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HOUSE BILL 25-1223

BY REPRESENTATIVE(S) Johnson and Lukens, Bird, Brown, Duran, Hamrick, Paschal, Rutinel, Stewart K., Titone, Velasco, McCluskie; also SENATOR(S) Pelton R. and Roberts, Amabile, Bridges, Catlin, Cutter, Daugherty, Exum, Frizell, Jodeh, Kipp, Liston, Marchman, Michaelson Jenet, Mullica, Pelton B., Snyder, Wallace, Weissman, Winter F..

CONCERNING CAPITAL NEEDS OF RURAL AND FRONTIER HOSPITALS, AND, IN CONNECTION THEREWITH, DIRECTING THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT TO CONDUCT A STUDY AND CREATING A TASK FORCE TO OVERSEE THE STUDY.

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

SECTION 1. In Colorado Revised Statutes, **add** 25-3-132 as follows:

25-3-132. Rural and frontier hospital capital needs study - task force - creation - report - legislative declaration - definitions - repeal.

(1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) MANY OF COLORADO'S RURAL AND FRONTIER HOSPITALS OPERATE IN OUTDATED FACILITIES, AND SOME FACILITIES HAVE NOT HAD

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

ANY MEANINGFUL UPGRADES FOR DECADES;

(b) THESE HOSPITALS STRUGGLE WITH THE INCREASED MAINTENANCE COSTS NECESSARY TO KEEP FACILITIES OPERATIONAL AND ARE FALLING BEHIND IN BEING ABLE TO PROVIDE CARE THAT IS CONSISTENT WITH CURRENT STANDARDS; AND

(c) AN INFORMAL STUDY CONDUCTED BY COLORADO RURAL FUTURES, A GROUP OF CHIEF EXECUTIVE OFFICERS OF COLORADO RURAL AND FRONTIER HOSPITALS, IDENTIFIED APPROXIMATELY FIVE HUNDRED MILLION DOLLARS IN NEEDED UPGRADES FOR FACILITIES OF HOSPITALS THAT WERE RESPONSIVE TO THE INFORMAL STUDY, BUT THE CAPITAL NEEDS OF RURAL AND FRONTIER HOSPITALS THROUGHOUT THE STATE COULD REQUIRE AN INVESTMENT OF AS MUCH AS ONE BILLION DOLLARS.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "FRONTIER AREA" MEANS A COUNTY IN THE STATE THAT HAS A POPULATION DENSITY OF SIX OR FEWER INDIVIDUALS PER ONE SQUARE MILE.

(b) "RURAL AND FRONTIER HOSPITAL" MEANS A HOSPITAL THAT IS LICENSED AS A GENERAL OR CRITICAL ACCESS HOSPITAL BY THE DEPARTMENT AND THAT OPERATES IN A RURAL AREA OR A FRONTIER AREA.

(c) "RURAL AREA" MEANS AN AREA LISTED AS ELIGIBLE FOR RURAL HEALTH FUNDING BY THE FEDERAL OFFICE OF RURAL HEALTH POLICY.

(d) "STUDY" MEANS THE STUDY REQUIRED PURSUANT TO THIS SECTION.

(e) "TASK FORCE" MEANS THE RURAL AND FRONTIER HOSPITAL CAPITAL NEEDS STUDY TASK FORCE CREATED IN SUBSECTION (4)(a) OF THIS SECTION.

(3) SUBJECT TO OVERSIGHT BY THE TASK FORCE, THE DEPARTMENT SHALL STUDY OR SHALL CONTRACT FOR A STUDY TO EVALUATE THE CAPITAL NEEDS OF COLORADO RURAL AND FRONTIER HOSPITALS. THE STUDY MUST:

(a) OBJECTIVELY MEASURE THE NUMBER OF STUDIED FACILITIES

THAT ARE NOT CODE COMPLIANT IN ACCORDANCE WITH THE CURRENT AND RELEVANT EDITION OF THE FACILITY GUIDELINES INSTITUTE "GUIDELINES FOR DESIGN AND CONSTRUCTION OF HEALTH CARE FACILITIES";

(b) IDENTIFY THE AGE OF CORE FACILITIES AND ADDITIONS THAT HAVE BEEN MADE TO SUCH BUILDINGS;

(c) EVALUATE ESTIMATED PROJECT COST, INCLUDING CONSTRUCTION COSTS AND RELEVANT PLANNING, DESIGN, AND ENGINEERING COSTS, PER SQUARE FOOT TO RENOVATE OR REPLACE FACILITIES IDENTIFIED AS HAVING CAPITAL NEEDS;

(d) MAKE A REASONABLE ESTIMATE OF THE TOTAL COST OF CAPITAL NEEDS PER FACILITY AND THE AGGREGATE TOTAL COST OF CAPITAL NEEDS FOR ALL FACILITIES IDENTIFIED IN THE STUDY; AND

(e) REVIEW OR EVALUATE ANY OTHER MATTERS CONCERNING CAPITAL NEEDS OF RURAL AND FRONTIER HOSPITALS THAT ARE REQUESTED BY THE TASK FORCE.

(4) (a) (I) THERE IS CREATED THE RURAL AND FRONTIER HOSPITAL CAPITAL NEEDS STUDY TASK FORCE FOR THE PURPOSES OF DEVELOPING AND APPROVING THE PARAMETERS OF THE STUDY AND OVERSEEING THE STUDY AND THE REPORT OF THE RESULTS OF THE STUDY.

(II) IN ADDITION TO THE PURPOSE OF THE TASK FORCE SET FORTH IN SUBSECTION (4)(a)(I) OF THIS SECTION, THE TASK FORCE MAY FACILITATE CONTRACTING WITH A PRIVATE SECTOR CONSULTING COMPANY TO ASSIST WITH DATA COMPILATION, RESEARCH, AND OUTREACH TO RURAL AND FRONTIER HOSPITALS. THE TASK FORCE MAY ESTABLISH THE FREQUENCY THAT THE TASK FORCE WANTS THE COMPANY TO REPORT BACK TO THE TASK FORCE.

(b) (I) SUBJECT TO SUBSECTION (4)(b)(II) OF THIS SECTION, NO LATER THAN TWO MONTHS AFTER SUFFICIENT FUNDING HAS BEEN SECURED IN ACCORDANCE WITH SUBSECTION (6)(a) OF THIS SECTION, MEMBERS SHALL BE APPOINTED TO THE TASK FORCE AS FOLLOWS:

(A) THE GOVERNOR SHALL APPOINT THREE MEMBERS; AND

(B) THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE MINORITY LEADER OF THE SENATE, AND THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT ONE MEMBER EACH.

(II) THE COMPOSITION OF MEMBERS APPOINTED TO THE TASK FORCE MUST BE AS FOLLOWS:

(A) THREE MEMBERS WHO WORK IN RURAL OR FRONTIER HOSPITALS;

(B) ONE MEMBER WHO WORKS AS AN ARCHITECT PROFESSIONAL;

(C) ONE MEMBER WHO WORKS AS A CONSTRUCTION CONTRACTOR PROFESSIONAL;

(D) ONE MEMBER WHO REPRESENTS HOSPITALS; AND

(E) ONE MEMBER OF THE GENERAL PUBLIC WHO LIVES IN A RURAL AREA OR FRONTIER AREA.

(c) THE TASK FORCE SHALL HOLD ITS FIRST MEETING WITHIN TWO MONTHS OF ALL APPOINTMENTS BEING MADE TO THE TASK FORCE PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION, AND MEET AT LEAST QUARTERLY AFTER ITS FIRST MEETING UNTIL THE REPORT REQUIRED BY SUBSECTION (5) OF THIS SECTION IS COMPLETED AND MAY MEET MORE FREQUENTLY BEFORE THAT DATE IF NEEDED. MEETINGS OF THE TASK FORCE MAY BE IN PERSON OR ONLINE.

(5) NOT LATER THAN EIGHTEEN MONTHS AFTER THE DATE THAT THE TASK FORCE HOLDS ITS FIRST MEETING, THE DEPARTMENT SHALL COMPLETE THE STUDY AND COMPILE THE RESULTS OF THE STUDY INTO A REPORT. THE DEPARTMENT SHALL PRESENT THE REPORT TO THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE AND THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

(6) (a) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE IMPLEMENTATION OF THIS SECTION BE FUNDED ENTIRELY BY GIFTS, GRANTS, AND DONATIONS; THAT GIFTS, GRANTS, AND DONATIONS WILL BE RECEIVED THROUGHOUT THE COURSE OF THE STUDY; AND THAT, IN ACCORDANCE WITH

SECTION 24-75-1305, NO ADDITIONAL GENERAL FUND MONEY BE APPROPRIATED FOR THE IMPLEMENTATION OF THIS SECTION. THE DEPARTMENT AND THE TASK FORCE MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES TO IMPLEMENT THIS SECTION. THE DEPARTMENT SHALL NOT IMPLEMENT THIS SECTION UNLESS IT RECEIVES AN AMOUNT OF GIFTS, GRANTS, AND DONATIONS THAT IT DEEMS NECESSARY TO IMPLEMENT THIS SECTION.

(b) THE STUDY IS CONTINGENT ON MONEY BEING AVAILABLE TO CARRY OUT THE STUDY. IF MONEY IS NOT AVAILABLE FOR THE TASK FORCE, THE DEPARTMENT, OR ANY OTHER ENTITY TO CARRY OUT ITS DUTIES REQUIRED PURSUANT TO THIS SECTION, THE TASK FORCE, THE DEPARTMENT, OR THE ENTITY IS NOT REQUIRED TO CARRY OUT THE DUTIES. A CONTRACT WITH A THIRD-PARTY ENTITY THAT WILL PROVIDE SERVICES RELATED TO THE STUDY MUST BE CONTINGENT ON MONEY BEING AVAILABLE FOR THAT PURPOSE.

(7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

SECTION 2. No appropriation. The general assembly has determined that no appropriation of state money is necessary to carry out the purposes of this act.

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

November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO