

**NOTICE OF ELECTION TO INCREASE
TAXES ON A REFERRED MEASURE**

**2022 State Ballot
Information Booklet**

**STATEWIDE ELECTION DAY
is Tuesday, November 8, 2022**

Voter service and polling centers are open 7 a.m. to 7 p.m. on Election Day.
Ballots are mailed to all registered voters between October 17 and October 21, 2022.





Dedicate Revenue for Affordable Housing Programs

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 123 proposes amending the Colorado statutes to:

- set aside a portion of annual state income tax revenue for affordable housing programs;
- exempt that money from the state’s revenue limit, thereby reducing the amount of money collected above the limit that is returned to taxpayers; and
- establish eligible uses for this money.

What Your Vote Means

YES A “yes” vote on Proposition 123 sets aside money for new affordable housing programs and exempts this money from the state’s revenue limit.

NO A “no” vote on Proposition 123 means that state revenue will continue to be spent on priorities as determined by the state legislature or returned to taxpayers, as under current law.

Summary and Analysis for Proposition 123

What does the measure do?

The measure sets aside a portion of annual income tax revenue from the state General Fund, up to 0.1 percent of taxable income each year, for affordable housing programs administered by the state Office of Economic Development and International Trade (OEDIT) and the Colorado Department of Local Affairs (DOLA). This amount, which the measure exempts from the state’s constitutional revenue limit, is estimated to be \$145 million in state budget year 2022-23 and \$290 million in state budget year 2023-24 and beyond. The measure specifies the uses for the dedicated funds, including:

- grants and loans to local governments and nonprofit organizations to acquire and preserve land for affordable housing development;
- assistance to develop affordable, multi-family rental housing;
- equity investments in affordable housing projects, including a program to share home equity with tenants;
- home ownership programs and down payment assistance for first-time homebuyers;
- a program addressing homelessness through rental assistance and eviction defense; and
- grants to increase the capacity of local government planning departments.

Table 1
Examples of Area Median Income in Colorado for a Four-Person Household

Area (County or Metro Area)	Median Income	60% of Median
Boulder County	\$125,400	\$75,200
Denver-Aurora-Lakewood	\$117,800	\$70,700
Mesa County	\$83,500	\$50,100
Pueblo County	\$68,600	\$41,200
Alamosa County	\$53,400	\$32,000

Source: FY 2022 Rounded MFI Estimate, U.S. Department of Housing and Urban Development.

The measure requires that this funding add to, and not replace, existing state funds spent on affordable housing.

What is affordable housing?

The measure defines affordable housing based on two factors: household income and housing costs. For certain programs, a household’s income is compared to the area median income, or the midpoint of what households in a specific area earn. As defined in the measure, affordable housing means housing for renters making up to 60

percent of the area median income, or homeowners making up to 100 percent of the area median income. Some of the new programs may benefit households at higher income levels. Table 1 shows examples of area median income for several areas in Colorado.

For a housing unit or project to qualify as affordable housing, housing costs must not exceed 30 percent of the household's income. Housing costs typically consist of rent or mortgage payments, but may include other costs such as utilities.

What is the state currently doing to support affordable housing?

The state partners with local communities to increase and preserve Colorado's affordable housing stock, manage rental assistance vouchers, and address homelessness. The DOLA serves households with varied income levels and circumstances with grants and loans to provide developers, community organizations, public housing authorities, and local governments with money to acquire, modernize, and build housing and to assist buyers with down payments for homes. The current budget for the department's affordable housing initiatives is about \$200 million, about half of which is from state sources, with the rest coming from federal sources.

Since 2021, the state has allocated over \$1.2 billion from the federal American Rescue Plan Act (ARPA) of 2021 for affordable housing and services that address housing insecurity, lack of affordable and workforce housing, or homelessness. These are one-time funds that will be spent over the next several years specifically on:

- emergency rental assistance;
- homeowner mortgage assistance;
- tax credits for developers;
- housing and infrastructure; and
- other housing solutions, such as manufactured homes.

How do the programs created by Proposition 123 work?

The measure creates the following programs with a focus on higher density, environmentally sustainable projects serving households with a range of income levels. For projects to qualify for funding, the local governments where the projects are located must commit to increasing affordable housing by 3 percent each year and create a fast-track approval process for affordable housing projects. If a local government chooses not to meet these requirements, or if it fails to achieve its affordable housing goals, projects in that municipality or county will be temporarily ineligible for funding from these programs.

Table 2 describes each proposed program, including the state agency that oversees it and the amount of money the program will receive based on the estimated \$290 million set aside in state budget year 2023-24. Note that programs

Land Banking	OEDIT	\$26.1 million - \$43.5 million
Provides grants to local governments and loans to nonprofit organizations with a history of providing affordable housing. The funds help buy land for affordable housing development.		
Affordable Housing Equity	OEDIT	\$69.6 million - \$121.8 million
Invests in new and existing low- and middle-income, multi-family rental units. Provides renters living in these units for at least a year with a share of the money made on the development, called a tenant equity vehicle. This money may be used for the renters' future purchase of a home, such as a down payment.		
Concessionary Debt	OEDIT	\$26.1 million - \$60.9 million
Finances new and existing low- and middle-income multi-family rental units, projects that qualify for federal low-income housing tax credits, and modular and factory-built housing manufacturers.		
Affordable Home Ownership	DOLA	up to \$58.0 million
Offers down payment assistance to first-time homebuyers. Makes grants or loans to nonprofits and community land trusts to support home ownership, and to mobile home owners' associations to help purchase mobile home parks.		
Homelessness	DOLA	up to \$52.2 million
Provides rental assistance, housing vouchers, and eviction defense to people experiencing, or at risk of experiencing, homelessness. Makes grants or loans to support new and existing supportive housing for people experiencing homelessness.		
Local Government Capacity Building	DOLA	up to \$5.8 million
Provides grants to local governments to support their planning departments in processing land use, permit, and zoning applications for housing projects.		
<i>OEDIT is the Office for Economic Development and International Trade.</i>		
<i>DOLA is the Department of Local Affairs.</i>		

overseen by OEDIT are run by a third-party administrator. A range of funding is available for these programs, as shown in the table. Some of the money for each program will be used for administrative expenses.

How does the measure affect TABOR refunds?

The income tax revenue that is set aside under the measure is considered a voter-approved revenue change and is therefore not subject to the state's constitutional revenue limit, also called the Taxpayer's Bill of Rights (TABOR) limit. TABOR limits state government revenue to an amount adjusted annually for inflation and population growth. Revenue collected under the limit may be spent or saved. Revenue collected over the limit must be returned to taxpayers unless voters approve a measure allowing the government to keep it.

In years where state revenue exceeds the TABOR limit, the measure reduces the money returned to taxpayers by the amount of income tax revenue that the measure allows the state to keep. In years where state revenue is below the TABOR limit, the measure does not impact TABOR refunds, but may reduce the amount of money available for the rest of the state budget. In this case, the measure allows the state legislature to reduce part of the new funding to the affordable housing programs to balance the state budget. The state currently expects to return money collected above the limit through at least the 2023-24 budget year.

For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022 election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

Arguments For Proposition 123

- 1) The measure creates a source of funds to tackle housing issues without raising tax rates, and gives local communities the flexibility to respond to their specific needs. The state and local governments are not doing enough to keep Colorado affordable.
- 2) Colorado's housing prices make it too hard for many households to afford rent or to buy their own home. The new programs help Coloradans participate in the housing market now and in the future. Creating more homes will allow residents and essential workers to remain in their communities.

Arguments Against Proposition 123

- 1) Many of these programs do not address the underlying causes of high housing costs. Pumping money into the market may distort it further, and the real beneficiaries will be landlords and housing developers. This is neither the role of government nor the best use of public resources.
- 2) The measure is unnecessary and will reduce Coloradans' future TABOR refunds. The state already provides resources to support affordable housing, including over \$1 billion in federal stimulus funds allocated in recent years. This measure diverts money away from the state's budgeting process—money that goes toward priorities as determined by the legislature through deliberation and consultation with stakeholders and constituents—and instead sets aside money in a fund with fixed uses.

Fiscal Impact for Proposition 123

Proposition 123 increases state government spending by transferring money from the state General Fund to pay for affordable housing programs. While the measure does not change state revenue, it reduces the amount returned to taxpayers in years when state revenue is over the TABOR revenue limit. These impacts are discussed below. The state budget year runs from July 1 through June 30.

Transfers of state funds. Proposition 123 transfers an estimated \$145 million in the 2022-23 budget year and \$290 million in the 2023-24 budget year and later years. These amounts are divided between programs in the Office of Economic Development and International Trade, which receives 60 percent, and the Department of Local Affairs, which receives 40 percent.

State spending. The money transferred under Proposition 123 is required to be spent for affordable housing programs and for administration of those programs. Programs are funded the year after the transfer occurs. For example, the money transferred in the 2022-23 budget year pays for programs in the 2023-24 budget year, and so on.

- **Office of Economic Development and International Trade.** Sixty percent of total transfers are paid to the Affordable Housing Financing Fund, estimated at \$87 million in the 2022-23 budget year and \$174 million in the 2023-24 budget year. Money in the fund is spent for the land banking program, the affordable housing equity program, and the concessionary debt program. A third party administrator is allowed to keep 2 percent of funds for its administrative costs.
- **Department of Local Affairs.** Forty percent of total transfers are paid to the Affordable Housing Support Fund, estimated at \$58 million in the 2022-23 budget year and \$116 million in the 2023-24 budget year. Money in the fund is spent for the affordable homeownership program, the homelessness program, and the local capacity development program. The department is allowed to keep 5 percent of funds for its administrative costs.

Taxpayer impacts. Proposition 123 will decrease the amount to be returned to taxpayers for years when state revenue is over the TABOR revenue limit. Any money left over at the end of the fiscal year remains in the fund rather than be returned to taxpayers. Based on forecasts from June 2022, Proposition 123 is expected to decrease the amount returned by \$145 million in tax year 2023 and \$290 million in tax year 2024. The impacts on taxpayers depend on how this money would be returned. Based on the number of income tax returns for tax year 2018, Proposition 123 is estimated to decrease the amount returned by \$43 per taxpayer in tax year 2023 and \$86 per taxpayer in tax year 2024.



Increase Allowable Liquor Store Locations

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 124 proposes amending the Colorado statutes to:

- allow retail liquor stores to apply to state and local governments to open additional locations on a phased-in schedule, with no limit on the number of permissible locations after 2037.

What Your Vote Means

YES A “yes” vote on Proposition 124 allows retail liquor stores to apply for and, if approved, increase the number of locations over time, with no limit on the number of locations after 2037.

NO A “no” vote on Proposition 124 retains current law that limits retail liquor stores to a total of three locations in the state through 2026, and a total of four locations thereafter.

Summary and Analysis for Proposition 124

Currently, retail liquor stores are limited to three locations per licensee, with four locations allowed beginning in 2027. Under this measure, retail liquor stores would be allowed to apply for the same number of locations as liquor-licensed drugstores (grocery stores with a pharmacy that sell beer, wine, and spirits), as shown in Table 1.

Any new locations are required to be at least 1,500 feet away from other retail liquor stores. Additionally, in order to

open a new retail liquor store location, licensees must follow the current state and local government licensing protocols related to background checks, documentation, and a public hearing on the needs and desires of the neighborhood. Additional information about retail liquor stores can be found in the summary and analysis for Proposition 125.

This measure does not impact grocery and convenience stores that currently sell only beer, which are allowed to have an unlimited number of locations.

Table 1
Maximum Retail Liquor Store Locations Under Current Law and Under Proposition 124

Timeframe	Retail Liquor Stores*		Liquor-Licensed Drugstores**
	Current Law	Proposition 124	
Prior to January 1, 2017	1	N/A	1
January 1, 2017 – December 31, 2021	2	N/A	5
January 1, 2022 – December 31, 2026	3	8	8
January 1, 2027 – December 31, 2031	4	13	13
January 1, 2032 – December 31, 2036	4	20	20
After January 1, 2037	4	Unlimited	Unlimited

*Only stores licensed prior to 2016 may apply for additional locations, both under current law and under this measure.

**Grocery stores with pharmacies licensed to sell all types of alcohol, including beer and other fermented malt beverages (e.g., hard seltzer and hard lemonade), wine and other vinous liquors (e.g., wine coolers, sake, cider, and mead), and spirits. New licensees must buy out two retail liquor stores, including all stores within a 1,500 feet radius (approximately three or four city blocks), or 3,000 feet in small communities.

For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022 election, go to the Colorado Secretary of State’s elections center web site hyperlink for ballot and initiative information:

<https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

Argument For Proposition 124

- 1) This measure brings parity to retail liquor stores that have been disadvantaged by the limited number of allowed locations. Currently, grocery store chains that are licensed to sell beer, wine, and spirits are permitted many more locations than retail liquor stores, with unlimited locations beginning in 2037. Meanwhile, retail liquor stores are limited to a total of four locations beginning in 2027. Proposition 124 addresses a long-term competitive disadvantage for retail liquor stores relative to large grocery store chains.

Argument Against Proposition 124

- 1) Proposition 124 creates a disadvantage for small, locally owned liquor stores that may not have the capacity or desire to expand, and instead benefits large retail liquor store chains that have more resources. Current law is designed to ensure that neighborhood liquor stores can continue to compete with other retail liquor stores. Many of these small businesses are owned by minorities and women, who may lose customers as a result of increased competition from large retail liquor store chains.

Fiscal Impact for Proposition 124

State revenue. The measure may increase state revenue from new retail liquor store licenses and ongoing renewals; however, the net impact of the change is assumed to be less than \$10,000 per year. Revenue is from state and local liquor licensing fees and is split between state cash funds and the General Fund.

State spending. The measure minimally increases workload for the Liquor Enforcement Division in the Department of Revenue to perform rulemaking, process applications for new retail liquor stores, and conduct enforcement.

Local government. The measure will minimally increase workload for local licensing authorities to process applications for new retail liquor stores and revenue from local application and licensing fees.



Allow Grocery and Convenience Stores to Sell Wine

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 125 proposes amending the Colorado statutes to:

- allow grocery stores and convenience stores that sell beer to also sell wine, by automatically converting beer retail licenses to beer and wine retail licenses, beginning March 2023.

What Your Vote Means

YES A “yes” vote on Proposition 125 allows licensed grocery and convenience stores that currently sell beer to also sell wine.

NO A “no” vote on Proposition 125 means that licensed grocery and convenience stores may continue selling beer, but not wine.

Summary and Analysis for Proposition 125

What does the measure do?

Under the measure, all fermented malt beverage retailer licenses will be automatically converted to allow licensees to also sell wine and other vinous liquors (such as wine coolers, sake, cider, and mead), and to conduct alcohol tastings, beginning March 1, 2023. These licensees include grocery and convenience stores that currently sell fermented malt beverages (such as beer, hard seltzer, and hard lemonade) for off-premises consumption. This measure does not impact the types of alcohol that may be sold by restaurants, bars, and other establishments.

What are the current types of retail alcohol stores and what are the key differences in laws governing them?

License Type	Current Licensees*	Current Allowable Locations Per Licensee	Additional Phase-In of Allowable Locations
Fermented Malt Beverage Retailer Grocery and convenience stores licensed to sell beer and other fermented malt beverages (e.g., hard seltzer and hard lemonade). New licensees must be located 500 feet from another retail store.	1,819	Unlimited	N/A
Liquor-Licensed Drugstore Grocery stores with pharmacies licensed to sell all types of alcohol, including fermented malt beverages, wine and other vinous liquors (e.g., wine coolers, sake, cider, and mead), and spirits. New licensees must buy out two retail liquor stores, including all stores within a 1,500 feet radius (approximately three or four city blocks), or 3,000 feet in smaller communities.	26	8	13 beginning in 2027; 20 beginning in 2032; unlimited beginning in 2037
Retail Liquor Store Liquor stores licensed to sell all types of alcohol. New licensees must be located at least 1,500 feet away from other retail stores.	1,592	3	4 beginning in 2027

Source: Liquor Enforcement Division, Department of Revenue.
*Licensees as of June 30, 2021.

In 2016, the legislature made significant changes to the laws governing retail alcohol sales for the first time since the end of Prohibition. As a result, retail liquor stores and liquor-licensed drugstores (grocery stores with a pharmacy that sell beer, wine, and spirits), which had been limited to one location per licensee, were allowed additional locations on a phased-in schedule, shown in

Table 1. Additionally, grocery and convenience stores licensed to sell 3.2 beer (fermented malt beverage retailers) were permitted to automatically begin selling full-strength beer.

Operational requirements. All of the stores discussed above:

- may not sell alcohol to individuals under the age of 21 or to those who appear intoxicated;
- may not sell alcohol between midnight and 8:00 a.m.;

- may not sell alcohol below cost, must purchase alcohol from licensed wholesalers, and may not have a vested interest in any manufacturer or wholesaler license;
- must require employees handling alcohol to be at least 18 years of age;
- may deliver alcohol using their own employees who are at least 21 years of age and using a store-owned vehicle;
- have to be located at least 500 feet away from any school; and
- must be licensed by both the state and local government.

Only liquor stores and liquor-licensed drugstores may conduct alcohol tastings, once approved by the local government. Fermented malt beverage retailers and liquor-licensed drugstores must receive approval from the state and local government before significantly expanding or modifying where alcohol is sold in the store.

For more information about retail alcohol sales, please refer to this legislative memo about Off-Premises Retail Liquor Licensing: <http://leg.colorado.gov/publications/premises-retail-liquor-licensing>.

For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022 election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

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Argument For Proposition 125

- 1) Consumers want the convenience of buying wine with groceries. This measure builds on the existing system to allow adults to buy wine in grocery and convenience stores, just as they do now with beer and other fermented malt beverages. These stores provide a safe and well-regulated environment to ensure responsible alcohol sales.

Argument Against Proposition 125

- 1) The measure creates a disadvantage for small, locally owned liquor stores, and instead benefits large national grocery and convenience store chains. The automatic license conversion will more than double the number of stores where wine can be sold, without any community input or state or local government review.

Fiscal Impact for Proposition 125

State spending. Costs and workload in the Department of Revenue will increase to process automatic license conversions for approximately 1,820 fermented malt beverage retailers. Costs include \$5,000 in one-time computer programming.

Local government. Similar to the state, local liquor licensing authorities will have an increase in workload to process automatic license conversions.



Third-Party Delivery of Alcohol Beverages

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 126 proposes amending the Colorado statutes to:

- allow third-party companies to deliver alcohol directly to customers on behalf of grocery stores, convenience stores, liquor stores, bars, restaurants, and other liquor-licensed businesses; and
- permanently allow takeout and delivery of alcohol from bars and restaurants, which is currently scheduled to repeal in 2025.

What Your Vote Means

YES A “yes” vote on Proposition 126 allows third-party companies to deliver alcohol from grocery stores, convenience stores, liquor stores, bars, restaurants, and other liquor-licensed businesses, and makes takeout and delivery of alcohol from bars and restaurants permanently available.

NO A “no” vote on Proposition 126 maintains current law, which requires businesses to use their own employees to deliver alcohol. Bars and restaurants may offer takeout and delivery of alcohol until July 2025.

Summary and Analysis for Proposition 126

What are current policies related to alcohol delivery?

Current Colorado law permits grocery stores, convenience stores, liquor stores, bars, restaurants, and other liquor-licensed businesses to deliver alcohol to customers, but they must use their own employees who are 21 years of age or older and follow other restrictions depending on their license type. Alcohol delivery by liquor stores has been allowed since 1994, by wineries since 1997, by grocery and convenience stores since 2019, and by bars and restaurants since 2020. Alcohol takeout and delivery by bars and restaurants is scheduled to repeal in July 2025.

What does the measure do?

Under Proposition 126, grocery stores, convenience stores, liquor stores, bars, restaurants, and other liquor-licensed businesses will be allowed to contract with third-party companies, such as grocery and meal delivery services, to deliver alcohol to customers beginning March 1, 2023. The measure also changes current law to permanently allow alcohol takeout and delivery by bars and restaurants.

The measure outlines requirements for third-party alcohol delivery companies, including the requirement that companies obtain a delivery permit, follow various safety provisions, and submit proof of liability insurance. All individuals who deliver alcohol through a third-party delivery company are required to be 21 years of age or older, complete a certification program, verify the recipient’s legal age at the time of delivery, and refuse delivery to anyone who fails to provide proof of age or appears intoxicated. The measure also makes third-party delivery companies and workers liable for alcohol delivery violations and removes retail liquor licensees’ liability once alcohol is transferred to the third-party.

Retail alcohol stores and bars and restaurants are currently limited in the amount of revenue they may earn from alcohol delivery. The measure removes those restrictions. Limits on the amount of alcohol that may be offered for delivery or takeout from bars and restaurants remain in law, which are approximately equivalent to 2 bottles of wine, 12 cans of beer, and 1 liter of spirits per order.

For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022 election, go to the Colorado Secretary of State’s elections center web site hyperlink for ballot and initiative information:

<https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

Argument For Proposition 126

- 1) The delivery of groceries and restaurant meals has become a convenience that Coloradans expect and continue to use. Allowing third-party delivery services to deliver alcohol will let many more stores and restaurants utilize delivery without having to devote the resources to meet burdensome requirements in current law. As a result, Coloradans will have more options available when supporting stores and restaurants from the comfort of home.

Argument Against Proposition 126

- 1) The measure expands alcohol delivery options without the safeguards available in a physical store or restaurant that ensure alcohol is not sold to minors. Currently, retail liquor licensees make deliveries using their own trained employees and are liable for any violation. Under this measure, retailers are not liable once alcohol leaves their premises, and enforcement of third-party alcohol delivery laws is expected to be more difficult as a result.

Fiscal Impact for Proposition 126

State revenue and spending. The measure increases costs in the Department of Revenue by an estimated \$120,000 and 1.2 FTE per year, paid for by equivalent revenue from delivery permit fees. The department requires additional administrative and enforcement staff to process applications and conduct delivery compliance checks. Exact licensing fee revenue to the state will depend on the number of applicants and the fee schedule set by the department.

Local government. Any impact to local liquor licensing authorities is expected to be minimal, as the third-party delivery permitting will be administered by the state licensing authority. To the extent that local jurisdictions increase enforcement, workload and costs will increase.



Titles and Text

Amendment D New 23rd Judicial District Judges

The ballot title below is a summary drafted by the professional legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado constitution. The text of the measure that will appear in the Colorado constitution below was referred to the voters because it passed by a two-thirds majority vote of the state senate and the state house of representatives.

Ballot Title:

Shall there be an amendment to the Colorado constitution concerning judges of the newly created twenty-third judicial district, and, in connection therewith, directing the governor to designate judges from the eighteenth judicial district to serve the remainder of their terms in the twenty-third judicial district and requiring a judge so designated to establish residency within the twenty-third judicial district?

Text of Measure:

Be It Resolved by the House of Representatives of the Seventy-third General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the election held on November 8, 2022, the secretary of state shall submit to the registered electors of the state the ballot title set forth in section 2 for the following amendment to the state constitution:

In the constitution of the state of Colorado, section 10 of article VI, **add** (5) as follows:

Section 10. Judicial districts - district judges - repeal. (5) PURSUANT TO THE CREATION OF THE TWENTY-THIRD JUDICIAL DISTRICT, NO LATER THAN NOVEMBER 30, 2024, THE GOVERNOR SHALL DESIGNATE DISTRICT JUDGES FROM THE EIGHTEENTH JUDICIAL DISTRICT TO SERVE AS DISTRICT JUDGES IN THE TWENTY-THIRD JUDICIAL DISTRICT. NO LATER THAN JANUARY 7, 2025, EACH DISTRICT JUDGE DESIGNATED PURSUANT TO THIS SECTION SHALL ESTABLISH RESIDENCE IN THE TWENTY-THIRD JUDICIAL DISTRICT. EACH DISTRICT JUDGE DESIGNATED PURSUANT TO THIS SECTION, AT THE COMPLETION OF THE LAST TERM FOR WHICH THE JUDGE WAS LAST ELECTED OR APPOINTED, IS ELIGIBLE TO SEEK RETENTION IN THE TWENTY-THIRD JUDICIAL DISTRICT. A VACANCY IN ANY JUDICIAL OFFICE IN THE TWENTY-THIRD JUDICIAL DISTRICT OCCURRING AFTER JANUARY 7, 2025, SHALL BE FILLED AS PROVIDED IN SECTION 20 (1) OF THIS ARTICLE VI.

SECTION 2. Each elector voting at the election may cast a vote either “Yes/For” or “No/Against” on the following ballot title: “Shall there be an amendment to the Colorado constitution concerning judges of the newly created twenty-third judicial district, and, in connection therewith, directing the governor to designate judges from the eighteenth judicial district to serve the remainder of their terms in the twenty-third judicial district and requiring a judge so designated to establish residency within the twenty-third judicial district?”

SECTION 3. Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if at least fifty-five percent of the electors voting on the ballot title vote “Yes/For”, then the amendment will become part of the state constitution.

Amendment E Extend Homestead Exemption to Gold Star Spouses

The ballot title below is a summary drafted by the professional legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado constitution. The text of the measure that will appear in the Colorado constitution below was referred to the voters because it passed by a two-thirds majority vote of the state senate and the state house of representatives.

Ballot Title:

Shall there be an amendment to the Colorado constitution concerning the extension of the property tax exemption for qualifying seniors and disabled veterans to the surviving spouse of a United States armed forces service member who died in the line of duty or veteran whose death resulted from a service-related injury or disease?

Text of Measure:

Be It Resolved by the House of Representatives of the Seventy-third General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the election held on November 8, 2022, the secretary of state shall submit to the registered electors of the state the ballot title set forth in section 2 for the following amendment to the state constitution:

In the constitution of the state of Colorado, section 3.5 of article X, **add** (1)(d) and (1.7) as follows:

Section 3.5. Homestead exemption for qualifying senior citizens, disabled veterans, and surviving spouses receiving dependency indemnity compensation - definition. (1) For property tax years commencing on or after January 1, 2002, fifty percent of the first two hundred thousand dollars of actual value of residential real property, as defined by law, that, as of the assessment date, is owner-occupied and is used as the primary residence of the owner-occupier shall be exempt from property taxation if:

(d) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2023, ONLY, THE OWNER-OCCUPIER, AS OF THE ASSESSMENT DATE, IS AN ELIGIBLE SPOUSE.

(1.7) AS USED IN THIS SECTION, “ELIGIBLE SPOUSE” MEANS EITHER A SURVIVING SPOUSE OF A UNITED STATES ARMED FORCES SERVICE MEMBER WHO DIED IN THE LINE OF DUTY AND RECEIVED A DEATH GRATUITY FROM THE DEPARTMENT OF DEFENSE PURSUANT TO 10 U.S.C. SEC. 1475 ET SEQ. OR A SURVIVING SPOUSE OF A VETERAN WHOSE DEATH RESULTED FROM A SERVICE-RELATED INJURY OR DISEASE AS DETERMINED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS IF THE SURVIVING SPOUSE IS RECEIVING DEPENDENCY INDEMNITY COMPENSATION AWARDED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS PURSUANT TO CHAPTER 13 OF PART II OF TITLE 38 OF THE UNITED STATES CODE, CHAPTER 5 OF PART I OF TITLE 38 OF THE UNITED STATES CODE, AND ANY OTHER APPLICABLE PROVISION OF FEDERAL LAW.

SECTION 2. Each elector voting at the election may cast a vote either “Yes/For” or “No/Against” on the following ballot title: “Shall there be an amendment to the Colorado constitution concerning the extension of the property tax exemption for qualifying seniors and disabled veterans to the surviving spouse of a United States armed forces service member who died in the line of duty or veteran whose death resulted from a service-related injury or disease?”

SECTION 3. Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if at least fifty-five percent of the electors voting on the ballot title vote “Yes/For”, then the amendment will become part of the state constitution.

Amendment F Changes to Charitable Gaming Operations

The ballot title below is a summary drafted by the professional legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado constitution. The text of the measure that will appear in the Colorado constitution below was referred to the voters because it passed by a two-thirds majority vote of the state senate and the state house of representatives.



Ballot Title:

Shall there be an amendment to the Colorado constitution concerning the conduct of charitable gaming activities, and, in connection therewith, allowing managers and operators to be paid and repealing the required period of a charitable organization's continuous existence before obtaining a charitable gaming license?

Text of Measure:

Be It Resolved by the House of Representatives of the Seventy-third General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the election held on November 8, 2022, the secretary of state shall submit to the registered electors of the state the ballot title set forth in section 2 for the following amendment to the state constitution:

In the constitution of the state of Colorado, section 2 of article XVIII, **amend** (2), (4)(c), and (6) as follows:

Section 2. Lotteries prohibited - exceptions - repeal. (2) No game of chance pursuant to this subsection (2) and subsections (3) and (4) of this section shall be conducted by any person, firm, or organization, unless a license as provided for in this subsection (2) has been issued to the firm or organization conducting such games of chance. The secretary of state shall, upon application ~~therefor~~ FOR A LICENSE on such forms as shall be prescribed by the secretary of state and upon the payment of an annual fee as determined by the general assembly, issue a license for the conducting of such games of chance to any bona fide chartered branch or lodge or chapter of a national or state organization or to any bona fide religious, charitable, labor, fraternal, educational, voluntary firemen's, or veterans' organization ~~which~~ THAT OPERATES WITHOUT PROFIT TO ITS MEMBERS AND ~~which~~ THAT IS REGISTERED WITH THE SECRETARY OF STATE AND HAS BEEN IN EXISTENCE CONTINUOUSLY FOR A PERIOD OF ~~FIVE~~ THREE years immediately prior to the making of ~~said~~ ITS application for ~~such~~ THE license OR, ON AND AFTER JANUARY 1, 2025, FOR SUCH PERIOD AS THE GENERAL ASSEMBLY MAY ESTABLISH UNDER SUBSECTION (5) OF THIS SECTION, and has had during the entire ~~five-year~~ period OF ITS EXISTENCE a dues-paying membership engaged in carrying out the objects of said corporation or organization, such license to expire at the end of each calendar year in which it was issued.

(4) Such games of chance shall be subject to the following restrictions:

(c) (I) No person may receive ~~any~~ remuneration or profit IN EXCESS OF THE APPLICABLE MINIMUM WAGE for participating in the management or operation of any such game.

(II) THIS SUBSECTION (4)(c) IS REPEALED, EFFECTIVE JULY 1, 2024.

(6) (a) The enforcement of this section shall be under such official or department of government of the state of Colorado as the general assembly shall provide.

(b) THIS SECTION DOES NOT REQUIRE OR AUTHORIZE THE SECRETARY OF STATE TO RECEIVE OR REVIEW CLAIMS CONCERNING EMPLOYEE WAGES OR COMPENSATION, INCLUDING TAX CLAIMS, OR OTHER ASSOCIATED LABOR, EMPLOYMENT, OR CONTRACTUAL MATTERS.

SECTION 2. Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on the following ballot title: "Shall there be an amendment to the Colorado constitution concerning the conduct of charitable gaming activities, and, in connection therewith, allowing managers and operators to be paid and repealing the required period of a charitable organization's continuous existence before obtaining a charitable gaming license?"

SECTION 3. Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if at least fifty-five percent of the electors voting on the ballot title vote "Yes/For", then the amendment will become part of the state constitution.

**Proposition FF
Healthy School Meals for All**

The ballot title below is a summary drafted by the professional legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was referred to the voters because it passed by a majority vote of the state senate and the state house of representatives.

Ballot Title:

SHALL STATE TAXES BE INCREASED \$100,727,820 ANNUALLY BY A CHANGE TO THE COLORADO REVISED STATUTES THAT, TO SUPPORT HEALTHY MEALS FOR PUBLIC SCHOOL STUDENTS, INCREASES STATE TAXABLE INCOME ONLY FOR INDIVIDUALS WHO HAVE FEDERAL TAXABLE INCOME OF \$300,000 OR MORE BY LIMITING ITEMIZED OR STANDARD STATE INCOME TAX DEDUCTIONS TO \$12,000 FOR SINGLE TAX RETURN FILERS AND \$16,000 FOR JOINT TAX RETURN FILERS, AND, IN CONNECTION THEREWITH, CREATING THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM TO PROVIDE FREE SCHOOL MEALS TO STUDENTS IN PUBLIC SCHOOLS; PROVIDING GRANTS FOR PARTICIPATING SCHOOLS TO PURCHASE COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS, TO INCREASE WAGES OR PROVIDE STIPENDS FOR EMPLOYEES WHO PREPARE AND SERVE SCHOOL MEALS, AND TO CREATE PARENT AND STUDENT ADVISORY COMMITTEES TO PROVIDE ADVICE TO ENSURE SCHOOL MEALS ARE HEALTHY AND APPEALING TO ALL STUDENTS; AND CREATING A PROGRAM TO ASSIST IN PROMOTING COLORADO FOOD PRODUCTS AND PREPARING SCHOOL MEALS USING BASIC NUTRITIOUS INGREDIENTS WITH MINIMAL RELIANCE ON PROCESSED PRODUCTS?

Text of Measure:

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

SECTION 1. In Colorado Revised Statutes, **add** part 2 to article 82.9 of title 22 as follows:

PART 2
HEALTHY SCHOOL MEALS FOR ALL PROGRAM

22-82.9-201. Short title. THE SHORT TITLE OF THIS PART 2 IS THE "HEALTHY SCHOOL MEALS FOR ALL ACT".

22-82.9-202. Legislative declaration. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) NO COLORADO CHILD SHOULD EXPERIENCE HUNGER, AND EVERY PUBLIC SCHOOL STUDENT SHOULD BENEFIT FROM ACCESS TO HEALTHY, LOCALLY PROCURED, AND FRESHLY PREPARED MEALS DURING THE SCHOOL DAY;

(b) HEALTHY SCHOOL MEALS ARE NECESSARY FOR ALL STUDENTS FOR EFFECTIVE LEARNING, AND COLORADO'S INVESTMENT IN EDUCATION SHOULD INCLUDE HEALTHY SCHOOL MEALS FOR ALL STUDENTS TO SUPPORT THE NOURISHMENT STUDENTS NEED TO ACHIEVE ACADEMIC SUCCESS;

(c) ACCESS TO HEALTHY SCHOOL MEALS SHOULD NOT CAUSE STIGMA OR STRESS FOR ANY STUDENT SEEKING AN EDUCATION;

(d) COLORADO'S HEALTHY SCHOOL MEALS PROGRAM SHOULD SUPPORT COLORADO'S FOOD SYSTEMS, INCLUDING LOCAL FARMERS AND RANCHERS;

(e) COLORADO'S HEALTHY SCHOOL MEALS PROGRAM MUST SUPPORT STUDENTS' NUTRITION AND PROVIDE QUALITY MEALS TO BOOST THE HEALTH AND WELL-BEING OF COLORADO STUDENTS;

(f) DURING THE COVID-19 PANDEMIC, THE UNITED STATES DEPARTMENT OF AGRICULTURE EASED PROGRAM RESTRICTIONS TO ALLOW FREE



Titles and Text

MEALS TO CONTINUE TO BE AVAILABLE TO ALL STUDENTS UNIVERSALLY, ENSURING THAT ALL STUDENTS FACING HUNGER HAD ACCESS TO FOOD WHILE IN SCHOOL; AND

(g) NOW THAT STRATEGIES EXIST TO PREVENT HUNGER FOR ALL STUDENTS DURING THE SCHOOL DAY, IT IS IMPERATIVE THAT THE STATE EMBRACE THESE STRATEGIES TO MOVE TOWARD THE GOAL OF ENDING CHILD HUNGER.

(2) THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT IT IS IN THE BEST INTERESTS OF THE STUDENTS OF COLORADO AND THEIR FAMILIES TO ENACT THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM TO PROVIDE FREE MEALS IN PUBLIC SCHOOLS FOR ALL STUDENTS.

22-82.9-203. Definitions. AS USED IN THIS PART 2, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS" MEANS ALL FRUITS, VEGETABLES, GRAINS, MEATS, AND DAIRY PRODUCTS, EXCEPT LIQUID MILK, GROWN, RAISED, OR PRODUCED IN COLORADO AND MINIMALLY PROCESSED PRODUCTS OR VALUE-ADDED PROCESSED PRODUCTS THAT MEET THE STANDARDS FOR THE COLORADO PROUD DESIGNATION, AS ESTABLISHED BY THE COLORADO DEPARTMENT OF AGRICULTURE, EVEN IF THE PRODUCT DOES NOT HAVE THE COLORADO PROUD DESIGNATION.

(2) "COMMUNITY ELIGIBILITY PROVISION" MEANS THE FEDERAL PROGRAM CREATED IN 42 U.S.C. SEC. 1759a (a)(1)(F) THAT ALLOWS SCHOOL DISTRICTS TO CHOOSE TO RECEIVE FEDERAL SPECIAL ASSISTANCE PAYMENTS FOR SCHOOL MEALS IN EXCHANGE FOR PROVIDING FREE SCHOOL MEALS TO ALL STUDENTS ENROLLED IN ALL OR SELECTED SCHOOLS OF THE SCHOOL DISTRICT.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION CREATED IN SECTION 24-1-115.

(4) "ELIGIBLE MEAL" MEANS A LUNCH OR BREAKFAST THAT MEETS THE NUTRITIONAL REQUIREMENTS SPECIFIED IN 7 CFR 210.10, OR SUCCESSOR REGULATIONS, FOR THE NATIONAL SCHOOL LUNCH PROGRAM OR THE NATIONAL SCHOOL BREAKFAST PROGRAM.

(5) "FEDERAL FREE REIMBURSEMENT RATE" MEANS THE FREE REIMBURSEMENT RATE SET BY THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR MEALS THAT QUALIFY FOR REIMBURSEMENT UNDER THE NATIONAL SCHOOL BREAKFAST PROGRAM AND THE NATIONAL SCHOOL LUNCH PROGRAM.

(6) "IDENTIFIED STUDENT PERCENTAGE" MEANS THE PERCENTAGE OF A PUBLIC SCHOOL'S OR SCHOOL DISTRICT'S STUDENT ENROLLMENT WHO ARE CERTIFIED AS ELIGIBLE FOR FREE MEALS BASED ON DOCUMENTATION OF BENEFIT RECEIPT OR CATEGORICAL ELIGIBILITY AS DESCRIBED IN 7 CFR 245.6, OR SUCCESSOR REGULATIONS.

(7) "MINIMALLY PROCESSED PRODUCTS" MEANS RAW OR FROZEN FABRICATED PRODUCTS; PRODUCTS THAT RETAIN THEIR INHERENT CHARACTER, SUCH AS SHREDDED CARROTS OR DICED ONIONS; AND DRIED PRODUCTS, SUCH AS BEANS, BUT DOES NOT INCLUDE ANY PRODUCTS THAT ARE HEATED, COOKED, OR CANNED.

(8) "NATIONAL SCHOOL BREAKFAST PROGRAM" MEANS THE FEDERAL SCHOOL BREAKFAST PROGRAM CREATED IN 42 U.S.C. SEC. 1773.

(9) "NATIONAL SCHOOL LUNCH PROGRAM" MEANS THE FEDERAL SCHOOL LUNCH PROGRAM CREATED IN THE "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.

(10) "PARTICIPATING SCHOOL FOOD AUTHORITY" MEANS A SCHOOL FOOD AUTHORITY THAT CHOOSES TO PARTICIPATE IN THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM.

(11) "PROGRAM" MEANS THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM CREATED IN SECTION 22-82.9-204.

(12) "SCHOOL FOOD AUTHORITY" HAS THE SAME MEANING AS PROVIDED

IN SECTION 22-32-120 (8).

(13) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

(14) "VALUE-ADDED PROCESSED PRODUCTS" MEANS PRODUCTS THAT ARE ALTERED FROM THEIR UNPROCESSED OR MINIMALLY PROCESSED STATE THROUGH PRESERVATION TECHNIQUES, INCLUDING COOKING, BAKING, OR CANNING.

22-82.9-204. Healthy school meals for all program - created - rules.

(1) (a) THERE IS CREATED IN THE DEPARTMENT THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM THROUGH WHICH EACH SCHOOL FOOD AUTHORITY THAT CHOOSES TO PARTICIPATE IN THE PROGRAM:

(I) OFFERS ELIGIBLE MEALS, WITHOUT CHARGE, TO ALL STUDENTS ENROLLED IN THE PUBLIC SCHOOLS SERVED BY THE PARTICIPATING SCHOOL FOOD AUTHORITY THAT PARTICIPATE IN THE NATIONAL SCHOOL LUNCH PROGRAM OR NATIONAL SCHOOL BREAKFAST PROGRAM;

(II) RECEIVES REIMBURSEMENT FOR THE MEALS AS DESCRIBED IN SUBSECTION (1)(b) OF THIS SECTION;

(III) IS ELIGIBLE TO RECEIVE A LOCAL FOOD PURCHASING GRANT PURSUANT TO SECTION 22-82.9-205, SUBJECT TO SUBSECTION (4)(b) OF THIS SECTION;

(IV) IS ELIGIBLE TO RECEIVE FUNDING PURSUANT TO SECTION 22-82.9-206 TO INCREASE WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE PARTICIPATING SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE AND SERVE FOOD FOR SCHOOL MEALS, SUBJECT TO SUBSECTION (4)(b) OF THIS SECTION; AND

(V) IS ELIGIBLE TO RECEIVE ASSISTANCE THROUGH THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM PURSUANT TO SECTION 22-82.9-207, SUBJECT TO SUBSECTION (4)(b) OF THIS SECTION.

(b) THE AMOUNT OF THE REIMBURSEMENT PROVIDED THROUGH THE PROGRAM TO EACH PARTICIPATING SCHOOL FOOD AUTHORITY FOR EACH BUDGET YEAR IS EQUAL TO THE FEDERAL FREE REIMBURSEMENT RATE MULTIPLIED BY THE TOTAL NUMBER OF ELIGIBLE MEALS THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY SERVES DURING THE APPLICABLE BUDGET YEAR MINUS THE TOTAL AMOUNT OF REIMBURSEMENT FOR ELIGIBLE MEALS SERVED DURING THE APPLICABLE BUDGET YEAR THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY RECEIVES PURSUANT TO THE NATIONAL SCHOOL BREAKFAST PROGRAM, THE NATIONAL SCHOOL LUNCH PROGRAM, SECTIONS 22-54-123 AND 22-54-123.5, ARTICLE 82.7 OF THIS TITLE 22, AND PART 1 OF THIS ARTICLE 82.9.

(c) THE DEPARTMENT SHALL DEVELOP PROCEDURES TO ALLOCATE AND DISBURSE, BEGINNING IN THE 2023-24 BUDGET YEAR, THE MONEY APPROPRIATED AS REIMBURSEMENTS PURSUANT TO THIS SECTION AMONG PARTICIPATING SCHOOL FOOD AUTHORITIES EACH BUDGET YEAR IN AN EQUITABLE MANNER AND IN COMPLIANCE WITH THE REQUIREMENTS OF THE NATIONAL SCHOOL BREAKFAST PROGRAM AND THE NATIONAL SCHOOL LUNCH PROGRAM.

(2) A SCHOOL FOOD AUTHORITY THAT CHOOSES TO PARTICIPATE IN THE PROGRAM MUST ANNUALLY GIVE NOTICE OF PARTICIPATION TO THE DEPARTMENT AS PROVIDED BY RULE OF THE STATE BOARD. AT A MINIMUM, THE NOTICE MUST INCLUDE EVIDENCE THAT THE SCHOOL FOOD AUTHORITY IS PARTICIPATING IN THE COMMUNITY ELIGIBILITY PROVISION AS REQUIRED IN SUBSECTION (3) OF THIS SECTION.

(3) IF THE UNITED STATES DEPARTMENT OF AGRICULTURE CREATES THE OPTION FOR THE STATE, AS A WHOLE, TO PARTICIPATE IN THE COMMUNITY ELIGIBILITY PROVISION, THE DEPARTMENT SHALL PARTICIPATE IN THE OPTION AND SHALL WORK WITH SCHOOL FOOD AUTHORITIES AND THE NECESSARY STATE AND LOCAL DEPARTMENTS TO COLLECT DATA AND IMPLEMENT THE COMMUNITY ELIGIBILITY PROVISION STATEWIDE. UNTIL



SUCH TIME AS COLORADO PARTICIPATES IN THE COMMUNITY ELIGIBILITY PROVISION AS A STATE, EACH PARTICIPATING SCHOOL FOOD AUTHORITY, AS A CONDITION OF PARTICIPATING IN THE PROGRAM, MUST MAXIMIZE THE AMOUNT OF FEDERAL REIMBURSEMENT BY PARTICIPATING IN THE COMMUNITY ELIGIBILITY PROVISION FOR ALL SCHOOLS THAT QUALIFY FOR THE COMMUNITY ELIGIBILITY PROVISION AND THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY SERVES.

(4) (a) AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS PART 2, THE DEPARTMENT SHALL APPLY TO THE FEDERAL SECRETARY OF AGRICULTURE TO PARTICIPATE IN THE DEMONSTRATION PROJECT OPERATED PURSUANT TO 42 U.S.C. SEC. 1758 (b)(15) FOR DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS, WITH THE INTENT THAT THE DEMONSTRATION PROJECT IS IMPLEMENTED STATEWIDE TO THE EXTENT ALLOWABLE UNDER FEDERAL LAW. IF THE STATE IS SELECTED TO PARTICIPATE IN THE DEMONSTRATION PROJECT, THE DEPARTMENT SHALL COMPLY WITH ALL OF THE REQUIREMENTS OF THE DEMONSTRATION PROJECT, INCLUDING ENTERING INTO AN AGREEMENT WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING TO ESTABLISH PROCEDURES BY WHICH A STUDENT MAY BE CERTIFIED, WITHOUT FURTHER APPLICATION, AS MEETING THE ELIGIBILITY REQUIREMENTS FOR FREE OR REDUCED-PRICE MEALS PURSUANT TO THE NATIONAL SCHOOL BREAKFAST PROGRAM AND THE NATIONAL SCHOOL LUNCH PROGRAM BASED ON INFORMATION COLLECTED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING IN IMPLEMENTING THE MEDICAID PROGRAM.

(b) IMPLEMENTATION OF SECTIONS 22-82.9-205 TO 22-82.9-207 IS CONDITIONAL UPON THE STATE OF COLORADO BEING CERTIFIED TO PARTICIPATE IN THE DEMONSTRATION PROJECT FOR DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS THAT IS OPERATED PURSUANT TO 42 U.S.C. SEC. 1758 (b)(15).

(5) THE STATE BOARD SHALL PROMULGATE RULES AS NECESSARY TO IMPLEMENT THE PROGRAM, INCLUDING RULES TO MAXIMIZE THE AMOUNT OF FEDERAL FUNDING AVAILABLE TO IMPLEMENT THE PROGRAM.

22-82.9-205. Local food purchasing grant - amount - advisory committee - verification of invoices. (1) (a) SUBJECT TO SUBSECTION (5) OF THIS SECTION, EACH PARTICIPATING SCHOOL FOOD AUTHORITY THAT CREATES AN ADVISORY COMMITTEE AS DESCRIBED IN SUBSECTION (3) OF THIS SECTION IS ELIGIBLE TO RECEIVE A LOCAL FOOD PURCHASING GRANT PURSUANT TO THIS SECTION TO PURCHASE COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS.

(b) ON OR BEFORE AUGUST 1 OF THE FIRST FULL BUDGET YEAR IN WHICH THIS SECTION IS EFFECTIVE AS PROVIDED IN SUBSECTION (5) OF THIS SECTION AND ON OR BEFORE AUGUST 1 OF EACH BUDGET YEAR THEREAFTER, EACH PARTICIPATING SCHOOL FOOD AUTHORITY SHALL TRACK AND REPORT TO THE DEPARTMENT FOR THE PRECEDING BUDGET YEAR:

(I) THE TOTAL AMOUNT SPENT IN PURCHASING ALL PRODUCTS USED IN PREPARING MEALS AND HOW MUCH OF THAT TOTAL WAS ATTRIBUTABLE TO THE LOCAL FOOD PURCHASING GRANT THE PARTICIPATING SCHOOL FOOD AUTHORITY RECEIVED;

(II) THE TOTAL AMOUNT SPENT TO PURCHASE COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS AND HOW MUCH OF THAT TOTAL WAS ATTRIBUTABLE TO THE LOCAL FOOD PURCHASING GRANT THE PARTICIPATING SCHOOL FOOD AUTHORITY RECEIVED;

(III) THE TOTAL AMOUNT SPENT TO PURCHASE VALUE-ADDED PROCESSED PRODUCTS AND HOW MUCH OF THAT TOTAL WAS ATTRIBUTABLE TO THE LOCAL FOOD PURCHASING GRANT THE PARTICIPATING SCHOOL FOOD AUTHORITY RECEIVED; AND

(IV) THE TOTAL NUMBER OF ELIGIBLE MEALS THE PARTICIPATING SCHOOL FOOD AUTHORITY PROVIDED TO STUDENTS.

(2) (a) SUBJECT TO THE PROVISIONS OF SUBSECTION (2)(b) OF THIS SECTION, AT THE BEGINNING OF EACH BUDGET YEAR THE DEPARTMENT, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL DISTRIBUTE TO EACH

PARTICIPATING SCHOOL FOOD AUTHORITY THAT IS ELIGIBLE TO RECEIVE A GRANT PURSUANT TO THIS SECTION THE GREATER OF FIVE THOUSAND DOLLARS OR AN AMOUNT EQUAL TO TWENTY-FIVE CENTS MULTIPLIED BY THE NUMBER OF LUNCHESES THAT QUALIFIED AS AN ELIGIBLE MEAL THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY SERVED TO STUDENTS IN THE PRECEDING SCHOOL YEAR. THE PARTICIPATING SCHOOL FOOD AUTHORITY SHALL USE THE MONEY RECEIVED PURSUANT TO THIS SECTION TO PURCHASE ONLY COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS AND AS PROVIDED IN SUBSECTION (3)(b) OF THIS SECTION AND SHALL NOT USE MORE THAN TWENTY-FIVE PERCENT OF THE AMOUNT RECEIVED TO PURCHASE VALUE-ADDED PROCESSED PRODUCTS. IN ADDITION, A SCHOOL FOOD AUTHORITY MAY USE UP TO TEN PERCENT OF THE MONEY RECEIVED PURSUANT TO THIS SECTION TO PAY ALLOWABLE COSTS, AS IDENTIFIED BY RULES OF THE STATE BOARD, INCURRED IN COMPLYING WITH THIS SECTION.

(b) AT THE BEGINNING OF EACH BUDGET YEAR, EACH PARTICIPATING SCHOOL FOOD AUTHORITY SHALL SUBMIT TO THE DEPARTMENT AN ESTIMATE OF THE AMOUNT IT EXPECTS TO SPEND TO PURCHASE COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS FOR THE BUDGET YEAR; A DESCRIPTION OF THE ITEMS AND AMOUNTS IT EXPECTS TO PURCHASE; AND A LIST OF THE SUPPLIERS FROM WHICH IT EXPECTS TO PURCHASE THE ITEMS. IF, BASED ON THE INFORMATION PROVIDED, THE DEPARTMENT DETERMINES THAT A PARTICIPATING SCHOOL FOOD AUTHORITY IS UNLIKELY TO SPEND THE FULL AMOUNT OF THE GRANT DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, THE DEPARTMENT SHALL REDUCE THE AMOUNT OF THE GRANT ACCORDINGLY. THE DEPARTMENT SHALL DISTRIBUTE TO OTHER PARTICIPATING SCHOOL FOOD AUTHORITIES THAT ARE ELIGIBLE TO RECEIVE GRANTS PURSUANT TO THIS SECTION ANY AMOUNT THAT IS RETAINED PURSUANT TO THIS SUBSECTION (2)(b). THE DEPARTMENT SHALL DISTRIBUTE THE ADDITIONAL AMOUNTS TO THE PARTICIPATING SCHOOL FOOD AUTHORITIES FOR WHICH THE GRANT AMOUNT CALCULATED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION IS LESS THAN TWENTY-FIVE THOUSAND DOLLARS, PRIORITIZED BASED ON THE HIGHEST IDENTIFIED STUDENT PERCENTAGES AND GREATEST FINANCIAL NEED.

(3) (a) TO RECEIVE A LOCAL FOOD PURCHASING GRANT PURSUANT TO THIS SECTION, A PARTICIPATING SCHOOL FOOD AUTHORITY MUST ESTABLISH AN ADVISORY COMMITTEE MADE UP OF STUDENTS AND PARENTS OF STUDENTS ENROLLED IN THE PUBLIC SCHOOLS SERVED BY THE PARTICIPATING SCHOOL FOOD AUTHORITY. IN SELECTING STUDENTS AND PARENTS TO SERVE ON THE ADVISORY COMMITTEE, THE PARTICIPATING SCHOOL FOOD AUTHORITY SHALL ENSURE THAT THE MEMBERSHIP OF THE ADVISORY COMMITTEE REFLECTS THE RACIAL, ETHNIC, AND SOCIOECONOMIC DEMOGRAPHICS OF THE STUDENT POPULATION ENROLLED BY THE PARTICIPATING SCHOOL FOOD AUTHORITY. THE ADVISORY COMMITTEE SHALL ADVISE THE PARTICIPATING SCHOOL FOOD AUTHORITY CONCERNING THE SELECTION OF FOODS TO ENSURE THAT MEALS ARE CULTURALLY RELEVANT, HEALTHY, AND APPEALING TO ALL AGES OF THE STUDENT POPULATION.

(b) A PARTICIPATING SCHOOL FOOD AUTHORITY MAY USE UP TO TWELVE PERCENT OF THE AMOUNT RECEIVED PURSUANT TO SUBSECTION (2) OF THIS SECTION TO SUPPORT IMPLEMENTATION OF THE ADVISORY COMMITTEE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION.

(4) THE DEPARTMENT SHALL ANNUALLY REQUIRE A SELECTED GROUP OF PARTICIPATING SCHOOL FOOD AUTHORITIES THAT RECEIVED A GRANT PURSUANT TO THIS SECTION IN THE PRECEDING BUDGET YEAR TO SUBMIT TO THE DEPARTMENT A REPRESENTATIVE SAMPLE OF THE INVOICES FOR THE PRODUCTS PURCHASED USING THE GRANT MONEY. NO LATER THAN SEPTEMBER 1 OF THE SECOND BUDGET YEAR IN WHICH THIS SECTION IS EFFECTIVE AS PROVIDED IN SUBSECTION (5) OF THIS SECTION, AND NO LATER THAN SEPTEMBER 1 OF EACH YEAR THEREAFTER, THE DEPARTMENT SHALL REVIEW THE INVOICES TO VERIFY THAT THE PRODUCTS PURCHASED MET THE REQUIREMENTS SPECIFIED IN THIS SECTION. IF THE DEPARTMENT FINDS THAT A PARTICIPATING SCHOOL FOOD AUTHORITY USED A SIGNIFICANT PORTION OF THE GRANT MONEY, AS DETERMINED BY RULE OF THE STATE BOARD, TO PURCHASE PRODUCTS THAT DID NOT MEET THE REQUIREMENTS OF THIS SECTION, THE PARTICIPATING SCHOOL FOOD AUTHORITY IS INELIGIBLE TO RECEIVE A GRANT PURSUANT TO THIS SECTION FOR THE NEXT BUDGET YEAR



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FOLLOWING THE BUDGET YEAR IN WHICH THE DEPARTMENT COMPLETES THE REVIEW.

(5) THIS SECTION IS EFFECTIVE BEGINNING IN THE FIRST FULL BUDGET YEAR AFTER THE STATE OF COLORADO IS CERTIFIED TO PARTICIPATE IN THE FEDERAL DEMONSTRATION PROJECT FOR DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS AS PROVIDED IN SECTION 22-82.9-204 (4) AND BEGINS INCLUDING MEDICAID DIRECT CERTIFICATION IN DETERMINING SCHOOL DISTRICTS' IDENTIFIED STUDENT PERCENTAGES.

22-82.9-206. School meals food preparation and service employees - wage increase or stipend. (1) SUBJECT TO SUBSECTION (2) OF THIS SECTION, IN ADDITION TO THE AMOUNTS RECEIVED PURSUANT TO SECTIONS 22-82.9-204 AND 22-82.9-205, A PARTICIPATING SCHOOL FOOD AUTHORITY MAY RECEIVE THE GREATER OF THREE THOUSAND DOLLARS OR AN AMOUNT EQUAL TO TWELVE CENTS MULTIPLIED BY THE NUMBER OF SCHOOL LUNCHESES THAT QUALIFY AS ELIGIBLE MEALS THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY PROVIDED IN THE PREVIOUS BUDGET YEAR, SO LONG AS THE PARTICIPATING SCHOOL FOOD AUTHORITY USES ONE HUNDRED PERCENT OF THE AMOUNT RECEIVED PURSUANT TO THIS SECTION TO INCREASE WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE PARTICIPATING SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE AND SERVE FOOD FOR SCHOOL MEALS. TO RECEIVE THE AMOUNT DESCRIBED IN THIS SECTION, A PARTICIPATING SCHOOL FOOD AUTHORITY MUST SUBMIT DOCUMENTATION TO THE DEPARTMENT AS REQUIRED BY RULES OF THE STATE BOARD TO DEMONSTRATE THAT THE INCREASE IN WAGES OR PROVISION OF STIPENDS USING THE AMOUNT RECEIVED PURSUANT TO THIS SECTION IS IMPLEMENTED FOR THE BUDGET YEAR IN WHICH THE AMOUNT IS RECEIVED.

(2) THIS SECTION IS EFFECTIVE BEGINNING IN THE FIRST FULL BUDGET YEAR AFTER THE STATE OF COLORADO IS CERTIFIED TO PARTICIPATE IN THE FEDERAL DEMONSTRATION PROJECT FOR DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS AS PROVIDED IN SECTION 22-82.9-204 (4) AND BEGINS INCLUDING MEDICAID DIRECT CERTIFICATION IN DETERMINING SCHOOL DISTRICTS' IDENTIFIED STUDENT PERCENTAGES.

22-82.9-207. Local school food purchasing technical assistance and education grant program - created - report. (1) SUBJECT TO SUBSECTION (4) OF THIS SECTION, THERE IS CREATED IN THE DEPARTMENT THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM TO ISSUE A GRANT TO A STATEWIDE NONPROFIT ORGANIZATION TO DEVELOP AND MANAGE A GRANT PROGRAM TO ASSIST WITH THE PROMOTION OF COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS TO PARTICIPATING SCHOOL FOOD AUTHORITIES AND TO ASSIST PARTICIPATING SCHOOL FOOD AUTHORITIES IN PREPARING MEALS USING BASIC INGREDIENTS, WITH MINIMAL RELIANCE ON PROCESSED PRODUCTS.

(2) SUBJECT TO AVAILABLE APPROPRIATIONS, THE NONPROFIT ORGANIZATION MAY AWARD GRANTS FOR:

(a) TRAINING, TECHNICAL ASSISTANCE, AND PHYSICAL INFRASTRUCTURE, AWARDED TO PARTICIPATING SCHOOL FOOD AUTHORITIES, GROWER ASSOCIATIONS, OR OTHER ORGANIZATIONS THAT AGGREGATE PRODUCTS FROM PRODUCERS FOR:

(I) PROFESSIONAL CONTRACTING SERVICES TO SUPPORT THE DEVELOPMENT AND SUSTAINABILITY OF LOCAL AND REGIONAL FOOD SYSTEMS;

(II) CHEF TRAINING ON FOOD HANDLING, MEAL PREPARATION USING BASIC INGREDIENTS, AND PROCUREMENT PRACTICES, AND FOR KITCHEN EQUIPMENT PURCHASES;

(III) GOOD AGRICULTURAL PRACTICES CERTIFICATION COSTS AND GOOD HANDLING PRACTICES CERTIFICATION COSTS AND TRAINING ON SELLING TO SCHOOLS; AND

(IV) CAPACITY BUILDING FOR LOCAL VALUE-ADDED PROCESSED PRODUCTS; AND

(b) EDUCATION, OUTREACH, AND PROMOTION FOR:

(I) SCHOOLS TO ENGAGE FAMILIES AND COMMUNITIES ON THE BENEFITS OF FARM-TO-SCHOOL AND WAYS TO SUPPORT FARM-TO-SCHOOL; AND

(II) GROWER ASSOCIATIONS AND GROWERS TO COMMUNICATE TO SCHOOLS AND SCHOOL COMMUNITIES ABOUT THE MULTIPLE BENEFITS OF PURCHASING LOCAL PRODUCTS.

(3) THE NONPROFIT ORGANIZATION SHALL ANNUALLY REPORT TO THE DEPARTMENT ON IMPLEMENTATION OF THE TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM, INCLUDING:

(a) THE NUMBER AND TYPES OF ENTITIES RECEIVING GRANTS;

(b) THE NUMBER, TYPES, AND PURPOSES OF THE GRANTS AWARDED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION; AND

(c) THE TYPES OF EDUCATION, OUTREACH, AND PROMOTION CONDUCTED BY PARTICIPATING SCHOOL FOOD AUTHORITIES AND OTHERS PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION.

(4) THIS SECTION IS EFFECTIVE BEGINNING IN THE FIRST FULL BUDGET YEAR AFTER THE STATE OF COLORADO IS CERTIFIED TO PARTICIPATE IN THE FEDERAL DEMONSTRATION PROJECT FOR DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS AS PROVIDED IN SECTION 22-82.9-204 (4) AND BEGINS INCLUDING MEDICAID DIRECT CERTIFICATION IN DETERMINING SCHOOL DISTRICTS' IDENTIFIED STUDENT PERCENTAGES.

22-82.9-208. Report - audit. (1) (a) ON OR BEFORE DECEMBER 1, 2024, AND ON OR BEFORE DECEMBER 1 EVERY TWO YEARS THEREAFTER, THE DEPARTMENT SHALL PREPARE A REPORT CONCERNING THE IMPLEMENTATION OF SECTION 22-82.9-204 AND SECTIONS 22-82.9-205, 22-82.9-206, AND 22-82.9-207, TO THE EXTENT THOSE SECTIONS ARE IN EFFECT AS PROVIDED IN SECTION 22-82.9-204 (4)(b). AT A MINIMUM, THE REPORT MUST DESCRIBE:

(I) THE INCREASE IN THE NUMBER OF STUDENTS WHO RECEIVE FREE ELIGIBLE MEALS AS A RESULT OF IMPLEMENTATION OF THE PROGRAM;

(II) THE EFFECT OF THE USE OF LOCAL FOOD PURCHASING GRANTS ON THE AMOUNT OF COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS PURCHASED BY PARTICIPATING SCHOOL FOOD AUTHORITIES AND INCLUDE A COMPILATION OF THE INFORMATION REPORTED BY PARTICIPATING SCHOOL FOOD AUTHORITIES PURSUANT TO SECTION 22-82.9-205 (1)(b);

(III) THE EFFECT OF THE DISTRIBUTION OF MONEY PURSUANT TO SECTION 22-82.9-206 ON THE AMOUNT OF WAGES PAID OR THE AMOUNT OF STIPENDS PROVIDED TO INDIVIDUALS WHO ARE EMPLOYED BY PUBLIC SCHOOLS TO PREPARE AND SERVE SCHOOL MEALS; AND

(IV) A SUMMARY OF THE INFORMATION REPORTED BY THE NONPROFIT ORGANIZATION PURSUANT TO SECTION 22-82.9-207 (3) CONCERNING IMPLEMENTATION OF THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM.

(b) THE DEPARTMENT SHALL SUBMIT THE REPORT TO THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE; THE AGRICULTURE, LIVESTOCK, AND WATER COMMITTEE OF THE HOUSE OF REPRESENTATIVES; AND THE AGRICULTURE AND NATURAL RESOURCES COMMITTEE OF THE SENATE; OR ANY SUCCESSOR COMMITTEES.

(c) NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11) (a)(I), THE REQUIREMENT TO SUBMIT THE REPORT DESCRIBED IN THIS SUBSECTION (1) CONTINUES INDEFINITELY.

(2) THE DEPARTMENT SHALL CONTRACT WITH AN INDEPENDENT AUDITOR TO CONDUCT A BIENNIAL FINANCIAL AND PERFORMANCE AUDIT OF THE IMPLEMENTATION OF THE PROGRAM, INCLUDING IMPLEMENTATION OF SECTION 22-82.9-204 AND INCLUDING IMPLEMENTATION OF LOCAL FOOD PURCHASING GRANTS PURSUANT TO SECTION 22-82.9-205, DISTRIBUTIONS FOR THE INCREASE IN WAGES OR PROVISION OF STIPENDS PURSUANT TO SECTION 22-82.9-206, AND IMPLEMENTATION OF THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE



AND EDUCATION GRANT PROGRAM PURSUANT TO SECTION 22-82.9-207, TO THE EXTENT SAID SECTIONS ARE IN EFFECT AS PROVIDED IN SECTION 22-82.9-204 (4)(b). THE AUDIT OF THE TWO BUDGET YEARS IN EACH BIENNIAL CYCLE MUST BE COMPLETED BY DECEMBER 1 OF THE FOLLOWING BUDGET YEAR. THE DEPARTMENT SHALL MAKE THE AUDIT EASILY ACCESSIBLE BY THE PUBLIC ON THE DEPARTMENT WEBSITE.

22-82.9-209. Program - funding. FOR THE 2023-24 BUDGET YEAR AND FOR EACH BUDGET YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE DEPARTMENT, BY SEPARATE LINE ITEM IN THE ANNUAL GENERAL APPROPRIATION BILL, THE AMOUNT NECESSARY TO IMPLEMENT THE PROGRAM, INCLUDING THE AMOUNT REQUIRED TO REIMBURSE PARTICIPATING SCHOOL FOOD AUTHORITIES FOR ELIGIBLE MEALS PROVIDED TO STUDENTS PURSUANT TO SECTION 22-82.9-204 AND INCLUDING THE AMOUNT DISTRIBUTED AS LOCAL FOOD PURCHASING GRANTS PURSUANT TO SECTION 22-82.9-205, THE AMOUNT DISTRIBUTED PURSUANT TO SECTION 22-82.9-206 TO INCREASE THE WAGES OR PROVIDE STIPENDS FOR STAFF WHO PREPARE AND SERVE SCHOOL MEALS, AND AT LEAST FIVE MILLION DOLLARS ANNUALLY TO IMPLEMENT THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM PURSUANT TO SECTION 22-82.9-207, TO THE EXTENT SAID SECTIONS ARE IN EFFECT AS PROVIDED IN SECTION 22-82.9-204 (4)(b). THE DEPARTMENT MAY EXPEND NOT MORE THAN ONE AND FIVE-TENTHS PERCENT OF THE TOTAL AMOUNT ANNUALLY APPROPRIATED PURSUANT TO THIS SECTION TO OFFSET THE DIRECT AND INDIRECT COSTS INCURRED BY THE DEPARTMENT IN IMPLEMENTING THIS PART 2.

SECTION 2. In Colorado Revised Statutes, **amend** 22-82.9-101 as follows:

22-82.9-101. Short title. ~~This article shall be known and may be cited as~~ THE SHORT TITLE OF THIS PART 1 IS THE "Child Nutrition School Lunch Protection Program Act".

SECTION 3. In Colorado Revised Statutes, 22-82.9-103, **amend** the introductory portion as follows:

22-82.9-103. Definitions. As used in this article PART 1, unless the context otherwise requires:

SECTION 4. In Colorado Revised Statutes, 22-82.9-105, **amend** (1) and (2) as follows:

22-82.9-105. Program funding. (1) For each fiscal year, the general assembly shall make an appropriation by separate line item in the annual general appropriation bill to allow school food authorities to provide lunches at no charge for children in state-subsidized early childhood education programs administered by public schools or in kindergarten through twelfth grade, participating in the school lunch program, who would otherwise be required to pay a reduced price for lunch. The appropriation to the department for the program must be in addition to any appropriation made by the general assembly pursuant to section 22-54-123 or 22-54-123.5 (1). The department may expend not more than two percent of the money annually appropriated for the program to offset the direct and indirect costs incurred by the department in implementing the program pursuant to this ~~article~~ 82-9 PART 1.

(2) The department is authorized to seek and accept gifts, grants, and donations from public and private sources for the purposes of this ~~article~~ PART 1, but receipt of gifts, grants, and donations ~~shall not be~~ ARE NOT a prerequisite to the implementation of the program.

SECTION 5. In Colorado Revised Statutes, 22-82.9-107, **amend** (1) as follows:

22-82.9-107. No individual entitlement. (1) ~~Nothing in this article shall be interpreted to~~ THIS PART 1 DOES NOT create a legal entitlement to any participant to assistance provided pursuant to the program.

SECTION 6. In Colorado Revised Statutes, 39-22-104, **amend** (3)(p) introductory portion; and **add** (3)(p.5) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - report - legislative declaration - definitions - repeal. (3) There shall be added to the federal taxable income:

(p) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3)(p.5) OF THIS SECTION, for income tax years commencing on or after January 1, 2022, for taxpayers who claim itemized deductions as defined in section 63 (d) of the internal revenue code and who have federal adjusted gross income in the income tax year equal to or exceeding four hundred thousand dollars:

(p.5) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2023, FOR TAXPAYERS WHO CLAIM ITEMIZED DEDUCTIONS AS DEFINED IN SECTION 63 (d) OF THE INTERNAL REVENUE CODE OR THE STANDARD DEDUCTION AS DEFINED IN SECTION 63 (c) OF THE INTERNAL REVENUE CODE AND WHO HAVE FEDERAL ADJUSTED GROSS INCOME IN THE INCOME TAX YEAR EQUAL TO OR EXCEEDING THREE HUNDRED THOUSAND DOLLARS:

(A) FOR A TAXPAYER WHO FILES A SINGLE RETURN, THE AMOUNT BY WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME UNDER SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS, TWELVE THOUSAND DOLLARS; AND

(B) FOR TAXPAYERS WHO FILE A JOINT RETURN, THE AMOUNT BY WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME UNDER SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS, SIXTEEN THOUSAND DOLLARS.

(II) FOR THE 2023-24 STATE FISCAL YEAR AND STATE FISCAL YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE AN AMOUNT OF GENERAL FUND REVENUE AT LEAST EQUAL TO THE AMOUNT OF REVENUE GENERATED BY THE ADDITION TO FEDERAL TAXABLE INCOME DESCRIBED IN SUBSECTION (3)(p.5)(I) OF THIS SECTION, BUT NOT MORE THAN THE AMOUNT REQUIRED, TO FULLY FUND THE DIRECT AND INDIRECT COSTS OF IMPLEMENTING THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM AS PROVIDED IN SECTION 22-82.9-209. THE PROVISIONS OF SUBSECTION (3)(p.5)(I) OF THIS SECTION CONSTITUTE A VOTER-APPROVED REVENUE CHANGE, APPROVED BY THE VOTERS AT THE STATEWIDE ELECTION IN NOVEMBER OF 2022, AND THE REVENUE GENERATED BY THIS VOTER-APPROVED REVENUE CHANGE MAY BE COLLECTED, RETAINED, APPROPRIATED, AND SPENT WITHOUT SUBSEQUENT VOTER APPROVAL, NOTWITHSTANDING ANY OTHER LIMITS IN THE STATE CONSTITUTION OR LAW. THE ADDITION TO FEDERAL TAXABLE INCOME DESCRIBED IN SUBSECTION (3)(p.5)(I) OF THIS SECTION DOES NOT APPLY FOR AN INCOME TAX YEAR THAT COMMENCES AFTER THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM, OR ANY SUCCESSOR PROGRAM, IS REPEALED. UPON REPEAL OF THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM, OR ANY SUCCESSOR PROGRAM, THE COMMISSIONER OF EDUCATION SHALL PROMPTLY NOTIFY THE EXECUTIVE DIRECTOR IN WRITING THAT THE PROGRAM IS REPEALED.

SECTION 7. In Colorado Revised Statutes, 22-2-112, **add** (1)(v) as follows:

22-2-112. Commissioner - duties - report - legislative declaration - repeal. (1) Subject to the supervision of the state board, the commissioner has the following duties:

(v) UPON THE REPEAL OF PART 2 OF ARTICLE 82.9 OF THIS TITLE 22 AND IN ACCORDANCE WITH SECTION 39-22-104 (3)(p.5)(II), TO PROMPTLY NOTIFY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN WRITING THAT THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM IS REPEALED.

SECTION 8. Refer to people under referendum. At the election held on November 8, 2022, the secretary of state shall submit this act by its ballot title to the registered electors of the state for their approval or rejection. Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on the following ballot title: "Shall state taxes be



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increased \$100,727,820 annually by a change to the Colorado Revised Statutes that, to support healthy meals for public school students, increases state taxable income only for individuals who have federal taxable income of \$300,000 or more by limiting itemized or standard state income tax deductions to \$12,000 for single tax return filers and \$16,000 for joint tax return filers, and, in connection therewith, creating the healthy school meals for all program to provide free school meals to students in public schools; providing grants for participating schools to purchase Colorado grown, raised, or processed products, to increase wages or provide stipends for employees who prepare and serve school meals, and to create parent and student advisory committees to provide advice to ensure school meals are healthy and appealing to all students; and creating a program to assist in promoting Colorado food products and preparing school meals using basic nutritious ingredients with minimal reliance on processed products?" Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if a majority of the electors voting on the ballot title vote "Yes/For", then the act will become part of the Colorado Revised Statutes.

Proposition GG

Add Tax Information Table to Petitions and Ballots

The ballot title below is a summary drafted by the professional legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was referred to the voters because it passed by a majority vote of the state senate and the state house of representatives.

Ballot Title:

Shall there be a change to the Colorado Revised Statutes requiring that the ballot title and fiscal summary for any ballot initiative that increases or decreases state income tax rates include a table showing the average tax change for tax filers in different income categories?

Text of Measure:

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

SECTION 1. In Colorado Revised Statutes, 1-5-407, **amend** (7) as follows:

1-5-407. Form of ballots. (7) No printing or distinguishing marks shall be on the ballot except as specifically provided in this code, or in section 1-40-106 (3)(e) to (3)(g) AND (3)(j).

SECTION 2. In Colorado Revised Statutes, 1-40-105.5, **amend** (1.5)(a) (III); and **add** (1.5)(a)(V) as follows:

1-40-105.5. Initial fiscal impact statement - definition. (1.5) (a) For every initiated measure properly submitted to the title board, the director shall prepare a fiscal summary that consists of the following information:

(III) Any information from the initiated measure or a description of state and local government implementation in order to provide the information required in subsection (1.5)(a)(I) or (1.5)(a)(II) of this section; and

(V) IF THE MEASURE WOULD EITHER INCREASE OR DECREASE THE INDIVIDUAL INCOME TAX RATE, A TABLE THAT SHOWS THE ESTIMATED EFFECT OF THE CHANGE ON THE TAX OWED BY INDIVIDUALS IN DIFFERENT INCOME CATEGORIES. THE TABLE PREPARED BY THE DIRECTOR MUST HAVE ONE COLUMN TITLED "INCOME CATEGORIES" THAT SHOWS INCOME CATEGORIES, ONE COLUMN TITLED "CURRENT AVERAGE INCOME TAX OWED" THAT SHOWS THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY, ONE COLUMN TITLED "PROPOSED AVERAGE INCOME TAX OWED" THAT SHOWS THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY IF THE INITIATED MEASURE WERE TO PASS, AND ONE COLUMN TITLED "PROPOSED CHANGE IN AVERAGE INCOME TAX OWED" THAT IDENTIFIES THE DIFFERENCE BETWEEN THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY IF THE INITIATED MEASURE WERE TO PASS AND IF THE INITIATED MEASURE WERE NOT TO PASS. IF THE DIFFERENCE IN THE AMOUNT OF TAX OWED SHOWN IN THE TABLE IS AN INCREASE, THE CHANGE MUST BE EXPRESSED

AS A DOLLAR AMOUNT PRECEDED BY A PLUS SIGN. IF THE CHANGE IN THE AMOUNT OF TAX OWED SHOWN IN THE TABLE IS A DECREASE, THE CHANGE MUST BE EXPRESSED AS A DOLLAR AMOUNT PRECEDED BY A NEGATIVE SIGN. THE DIRECTOR SHALL USE THE FOLLOWING INCOME CATEGORIES IN CREATING THE TABLE:

(A) FEDERAL ADJUSTED GROSS INCOME OF TWENTY-FIVE THOUSAND DOLLARS OR LESS;

(B) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWENTY-FIVE THOUSAND DOLLARS AND NO MORE THAN FIFTY THOUSAND DOLLARS;

(C) FEDERAL ADJUSTED GROSS INCOME GREATER THAN FIFTY THOUSAND DOLLARS AND NO MORE THAN ONE HUNDRED THOUSAND DOLLARS;

(D) FEDERAL ADJUSTED GROSS INCOME GREATER THAN ONE HUNDRED THOUSAND DOLLARS AND NO MORE THAN TWO HUNDRED THOUSAND DOLLARS;

(E) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWO HUNDRED THOUSAND DOLLARS AND NO MORE THAN FIVE HUNDRED THOUSAND DOLLARS;

(F) FEDERAL ADJUSTED GROSS INCOME GREATER THAN FIVE HUNDRED THOUSAND DOLLARS AND NO MORE THAN ONE MILLION DOLLARS;

(G) FEDERAL ADJUSTED GROSS INCOME GREATER THAN ONE MILLION DOLLARS AND NO MORE THAN TWO MILLION DOLLARS; AND

(H) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWO MILLION DOLLARS AND NO MORE THAN FIVE MILLION DOLLARS.

SECTION 3. In Colorado Revised Statutes, 1-40-106, **amend** (3)(h); and **add** (3)(j) as follows:

1-40-106. Title board - meetings - ballot title - initiative and referendum - definitions. (3) (h) In determining whether a ballot title qualifies as brief for purposes of ~~sections~~ SECTION 1-40-102 (10) and ~~1-40-106 (3)(b)~~ SUBSECTION (3)(b) OF THIS SECTION, the language required by subsection (3)(e), (3)(f), ~~or~~ (3)(g), OR (3)(j) of this section may not be considered.

(j) A BALLOT TITLE FOR A MEASURE THAT EITHER INCREASES OR DECREASES THE INDIVIDUAL INCOME TAX RATE MUST, IF APPLICABLE, INCLUDE THE TABLE CREATED FOR THE FISCAL SUMMARY PURSUANT TO SECTION 1-40-105.5 (1.5)(a)(V).

SECTION 4. In Colorado Revised Statutes, 1-40-124.5, **amend** (1)(b) (III) introductory portion as follows:

1-40-124.5. Ballot information booklet. (1) (b) The director of research of the legislative council of the general assembly shall prepare a fiscal impact statement for every initiated or referred measure, taking into consideration fiscal impact information submitted by the office of state planning and budgeting, the department of local affairs or any other state agency, and any proponent or other interested person. The fiscal impact statement prepared for every measure shall be substantially similar in form and content to the fiscal notes provided by the legislative council of the general assembly for legislative measures pursuant to section 2-2-322. A complete copy of the fiscal impact statement for such measure shall be available through the legislative council of the general assembly. The ballot information booklet shall indicate whether there is a fiscal impact for each initiated or referred measure and shall abstract the fiscal impact statement for such measure. The abstract for every measure shall appear after the arguments for and against such measure in the analysis section of the ballot information booklet, and shall include, but shall not be limited to:

(III) For any initiated or referred measure that modifies the state tax laws, if the measure would either increase or decrease individual income tax revenue or state sales tax revenue, a table that shows the number of tax filers in each income category, the total ~~tax burden~~ change in THE AMOUNT OF TAX OWED for each income category, and the average ~~tax burden~~ change IN THE AMOUNT OF TAX OWED for each filer



within each income category. If the change in a tax burden THE AMOUNT OF TAX OWED shown in the table is an increase, the change must be expressed as a dollar amount preceded by a plus sign. If the change in a tax burden THE AMOUNT OF TAX OWED shown in the table is a decrease, the change must be expressed as a dollar amount preceded by a negative sign. The table must use the following income categories:

SECTION 5. Refer to people under referendum. At the election held on November 8, 2022, the secretary of state shall submit this act by its ballot title to the registered electors of the state for their approval or rejection. Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on the following ballot title: "Shall there be a change to the Colorado Revised Statutes requiring that the ballot title and fiscal summary for any ballot initiative that increases or decreases state income tax rates include a table showing the average tax change for tax filers in different income categories?" Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if a majority of the electors voting on the ballot title vote "Yes/For", then the act will become part of the Colorado Revised Statutes.

Proposition 121 State Income Tax Rate Reduction

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

Shall there be a change to the Colorado Revised Statutes reducing the state income tax rate from 4.55% to 4.40%?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-22-104, **amend** (1.7) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - legislative declaration - definitions - repeal.

(1.7) (a) Except as otherwise provided in section 39-22-627, subject to subsection (2) of this section, with respect to taxable years commencing on or after January 1, 2000, but before January 1, 2020, a tax of four and sixty-three one-hundredths percent is imposed on the federal taxable income, as determined pursuant to section 63 of the internal revenue code, of every individual, estate, and trust.

(b) Except as otherwise provided in section 39-22-627, subject to subsection (2) of this section, with respect to taxable years commencing on or after January 1, 2020, BUT BEFORE JANUARY 1, 2022, a tax of four and fifty-five one-hundredths percent is imposed on the federal taxable income, as determined pursuant to section 63 of the internal revenue code, of every individual, estate, and trust.

(c) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, SUBJECT TO SUBSECTION (2) OF THIS SECTION, WITH RESPECT TO TAXABLE YEARS COMMENCING ON OR AFTER JANUARY 1, 2022, A TAX OF FOUR AND FORTY ONE-HUNDREDTHS PERCENT IS IMPOSED ON THE FEDERAL TAXABLE INCOME, AS DETERMINED PURSUANT TO SECTION 63 OF THE INTERNAL REVENUE CODE, OF EVERY INDIVIDUAL, ESTATE, AND TRUST.

SECTION 2. In Colorado Revised Statutes, 39-22-301, **amend** (I)(d)(I) (J) and **add** (1)(d)(I)(K) as follows:

39-22-301. Corporate tax imposed. (1) (d) (I) A tax is imposed upon each domestic C corporation and foreign C corporation doing business

in Colorado annually in an amount of the net income of such C corporation during the year derived from sources within Colorado as set forth in the following schedule of rates:

(I) Except as otherwise provided in section 39-22-627, for income tax years commencing on or after January 1, 2000, but before January 1, 2020, four and sixty-three one-hundredths percent of the Colorado net income;

(J) Except as otherwise provided in section 39-22-627, for income tax years commencing on or after January 1, 2020, BUT BEFORE JANUARY 1, 2022, four and fifty-five one-hundredths percent of the Colorado net income.

(K) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2022, FOUR AND FORTY ONE-HUNDREDTHS PERCENT OF THE COLORADO NET INCOME.

SECTION 3. Effective date. THIS ACT SHALL TAKE EFFECT UPON PROCLAMATION BY THE GOVERNOR.

Proposition 122 Access to Natural Psychedelic Substances

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

Shall there be a change to the Colorado Revised Statutes concerning legal regulated access to natural medicine for persons 21 years of age or older, and, in connection therewith, defining natural medicine as certain plants or fungi that affect a person's mental health and are controlled substances under state law; establishing a natural medicine regulated access program for supervised care, and requiring the department of regulatory agencies to implement the program and comprehensively regulate natural medicine to protect public health and safety; creating an advisory board to advise the department as to the implementation of the program; granting a local government limited authority to regulate the time, place, and manner of providing natural medicine services; allowing limited personal possession, use, and uncompensated sharing of natural medicine; providing specified protections under state law, including criminal and civil immunity, for authorized providers and users of natural medicine; and, in limited circumstances, allowing the retroactive removal and reduction of criminal penalties related to the possession, use, and sale of natural medicine?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** Article 170 to Title 12 as follows:

ARTICLE 170 NATURAL MEDICINE HEALTH ACT of 2022

12-170-101. Short title. THE SHORT TITLE OF THIS ARTICLE 170 IS THE "NATURAL MEDICINE HEALTH ACT OF 2022."

12-170-102. Legislative declaration. (1) THE VOTERS OF THE STATE OF COLORADO FIND AND DECLARE THAT:

(a) COLORADO'S CURRENT APPROACH TO MENTAL HEALTH HAS FAILED TO FULFILL ITS PROMISE. COLORADANS DESERVE MORE TOOLS TO ADDRESS MENTAL HEALTH ISSUES, INCLUDING APPROACHES SUCH AS NATURAL MEDICINES THAT ARE GROUNDED IN TREATMENT, RECOVERY, HEALTH, AND



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WELLNESS RATHER THAN CRIMINALIZATION, STIGMA, SUFFERING, AND PUNISHMENT.

(b) COLORADANS ARE EXPERIENCING PROBLEMATIC MENTAL HEALTH ISSUES, INCLUDING BUT NOT LIMITED TO SUICIDALITY, ADDICTION, DEPRESSION, AND ANXIETY.

(c) AN EXTENSIVE AND GROWING BODY OF RESEARCH IS ADVANCING TO SUPPORT THE EFFICACY OF NATURAL MEDICINES COMBINED WITH PSYCHOTHERAPY AS TREATMENT FOR DEPRESSION, ANXIETY, SUBSTANCE USE DISORDERS, END-OF-LIFE DISTRESS, AND OTHER CONDITIONS.

(d) THE FEDERAL GOVERNMENT WILL TAKE YEARS TO ACT AND COLORADANS DESERVE THE RIGHT TO ACCESS NATURAL MEDICINES NOW.

(e) NATURAL MEDICINES HAVE BEEN USED SAFELY FOR MILLENNIA BY CULTURES FOR HEALING.

(f) COLORADO CAN BETTER PROMOTE HEALTH AND HEALING BY REDUCING ITS FOCUS ON CRIMINAL PUNISHMENTS FOR PERSONS WHO SUFFER MENTAL HEALTH ISSUES AND BY ESTABLISHING REGULATED ACCESS TO NATURAL MEDICINES THROUGH A HUMANE, COST-EFFECTIVE, AND RESPONSIBLE APPROACH.

(g) THE CITY AND COUNTY OF DENVER VOTERS ENACTED ORDINANCE 301 IN MAY 2019 TO MAKE THE ADULT PERSONAL POSSESSION AND USE OF THE NATURAL MEDICINE PSILOCYBIN THE LOWEST LAW ENFORCEMENT PRIORITY IN THE CITY AND COUNTY OF DENVER AND TO PROHIBIT THE CITY AND COUNTY FROM SPENDING RESOURCES ON ENFORCING RELATED PENALTIES.

(h) OREGON VOTERS ENACTED MEASURE 109 IN OREGON IN NOVEMBER 2020 TO ESTABLISH A REGULATED SYSTEM OF DELIVERING A NATURAL MEDICINE, IN PART TO PROVIDE PEOPLE ACCESS TO PSILOCYBIN FOR THERAPEUTIC PURPOSES.

(i) CRIMINALIZING NATURAL MEDICINES HAS DENIED PEOPLE FROM ACCESSING ACCURATE EDUCATION AND HARM REDUCTION INFORMATION RELATED TO THE USE OF NATURAL MEDICINES, AND LIMITED THE DEVELOPMENT OF APPROPRIATE TRAINING FOR FIRST-AND MULTI-RESPONDERS INCLUDING LAW ENFORCEMENT, EMERGENCY MEDICAL SERVICES, SOCIAL SERVICES, AND FIRE SERVICES.

(j) THE PURPOSE OF THIS NATURAL MEDICINE HEALTH ACT OF 2022 IS TO ESTABLISH A NEW, COMPASSIONATE, AND EFFECTIVE APPROACH TO NATURAL MEDICINES BY:

(I) ADOPTING A PUBLIC HEALTH AND HARM REDUCTION APPROACH TO NATURAL MEDICINES BY REMOVING CRIMINAL PENALTIES FOR PERSONAL USE FOR ADULTS TWENTY-ONE YEARS OF AGE AND OLDER;

(II) DEVELOPING AND PROMOTING PUBLIC EDUCATION RELATED TO THE USE OF NATURAL MEDICINES AND APPROPRIATE TRAINING FOR FIRST RESPONDERS; AND

(III) ESTABLISHING REGULATED ACCESS BY ADULTS TWENTY-ONE YEARS OF AGE AND OLDER TO NATURAL MEDICINES THAT SHOW PROMISE IN IMPROVING WELL-BEING, LIFE SATISFACTION, AND OVERALL HEALTH.

(k) THE PROVISIONS OF THIS ARTICLE 170 SHALL BE INTERPRETED CONSISTENTLY WITH THE FINDINGS AND PURPOSES STATED IN THIS SECTION AND SHALL NOT BE LIMITED BY ANY COLORADO LAW THAT COULD CONFLICT WITH OR BE INTERPRETED TO CONFLICT WITH THE PURPOSES AND POLICY OBJECTIVES STATED IN THIS SECTION.

(l) THE PEOPLE OF THE STATE OF COLORADO FURTHER FIND AND DECLARE THAT IT IS NECESSARY TO ENSURE CONSISTENCY AND FAIRNESS IN THE APPLICATION OF THIS ARTICLE 170 THROUGHOUT THE STATE AND THAT, THEREFORE, THE MATTERS ADDRESSED BY THIS ARTICLE 170 ARE, EXCEPT AS SPECIFIED HEREIN, MATTERS OF STATEWIDE CONCERN.

12-170-103. Definitions. (1) AS USED IN THIS ARTICLE 170, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADMINISTRATION SESSION" MEANS A SESSION HELD AT A HEALING CENTER OR ANOTHER LOCATION AS PERMITTED BY RULES ADOPTED BY THE DEPARTMENT AT WHICH A PARTICIPANT PURCHASES, CONSUMES, AND EXPERIENCES THE EFFECTS OF A NATURAL MEDICINE UNDER THE SUPERVISION OF A FACILITATOR.

(b) "DEPARTMENT" MEANS THE DEPARTMENT OF REGULATORY AGENCIES.

(c) "FACILITATOR" MEANS A PERSON LICENSED BY THE DEPARTMENT WHO:

(I) IS TWENTY-ONE YEARS OF AGE OR OLDER.

(II) HAS AGREED TO PROVIDE NATURAL MEDICINE SERVICES TO A PARTICIPANT.

(III) HAS MET THE REQUIREMENTS ESTABLISHED BY THE DEPARTMENT.

(d) "HEALING CENTER" MEANS AN ENTITY LICENSED BY THE DEPARTMENT THAT IS ORGANIZED AND OPERATED AS A PERMITTED ORGANIZATION:

(I) THAT ACQUIRES, POSSESSES, CULTIVATES, MANUFACTURES, DELIVERS, TRANSFERS, TRANSPORTS, SUPPLIES, SELLS, OR DISPENSES NATURAL MEDICINE AND RELATED SUPPLIES; OR PROVIDES NATURAL MEDICINE FOR NATURAL MEDICINE SERVICES AT LOCATIONS PERMITTED BY THE DEPARTMENT; OR ENGAGES IN TWO OR MORE OF THESE ACTIVITIES;

(II) WHERE ADMINISTRATION SESSIONS ARE HELD; OR

(III) WHERE NATURAL MEDICINE SERVICES ARE PROVIDED BY A FACILITATOR.

(e) "HEALTH-CARE FACILITY" MEANS A HOSPITAL, HOSPICE, COMMUNITY MENTAL HEALTH CENTER, FEDERALLY QUALIFIED HEALTH CENTER, RURAL HEALTH CLINIC, PACE ORGANIZATION, LONG-TERM CARE FACILITY, A CONTINUING CARE RETIREMENT COMMUNITY, OR OTHER TYPE OF FACILITY WHERE HEALTH-CARE IS PROVIDED.

(f) "INTEGRATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND FACILITATOR THAT OCCURS AFTER THE PARTICIPANT HAS COMPLETED AN ADMINISTRATION SESSION.

(g) "LOCALITY" MEANS A COUNTY, MUNICIPALITY, OR CITY AND COUNTY.

(h) "NATURAL MEDICINE" MEANS THE FOLLOWING SUBSTANCES IN ANY FORM THAT WOULD CAUSE SUCH PLANT OR FUNGUS TO BE DESCRIBED IN THE "UNIFORM CONTROLLED SUBSTANCES ACT OF 2013", ARTICLE 18 OF TITLE 18: DIMETHYLTRYPTAMINE; IBOGAINE; Mescaline (EXCLUDING LOPHOPHORA WILLIAMSII ("PEYOTE")); PSILOCYBIN; OR PSILOCYN.

(i) "NATURAL MEDICINE SERVICES" MEANS SERVICES PROVIDED BY A FACILITATOR OR OTHER AUTHORIZED PERSON TO A PARTICIPANT BEFORE, DURING, AND AFTER THE PARTICIPANT'S CONSUMPTION OF NATURAL MEDICINE, INCLUDING, AT A MINIMUM AT:

(I) A PREPARATION SESSION;

(II) AN ADMINISTRATION SESSION; AND

(III) AN INTEGRATION SESSION.

(j) "PARTICIPANT" MEANS A PERSON TWENTY-ONE YEARS OF AGE OR OLDER WHO RECEIVES NATURAL MEDICINE SERVICES.

(k) "PERMITTED ORGANIZATION" MEANS ANY LEGAL ENTITY REGISTERED AND QUALIFIED TO DO BUSINESS IN THE STATE OF COLORADO THAT MEETS THE STANDARDS SET BY THE DEPARTMENT UNDER SECTION 12-170-104.

(l) "PREPARATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND A FACILITATOR THAT OCCURS BEFORE THE PARTICIPANT PARTICIPATES IN THE ADMINISTRATION SESSION.

12-170-104. Regulated natural medicine access program. (1) THE REGULATED NATURAL MEDICINE ACCESS PROGRAM IS ESTABLISHED AND



THE DEPARTMENT SHALL REGULATE THE MANUFACTURE, CULTIVATION, TESTING, STORAGE, TRANSFER, TRANSPORT, DELIVERY, SALE, AND PURCHASE OF NATURAL MEDICINES BY AND BETWEEN HEALING CENTERS AND OTHER PERMITTED ENTITIES AND THE PROVISION OF NATURAL MEDICINE SERVICES TO PARTICIPANTS.

(2) NOT LATER THAN JANUARY 1, 2024, THE DEPARTMENT SHALL ADOPT RULES TO ESTABLISH THE QUALIFICATIONS, EDUCATION, AND TRAINING REQUIREMENTS THAT FACILITATORS MUST MEET PRIOR TO PROVIDING NATURAL MEDICINE SERVICES, AND TO APPROVE ANY REQUIRED TRAINING PROGRAMS.

(3) NOT LATER THAN SEPTEMBER 30, 2024, THE DEPARTMENT SHALL ADOPT RULES NECESSARY TO IMPLEMENT THE REGULATED NATURAL MEDICINE ACCESS PROGRAM AND SHALL BEGIN ACCEPTING APPLICATIONS FOR LICENSURE BY THAT DATE WITH DECISIONS MADE ON ALL LICENSING APPLICATIONS WITHIN 60 DAYS OF RECEIVING THE APPLICATION.

(4) FOR PURPOSES OF THE REGULATED NATURAL MEDICINE ACCESS PROGRAM SET FORTH IN THIS SECTION:

(a) UNTIL JUNE 1, 2026, THE TERM NATURAL MEDICINE SHALL ONLY INCLUDE PSILOCYBIN AND PSILOCYN.

(b) AFTER JUNE 1, 2026, IF RECOMMENDED BY THE NATURAL MEDICINE ADVISORY BOARD, THE DEPARTMENT MAY ADD ONE OR MORE OF THE FOLLOWING TO THE TERM NATURAL MEDICINE: DIMETHYLTRYPTAMINE; IBOGAINE; AND Mescaline (EXCLUDING LOPHOPHORA WILLIAMSII (“PEYOTE”).

(c) THE DEPARTMENT MAY PREPARE PROPOSED RULES FOR THE ADDITION OF DIMETHYLTRYPTAMINE; IBOGAINE; AND Mescaline (EXCLUDING LOPHOPHORA WILLIAMSII (“PEYOTE”)) TO THE TERM NATURAL MEDICINE PRIOR TO JUNE 1, 2026, IN THE EVENT THAT DIMETHYLTRYPTAMINE; IBOGAINE; OR Mescaline (EXCLUDING LOPHOPHORA WILLIAMSII (“PEYOTE”)) IS ADDED TO THE TERM NATURAL MEDICINE UNDER SUBSECTION (4)(b) OF THIS SECTION.

(5) IN CARRYING OUT ITS DUTIES UNDER THIS ARTICLE 170, THE DEPARTMENT SHALL CONSULT WITH THE NATURAL MEDICINE ADVISORY BOARD AND MAY ALSO CONSULT WITH OTHER STATE AGENCIES OR ANY OTHER INDIVIDUAL OR ENTITY THE DEPARTMENT FINDS NECESSARY.

(6) THE RULES ADOPTED BY THE DEPARTMENT SHALL INCLUDE, BUT ARE NOT LIMITED TO, RULES TO:

(a) ESTABLISH THE REQUIREMENTS GOVERNING THE SAFE PROVISION OF NATURAL MEDICINE SERVICES TO PARTICIPANTS THAT INCLUDE:

(I) HOLDING AND VERIFYING COMPLETION OF A PREPARATION SESSION, AN ADMINISTRATION SESSION, AND AN INTEGRATION SESSION.

(II) HEALTH AND SAFETY WARNINGS THAT MUST BE PROVIDED TO PARTICIPANTS BEFORE NATURAL MEDICINE SERVICES BEGIN.

(III) EDUCATIONAL MATERIALS THAT MUST BE PROVIDED TO PARTICIPANTS BEFORE NATURAL MEDICINE SERVICES BEGIN.

(IV) THE FORM THAT EACH FACILITATOR, PARTICIPANT, AND AUTHORIZED REPRESENTATIVE OF A HEALING CENTER MUST SIGN BEFORE PROVIDING OR RECEIVING NATURAL MEDICINE SERVICES VERIFYING THAT THE PARTICIPANT WAS PROVIDED ACCURATE AND COMPLETE HEALTH INFORMATION AND INFORMED OF IDENTIFIED RISK FACTORS AND CONTRAINDICATIONS.

(V) PROPER SUPERVISION DURING THE ADMINISTRATION SESSION AND SAFE TRANSPORTATION FOR THE PARTICIPANT WHEN THE SESSION IS COMPLETE.

(VI) PROVISIONS FOR GROUP ADMINISTRATION SESSIONS WHERE ONE OR MORE FACILITATORS PROVIDE NATURAL MEDICINE SERVICES TO MORE THAN ONE PARTICIPANT AS PART OF THE SAME ADMINISTRATION SESSION.

(VII) PROVISIONS TO ALLOW A FACILITATOR OR A HEALING CENTER TO

REFUSE TO PROVIDE NATURAL MEDICINE SERVICES TO A PARTICIPANT.

(VIII) THE REQUIREMENTS AND STANDARDS FOR INDEPENDENT TESTING OF NATURAL MEDICINE FOR CONCENTRATION AND CONTAMINANTS, TO THE EXTENT AVAILABLE TECHNOLOGY REASONABLY PERMITS.

(IX) THE LICENSURE OF ENTITIES PERMITTED TO ENGAGE IN THE TESTING OF NATURAL MEDICINE FOR USE IN NATURAL MEDICINE SERVICES OR OTHERWISE.

(X) THE STANDARDS FOR ADVERTISING AND MARKETING NATURAL MEDICINE AND NATURAL MEDICINE SERVICES.

(XI) THE STANDARDS FOR QUALIFICATION AS A PERMITTED ORGANIZATION ADDRESSING, WITHOUT LIMITATION, ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CRITERIA DIRECTED TO THE FINDINGS AND DECLARATIONS SET FORTH IN SECTION 12-170-102.

(b) ESTABLISH THE REQUIREMENTS GOVERNING THE LICENSING AND PRACTICE OF FACILITATORS THAT INCLUDE:

(I) THE FORM AND CONTENT OF LICENSE AND RENEWAL APPLICATIONS FOR FACILITATORS SUBMITTED UNDER THIS ARTICLE 170.

(II) THE QUALIFICATIONS, EDUCATION, AND TRAINING REQUIREMENTS THAT FACILITATORS MUST MEET PRIOR TO PROVIDING NATURAL MEDICINE SERVICES. THE REQUIREMENTS SHALL:

(A) BE TIERED SO AS TO REQUIRE VARYING LEVELS OF EDUCATION AND TRAINING DEPENDING ON THE PARTICIPANTS THE FACILITATOR WILL BE WORKING WITH AND THE SERVICES THE FACILITATOR WILL BE PROVIDING.

(B) INCLUDE EDUCATION AND TRAINING ON CLIENT SAFETY; CONTRAINDICATIONS; MENTAL HEALTH; MENTAL STATE; PHYSICAL HEALTH; PHYSICAL STATE; SOCIAL AND CULTURAL CONSIDERATIONS; PHYSICAL ENVIRONMENT; PREPARATION; INTEGRATION; AND ETHICS.

(C) ALLOW FOR LIMITED WAIVERS OF EDUCATION AND TRAINING REQUIREMENTS BASED ON AN APPLICANT’S PRIOR EXPERIENCE, TRAINING, OR SKILL, INCLUDING, BUT NOT LIMITED TO, WITH NATURAL MEDICINES.

(D) NOT IMPOSE UNREASONABLE FINANCIAL OR LOGISTICAL BARRIERS THAT MAKE OBTAINING A FACILITATOR LICENSE COMMERCIALY UNREASONABLE FOR LOW INCOME PEOPLE OR OTHER APPLICANTS.

(E) NOT REQUIRE A PROFESSIONAL LICENSE OR PROFESSIONAL DEGREE OTHER THAN A FACILITATOR LICENSE GRANTED PURSUANT TO THIS SECTION.

(F) ALLOW FOR PAID COMPENSATION FOR NATURAL MEDICINE SERVICES.

(G) ALLOW FOR THE PROVISION OF NATURAL MEDICINE SERVICES TO MORE THAN ONE PARTICIPANT AT A TIME IN GROUP ADMINISTRATION SESSIONS.

(III) OVERSIGHT AND SUPERVISION REQUIREMENTS FOR FACILITATORS, INCLUDING PROFESSIONAL RESPONSIBILITY STANDARDS AND CONTINUING EDUCATION REQUIREMENTS.

(IV) A COMPLAINT, REVIEW, AND DISCIPLINARY PROCESS FOR FACILITATORS WHO ENGAGE IN MISCONDUCT.

(V) RECORDKEEPING, PRIVACY, AND CONFIDENTIALITY REQUIREMENTS FOR FACILITATORS, PROVIDED SUCH RECORD KEEPING DOES NOT RESULT IN THE DISCLOSURE TO THE PUBLIC OR ANY GOVERNMENT AGENCY OF PERSONALLY IDENTIFIABLE INFORMATION OF PARTICIPANTS.

(VI) PROCEDURES FOR SUSPENDING OR REVOKING THE LICENSES OF FACILITATORS WHO VIOLATE THE PROVISIONS OF THIS ARTICLE 170 OR THE RULES ADOPTED BY THE DEPARTMENT.

(c) ESTABLISH THE REQUIREMENTS GOVERNING THE LICENSING AND OPERATION OF HEALING CENTERS THAT INCLUDE:



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- (I) QUALIFICATIONS FOR LICENSURE AND RENEWAL.
- (II) OVERSIGHT REQUIREMENTS FOR HEALING CENTERS.
- (III) RECORDKEEPING, PRIVACY, AND CONFIDENTIALITY REQUIREMENTS FOR HEALING CENTERS, PROVIDED SUCH RECORD KEEPING DOES NOT RESULT IN THE DISCLOSURE TO THE PUBLIC OR ANY GOVERNMENT AGENCY OF PERSONALLY IDENTIFIABLE INFORMATION OF PARTICIPANTS.
- (IV) SECURITY REQUIREMENTS FOR HEALING CENTERS, INCLUDING REQUIREMENTS FOR PROTECTION OF EACH LICENSED HEALING CENTER LOCATION BY A FULLY OPERATIONAL SECURITY ALARM SYSTEM.
- (V) PROCEDURES FOR SUSPENDING OR REVOKING THE LICENSES OF HEALING CENTERS THAT VIOLATE THE PROVISIONS OF THIS ARTICLE 170 OR THE RULES ADOPTED BY THE DEPARTMENT.
- (VI) PERMISSIBLE FINANCIAL RELATIONSHIPS BETWEEN LICENSED HEALING CENTERS, FACILITATORS, AND OTHER ENTITIES.
- (VII) PROCEDURES AND POLICIES THAT ALLOW FOR HEALING CENTERS TO RECEIVE PAYMENT FOR SERVICES AND NATURAL MEDICINES PROVIDED.
- (VIII) PROCEDURES AND POLICIES TO ENSURE STATEWIDE ACCESS TO HEALING CENTERS AND NATURAL MEDICINE SERVICES.
- (IX) RULES THAT PROHIBIT AN INDIVIDUAL FROM HAVING A FINANCIAL INTEREST IN MORE THAN FIVE HEALING CENTERS.
- (X) RULES THAT ALLOW FOR HEALING CENTERS TO SHARE THE SAME PREMISES WITH OTHER HEALING CENTERS OR TO SHARE THE SAME PREMISES WITH HEALTH-CARE FACILITIES.
- (XI) RULES THAT ALLOW FOR LOCATIONS NOT OWNED BY A HEALING CENTER WHERE NATURAL MEDICINE SERVICES MAY BE PROVIDED BY LICENSED FACILITATORS, INCLUDING BUT NOT LIMITED TO, HEALTH-CARE FACILITIES AND PRIVATE RESIDENCES.
- (d) ESTABLISH PROCEDURES, POLICIES, AND PROGRAMS TO ENSURE THE REGULATORY ACCESS PROGRAM IS EQUITABLE AND INCLUSIVE AND TO PROMOTE THE LICENSING OF AND THE PROVISION OF NATURAL MEDICINE SERVICES TO PERSONS FROM COMMUNITIES THAT HAVE BEEN DISPROPORTIONATELY HARMED BY HIGH RATES OF CONTROLLED SUBSTANCES ARRESTS; TO PERSONS WHO FACE BARRIERS TO ACCESS TO HEALTH CARE; TO PERSONS WHO HAVE A TRADITIONAL OR INDIGENOUS HISTORY WITH NATURAL MEDICINES; OR TO PERSONS WHO ARE VETERANS THAT INCLUDE, BUT ARE NOT LIMITED TO:
- (I) REDUCED FEES FOR LICENSURE AND FACILITATOR TRAINING.
- (II) INCENTIVIZING THE PROVISION OF NATURAL MEDICINE SERVICES AT A REDUCED COST TO LOW INCOME INDIVIDUALS.
- (III) INCENTIVIZING GEOGRAPHIC AND CULTURAL DIVERSITY IN LICENSING AND THE PROVISION AND AVAILABILITY OF NATURAL MEDICINE SERVICES.
- (VI) A PROCESS FOR ANNUALLY REVIEWING THE EFFECTIVENESS OF SUCH POLICIES AND PROGRAMS PROMULGATED UNDER THIS SUBSECTION (6) (d).
- (e) ESTABLISH APPLICATION, LICENSING, AND RENEWAL FEES FOR HEALING CENTER AND FACILITATOR LICENSES. THE FEES SHALL BE:
- (I) SUFFICIENT, BUT SHALL NOT EXCEED THE AMOUNT NECESSARY, TO COVER THE COST OF ADMINISTERING THE REGULATED NATURAL MEDICINE ACCESS PROGRAM, INCLUDING THE REGULATED NATURAL MEDICINE ACCESS PROGRAM FUND IN 12-170-106.
- (II) FOR LICENSING AND RENEWAL FEES, SCALED BASED ON EITHER THE VOLUME OF BUSINESS OF THE LICENSEE OR THE GROSS ANNUAL REVENUE OF THE LICENSEE.
- (f) DEVELOP AND PROMOTE ACCURATE PUBLIC EDUCATION CAMPAIGNS RELATED TO THE USE OF NATURAL MEDICINE, INCLUDING BUT NOT LIMITED TO PUBLIC SERVICE ANNOUNCEMENTS, EDUCATIONAL CURRICULA, AND APPROPRIATE CRISIS RESPONSE, AND APPROPRIATE TRAINING FOR FIRST- AND MULTI-RESPONDERS INCLUDING LAW ENFORCEMENT, EMERGENCY MEDICAL SERVICES, SOCIAL SERVICES, AND FIRE SERVICES.
- (g) STUDY AND DELIVER RECOMMENDATIONS TO THE LEGISLATURE REGARDING THE REGULATION OF DOSAGE FOR OFF-SITE USE OF NATURAL MEDICINES.
- (h) COLLECT AND ANNUALLY PUBLISH DATA ON THE IMPLEMENTATION AND OUTCOMES OF THE REGULATED NATURAL MEDICINE ACCESS PROGRAM IN ACCORDANCE WITH GOOD DATA AND PRIVACY PRACTICES AND THAT DOES NOT DISCLOSE ANY IDENTIFYING INFORMATION ABOUT INDIVIDUAL LICENSEES OR PARTICIPANTS.
- (i) ADOPT, AMEND, AND REPEAL RULES AS NECESSARY TO IMPLEMENT THE REGULATED NATURAL MEDICINE ACCESS PROGRAM AND TO PROTECT THE PUBLIC HEALTH AND SAFETY.
- (7) PARTICIPANT RECORDS COLLECTED AND MAINTAINED BY HEALING CENTERS, FACILITATORS, REGISTERED ENTITIES, OR THE DEPARTMENT SHALL CONSTITUTE MEDICAL DATA AS DEFINED BY SECTION 24-72-204 (3) (a)(I) AND ARE NOT PUBLIC RECORDS SUBJECT TO DISCLOSURE.
- (8) THE DEPARTMENT SHALL HAVE THE AUTHORITY TO CREATE AND ISSUE ANY ADDITIONAL TYPES OF LICENSES AND REGISTRATIONS IT DEEMS NECESSARY TO CARRY OUT THE INTENTS AND PURPOSES OF THE REGULATED NATURAL MEDICINE ACCESS PROGRAM, INCLUDING ALLOWING NATURAL MEDICINE SERVICES TO BE PROVIDED AT OTHER TYPES OF LICENSED HEALTH FACILITIES OR BY INDIVIDUALS IN ORDER TO INCREASE ACCESS TO AND THE AVAILABILITY OF NATURAL MEDICINE SERVICES.
- (9) THE DEPARTMENT SHALL HAVE THE AUTHORITY TO ADOPT RULES THAT DIFFERENTIATE BETWEEN NATURAL MEDICINES AND THAT REGULATE EACH NATURAL MEDICINE DIFFERENTLY BASED ON ITS SPECIFIC QUALITIES, TRADITIONAL USES, AND SAFETY PROFILE.
- (10) THE DEPARTMENT SHALL ADOPT, AMEND, AND REPEAL ALL RULES IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT, ARTICLE 4 OF TITLE 24, C.R.S., AS AMENDED, AND THE RULES PROMULGATED THEREUNDER.
- 12-170-105. Natural Medicine Advisory Board** (1) THE NATURAL MEDICINE ADVISORY BOARD SHALL BE ESTABLISHED WITHIN THE DEPARTMENT FOR THE PURPOSE OF ADVISING THE DEPARTMENT AS TO THE IMPLEMENTATION OF THE REGULATED NATURAL MEDICINE ACCESS PROGRAM.
- (2) THE BOARD SHALL CONSIST OF FIFTEEN MEMBERS. MEMBERS SHALL BE APPOINTED BY THE GOVERNOR, WITH THE CONSENT OF THE SENATE.
- (3) MEMBERS OF THE INITIAL BOARD SHALL BE APPOINTED BY JANUARY 31, 2023. IN MAKING THE APPOINTMENTS, THE GOVERNOR SHALL APPOINT:
- (a) AT LEAST SEVEN MEMBERS WITH SIGNIFICANT EXPERTISE AND EXPERIENCE IN ONE OR MORE OF THE FOLLOWING AREAS: NATURAL MEDICINE THERAPY, MEDICINE, AND RESEARCH; MYCOLOGY AND NATURAL MEDICINE CULTIVATION; PERMITTED ORGANIZATION CRITERIA; EMERGENCY MEDICAL SERVICES AND SERVICES PROVIDED BY FIRST RESPONDERS; MENTAL AND BEHAVIORAL HEALTH PROVIDERS; HEALTH CARE INSURANCE AND HEALTH CARE POLICY; AND PUBLIC HEALTH, DRUG POLICY, AND HARM REDUCTION.
- (b) AT LEAST EIGHT MEMBERS WITH SIGNIFICANT EXPERTISE AND EXPERIENCE IN ONE OR MORE OF THE FOLLOWING AREAS: RELIGIOUS USE OF NATURAL MEDICINES; ISSUES CONFRONTING VETERANS; TRADITIONAL INDIGENOUS USE OF NATURAL MEDICINES; LEVELS AND DISPARITIES IN ACCESS TO HEALTH CARE SERVICES AMONG DIFFERENT COMMUNITIES; AND PAST CRIMINAL JUSTICE REFORM EFFORTS IN COLORADO. AT LEAST ONE OF THE EIGHT MEMBERS SHALL HAVE EXPERTISE OR EXPERIENCE IN TRADITIONAL INDIGENOUS USE OF NATURAL MEDICINES.
- (4) FOR THE INITIAL BOARD, SEVEN OF THE MEMBERS SHALL BE



APPOINTED TO A TERM OF TWO YEARS AND EIGHT MEMBERS SHALL BE APPOINTED TO A TERM OF FOUR YEARS. EACH MEMBER APPOINTED THEREAFTER SHALL BE APPOINTED TO A TERM OF FOUR YEARS. MEMBERS OF THE BOARD MAY SERVE UP TO TWO CONSECUTIVE TERMS. MEMBERS ARE SUBJECT TO REMOVAL AS PROVIDED IN ARTICLE IV, SECTION 6 OF THE COLORADO CONSTITUTION.

(5) NOT LATER THAN SEPTEMBER 30, 2023, AND ANNUALLY THEREAFTER, THE BOARD SHALL MAKE RECOMMENDATIONS TO THE DEPARTMENT RELATED TO, BUT NOT LIMITED TO, ALL OF THE FOLLOWING AREAS:

(a) ACCURATE PUBLIC HEALTH APPROACHES REGARDING USE, EFFECT, AND RISK REDUCTION FOR NATURAL MEDICINE AND THE CONTENT AND SCOPE OF EDUCATIONAL CAMPAIGNS RELATED TO NATURAL MEDICINE;

(b) RESEARCH RELATED TO THE EFFICACY AND REGULATION OF NATURAL MEDICINE, INCLUDING RECOMMENDATIONS RELATED TO PRODUCT SAFETY, HARM REDUCTION, AND CULTURAL RESPONSIBILITY;

(c) THE PROPER CONTENT OF TRAINING PROGRAMS, EDUCATIONAL AND EXPERIENTIAL REQUIREMENTS, AND QUALIFICATIONS FOR FACILITATORS;

(d) AFFORDABLE, EQUITABLE, ETHICAL, AND CULTURALLY RESPONSIBLE ACCESS TO NATURAL MEDICINE AND REQUIREMENTS TO ENSURE THE REGULATED NATURAL MEDICINE ACCESS PROGRAM IS EQUITABLE AND INCLUSIVE;

(e) APPROPRIATE REGULATORY CONSIDERATIONS FOR EACH NATURAL MEDICINE;

(f) THE ADDITION OF NATURAL MEDICINES TO THE REGULATED NATURAL MEDICINE ACCESS PROGRAM UNDER SECTION 12-170-104(4)(b) BASED ON AVAILABLE MEDICAL, PSYCHOLOGICAL, AND SCIENTIFIC STUDIES, RESEARCH, AND OTHER INFORMATION RELATED TO THE SAFETY AND EFFICACY OF EACH NATURAL MEDICINE;

(g) ALL RULES TO BE PROMULGATED BY THE DEPARTMENT UNDER 12-170-104; AND

(h) REQUIREMENTS FOR ACCURATE AND COMPLETE DATA COLLECTION, REPORTING, AND PUBLICATION OF INFORMATION RELATED TO THE IMPLEMENTATION OF THIS ARTICLE 170.

(6) THE BOARD SHALL, ON AN ONGOING BASIS, REVIEW AND EVALUATE EXISTING RESEARCH, STUDIES, AND REAL-WORLD DATA RELATED TO NATURAL MEDICINE AND MAKE RECOMMENDATIONS TO THE LEGISLATURE AND OTHER RELEVANT STATE AGENCIES AS TO WHETHER NATURAL MEDICINE AND ASSOCIATED SERVICES SHOULD BE COVERED UNDER HEALTH FIRST COLORADO OR OTHER INSURANCE PROGRAMS AS A COST EFFECTIVE INTERVENTION FOR VARIOUS MENTAL HEALTH CONDITIONS, INCLUDING BUT NOT LIMITED TO END OF LIFE ANXIETY, SUBSTANCE USE DISORDER, ALCOHOLISM, DEPRESSIVE DISORDERS, NEUROLOGICAL DISORDERS, CLUSTER HEADACHES, AND POST TRAUMATIC STRESS DISORDER.

(7) THE BOARD SHALL, ON AN ONGOING BASIS, REVIEW AND EVALUATE SUSTAINABILITY ISSUES RELATED TO NATURAL MEDICINE AND IMPACT ON INDIGENOUS CULTURES AND DOCUMENT EXISTING RECIPROCITY EFFORTS AND CONTINUING SUPPORT MEASURES THAT ARE NEEDED AS PART OF ITS ANNUAL REPORT.

(8) THE BOARD SHALL PUBLISH AN ANNUAL REPORT DESCRIBING ITS ACTIVITIES INCLUDING THE RECOMMENDATIONS AND ADVICE PROVIDED TO THE DEPARTMENT AND THE LEGISLATURE.

(9) THE DEPARTMENT SHALL PROVIDE REQUESTED TECHNICAL, LOGISTICAL AND OTHER SUPPORT TO THE BOARD TO ASSIST THE BOARD WITH ITS DUTIES AND OBLIGATIONS.

(10) THIS SECTION IS REPEALED EFFECTIVE DECEMBER 31, 2033.

12-170-106. Regulated natural medicine access program fund. (1) THE REGULATED NATURAL MEDICINE ACCESS PROGRAM FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND IS ADMINISTERED BY THE

DEPARTMENT AND CONSISTS OF ALL MONEY FROM FEES COLLECTED AND MONEY TRANSFERRED FROM THE GENERAL FUND UNDER THIS ARTICLE 170. ALL INTEREST AND INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND SHALL BE CREDITED TO THE FUND AND SHALL NOT BE TRANSFERRED TO THE GENERAL FUND OR ANY OTHER STATE FUND AT THE END OF ANY STATE FISCAL YEAR.

(2) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND ANY GIFTS, GRANTS, DONATIONS, LOAN OF FUNDS, PROPERTY, OR ANY OTHER REVENUE OR AID IN ANY FORM FROM THE STATE, ANY STATE AGENCY, ANY OTHER PUBLIC SOURCE, ANY PRIVATE SOURCE, OR ANY COMBINATION THEREOF, AND ANY SUCH MONETARY RECEIPTS SHALL BE CREDITED TO THE FUND AND ANY SUCH IN-KIND RECEIPTS SHALL BE APPLIED FOR THE BENEFIT OF THE FUND.

(3) THE MONEY IN THE FUND IS CONTINUALLY APPROPRIATED TO THE DEPARTMENT FOR THE DIRECT AND INDIRECT COSTS OF CARRYING OUT THE PROVISIONS OF THIS ARTICLE 170.

(4) FUNDS FOR THE INITIAL ESTABLISHMENT AND SUPPORT OF THE REGULATORY ACTIVITIES BY THE DEPARTMENT UNDER THIS ARTICLE 170, INCLUDING THE NATURAL MEDICINE ADVISORY BOARD, THE DEVELOPMENT AND PROMOTION OF PUBLIC EDUCATION CAMPAIGNS RELATED TO THE USE OF NATURAL MEDICINE, AND THE DEVELOPMENT OF THE POLICIES, PROCEDURES, AND PROGRAMS REQUIRED BY 12-170-104(6)(d) SHALL BE ADVANCED FROM THE GENERAL FUND TO THE REGULATED NATURAL MEDICINE ACCESS PROGRAM FUND AND SHALL BE REPAID TO THE GENERAL FUND BY THE INITIAL PROCEEDS FROM FEES COLLECTED PURSUANT TO THIS ARTICLE 170.

(5) THE OFFICE OF STATE PLANNING AND BUDGETING SHALL DETERMINE THE AMOUNT OF THE INITIAL ADVANCE FROM THE GENERAL FUND TO THE REGULATED NATURAL MEDICINE ACCESS PROGRAM FUND BASED ON THE ESTIMATED COSTS OF ESTABLISHING THE PROGRAM.

12-170-107. Localities. (1) A LOCALITY MAY REGULATE THE TIME, PLACE, AND MANNER OF THE OPERATION OF HEALING CENTERS LICENSED PURSUANT TO THIS ARTICLE 170 WITHIN ITS BOUNDARIES.

(2) A LOCALITY MAY NOT BAN OR COMPLETELY PROHIBIT THE ESTABLISHMENT OR OPERATION OF HEALING CENTERS LICENSED PURSUANT TO THIS ARTICLE 170 WITHIN ITS BOUNDARIES.

(3) A LOCALITY MAY NOT BAN OR COMPLETELY PROHIBIT A LICENSED HEALTH-CARE FACILITY OR INDIVIDUAL WITHIN ITS BOUNDARIES FROM PROVIDING NATURAL MEDICINE SERVICES IF THE LICENSED HEALTH-CARE FACILITY OR INDIVIDUAL IS PERMITTED TO PROVIDE NATURAL MEDICINE SERVICES BY THE DEPARTMENT PURSUANT TO THIS ARTICLE 170.

(4) A LOCALITY MAY NOT PROHIBIT THE TRANSPORTATION OF NATURAL MEDICINE THROUGH ITS JURISDICTION ON PUBLIC ROADS BY A LICENSEE OR AS OTHERWISE ALLOWED BY THIS ARTICLE 170.

(5) A LOCALITY MAY NOT ADOPT ORDINANCES OR REGULATIONS THAT ARE UNREASONABLE OR IN CONFLICT WITH THIS ARTICLE 170, BUT MAY ENACT LAWS IMPOSING LESSER CRIMINAL OR CIVIL PENALTIES THAN PROVIDED BY THIS ARTICLE 170

12-170-108. Protections. (1) SUBJECT TO THE LIMITATIONS IN THIS ARTICLE 170, BUT NOTWITHSTANDING ANY OTHER PROVISION OF LAW:

(a) ACTIONS AND CONDUCT PERMITTED PURSUANT TO A LICENSE OR REGISTRATION ISSUED BY THE DEPARTMENT OR BY DEPARTMENT RULE, OR BY THOSE WHO ALLOW PROPERTY TO BE USED PURSUANT TO A LICENSE OR REGISTRATION ISSUED BY THE DEPARTMENT OR BY DEPARTMENT RULE, ARE NOT UNLAWFUL AND SHALL NOT BE AN OFFENSE UNDER STATE LAW, OR THE LAWS OF ANY LOCALITY WITHIN THE STATE, OR BE SUBJECT TO A CIVIL FINE, PENALTY, OR SANCTION, OR BE A BASIS FOR DETENTION, SEARCH, OR ARREST, OR TO DENY ANY RIGHT OR PRIVILEGE, OR TO SEIZE OR FORFEIT ASSETS UNDER STATE LAW OR THE LAWS OF ANY LOCALITY WITHIN THE STATE.

(b) A CONTRACT IS NOT UNENFORCEABLE ON THE BASIS THAT NATURAL MEDICINES, AS ALLOWED UNDER THIS ARTICLE 170, ARE PROHIBITED BY



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(c) A HOLDER OF A PROFESSIONAL OR OCCUPATIONAL LICENSE, CERTIFICATION, OR REGISTRATION IS NOT SUBJECT TO PROFESSIONAL DISCIPLINE OR LOSS OF A PROFESSIONAL LICENSE OR CERTIFICATION FOR PROVIDING ADVICE OR SERVICES ARISING OUT OF OR RELATED TO NATURAL MEDICINE LICENSES, APPLICATIONS FOR LICENSES ON THE BASIS THAT NATURAL MEDICINES ARE PROHIBITED BY FEDERAL LAW, OR FOR PERSONAL USE OF NATURAL MEDICINES AS ALLOWED UNDER THIS ARTICLE 170. THIS SECTION DOES NOT PERMIT A PERSON TO ENGAGE IN MALPRACTICE.

(d) MENTAL HEALTH, SUBSTANCE USE DISORDER, OR BEHAVIORAL HEALTH SERVICES OTHERWISE COVERED UNDER THE COLORADO MEDICAL ASSISTANCE ACT, ARTICLES 4 TO 6 OF TITLE 25.5, C.R.S., SHALL NOT BE DENIED ON THE BASIS THAT THEY ARE COVERED IN CONJUNCTION WITH NATURAL MEDICINE SERVICES OR THAT NATURAL MEDICINES ARE PROHIBITED BY FEDERAL LAW. NO INSURANCE OR INSURANCE PROVIDER IS REQUIRED TO COVER THE COST OF THE NATURAL MEDICINE ITSELF.

(e) NOTHING IN THIS SECTION SHALL BE CONSTRUED OR INTERPRETED TO PREVENT THE DEPARTMENT FROM ENFORCING ITS RULES AGAINST A LICENSEE OR TO LIMIT A STATE OR LOCAL LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL ACTIVITY IN RELATION TO A LICENSEE.

12-170-109. Personal use. (1) SUBJECT TO THE LIMITATIONS IN THIS ARTICLE 170, BUT NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING ACTS ARE NOT AN OFFENSE UNDER STATE LAW OR THE LAWS OF ANY LOCALITY WITHIN THE STATE OR SUBJECT TO A CIVIL FINE, PENALTY, OR SANCTION, OR THE BASIS FOR DETENTION, SEARCH, OR ARREST, OR TO DENY ANY RIGHT OR PRIVILEGE, OR TO SEIZE OR FORFEIT ASSETS UNDER STATE LAW OR THE LAWS OF ANY LOCALITY, IF THE PERSON IS TWENTY-ONE YEARS OF AGE OR OLDER:

(a) POSSESSING, STORING, USING, PROCESSING, TRANSPORTING, PURCHASING, OBTAINING, OR INGESTING NATURAL MEDICINE FOR PERSONAL USE, OR GIVING AWAY NATURAL MEDICINE FOR PERSONAL USE WITHOUT REMUNERATION TO A PERSON OR PERSONS TWENTY-ONE YEARS OF AGE OR OLDER.

(b) GROWING, CULTIVATING, OR PROCESSING PLANTS OR FUNGI CAPABLE OF PRODUCING NATURAL MEDICINE FOR PERSONAL USE IF:

(I) THE PLANTS AND FUNGI ARE KEPT IN OR ON THE GROUNDS OF A PRIVATE HOME OR RESIDENCE; AND

(II) THE PLANTS AND FUNGI ARE SECURED FROM ACCESS BY PERSONS UNDER TWENTY-ONE YEARS OF AGE.

(c) ASSISTING ANOTHER PERSON OR PERSONS WHO ARE TWENTY-ONE YEARS OF AGE OR OLDER, OR ALLOWING PROPERTY TO BE USED, IN ANY OF THE ACTIONS OR CONDUCT PERMITTED UNDER SUBSECTION (1).

(2) FOR THE PURPOSE OF THIS ARTICLE 170, "PERSONAL USE" MEANS THE PERSONAL INGESTION OR USE OF A NATURAL MEDICINE AND INCLUDES THE AMOUNT A PERSON MAY CULTIVATE OR POSSESS OF NATURAL MEDICINE NECESSARY TO SHARE NATURAL MEDICINES WITH OTHER PERSONS TWENTY-ONE YEARS OF AGE OR OLDER WITHIN THE CONTEXT OF COUNSELING, SPIRITUAL GUIDANCE, BENEFICIAL COMMUNITY-BASED USE AND HEALING, SUPPORTED USE, OR RELATED SERVICES. "PERSONAL USE" DOES NOT INCLUDE THE SALE OF NATURAL MEDICINES FOR REMUNERATION.

(3) CONDUCT PERMITTED BY THIS ARTICLE 170 SHALL NOT, BY ITSELF:

(a) CONSTITUTE CHILD ABUSE OR NEGLECT WITHOUT A FINDING OF ACTUAL THREAT TO THE HEALTH OR WELFARE OF A CHILD BASED ON ALL RELEVANT FACTORS.

(b) BE THE BASIS TO RESTRICT PARENTING TIME WITH A CHILD WITHOUT A FINDING THAT THE PARENTING TIME WOULD ENDANGER THE CHILD'S PHYSICAL HEALTH OR SIGNIFICANTLY IMPAIR THE CHILD'S EMOTIONAL DEVELOPMENT.

(4) CONDUCT PERMITTED BY THIS ARTICLE 170 SHALL NOT, BY ITSELF, BE THE BASIS FOR PUNISHING OR OTHERWISE PENALIZING A PERSON CURRENTLY UNDER PAROLE, PROBATION, OR OTHER STATE SUPERVISION, OR RELEASED AWAITING TRIAL OR OTHER HEARING.

(5) CONDUCT PERMITTED BY THIS ARTICLE 170 SHALL NOT, BY ITSELF, BE THE BASIS FOR DETENTION, SEARCH, OR ARREST; AND THE POSSESSION OR SUSPICION OF POSSESSION OF NATURAL MEDICINE, OR THE POSSESSION OF MULTIPLE CONTAINERS OF NATURAL MEDICINE, SHALL NOT INDIVIDUALLY OR IN COMBINATION WITH EACH OTHER CONSTITUTE REASONABLY ARTICULABLE SUSPICION OF A CRIME. NATURAL MEDICINES AS PERMITTED BY THIS ARTICLE 170 ARE NOT CONTRABAND NOR SUBJECT TO SEIZURE AND SHALL NOT BE HARMED OR DESTROYED.

(6) CONDUCT PERMITTED BY THIS ARTICLE 170 SHALL NOT, BY ITSELF, BE THE BASIS TO DENY ELIGIBILITY FOR ANY PUBLIC ASSISTANCE PROGRAM, UNLESS REQUIRED BY FEDERAL LAW.

(7) FOR THE PURPOSES OF MEDICAL CARE, INCLUDING ORGAN TRANSPLANTS, CONDUCT PERMITTED BY THIS ARTICLE 170 DOES NOT CONSTITUTE THE USE OF AN ILLICIT SUBSTANCE OR OTHERWISE DISQUALIFY A PERSON FROM MEDICAL CARE OR MEDICAL INSURANCE.

(8) NOTHING IN THIS SECTION SHALL BE CONSTRUED OR INTERPRETED TO PERMIT A PERSON TO GIVE AWAY ANY AMOUNT OF NATURAL MEDICINE AS PART OF A BUSINESS PROMOTION OR OTHER COMMERCIAL ACTIVITY OR TO PERMIT PAID ADVERTISING RELATED TO NATURAL MEDICINE, SHARING OF NATURAL MEDICINE, OR SERVICES INTENDED TO BE USED CONCURRENTLY WITH A PERSON'S CONSUMPTION OF NATURAL MEDICINE. SUCH ADVERTISING MAY BE CONSIDERED EVIDENCE OF COMMERCIAL ACTIVITY THAT IS PROHIBITED UNDER THIS SECTION. THIS PROVISION DOES NOT PRECLUDE THE DONATION OF NATURAL MEDICINE BY A PERSON TWENTY-ONE YEARS OF AGE OR OLDER, PAYMENT FOR BONA FIDE HARM REDUCTION SERVICES, BONA FIDE THERAPY SERVICES, OR OTHER BONA FIDE SUPPORT SERVICES, MAINTAINING PERSONAL OR PROFESSIONAL WEBSITES RELATED TO NATURAL MEDICINE SERVICES, DISSEMINATION OF EDUCATIONAL MATERIALS RELATED TO NATURAL MEDICINE, OR LIMIT THE ABILITY OF A HEALING CENTER TO DONATE NATURAL MEDICINE OR PROVIDE NATURAL MEDICINE AT REDUCED COST CONSISTENT WITH DEPARTMENT RULES.

(9) A PERSON WHO HAS COMPLETED A SENTENCE FOR A CONVICTION, WHETHER BY TRIAL OR PLEA OF GUILTY OR *NOLO CONTENDERE*, WHO WOULD NOT HAVE BEEN GUILTY OF AN OFFENSE UNDER THIS ACT HAD IT BEEN IN EFFECT AT THE TIME OF THE OFFENSE, MAY FILE A PETITION BEFORE THE TRIAL COURT THAT ENTERED THE JUDGMENT OF CONVICTION IN THE PERSON'S CASE TO SEAL THE RECORD OF THE CONVICTION AT NO COST. IF THERE IS NO OBJECTION FROM THE DISTRICT ATTORNEY, THE COURT SHALL AUTOMATICALLY SEAL SUCH RECORD. IF THERE IS AN OBJECTION BY THE DISTRICT ATTORNEY, A HEARING SHALL BE HELD AND THE COURT SHALL DETERMINE IF THE PRIOR CONVICTION DOES NOT QUALIFY TO BE SEALED UNDER THIS ACT. IF THE RECORD DOES NOT QUALIFY TO BE SEALED, THE COURT SHALL DENY THE SEALING OF THE RECORD. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO DIMINISH OR ABROGATE ANY RIGHTS OR REMEDIES OTHERWISE AVAILABLE TO THE PETITIONER OR APPLICANT.

12-170-110. Personal use penalties. (1) UNLESS OTHERWISE PROVIDED BY SUBSECTION (2) OF THIS SECTION, A PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE IS SUBJECT TO A DRUG PETTY OFFENSE, AND UPON CONVICTION THEREOF, SHALL BE SUBJECT ONLY TO A PENALTY OF NO MORE THAN FOUR (4) HOURS OF DRUG EDUCATION OR COUNSELING PROVIDED AT NO COST TO THE PERSON, IF THE PERSON:

(a) POSSESSES, USES, INGESTS, INHALES, OR TRANSPORTS NATURAL MEDICINE FOR PERSONAL USE;

(b) GIVES AWAY WITHOUT REMUNERATION NATURAL MEDICINE FOR PERSONAL USE; OR

(c) POSSESSES, USES, OR GIVES AWAY WITHOUT REMUNERATION NATURAL MEDICINE PARAPHERNALIA.

(2) TO THE EXTENT SUBSECTION (1) ESTABLISHES A PENALTY FOR



CONDUCT NOT OTHERWISE PROHIBITED BY LAW OR ESTABLISHES A PENALTY THAT IS GREATER THAN EXISTS ELSEWHERE IN LAW FOR THE CONDUCT SET FORTH IN SUBSECTION (1), THE PENALTIES IN SUBSECTION (1) SHALL NOT APPLY.

(3) A PERSON WHO CULTIVATES NATURAL MEDICINES THAT ARE NOT SECURE FROM ACCESS BY A PERSON UNDER TWENTY-ONE YEARS OF AGE IN VIOLATION OF 12-170-109(1)(b) IS SUBJECT TO A CIVIL FINE NOT EXCEEDING TWO-HUNDRED AND FIFTY DOLLARS, IN ADDITION TO ANY OTHER APPLICABLE PENALTIES.

(4) A PERSON SHALL NOT BE SUBJECT TO ANY ADDITIONAL FEES, FINES, OR OTHER PENALTIES FOR THE VIOLATIONS ADDRESSED IN THIS SECTION OTHER THAN THOSE SET FORTH IN THIS SECTION. FURTHER, A PERSON SHALL NOT BE SUBJECT TO INCREASED PUNISHMENT FOR ANY OTHER CRIME ON THE BASIS OF THAT PERSON HAVING UNDERTAKEN CONDUCT PERMITTED BY THIS ARTICLE 170.

12-170-111. Limitations. (1) THIS ARTICLE 170 SHALL NOT BE CONSTRUED:

(a) TO PERMIT A PERSON TO DRIVE OR OPERATE A MOTOR VEHICLE, BOAT, VESSEL, AIRCRAFT, OR OTHER DEVICE THAT IS CAPABLE OF MOVING ITSELF, OR OF BEING MOVED, FROM PLACE TO PLACE UPON WHEELS OR ENDLESS TRACKS UNDER THE INFLUENCE OF NATURAL MEDICINE;

(b) TO PERMIT A PERSON TO USE OR POSSESS NATURAL MEDICINE IN A SCHOOL, DETENTION FACILITY, OR PUBLIC BUILDING;

(c) TO PERMIT A PERSON TO INGEST NATURAL MEDICINES IN A PUBLIC PLACE, OTHER THAN A PLACE LICENSED OR OTHERWISE PERMITTED BY THE DEPARTMENT FOR SUCH USE;

(d) TO PERMIT THE TRANSFER OF NATURAL MEDICINE, WITH OR WITHOUT REMUNERATION, TO A PERSON UNDER TWENTY-ONE YEARS OF AGE OR TO ALLOW A PERSON UNDER TWENTY-ONE YEARS OF AGE TO USE OR POSSESS NATURAL MEDICINE;

(e) TO PERMIT A PERSON TO ENGAGE IN CONDUCT THAT ENDANGERS OR HARMS OTHERS;

(f) TO REQUIRE A GOVERNMENT MEDICAL ASSISTANCE PROGRAM OR PRIVATE HEALTH INSURER TO REIMBURSE A PERSON FOR COSTS OF PURCHASING NATURAL MEDICINE;

(g) TO REQUIRE AN EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION, POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, OR GROWING OF NATURAL MEDICINES IN THE WORKPLACE;

(h) TO PROHIBIT A RECIPIENT OF A FEDERAL GRANT OR AN APPLICANT FOR A FEDERAL GRANT FROM PROHIBITING THE USE, CONSUMPTION, POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, OR GROWING OF NATURAL MEDICINES TO THE EXTENT NECESSARY TO SATISFY FEDERAL REQUIREMENTS FOR THE GRANT;

(i) TO PROHIBIT A PARTY TO A FEDERAL CONTRACT OR A PERSON APPLYING TO BE A PARTY TO A FEDERAL CONTRACT FROM PROHIBITING ANY ACT PERMITTED IN THIS ARTICLE 170 TO THE EXTENT NECESSARY TO COMPLY WITH THE TERMS AND CONDITIONS OF THE CONTRACT OR TO SATISFY FEDERAL REQUIREMENTS FOR THE CONTRACT;

(j) TO REQUIRE A PERSON TO VIOLATE A FEDERAL LAW; OR

(k) TO EXEMPT A PERSON FROM A FEDERAL LAW OR OBSTRUCT THE ENFORCEMENT OF A FEDERAL LAW.

12-170-112. Liberal construction. THIS ACT SHALL BE LIBERALLY CONSTRUED TO EFFECTUATE ITS PURPOSE.

12-170-113. Preemption. NO LOCALITY SHALL ADOPT, ENACT, OR ENFORCE ANY ORDINANCE, RULE, OR RESOLUTION IMPOSING ANY GREATER CRIMINAL OR CIVIL PENALTY THAN PROVIDED BY THIS ACT OR THAT IS OTHERWISE IN CONFLICT WITH THE PROVISIONS OF THIS ACT. A LOCALITY MAY ENACT LAWS IMPOSING LESSER CRIMINAL OR CIVIL

PENALTIES THAN PROVIDED BY THIS ACT.

12-170-114. Self-executing, severability, conflicting provisions. ALL PROVISIONS OF THIS ARTICLE 170 ARE SELF-EXECUTING EXCEPT AS SPECIFIED HEREIN, ARE SEVERABLE, AND, EXCEPT WHERE OTHERWISE INDICATED IN THE TEXT, SHALL SUPERSEDE CONFLICTING STATE STATUTORY, LOCAL CHARTER, ORDINANCE, OR RESOLUTION, AND OTHER STATE AND LOCAL PROVISIONS. IF ANY PROVISION OF THIS ACT OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THIS ACT THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS ACT ARE SEVERABLE.

12-170-115. Effective date. UNLESS OTHERWISE PROVIDED BY THIS ACT, ALL PROVISIONS OF THIS ACT SHALL BECOME EFFECTIVE UPON THE EARLIER OF THE OFFICIAL DECLARATION OF THE VOTE HEREON BY PROCLAMATION OF THE GOVERNOR OR THIRTY DAYS AFTER THE VOTE HAS BEEN CANVASSED, PURSUANT TO SECTION 1(4) OF ARTICLE V OF THE COLORADO CONSTITUTION. THE REMOVAL AND REDUCTION OF CRIMINAL PENALTIES BY THIS ACT IS INTENDED TO HAVE RETROACTIVE EFFECT.

SECTION 2. In Colorado Revised Statutes, 18-18-403.5, **amend** (1) as follows:

18-18-403.5. Unlawful possession of a controlled substance. (1) Except as authorized by part 1 or 3 of article 280 of title 12, part 2 of article 80 of title 27, section 18-1-711, section 18-18-428(1)(b), or part 2 or 3 of this article 18, OR THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 it is unlawful for a person knowingly to possess a controlled substance.

SECTION 3. In Colorado Revised Statutes, 18-18-404 **amend** (1)(a) as follows:

18-18-404. Unlawful use of a controlled substance. (1)(a) Except as is otherwise provided for offenses concerning marijuana and marijuana concentrate in sections 18-18-406 and 18-18-406.5 OR BY THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 any person who uses any controlled substance, except when it is dispensed by or under the direction of a person licensed or authorized by law to prescribe, administer, or dispense the controlled substance for bona fide medical needs, commits a level 2 drug misdemeanor.

SECTION 4. In Colorado Revised Statutes, 18-18-405, **amend** (1)(a) as follows:

18-18-405. Unlawful distribution, manufacturing, dispensing, or sale. (1)(a) Except as authorized by part 1 of article 280 of title 12, part 2 of article 80 of title 27, or part 2 or 3 of this article 18, OR BY THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 it is unlawful for any person knowingly to manufacture, dispense, sell, or distribute, or to possess with intent to manufacture, dispense, sell, or distribute, a controlled substance; or induce, attempt to induce, or conspire with one or more other persons, to manufacture, dispense, sell, distribute, or possess with intent to manufacture, dispense, sell, or distribute, a controlled substance; or possess one or more chemicals or supplies or equipment with intent to manufacture a controlled substance.

SECTION 5. In Colorado Revised Statutes, **amend** 18-18-410 as follows:

18-18-410. Declaration of class 1 public nuisance. EXCEPT AS PERMITTED BY THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 any store, shop, warehouse, dwelling house, building, vehicle, boat, or aircraft or any place whatsoever which is frequented by controlled substance addicts for the unlawful use of controlled substances or which is used for the unlawful storage, manufacture, sale, or distribution of controlled substances is declared to be a class 1 public nuisance and subject to the provisions of section 16-13-303, C.R.S. Any real or personal property which is seized or confiscated as a result of an action to abate a public nuisance shall be disposed of



Titles and Text

pursuant to part 7 of article 13 of title 16, C.R.S.

SECTION 6. In Colorado Revised Statutes, 18-18-411, **add** (5) as follows:

18-18-411. Keeping, maintaining, controlling, renting, or making available property for unlawful distribution or manufacture of controlled substances.

(5) A PERSON ACTING IN COMPLIANCE WITH THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 DOES NOT VIOLATE THIS SECTION.

SECTION 7. In Colorado Revised Statutes, 18-18-412.7, **add** (3) as follows:

18-18-412.7. Sale or distribution of materials to manufacture controlled substances.

(3) A PERSON ACTING IN COMPLIANCE WITH THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 DOES NOT VIOLATE THIS SECTION.

SECTION 8. In Colorado Revised Statutes, 18-18-430.5, **add** (1)(c) as follows:

18-18-430.5. Drug paraphernalia—exemption. (1) A person is exempt from sections 18-18-425 to 18-18-430 if the person is:

(c) USING EQUIPMENT, PRODUCTS OR MATERIALS IN COMPLIANCE WITH THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12. THE MANUFACTURE, POSSESSION, AND DISTRIBUTION OF SUCH EQUIPMENT, PRODUCTS, OR MATERIALS SHALL BE AUTHORIZED WITHIN THE MEANING OF 21 USC 863 SEC. (f).

SECTION 9. In Colorado Revised Statutes, 16-13-303, **add** (9) as follows:

16-13-303. Class 1 public nuisance.

(9) A PERSON ACTING IN COMPLIANCE WITH THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 DOES NOT VIOLATE THIS SECTION.

SECTION 10. In Colorado Revised Statutes, 16-13-304, **add** (2) as follows:

16-13-304. Class 2 public nuisance.

(2) A PERSON ACTING IN COMPLIANCE WITH THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12 DOES NOT VIOLATE THIS SECTION.

Proposition 123

Dedicate Revenue for Affordable Housing Programs

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

Shall there be a change to the Colorado Revised Statutes concerning statewide funding for additional affordable housing, and, in connection therewith, dedicating state revenues collected from an existing tax of one-tenth of one percent on federal taxable income of every individual, estate, trust, and corporation, as defined in law, for affordable housing and exempting the dedicated revenues from the constitutional limitation on state fiscal year spending; allocating 60% of the dedicated revenues

to affordable housing financing programs that will reduce rents, purchase land for affordable housing development, and build assets for renters; allocating 40% of the dedicated revenues to programs that support affordable home ownership, serve persons experiencing homelessness, and support local planning capacity; requiring local governments that seek additional affordable housing funding to expedite development approvals for affordable housing projects and commit to increasing the number of affordable housing units by 3% annually; and specifying that the dedicated revenues shall not supplant existing appropriations for affordable housing programs?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** article 32 to title 29 as follows:

ARTICLE 32 Statewide Affordable Housing Fund

29-32-101. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADMINISTRATOR" MEANS A POLITICAL SUBDIVISION OF THE STATE OF COLORADO ESTABLISHED FOR THE PURPOSES, AMONG OTHERS, OF INCREASING THE SUPPLY OF DECENT, SAFE, AND SANITARY HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES, OR OTHER THIRD PARTY ESTABLISHED FOR SUCH PURPOSES, SELECTED BY THE OFFICE TO ADMINISTER CERTAIN AFFORDABLE HOUSING PROGRAMS CREATED IN SECTION 29-32-104.

(2) "AFFORDABLE HOUSING" MEANS RENTAL HOUSING AFFORDABLE TO A HOUSEHOLD WITH AN ANNUAL INCOME OF AT OR BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME, AND THAT COSTS THE HOUSEHOLD LESS THAN THIRTY PERCENT OF ITS MONTHLY INCOME. "AFFORDABLE HOUSING" ALSO MEANS FOR-SALE HOUSING THAT COULD BE PURCHASED BY A HOUSEHOLD WITH AN ANNUAL INCOME OF AT OR BELOW ONE HUNDRED PERCENT OF THE AREA MEDIAN INCOME, FOR WHICH THE MORTGAGE PAYMENT COSTS THE HOUSEHOLD LESS THAN THIRTY PERCENT OF ITS MONTHLY INCOME. TARGETS SET FOR THE LOCAL GOVERNMENTS UNDER SECTION 29-32-105 FOR AFFORDABLE HOUSING SHALL BE BASED ON THE AVERAGE OF THE AREA MEDIAN INCOME. IF A LOCAL GOVERNMENT DETERMINES THAT APPLICATION OF THIS DEFINITION OF AFFORDABLE HOUSING WOULD CAUSE IMPLEMENTATION OF THIS ARTICLE IN A MANNER INCONSISTENT WITH HOUSING AND WORKFORCE NEEDS WITHIN THE JURISDICTION, IT MAY PETITION THE DIVISION FOR LEAVE TO USE THE CALCULATION APPLICABLE TO AN ADJACENT JURISDICTION OR THE STATE MEDIAN INCOME THAT BETTER REFLECTS LOCAL NEEDS.

(3) "AREA MEDIAN INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME OF HOUSEHOLDS OF A GIVEN SIZE IN THE MUNICIPALITY, OR METROPOLITAN STATISTICAL AREA ENCOMPASSING A MUNICIPALITY, OR COUNTY IN WHICH THE HOUSING IS LOCATED, AS CALCULATED AND PUBLISHED FOR A GIVEN YEAR BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(4) "DIVISION" MEANS THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-704 (1).

(5) "SUPPORT FUND" MEANS THE AFFORDABLE HOUSING SUPPORT FUND CREATED IN SECTION 29-32-103(1).

(6) "FUND" MEANS THE STATE AFFORDABLE HOUSING FUND CREATED IN SECTION 29-32-102 (1).

(7) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, WHETHER HOME RULE OR STATUTORY; A COUNTY, WHETHER HOME RULE OR STATUTORY; A CITY AND COUNTY; OR A LOCAL HOUSING AUTHORITY.

(8) "OFFICE" MEANS THE OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(9) "FINANCING FUND" MEANS THE AFFORDABLE HOUSING FINANCING FUND CREATED IN SECTION 29-32-103(2).



29-32-102. State affordable housing fund. (1) THE STATE AFFORDABLE HOUSING FUND IS HEREBY CREATED IN THE STATE TREASURY. COMMENCING ON JANUARY 1, 2023, ALL STATE REVENUES COLLECTED FROM AN EXISTING TAX ON ONE-TENTH OF ONE PERCENT ON FEDERAL TAXABLE INCOME, AS MODIFIED BY LAW, OF EVERY INDIVIDUAL, ESTATE, TRUST, AND CORPORATION, AS DEFINED IN LAW, AS CALCULATED PURSUANT TO SUBSECTION (4) OF THIS SECTION, SHALL BE DEPOSITED IN THE FUND BY THE STATE TREASURER. THE REVENUE DEPOSITED INTO THE FUND PURSUANT TO THIS SUBSECTION (1) SHALL NOT BE SUBJECT TO THE LIMITATION ON FISCAL YEAR SPENDING SPECIFIED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

(2) THE FUND SHALL CONSIST OF MONEY DEPOSITED INTO THE FUND UNDER SUBSECTION (1) OF THIS SECTION; ANY MONEY APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY; AND ANY GIFTS, GRANTS, OR DONATIONS FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL ENTITIES, THAT THE DIVISION AND THE OFFICE ARE HEREBY AUTHORIZED TO SEEK AND ACCEPT.

(3) ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND, SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR.

(4)(a) THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, SHALL CALCULATE THE AMOUNT OF REVENUES TO BE DEPOSITED IN THE FUND FOR THE PERIOD COMMENCING JANUARY 1, 2023 AND ENDING JUNE 30, 2023, AND FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2023. THE LEGISLATIVE COUNCIL AND THE OFFICE OF STATE PLANNING AND BUDGETING SHALL RELY UPON THE QUARTERLY STATE REVENUE ESTIMATES ISSUED BY THE LEGISLATIVE COUNCIL IN CALCULATING SUCH AMOUNTS AND SHALL UPDATE ITS CALCULATIONS NOT LATER THAN FIVE DAYS FOLLOWING THE ISSUANCE OF EACH QUARTERLY STATE REVENUE ESTIMATE.

(b) TO ENSURE THAT ALL FUND REVENUES ARE TRANSFERRED TO THE FUND AND THAT OTHER STATE REVENUES ARE NOT ERRONEOUSLY TRANSFERRED TO THE FUND:

(I) NO LATER THAN TWO DAYS AFTER CALCULATING OR RECALCULATING THE AMOUNT OF FUND REVENUES FOR THE PERIOD COMMENCING JANUARY 1, 2023 AND ENDING JUNE 30, 2023, AND FOR ANY FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2023, THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, SHALL CERTIFY TO THE DEPARTMENT OF REVENUE THE AMOUNT OF FUND REVENUES THAT THE DEPARTMENT SHALL TRANSFER TO THE STATE TREASURER FOR DEPOSIT INTO THE FUND ON THE FIRST DAY OF EACH OF THE THREE SUCCEEDING CALENDAR MONTHS AS REQUIRED BY PARAGRAPH (c) OF THIS SUBSECTION (4);

(II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), NO LATER THAN MAY 25 OF 2023 AND OF ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2023, THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, MAY CERTIFY TO THE DEPARTMENT OF REVENUE AN ADJUSTED AMOUNT FOR ANY TRANSFER TO BE MADE ON THE FIRST BUSINESS DAY OF THE IMMEDIATELY SUCCEEDING JUNE; AND

(III) SUBJECT TO REVIEW BY THE STATE AUDITOR, THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, MAY CORRECT ANY ERROR IN THE TOTAL AMOUNT OF STATE AFFORDABLE HOUSING REVENUES TRANSFERRED DURING ANY STATE FISCAL YEAR BY ADJUSTING THE AMOUNT OF ANY TRANSFER TO BE MADE DURING THE NEXT STATE FISCAL YEAR.

(c) ON THE FIRST BUSINESS DAY OF EACH CALENDAR MONTH THAT COMMENCES AFTER JANUARY 5, 2023, THE DEPARTMENT OF REVENUE SHALL TRANSFER TO THE STATE TREASURER FOR DEPOSIT INTO THE FUND REVENUES IN AN AMOUNT CERTIFIED TO THE DEPARTMENT BY THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4).

29-32-103. Transfers of money - permitted uses of the fund - continuous appropriation. (1) THE AFFORDABLE HOUSING SUPPORT FUND IS HEREBY CREATED IN THE STATE TREASURY. THE SUPPORT FUND SHALL CONSIST OF MONEY DEPOSITED INTO IT UNDER SUBSECTION (3) OF THIS SECTION. THE DIVISION SHALL ADMINISTER THE SUPPORT FUND AND EXPEND THE MONEYS IN THE SUPPORT FUND ONLY FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(3). ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE SUPPORT FUND, SHALL REMAIN IN THE SUPPORT FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. ALL MONEY TRANSFERRED TO THE SUPPORT FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION IS CONTINUOUSLY APPROPRIATED TO THE DIVISION FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(3).

(2) THE AFFORDABLE HOUSING FINANCING FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FINANCING FUND SHALL CONSIST OF MONEY DEPOSITED INTO IT UNDER SUBSECTION (3) OF THIS SECTION. THE OFFICE SHALL ADMINISTER THE FINANCING FUND AND EXPEND THE MONEYS IN THE FINANCING FUND ONLY FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(1). ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE FINANCING FUND, SHALL REMAIN IN THE FINANCING FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. ALL MONEY TRANSFERRED TO THE FINANCING FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION IS CONTINUOUSLY APPROPRIATED TO THE OFFICE FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(1).

(3) ON JULY 1, 2023, OR AS SOON AS PRACTICABLE THEREAFTER, AND ON JULY 1 OF EACH STATE FISCAL YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER FORTY PERCENT OF THE BALANCE OF THE FUND ON THE DATE OF THE TRANSFER TO THE SUPPORT FUND AND SIXTY PERCENT OF THE BALANCE OF THE FUND ON THE DATE OF THE TRANSFER TO THE FINANCING FUND.

29-32-104. Permissible expenditures – affordable housing programs. (1) THE OFFICE SHALL CONTRACT WITH THE ADMINISTRATOR. THE OFFICE MAY SELECT AN ADMINISTRATOR WITHOUT A COMPETITIVE PROCUREMENT PROCESS BUT SHALL ANNOUNCE THE CONTRACT OPENING PUBLICLY AND SELECT THE ADMINISTRATOR IN A MEETING THAT IS OPEN TO THE PUBLIC, NO LESS THAN SEVENTY-TWO HOURS AFTER NOTICE OF SUCH MEETING IS PUBLICLY AVAILABLE. NO SINGLE CONTRACT MAY EXCEED FIVE YEARS IN DURATION. UPON THE EXPIRATION OF ANY CONTRACT TERM, THE OFFICE MAY RENEW THE CONTRACT WITH THE SAME ADMINISTRATOR OR MAY SELECT ANOTHER ADMINISTRATOR. THE ADMINISTRATOR SELECTED BY THE OFFICE SHALL EXPEND THE MONEY TRANSFERRED TO THE FINANCING FUND IN SECTION 29-32-103(2) TO SUPPORT THE FOLLOWING PROGRAMS ONLY:

(a) A LAND BANKING PROGRAM TO BE ADMINISTERED BY THE ADMINISTRATOR. THE PROGRAM SHALL PROVIDE GRANTS TO LOCAL GOVERNMENTS AND LOANS TO NON-PROFIT ORGANIZATIONS WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING TO ACQUIRE AND PRESERVE LAND FOR THE DEVELOPMENT OF AFFORDABLE HOUSING. MIXED USE DEVELOPMENT IS AN ALLOWABLE USE OF LAND PURCHASED UNDER THIS PROGRAM IF THE PREDOMINATE USE OF THE LAND IS AFFORDABLE HOUSING. LOANS MADE BY THE PROGRAM SHALL BE FORGIVEN IF LAND ACQUIRED WITH THE ASSISTANCE OF THE PROGRAM IS PROPERLY ZONED WITH AN ACTIVE PLAN FOR THE DEVELOPMENT OF AFFORDABLE HOUSING WITHIN 5 YEARS OF DATE THE LOAN IS MADE AND IF THE DEVELOPMENT IS PERMITTED AND FUNDED WITHIN 10 YEARS. THE LENDER AND BORROWER MAY ESTABLISH ADDITIONAL TERMS IF NEEDED. IF LAND ACQUIRED WITH THE ASSISTANCE OF THE PROGRAM IS NOT DEVELOPED WITHIN THE TIMELINE ABOVE, THE LOAN MUST BE REPAYED, WITH INTEREST, AS SOON AS PRACTICAL, BUT NOT MORE THAN SIX MONTHS AFTER EXPIRATION OF SAID TIMELINE. LAND ACQUIRED WITH THE ASSISTANCE OF THE PROGRAM THAT IS NOT DEVELOPED WITHIN THE TIMELINE ABOVE MAY BE USED BY THE OWNER FOR ANY PURPOSE UPON PAYMENT OF THE LOAN WITH INTEREST OR, IN EXCHANGE FOR A WAIVER OF INTEREST, CONVEYED TO A STATE AGENCY OR OTHER ENTITY FOR THE DEVELOPMENT OF AFFORDABLE HOUSING WITH THE APPROVAL OF THE ADMINISTRATOR. ALL PRINCIPAL AND INTEREST PAYMENTS ON LOANS