

CHAPTER 88

NATURAL RESOURCES

HOUSE BILL 96-1045

BY REPRESENTATIVES Owen, Martin, Acquafresca, Chlouber, Lamborn, Musgrave, Schwarz, and Taylor;
also SENATORS Alexander and Perlmutter.

AN ACT**CONCERNING THE PROHIBITION OF CERTAIN LOCAL GOVERNMENT ASSESSMENTS ON OIL AND GAS
WELL OPERATIONS.**

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

SECTION 1. 34-60-106 (15), Colorado Revised Statutes, 1995 Repl. Vol., is amended to read:

34-60-106. Additional powers of the commission. (15) The commission may, as it deems appropriate, assign its inspection and monitoring function, but not its enforcement authority, through intergovernmental agreement or by private contract; except that no such assignment shall allow for the imposition of any new tax or fee by the assignee in order to conduct such assigned inspection and monitoring, and no such assignment shall provide for compensation contingent on the number or nature of alleged violations referred to the commission by the assignee. NO LOCAL GOVERNMENT MAY CHARGE A TAX OR FEE TO CONDUCT INSPECTIONS OR MONITORING OF OIL AND GAS OPERATIONS WITH REGARD TO MATTERS THAT ARE SUBJECT TO RULE, REGULATION, ORDER, OR PERMIT CONDITION ADMINISTERED BY THE COMMISSION. NOTHING IN THIS SUBSECTION (15) SHALL AFFECT THE ABILITY OF A LOCAL GOVERNMENT TO CHARGE A REASONABLE AND NONDISCRIMINATORY FEE FOR INSPECTION AND MONITORING FOR ROAD DAMAGE AND COMPLIANCE WITH LOCAL FIRE CODES, LAND USE PERMIT CONDITIONS, AND LOCAL BUILDING CODES.

SECTION 2. 31-15-501 (1) (c), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

31-15-501. Powers to regulate businesses. (1) The governing bodies of municipalities have the following powers to regulate businesses:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(c) To license, regulate, and tax, subject to any law of this state, any lawful occupation, business place, amusement, or place of amusements and to fix the amount, terms, and manner of issuing and revoking licenses issued therefor; EXCEPT THAT, FOR PURPOSES OF THE APPLICATION OF ANY OCCUPATIONAL PRIVILEGE TAX, OIL AND GAS WELLS AND THEIR ASSOCIATED PRODUCTION FACILITIES HAVE NOT BEEN, ARE NOT, AND SHALL NOT BE CONSIDERED AN OCCUPATION OR BUSINESS PLACE SUBJECT TO SUCH TAX.

SECTION 3. 30-11-107 (1) (d), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

30-11-107. Powers of the board. (1) The board of county commissioners of each county has power at any meeting:

(d) (I) To apportion and order the levying of taxes as provided by law; EXCEPT THAT, FOR PURPOSES OF THE APPLICATION OF ANY OCCUPATIONAL PRIVILEGE TAX, OIL AND GAS WELLS AND THEIR ASSOCIATED PRODUCTION FACILITIES SHALL NOT BE CONSIDERED A BUSINESS OR OCCUPATION SUBJECT TO SUCH TAX; and

(II) To contract loans in the name and for the benefit of the county for the purpose of erecting necessary public buildings and making or repairing public roads or bridges, when such loans have been authorized by a vote of the legal voters of the county;

SECTION 4. Applicability. Nothing in section 2 of this act shall be construed to mean that a governing body of a municipality had the authority to impose any occupational privilege tax on oil and gas wells and their associated production facilities prior to the effective date of this act.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 17, 1996