

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 22-0854.01 Jessica Herrera x4218

HOUSE BILL 22-1296

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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>.)

Under current law, 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 than 30 days, are valued and classified according to the procedures for

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.

SENATE
3rd Reading Unamended
April 27, 2022

SENATE
2nd Reading Unamended
April 26, 2022

HOUSE
3rd Reading Unamended
April 14, 2022

HOUSE
Amended 2nd Reading
April 13, 2022

nonresidential property.

The bill defines a nursing home as a licensed nursing care facility, including a nursing care facility 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 are 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 **(14.3)**; 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) (a) "NURSING HOME" MEANS A NURSING CARE FACILITY,
7 REGARDLESS OF A RESIDENT'S LENGTH OF STAY, THAT IS LICENSED BY THE
8 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT UNDER SECTION
9 25-1.5-103 (1) AND THAT MEETS THE DEFINITION OF A NURSING CARE
10 FACILITY AS SET FORTH IN THE DEPARTMENT OF PUBLIC HEALTH AND
11 ENVIRONMENT REGULATIONS, INCLUDING A NURSING CARE FACILITY THAT
12 PROVIDES CONVALESCENT CARE OR REHABILITATION SERVICES SUCH AS
13 PHYSICAL AND OCCUPATIONAL THERAPY.

14 (b) AS USED IN THIS SUBSECTION (8.6), "NURSING CARE FACILITY"
15 MEANS A LICENSED HEALTH CARE ENTITY THAT IS PLANNED, ORGANIZED,
16 OPERATED, AND MAINTAINED TO PROVIDE SUPPORTIVE, RESTORATIVE, AND
17 PREVENTATIVE SERVICES TO PERSONS WHO, DUE TO PHYSICAL OR MENTAL
18 DISABILITY, REQUIRE CONTINUOUS OR REGULAR INPATIENT NURSING CARE.

19 (14.3) "Residential improvements" means a building, or that
20 portion of a building, designed for use predominantly as a place of
21 residency by a person, a family, or families. The term includes buildings,
22 structures, fixtures, fences, amenities, and water rights that are an integral

1 part of the residential use. The term also includes a manufactured home
2 as defined in subsection (7.8) of this section, a mobile home as defined
3 in subsection (8) of this section, ~~and~~ a modular home as defined in
4 subsection (8.3) of this section, AND A NURSING HOME AS DEFINED IN
5 SUBSECTION (8.6) OF THIS SECTION, REGARDLESS OF A RESIDENT'S LENGTH
6 OF STAY.

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

9 **39-1-103. Actual value determined - when - legislative**
10 **declaration.** (10.7) (a) THE GENERAL ASSEMBLY HEREBY FINDS AND
11 DECLARES THAT:

12 (I) A NURSING HOME IS A UNIQUE RESIDENTIAL PROPERTY THAT IS
13 THE RESIDENCE OF THE INDIVIDUALS LIVING THERE AT THE TIME,
14 REGARDLESS OF THEIR LENGTH OF STAY; AND

15 (II) THERE IS A DISCREPANCY IN HOW ASSESSING OFFICERS
16 CLASSIFY NURSING HOMES THAT PROVIDE SHORT-TERM SERVICES AND
17 NURSING HOMES THAT PROVIDE LONGER-TERM SERVICES FOR PURPOSES OF
18 CALCULATING PROPERTY TAX.

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

22 (b) FOR PROPERTY TAX YEARS COMMENCING ON AND AFTER
23 JANUARY 1, 2023, LAND USED FOR A NURSING HOME AND ANY
24 IMPROVEMENTS AFFIXED TO THAT LAND FOR THE USE OF THE NURSING
25 HOME ARE CLASSIFIED AND ASSESSED AS RESIDENTIAL REAL PROPERTY,
26 REGARDLESS OF A RESIDENT'S LENGTH OF STAY.

27 **SECTION 3. Act subject to petition - effective date.** This act

1 takes effect at 12:01 a.m. on the day following the expiration of the
2 ninety-day period after final adjournment of the general assembly; except
3 that, if a referendum petition is filed pursuant to section 1 (3) of article V
4 of the state constitution against this act or an item, section, or part of this
5 act within such period, then the act, item, section, or part will not take
6 effect unless approved by the people at the general election to be held in
7 November 2022 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor.