

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0854.01 Jessica Herrera x4218

HOUSE BILL 22-1296

HOUSE SPONSORSHIP

Mullica and Van Winkle,

SENATE SPONSORSHIP

Priola,

House Committees
Health & Insurance

Senate Committees

A BILL FOR AN ACT

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

Bill Summary

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

Under current law, facilities that provide long-term nursing, rest, and assisted living services, where residents reside for more than 30 days, are classified as residential properties. However, facilities that provide short-term convalescent care and rehabilitation services, where patrons visit the facility periodically or temporarily reside there for less than 30 days, are valued and classified according to the procedures for

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

nonresidential property.

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

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

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

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

6 (8.6) (a) "NURSING HOME" MEANS A NURSING CARE FACILITY,
7 REGARDLESS OF A RESIDENT'S LENGTH OF STAY, THAT IS LICENSED BY THE
8 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT UNDER SECTION
9 25-1.5-103 (1), INCLUDING A NURSING CARE FACILITY THAT PROVIDES
10 CONVALESCENT CARE OR REHABILITATION SERVICES SUCH AS PHYSICAL
11 AND OCCUPATIONAL THERAPY.

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

17 (14.5) "Residential real property" means residential land, **and**
18 residential improvements, AND NURSING HOMES AS DEFINED IN
19 SUBSECTION (8.6) OF THIS SECTION, REGARDLESS OF A RESIDENT'S LENGTH
20 OF STAY, but does not include hotels and motels as defined in subsection
21 (5.5) of this section.

22 **SECTION 2.** In Colorado Revised Statutes, 39-1-103, **add** (10.7)

1 as follows:

2 **39-1-103. Actual value determined - when - legislative**
3 **declaration.** (10.7) (a) THE GENERAL ASSEMBLY HEREBY FINDS AND
4 DECLARES THAT:

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

8 (II) THERE IS A DISCREPANCY IN HOW ASSESSING OFFICERS
9 CLASSIFY NURSING HOMES THAT PROVIDE SHORT-TERM SERVICES AND
10 NURSING HOMES THAT PROVIDE LONGER-TERM SERVICES FOR PURPOSES OF
11 CALCULATING PROPERTY TAX.

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

15 (c) FOR PROPERTY TAX YEARS COMMENCING ON AND AFTER
16 JANUARY 1, 2023, LAND ON WHICH A NURSING HOME IS SITUATED AND
17 ANY IMPROVEMENTS AFFIXED TO THAT LAND ARE CLASSIFIED AND
18 ASSESSED AS RESIDENTIAL REAL PROPERTY, REGARDLESS OF A RESIDENT'S
19 LENGTH OF STAY.

20 **SECTION 3. Act subject to petition - effective date.** This act
21 takes effect at 12:01 a.m. on the day following the expiration of the
22 ninety-day period after final adjournment of the general assembly; except
23 that, if a referendum petition is filed pursuant to section 1 (3) of article V
24 of the state constitution against this act or an item, section, or part of this
25 act within such period, then the act, item, section, or part will not take
26 effect unless approved by the people at the general election to be held in

1 November 2022 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor.