

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0132.01 Esther van Mourik x4215

HOUSE BILL 20-1083

HOUSE SPONSORSHIP

Kraft-Tharp and Van Winkle,

SENATE SPONSORSHIP

Holbert,

House Committees

Transportation & Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE DEFINITION OF A NURSING HOME FOR PURPOSES OF
102 THE RESIDENTIAL REAL PROPERTY CLASSIFICATION.

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>.)

According to a memorandum issued by the state's property tax administrator on April 17, 2019, facilities that provide long-term nursing, rest, and assisted living services, where residents reside for more than 30 days, are classified as residential properties. However, facilities that provide short-term convalescent care and rehabilitation services, where patrons visit the facility periodically or temporarily reside there for less

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.

than 30 days, are valued and classified according to the procedures for nonresidential property.

The bill defines a nursing home to include, among other things, a nursing home that provides convalescent care and rehabilitation services. The bill specifies that land on which a nursing home is situated and any improvements affixed to that land is classified and assessed as residential real property, regardless of a resident's length of stay.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-102, **amend**
3 (14.5); and **add** (8.6) as follows:

4 **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39,
5 unless the context otherwise requires:

6 (8.6) "NURSING HOME" MEANS A HEALTH FACILITY, REGARDLESS
7 OF A RESIDENT'S LENGTH OF STAY, LICENSED BY THE DEPARTMENT OF
8 PUBLIC HEALTH AND ENVIRONMENT UNDER SECTION 25-1.5-103 (1) AND
9 THAT MEETS THE DEFINITION OF A NURSING CARE FACILITY SET FORTH IN
10 6 CCR 1011-1, CHAPTER 5, SECTION 2, AS IN EFFECT ON THE EFFECTIVE
11 DATE OF THIS ACT, INCLUDING A NURSING HOME THAT PROVIDES
12 CONVALESCENT CARE OR REHABILITATION SERVICES SUCH AS PHYSICAL
13 AND OCCUPATIONAL THERAPY.

14 (14.5) "Residential real property" means residential land, **and**
15 residential improvements, AND NURSING HOMES AS DEFINED IN
16 SUBSECTION (8.6) OF THIS SECTION, REGARDLESS OF A RESIDENT'S LENGTH
17 OF STAY, but does not include hotels and motels as defined in subsection
18 (5.5) of this section.

19 **SECTION 2.** In Colorado Revised Statutes, 39-1-103, **add** (10.7)
20 as follows:

21 **39-1-103. Actual value determined - when.** (10.7) (a) THE
22 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

1 (I) A NURSING HOME IS A UNIQUE RESIDENTIAL PROPERTY THAT IS
2 THE RESIDENCE OF THE INDIVIDUALS LIVING THERE AT THE TIME,
3 REGARDLESS OF THEIR LENGTH OF STAY;

4 (II) THERE APPEARS TO BE A DISCREPANCY IN HOW ASSESSING
5 OFFICERS ARE CLASSIFYING NURSING HOMES FOR PURPOSES OF
6 CALCULATING PROPERTY TAX; AND

7 (III) THEREFORE, IT IS IMPORTANT FOR THE GENERAL ASSEMBLY
8 TO CLARIFY THAT ALL NURSING HOMES, REGARDLESS OF A RESIDENT'S
9 LENGTH OF STAY, MUST BE CLASSIFIED AS RESIDENTIAL REAL PROPERTY.

10 (b) FOR PROPERTY TAX YEARS COMMENCING ON AND AFTER
11 JANUARY 1, 2021, LAND ON WHICH A NURSING HOME IS SITUATED AND
12 ANY IMPROVEMENTS AFFIXED TO THAT LAND ARE CLASSIFIED AND
13 ASSESSED AS RESIDENTIAL REAL PROPERTY, REGARDLESS OF A RESIDENT'S
14 LENGTH OF STAY.

15 **SECTION 3. Act subject to petition - effective date.** This act
16 takes effect at 12:01 a.m. on the day following the expiration of the
17 ninety-day period after final adjournment of the general assembly (August
18 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
19 referendum petition is filed pursuant to section 1 (3) of article V of the
20 state constitution against this act or an item, section, or part of this act
21 within such period, then the act, item, section, or part will not take effect
22 unless approved by the people at the general election to be held in
23 November 2020 and, in such case, will take effect on the date of the
24 official declaration of the vote thereon by the governor.