

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 20-0241.02 Esther van Mourik x4215

SENATE BILL 20-019

SENATE SPONSORSHIP

Tate, Moreno

HOUSE SPONSORSHIP

Benavidez and Bockenfeld, Snyder

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE LEGISLATIVE OVERSIGHT**
102 **COMMITTEE CONCERNING TAX POLICY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Tax Expenditure Evaluation Interim Study Committee. The bill creates the legislative oversight committee concerning tax policy (committee), and the associated task force (task force).

The committee is required to consider the policy considerations contained in the tax expenditure evaluations prepared by the state auditor and is responsible for the oversight of the task force. The committee may

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 THAT HAVE RESULTED IN UNINTENDED CONSEQUENCES;

2 (d) THESE MODIFICATIONS MAY HAVE RESULTED IN THE TAX
3 BURDEN FOR FINANCING GOVERNMENT SERVICES AND PROGRAMS BEING
4 BORNE DISPROPORTIONATELY BY CERTAIN TAXPAYERS AND MAY HAVE
5 DIMINISHED COLORADO'S ABILITY TO ATTRACT NEW BUSINESSES AND
6 RETAIN EXISTING BUSINESSES THAT ARE VITAL TO THE ECONOMIC
7 WELL-BEING OF THE STATE AND ITS CITIZENS; AND

8 (e) IT IS NECESSARY TO REVIEW THE STATE'S CURRENT TAX POLICY.

9 (2) THEREFORE, THE GENERAL ASSEMBLY FURTHER FINDS AND
10 DECLARES THAT IT IS NECESSARY TO CREATE THE LEGISLATIVE OVERSIGHT
11 COMMITTEE CONCERNING TAX POLICY AND, IN ADDITION, TO ESTABLISH
12 THE COMMITTEE AS THE APPROPRIATE ENTITY TO REVIEW THE
13 EVALUATIONS OF TAX EXPENDITURES THAT ARE STATUTORILY COMPLETED
14 BY THE STATE AUDITOR.

15 **39-21-402. Definitions.** AS USED IN THIS PART 4, UNLESS THE
16 CONTEXT OTHERWISE REQUIRES:

17 (1) "LEGISLATIVE OVERSIGHT COMMITTEE" OR "COMMITTEE"
18 MEANS THE LEGISLATIVE OVERSIGHT COMMITTEE CONCERNING TAX
19 POLICY ESTABLISHED PURSUANT TO SECTION 39-21-403.

20

21 **39-21-403. Legislative oversight committee concerning tax**
22 **policy - creation - duties - report.** (1) **Creation.** (a) THERE IS HEREBY
23 CREATED A LEGISLATIVE OVERSIGHT COMMITTEE CONCERNING TAX
24 POLICY.

25 (b) THE COMMITTEE CONSISTS OF TEN MEMBERS AS FOLLOWS:

26 (I) THE PRESIDENT OF THE SENATE SHALL APPOINT TWO SENATORS
27 AND ONE NONLEGISLATIVE MEMBER WITH EXPERIENCE IN MATTERS OF TAX

1 POLICY, ECONOMICS, OR COMMERCE TO SERVE ON THE COMMITTEE, AND
2 THE MINORITY LEADER OF THE SENATE SHALL APPOINT ONE SENATOR AND
3 ONE NONLEGISLATIVE MEMBER WITH EXPERIENCE IN MATTERS OF TAX
4 POLICY, ECONOMICS, OR COMMERCE TO SERVE ON THE COMMITTEE; AND

5 (II) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
6 APPOINT TWO REPRESENTATIVES AND ONE NONLEGISLATIVE MEMBER
7 FROM A STATEWIDE ORGANIZATION REPRESENTING COLORADO COUNTIES,
8 MUNICIPALITIES, CITIES, OR TOWNS TO SERVE ON THE COMMITTEE, AND
9 THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES SHALL
10 APPOINT ONE REPRESENTATIVE AND ONE NONLEGISLATIVE MEMBER FROM
11 A STATEWIDE ORGANIZATION REPRESENTING COLORADO COUNTIES,
12 MUNICIPALITIES, CITIES, OR TOWNS TO SERVE ON THE COMMITTEE.

13 (c) (I) THE NONLEGISLATIVE MEMBERS SHALL SERVE AS
14 NON-VOTING MEMBERS OF THE COMMITTEE.

15 (II) APPOINTEES TO THE COMMITTEE MUST HAVE EXPERIENCE WITH
16 OR INTEREST IN THE STUDY AREAS OF THE COMMITTEE.

17 (III) APPOINTMENTS MUST BE MADE NO LATER THAN THIRTY DAYS
18 AFTER THE EFFECTIVE DATE OF THIS ACT.

19 (d) THE TERMS OF THE MEMBERS EXPIRE ON OR TERMINATE ON THE
20 CONVENING DATE OF THE FIRST REGULAR SESSION OF THE SEVENTY-THIRD
21 GENERAL ASSEMBLY. AS SOON AS PRACTICABLE AFTER SUCH CONVENING
22 DATE, BUT NO LATER THAN THE END OF THE LEGISLATIVE SESSION, THE
23 SPEAKER AND MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES AND
24 THE PRESIDENT AND THE MINORITY LEADER OF THE SENATE SHALL EACH
25 APPOINT OR REAPPOINT MEMBERS IN THE SAME MANNER AS PROVIDED IN
26 SUBSECTION (1)(b) OF THIS SECTION. THEREAFTER, THE TERMS OF
27 MEMBERS APPOINTED OR REAPPOINTED EXPIRE ON THE CONVENING DATE

1 OF THE FIRST REGULAR SESSION OF EACH GENERAL ASSEMBLY, AND ALL
2 SUBSEQUENT APPOINTMENTS AND REAPPOINTMENTS MUST BE MADE AS
3 SOON AS PRACTICABLE AFTER SUCH CONVENING DATE, BUT NO LATER
4 THAN THE END OF THE LEGISLATIVE SESSION.

5 (e) THE PERSON MAKING THE ORIGINAL APPOINTMENT OR
6 REAPPOINTMENT SHALL FILL ANY VACANCY BY APPOINTMENT FOR THE
7 REMAINDER OF AN UNEXPIRED TERM. MEMBERS APPOINTED OR
8 REAPPOINTED SERVE AT THE PLEASURE OF THE APPOINTING AUTHORITY
9 AND CONTINUE IN OFFICE UNTIL THE MEMBER'S SUCCESSOR IS APPOINTED.

10 (f) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
11 SELECT THE FIRST CHAIR OF THE COMMITTEE, AND THE PRESIDENT OF THE
12 SENATE SHALL SELECT THE FIRST VICE-CHAIR. THE CHAIR AND VICE-CHAIR
13 SHALL ALTERNATE ANNUALLY THEREAFTER BETWEEN THE TWO HOUSES.

14 (g) THE CHAIR AND VICE-CHAIR OF THE COMMITTEE MAY
15 ESTABLISH SUCH ORGANIZATIONAL AND PROCEDURAL RULES AS ARE
16 NECESSARY FOR THE OPERATION OF THE COMMITTEE.

17 (h) (I) LEGISLATIVE MEMBERS OF THE COMMITTEE ARE ENTITLED
18 TO RECEIVE COMPENSATION AND REIMBURSEMENT OF EXPENSES AS
19 PROVIDED IN SECTION 2-2-326.

20 (II) THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL,
21 THE DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES, AND THE
22 STATE AUDITOR SHALL SUPPLY STAFF ASSISTANCE TO THE COMMITTEE AS
23 EACH DEEMS APPROPRIATE, WITHIN EXISTING APPROPRIATIONS.

24 (2) **Duties.** (a) THE COMMITTEE SHALL MEET AT LEAST FOUR
25 TIMES EACH YEAR AND AT SUCH OTHER TIMES AS IT DEEMS NECESSARY.

26
27 (b) THE COMMITTEE SHALL CONSIDER THE POLICY

1 RECOMMENDATIONS CONTAINED IN THE TAX EXPENDITURE EVALUATIONS
2 PREPARED BY THE STATE AUDITOR PURSUANT TO SECTION 39-21-305.

3 (c) THE COMMITTEE SHALL STUDY TAX POLICY AND MAY DEVELOP
4 ANY MODIFICATIONS TO THE CURRENT SYSTEM OF STATE AND LOCAL
5 TAXATION.

6 (d) UPON REQUEST BY A LEGISLATOR OR A LEGISLATIVE MEMBER
7 OF THE COMMITTEE, THE COMMITTEE SHALL PROVIDE EVIDENCE-BASED
8 FEEDBACK ON THE POTENTIAL BENEFITS OR CONSEQUENCES OF A
9 LEGISLATIVE OR OTHER POLICY PROPOSAL NOT DIRECTLY AFFILIATED WITH
10 OR GENERATED BY THE COMMITTEE, INCLUDING ANY BILL OR RESOLUTION
11 INTRODUCED BY THE GENERAL ASSEMBLY THAT AFFECTS TAX POLICY. THE
12 FEEDBACK MUST BE PROVIDED WITHIN TWO WEEKS OF THE REQUEST AND
13 REMAIN AS CONCISE AS POSSIBLE WHILE CAPTURING ANY AVAILABLE
14 EVIDENCE. IF THE COMMITTEE CANNOT IDENTIFY EVIDENCE TO
15 EFFECTIVELY INFORM A RESPONSE, THE FEEDBACK WILL INDICATE A LACK
16 OF EVIDENCE.

17 (e) THE COMMITTEE MAY WORK WITH AND DEVELOP
18 RELATIONSHIPS WITH OTHER STATE AGENCIES, GROUPS, INTERIM
19 LEGISLATIVE COMMITTEES, TASK FORCES, ORGANIZATIONS, OR STATEWIDE
20 INITIATIVES THAT ARE PURSUING ISSUES AND POLICY INITIATIVES SIMILAR
21 TO THOSE ADDRESSED IN THIS SUBSECTION (2) IN ORDER TO LEVERAGE
22 EFFICIENT POLICY-MAKING OPPORTUNITIES THROUGH COLLABORATIVE
23 EFFORTS.

24 (f) THE COMMITTEE MAY RECOMMEND LEGISLATIVE CHANGES
25 THAT ARE TREATED AS BILLS RECOMMENDED BY AN INTERIM LEGISLATIVE
26 COMMITTEE FOR PURPOSES OF ANY INTRODUCTION DEADLINES OR BILL
27 LIMITATIONS IMPOSED BY THE JOINT RULES OF THE GENERAL ASSEMBLY.

1 (g) ON OR BEFORE JANUARY 15 OF EACH YEAR, THE COMMITTEE
2 SHALL SUBMIT, AND MAKE PUBLICLY AVAILABLE ON ITS WEBSITE, A
3 REPORT TO THE GENERAL ASSEMBLY. THE ANNUAL REPORT MUST BRIEFLY
4 SUMMARIZE THE STUDY ISSUES, RECOMMENDATIONS CONSIDERED, AND
5 ANY ACTIONS TAKEN BY THE COMMITTEE DURING THE PREVIOUS YEAR.
6 THE REPORT MUST COMPLY WITH THE PROVISIONS OF SECTION 24-1-136
7 (9). NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT
8 IN THIS SECTION TO REPORT TO THE GENERAL ASSEMBLY CONTINUES
9 INDEFINITELY.

10

11

12

13

39-21-404. Repeal of part. THIS PART 4 IS REPEALED, EFFECTIVE
JULY 1, 2025.

14

15

16

SECTION 2. Safety clause. The general assembly hereby finds,
determines, and declares that this act is necessary for the immediate
preservation of the public peace, health, or safety.