deadline to repair their properties after a tenant complains about major issues, within 14 days for most issues and seven days for severe conditions endangering life, safety, or health. Some of the liability concerns addressed were adequate venting installation, heating and ventilation sources, and cooling systems.

#### **Construction Defect Efforts**

Lastly, legislators tried again and failed to reform that state's construction defect law. Builders say the law makes it too easy to sue, while condo owners and lawyers say they need the right to sue over shoddy construction. **SB 106** from Democrats and **SB 112** from Republicans both failed, as have previous efforts to change the law over several years.

# Budget and the Taxpayer's Bill of Rights

The state budget went back to "normal" in 2024 after benefitting from several years of a multibillion-dollar pandemic aid package from the federal government. But "normal" doesn't mean easy or dull. The Joint Budget Committee had to scramble to balance the budget when there wasn't enough money to pay for everything legislators and the governor wanted. They relied on \$450 million worth of accounting maneuvers that can only be used once. But since these maneuvers are funding ongoing programs, legislators will find themselves in the hole when they start the 2025-26 budget in November.

A few popular programs are in trouble, too. The free school lunch program that voters approved in 2022 ran short of money in the 2023-24 budget year. To revive the program, the legislature had to tap the state's savings account for schools, which is not a long-term solution.

A major budget problem popped up near the end of the session. The State Auditor and Attorney General agreed that a fee Colorado had been collecting from insurance companies had to be counted as revenue under the Taxpayer's Bill of Rights. That fee pays for high-profile programs such as reinsurance and OmniSalud, an innovative plan to bring low-cost insurance to immigrants without documentation. Because the revenue counts against the TABOR limit, the state has to refund every dollar the fee collects to taxpayers. Legislators quickly passed **HB 1470** to discontinue the fee. But now state officials must scramble for a way to fund these popular programs.

Overall, though, state spending patterns changed very little. Medicaid and K-12 education still account for more than half of the budget. Legislators' most notable budget success was to fully fund K-12 schools for 2024-25. Ever since the Great Recession more than 15 years ago, the state has imposed a cut to schools called the Budget Stabilization Factor. Legislators finally got rid of that cut for next year.

Public health scored a victory, as well, with \$11 million for local public health agencies and \$5.6 million to pay for disease control efforts at the state health department.

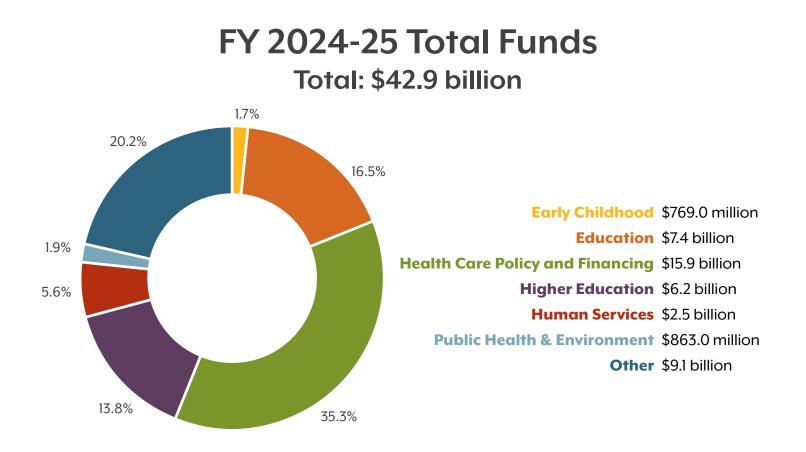


# A New Spin on an Old Law

Democrats have railed for more than 30 years at the Taxpayer's Bill of Rights, which requires the state to refund to taxpayers any excess money it collects beyond a limit that considers inflation and population growth. TABOR refunds have become very large — around \$2 billion in each of the next two years.

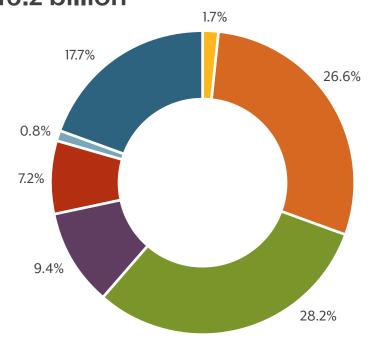
This year, Democrats embraced what they call TABOR gymnastics. They used the big refunds as an opportunity to pass more than \$1 billion in new tax credits, with most of the money going to reducing poverty through the Family Affordability Tax Credit, an expanded Earned Income Tax Credit, and a new credit for direct care workers, such as people who work in child care or nursing homes.

Every dollar the legislature pays out in these tax credits will reduce the TABOR refund to taxpayers by a dollar. This system should work fine as long as TABOR refunds stay large. But if the economy sours and TABOR refunds go away, these landmark anti-poverty policies might need to be reversed.



# FY 2024-25 General Fund Total: \$16.2 billion

Early Childhood	\$293.0 million
Education	\$4.7 billion
Health Care Policy and Financing	\$5.0 billion
<b>Higher Education</b>	\$1.7 billion
Human Services	\$1.3 billion
<b>Public Health &amp; Environment</b>	\$143 million
Other	\$3.1 billion



Source: FY 2024-25 Long Bill Narrative, reflects budget as originally introduced

# **Looking Ahead**

Many legislators are busy preparing for the 2024 election. All 65 seats in the House are up for election, as are 18 of the Senate's 35 seats. Twelve legislators are term-limited, including some of the leading experts in health policy.

Republicans are unlikely to take either chamber, which means the Democratic control of the House and Senate will likely last at least until 2026. But the GOP will be looking to chip away at Democratic majorities to set themselves up better for future elections.

Some of this year's legislative debates may continue in the courts. Republicans have such small minorities in the House and Senate that conservatives are starting to turn to lawsuits to fight legislation they oppose, such as firearms restrictions. It would not be surprising to see new lawsuits over some of the 2024 legislation.

The November election ballot will have six measures referred by the legislature. Voters will decide whether to formally remove Colorado's constitutional ban on samesex marriage and to enshrine the right to abortion in the state constitution, allowing state funding to pay for abortions. A proposed tax on firearms and ammunition will bring the hotly debated issue of gun control to voters in the fall.

Conservative activists have advanced a long list of proposed ballot measures: cuts in property and income taxes, changes to election procedures, shortening of the legislative session, increasing police funding, banning gender-affirming health care and trans athletes in youth sports, and other ideas. The November ballot could get pretty crowded if these measures get enough voter signatures this summer.

# The Toll of Term Limits

A wealth of health policy experience is leaving the legislature because of term limits.



#### Rep. Chris deGruy Kennedy D-Lakewood

The current Speaker Pro Tempore, deGruy Kennedy over the years has led legislation on hospital price transparency, health care payment reform, and substance use. He sponsored this year's child tax credit bill.



#### Sen. Rhonda Fields D-Aurora

Fields has chaired the Senate Health and Human Services Committee for six years and has sponsored a wide range of health policy bills. Over the past few years, she has focused on expanding insurance benefits for doula services.



#### Sen. Joann Ginal D-Fort Collins

Ginal has served as the vice chair of the Senate Health and Human Services Committee for four years. While she has helped run a variety of bills, Ginal — an endocrinologist by training — has focused on access to pharmaceuticals for those with chronic conditions and rare diseases.



#### Sen. Kevin Priola D-Henderson

Priola has become a persistent voice for legislation to address substance use disorders and overdoses. He served on the Opioid and Other Substance Use Disorders Study Committee and has championed bills to increase supports for those in recovery, as well as to authorize overdose prevention centers.



#### Sen. Jim Smallwood R-Parker

Smallwood chaired the Senate Health and Human Services committee in 2017 and 2018 and has served on the panel in the minority party since then. He is the Senate's foremost expert on private health insurance and has sponsored many bipartisan bills aimed at the health care workforce, pharmaceuticals, and insurance regulation.



# Conclusion

Legislators made great progress on child poverty in 2024. They also led the way for other states in regulating Al and neural sensors technologies that could increase discrimination and infringe on personal privacy if used improperly.

Coloradans can expect a year full of politics and policy. Cities and the state will have to figure out the new housing laws that aim to create denser housing. Legislators and child advocates will be watching closely as the state starts reforming its youth mental health system. A long ballot full of hot-button issues such as abortion, firearms, and possibly trans rights is waiting for voters in November. And when legislators return in January 2025, they probably will have the tightest budget the state has seen in years.

The legislative session is over, but there's still plenty of work to do.

#### A Note of Thanks

CHI thanks our legislative monitors, Jennifer Miles and Katie Pachan Jacobson at Frontline Public Affairs, who kept us up to date on 2024's busy legislative session.



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