

CML 2011-12 POLICY STATEMENT

Local Control and Municipal Home Rule

In order to consider local conditions and address local desires, community issues and needs should be addressed locally. State and federal government interference can undermine home rule and local control. Therefore, the League:

- Urges state and federal officials to respect Colorado's tradition of local control and allow municipal officials to address local problems without interference from the state and federal government.
- Urges congress and the executive branch to respect the roles and responsibilities of states and local governments and similarly urges state officials to avoid preempting local authority.
- Supports state enabling legislation that provides municipalities with authority and flexibility to address local needs.
- Recognizes the desire of the citizens statewide and in many local communities, with adoption of a constitutional amendment in 1902 and expanded amendments approved in 1912 and 1970, to establish municipal home rule and opposes state action that attempts to weaken home rule authority and flexibility.

Intergovernmental Cooperation

Citizens are best served when officials of federal, state and local government (including municipalities, counties, special districts and school districts) respect the roles of each entity and work toward common solutions. Therefore, the League:

- Supports increased dialogue and cooperation among federal, state and local officials and the development of cooperative intergovernmental solutions to common problems.

State and Federal Mandates

Programs and regulations mandated by the state or federal government stretch the financial resources of municipalities. These costs, if not paid by the state or federal government, prevent municipalities from fulfilling local needs and priorities. Therefore, the League:

- Opposes unfunded state and federal mandates that impose financial burdens on municipalities and their citizens.
- Supports the requirement for the General Assembly and Congress to reimburse municipalities for the cost of state mandates, and to make more clear this requirement in state fiscal notes prepared for the General Assembly and Congress.

State Fiscal Fair Play

Municipal finances are closely interrelated with state finances and policies. State adherence to fiscal fair play policies will greatly help municipalities and their citizens. Therefore, the League:

- Supports appropriate action to address the state and local financial crises caused by the interaction of various constitutional amendments and the economy.
- Supports continued state sharing with municipalities of equitable portions of existing and future revenues derived from traditional state-collected, municipally-shared sources.
- Urges the state to avoid or exercise restraint in relying on fees, charges and other cash funding of programs that affect municipalities, especially in the areas of technical assistance, in programs where municipal participation is mandated by state law, and in regulatory programs that affect municipalities.

- Opposes state-granted exemptions or other state actions that erode municipal sales, use, property and other revenues unless the state provides adequate replacement revenues.
- Opposes disproportionate cuts in state programs that benefit municipalities.
- Opposes the state utilizing local funds or requiring local governments to collect state revenues in order to fund state programs.

Sales and Use Taxes

The primary revenue sources for municipalities are local sales and use taxes. Statewide, municipalities generate more than \$5 in these taxes to every \$1 of property taxes. Sales and use taxes have enabled municipalities to fund public services and improvements and keep municipal property taxes relatively low. Appropriate actions at federal, state and local levels should preserve or enhance these local revenues. Therefore, the League:

- Supports retention of authority for all municipalities to set local tax rates and for home rule municipalities to collect their own taxes and determine their own tax bases.
- Supports broadening the state sales and use tax base.
- Supports appropriate legislation or court action allowing state and local governments to require businesses to collect state and local sales and use taxes on remote sales.
- Supports cooperative efforts among municipalities to standardize municipal sales and use tax practices and utilization of technology for the convenience of taxpayers, the business community, and municipalities.
- Opposes further reductions in the state and local sales and use tax base.
- Opposes legislation that would preempt the authority of state and local governments to apply their sales and use taxes to remote sales.

Miscellaneous Finance Issues

The League:

Capital Financing

- Opposes any efforts to abolish or impair the effectiveness of the municipal bond interest exemption.
- Supports enhancement of municipalities' flexibility to finance public projects economically and efficiently.

Double Taxation

- Supports state legislation and local practices that eliminate the financial inequities created by the imposition of taxes on municipal residents for county services that are provided primarily or solely to residents in unincorporated areas.

Federal Policies

- Supports distribution of federal funds to municipal governments with a minimum of red tape and without excessive diversion at the federal and state levels.
- Supports establishment of advisory committees comprised of local government officials to ensure ongoing local input on state assumption and administration of federal programs that affect local governments.
- Supports continued funding of the Community Development Block Grant program.
- Supports continued direct funding of federal housing programs.
- Supports funding the Energy Block Grant program.
- Supports repeal of the Davis-Bacon Act or revisions thereto, including raising the project exemption amount, to eliminate wasteful red tape and enable state and local governments to stretch tax dollars for public works projects.

- Supports repeal or revisions in the application of the Fair Labor Standards Act to local governments to avoid the Act's costly and burdensome impacts on local government operations.
- Encourages recognition of Colorado's unique economic, social and physical characteristics when federal action affects programs or projects of local concern.
- Opposes the direct or indirect taxation of the activities and operations of municipal government.
- Opposes tax reform proposals that would exacerbate the federal deficit, increase the cost of municipal capital investment, interfere with traditional state and local tax systems or preempt the deductibility of state and local taxes.
- Opposes the denial of funds based upon a state's or municipality's failure to meet requirements of an unrelated program or because of factors beyond the control of the state or municipality.
- Opposes cuts in federal programs that disproportionately affect municipalities.
- Opposes imposition of federal standards upon local government operations and employees that do not apply equally to federal and state government operations and employees.
- Opposes the sale of federal lands to finance federal programs without local input.

Consolidation of Governments

The League supports voluntary consolidation of local government entities and services by mutual agreement.

Criminal Justice

The League:

- Supports state- and community-based intervention, prevention and rehabilitation programs and state initiatives that respect the key role of communities and local government officials.
- Supports ensuring that municipal governments retain flexibility in implementing federal and state criminal justice programs.
- Opposes state preemption of municipal authority to regulate firearms within municipalities.

Economic Development

The League:

- Encourages the state to provide adequate funds and staff for a strong, multifaceted program to promote the economic vitality of Colorado. This program should encourage the diversification and expansion of local economies, including support for existing business, creation of new jobs and promotion of tourism. The program should be closely coordinated with local governments and the state should never promote a specific economic development project against the wishes of the community or communities most directly affected by the project.
- Encourages the federal government to support state and local government activities promoting economic development.
- Encourages a comprehensive effort among state and local governments and the private sector to establish an effective tourism promotion program.

Electric and Natural Gas Services

The League:

- Opposes federal restrictions that would dictate territorial service areas or restrict the ability of municipally owned utilities to service customers within their municipalities, including newly annexed areas.
- Opposes federal legislation requiring states to implement retail competition.
- Opposes federal or state restructuring of the electric or natural gas industry if such restructuring restricts municipal authority to regulate the use of rights-of-way and to franchise and tax utilities and services, interferes with services provided by municipally owned utilities, fails to protect

interests of all consumer classes or sacrifices environmental and social objectives protected under existing regulatory policies.

- Opposes efforts to prevent municipalities from extending utility services to newly annexed areas.

Emergency Services

The League:

- Supports local control of local emergency services and involvement of the state as a resource to local government in the areas of information, coordination and training.
- Supports state funds for those state agencies that serve as a resource to local emergency services.
- Supports a voluntary uniform statewide fire incidence reporting program.
- Supports close cooperation at all levels of government and increased federal funding to assist local government homeland security and first responder responsibilities.

Energy

Energy Planning

The League recognizes several compelling reasons for developing a comprehensive energy policy. Energy conservation saves dollars. Energy conservation and renewable energy production creates jobs and supports local economic development efforts. Energy conservation reduces our nation's dependence upon foreign oil and improves our energy security. Municipalities are in a position to lead by example. Municipalities are able to provide education and access to information that advocates the economic and environmental benefits of increased energy efficiency. Therefore, the League:

- Supports the development of a balanced, long-term statewide energy plan with an overall goal of reducing greenhouse gas emissions through a mix of non-renewable fossil fuels, renewable energy sources, and energy efficiency and conservation programs.
- Supports the creation and expansion of statewide goals that provide targets and incentives for the implementation of renewable energy strategies and that also recognize the unique concerns of municipal electric and gas systems.
- Supports municipal efforts to assess energy efficiency opportunities in their own operations and in their communities as a whole; setting energy efficiency targets; and creating local action plans.
- Supports retrofitting municipal facilities with energy efficient technologies; policies that enhance municipal energy conservation; and programs that promote the generation of alternative energy sources.
- Supports working with appropriate state and local agencies to educate municipalities on the use of energy efficient building codes.

Natural Resource Production

Municipalities are directly and indirectly affected by the impacts of energy extraction activity and understand the boom and bust nature of it. The League also acknowledges the importance of the extraction industry to the state's economy. Therefore, the League:

- Supports enhanced local input and mitigation powers of municipalities in addressing the environmental and economic impacts of energy extraction.
- Supports the State Oil and Gas Conservation Commission involving substantively local governments affected by energy extraction, including a recognition of local health and environmental impacts.
- Supports a continued dialogue with local governments regarding the collection and distribution of severance tax and federal mineral lease revenues.
- Supports raising the severance tax rate and removing severance tax exemptions in order to generate additional revenue for local governments.

- Supports DOLA’s continuing administration of the Energy Impact Loan and Grant program to assure greater transparency and accountability of the funds.
- Supports the development of a permanent trust fund using a portion of existing and/or any new revenues from severance taxes and/or federal mineral lease revenues so long as such revenues in a trust fund can be made available to municipalities and counties impacted by energy extraction.
- Opposes any reduction in the existing revenue streams of severance tax and federal mineral lease revenue to counties and municipalities.
- Supports financial and technical assistance to local governments affected by the development of coal, oil shale, and other natural resources to permit planning for, and provision of, municipal services and facilities.
- Opposes the appropriation of energy impact and mineral lease funds, historically set aside for local governments, to finance state programs and administrative costs of state government.

Environment

In addressing environmental concerns, the League:

- Supports relief for municipalities from the burden of Superfund (CERCLA) requirements and application of a reasonable municipal settlement policy by the Environmental Protection Agency.
- Supports federal and state programs that encourage cleanup and reuse of “brownfield” property.
- Supports full federal funding for cleanup of contaminated federally owned or managed sites, such as Rocky Flats.
- Opposes increases in the proportion of municipal cash funding support for state environmental programs.
- Opposes state preemption of local government authority to adopt environmental ordinances.

Housing

The availability and affordability of decent housing is an important concern to Colorado's municipalities. Therefore, the League:

- Supports an adequate supply of good housing, regardless of income level, and continued public- and private-sector support for such an effort.
- Supports increased financial assistance from the federal government for housing needs of low- and moderate-income families.
- Supports state financial support for the Division of Housing's loan and grant program for low- and moderate-income housing.
- Supports the continued efforts of the Colorado Housing Finance Authority to work with municipalities on the Authority's various housing loan programs.
- Supports the preservation, revitalization and redevelopment of existing neighborhoods.
- Supports public and private financial assistance programs to address the needs of the homeless.
- Supports programs that involve municipalities in addressing foreclosures.
- Supports the creation of an adequately financed statewide housing trust fund.

Human Rights

The League supports programs that protect the rights and dignity of the individual and encourages programs that address such issues as employment, housing, health care, substance abuse and equal opportunity.

INITIATIVE REFORM

The League supports efforts to reform the state’s initiative and referendum procedures.

Lottery

The League supports preserving all lottery proceeds for park, recreation, open space and wildlife purposes pursuant to the Great Outdoors Colorado program adopted by Colorado voters.

Municipal Court Operations

The League:

- Opposes imposition of state surcharges on municipal court fines for the purpose of funding state programs.
- Opposes limitations on the authority of municipalities to enforce their own ordinances in municipal courts.

Municipal Development and Land Use

The League supports local control and determination of local land use issues. In general, the League supports state laws and policies that encourage new residential, commercial and industrial development to occur within existing municipalities and that discourage the sprawl of urban, suburban or exurban development into rural and unincorporated areas of the state. In addition, the League specifically:

- Supports prohibition of the incorporation of new cities and towns adjacent to, or within the service areas of, existing municipalities.
- Supports increased municipal and, within unincorporated areas, county controls over the formation of special districts, placing additional limitations on the powers exercised by such districts and, where practicable, providing for the dissolution or phasing out of special districts.
- Supports appropriate efforts to permit application and enforcement of municipal ordinances, such as building codes, fire codes, subdivision regulations and zoning ordinances, to buildings and improvements proposed to be constructed by government entities.
- Supports municipal discretion concerning the imposition of development fees and requirements.
- Supports the clear authority of municipalities to collect an impact fee for schools.
- Supports financial and technical assistance to municipal governments in the areas of planning and land use.
- Supports municipalities, when appropriate, in utilizing sub-local governments (neighborhood, nonprofit, and civic organizations and homeowners' associations) in developing and implementing solutions to specific localized issues.
- Encourages measures that promote intergovernmental cooperation on land use issues.
- Encourages coordination of land use and transportation planning.
- Encourages municipalities when using tax increment financing to promote communication and intergovernmental cooperation with affected local governments.
- Generally opposes efforts to restrict municipal authority to annex territory.
- Opposes delegation of municipal land use authority to state agencies or preemption of municipal land use controls.
- Opposes federal or state restrictions, beyond those constitutional restrictions that have been defined by recent Supreme Court decisions, on the ability of federal, state or local governments to regulate private property or to exercise the power of condemnation for the benefit of public health, safety and welfare.
- Opposes unreasonable restrictions on urban renewal authorities.

Police, Fire and Other Pension and Employee Benefits

The League:

- Supports continuation of state matching funds to assist in retiring unfunded liabilities that accrued under the old police and fire pension plans.
- Supports equitable levels of state funding for volunteer firefighters' pensions.
- Opposes mandates that increase the cost of or create inequities among municipal employee pension, workers' compensation or other employee benefits.

- Opposes mandated Social Security or Medicare coverage for public employees, mandated benefit levels or funding standards for municipal employee pension plans, or other unreasonable burdens or restrictions in connection with the administration of municipal employee benefit plans.
- Opposes mandated so-called "Police Officers Bill of Rights" interfering with the management and budget prerogatives of local governments.

Postal Service

The League supports legislation and administrative action by the United States Postal Service requiring use of mailing addresses and ZIP codes that reflect the corporate boundaries of cities and towns in order to eliminate confusion among citizens and businesses and to reinforce community identities.

Privatization

The League supports the use of private-sector businesses to provide public services when determined by municipal officials to be in the public interest.

Public Employment

The League opposes efforts to interfere with a municipality's ability to determine the terms and conditions of municipal employment.

Public Liability

Because of the financial burdens caused by the increasing number of lawsuits against municipalities and their officers and employees, the deterrent that litigation presents to continued service by public officials and the need to assure that municipal liability does not impair the provision of necessary services to the public, the League:

- Supports the availability of public liability insurance at reasonable costs and the ability of municipalities to reduce such costs through self-insurance or other reasonable means.
- Supports reasonable federal limitations on and reduction in the liability for monetary damages payable by public entities and public employees in suits brought under federal laws.
- Supports limitations on the liability of municipalities and their officers and employees.
- Opposes efforts to expand the liability of public entities and public employees.

Purchasing

The League supports the authority of municipal officials to determine local purchasing and contracting procedures.

Telecommunications

The League:

- Supports the retention of municipal regulatory authority over cable television systems.
- Supports affordable access by all municipalities to state-of-the-art telecommunication and information services.
- Opposes federal or state restrictions on local control of municipal rights-of-way or on the authority of local governments to develop or acquire their own telecommunications infrastructure.
- Opposes federal or state restrictions on municipal franchising, regulatory and taxing authority over telecommunications systems.

Transportation

The League:

- Supports increased funds to finance pressing surface transportation needs as long as an equitable portion of new revenues is returned to cities and towns.
- Supports state Department of Transportation assumption of street lighting and general maintenance costs on state highways within municipalities.
- Supports limitations on "off-the-top" diversions from the Highway Users Tax Fund.
- Supports preservation of the constitutional requirement that highway user revenues be utilized only for highways, streets and roads.
- Supports greater flexibility and increased revenues for multi-modal transportation systems.
- Supports clarification that federal railroad laws do not preempt local governmental authority to protect the safety and environment of citizens.
- Supports preservation of the federal funding guarantees for transportation and allocation of all federal transportation taxes and funds for their intended transportation purposes.
- Supports efforts to improve air transportation throughout Colorado.
- Supports close cooperation among Colorado Department of Transportation, counties, municipalities and interested stakeholders in improving Colorado's multi-modal transportation system.
- Encourages a balanced state transportation policy that addresses the need to maintain and expand roadway, bicycle, pedestrian, transit, carpool/vanpool and demand management options to improve-Colorado's transportation system.

Water

In addressing statewide water concerns, the League:

- Supports water policies that protect Colorado water resources.
- Supports the constitutional doctrine of prior appropriation and the constitutional priority given to domestic water use.
- Supports the inventorying and protection by municipalities of their water rights.
- Supports appropriate water conservation efforts and sustainable water resource management practices by all users.
- Supports efforts to increase knowledge of water-related issues of concern around the state to municipalities.
- Supports participation in statewide discussions of water use and distribution.
- Supports appropriate coordination of municipal water use with other uses including agriculture, mineral resource development, energy development, recreation and open space.
- Supports federal and state financial aid programs assisting municipalities, including recognition of the special needs of smaller municipalities, with the construction and improvement of water systems to protect water quality and to comply with federal and state mandates.
- Supports continued federal and state funding for wastewater treatment and drinking water facilities to reduce local costs and expedite construction of necessary treatment and collection facilities.
- Supports stakeholder input and involvement in developing laws and regulations related to water and wastewater issues.
- Supports reasonable and practical application of air and water pollution control laws by federal and state administrative officials and encourages restraint in modifying legislation and regulations that have a fiscal impact on municipalities. Particularly in the area of water quality, enforcement should be correlated with the availability of funds necessary to achieve stated goals.
- Supports adequate state regulation and enforcement of drilling and mining sites, production facilities and waste product storage and disposal facilities; supports practices to assure citizen safety, environmental protection and the protection of domestic water sources; and opposes state preemption of local land use and watershed regulations.

- Encourages on-going communication by federal land managers with affected municipalities regarding the leasing of federal lands that might impact local land use and environmental policies including, but not limited to, local watershed ordinances.

Youth

The League:

- Supports municipal and other efforts to address youth issues and needs.
- Recognizes the influence that parents in partnership with nonprofit and religious organizations, local businesses and other governmental jurisdictions have on the development of youth.
- Encourages utilization by public schools in cooperation with local governments of League-published or other civics curriculum to educate students in state and local government.