



COLORADO
MUNICIPAL
LEAGUE

NEWSLETTER

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Tax-exempt status of municipal bonds may be safe for now

by Kevin Bommer, CML executive director

AS Congress began looking at options earlier this year to pay for tax cuts and other priorities, eliminating the tax-exempt status on municipal bonds was frequently mentioned as a possible source of revenue. As both Republicans and Democrats heard from the National League of Cities (NLC), state leagues, and local governments, the momentum for pursuing eliminating the tax-exempt status is now slowing.

Municipal leaders have long known that the tax-exempt municipal bond market is a widely used source of capital for states, local governments, tribes, territories, and non-profit borrowers that has historically financed public infrastructure in significant ways throughout the country.

State and local governments finance about three-quarters of the public infrastructure in the United States with tax-exempt bonds, while the federal government provides only about one-quarter of the investment. The federal tax exemption for municipal bonds, dating back to the 1800s and incorporated into the modern tax code in 1913, has been crucial for state and local governments to affordably finance critical infrastructure projects. For every dollar, borrowers achieve \$2.11 in borrowing cost savings that demonstrates the efficiency of the exemption to effectively create infrastructure investment.

Tax-exempt bonds provide essential infrastructure projects, such as roads, bridges, utilities, broadband, water and sewer systems, and hospitals. Without the tax-exempt status, the cost of borrowing would be more expensive causing an increase in taxes and fees that would shift costs burdens to local taxpayers.

The first positive development was a “Dear Colleague” letter, tinyurl.com/ypu9xy7a, circulated by Rep. Don Bacon (R-NE) that encouraged his Republican colleagues to sign on to oppose the removing the tax-exemption and garnered nearly 20 signatures. More recently, the chairman of the House Financial Services Committee, Rep. French Hill (R-AR), and almost all the subcommittee chairmen confirmed their commitment to the full preservation of the municipal bond tax exemption in a letter that was sent to the chairman of the House Ways and Means Committee, Rep. Jason Smith (R-MO), tinyurl.com/4k53f8pw.

With a narrow majority in the House of Representatives, support for tax-exempt municipal bonds from so many in the majority is a good sign. However, there is a long way to go in the budget process, and it is important for municipal officials to continue to press members of Congress for their support.

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CML EVENTS

SPRING DISTRICT MEETINGS

CML's Spring District Meetings are just around the corner, offering municipal leaders across Colorado valuable opportunities to connect, collaborate, and prepare for the year ahead. From May 13-29, join us in your region to network with peers, analyze impacts from the 2025 legislative session, and explore emerging challenges facing municipalities. Register online, www.cml.org/home/networking-events.

WEBINAR: EXTENDED PRODUCER RESPONSIBILITY RECYCLING PROGRAMS — LOCAL POLICY DIVE

May 22, 2 p.m.

Join CML and Recycle Colorado for part five of our six-part monthly webinar series to help local governments prepare for Colorado's statewide Extended Producer Responsibility (EPR) recycling program implementation in 2025. Where does policy fit into EPR? Colorado's EPR program may create a host of policy options and opportunities for communities to consider to take full advantage of the system. Experts in this session will outline some diversion-specific policy options to enhance the EPR program. Register at tinyurl.com/4n7pmcsk.

WEBINAR: EXTENDED PRODUCER RESPONSIBILITY RECYCLING PROGRAMS — EPR AND THE STATE

July 23, 2 p.m.

Join CML and Recycle Colorado for the final installment of our six-part monthly webinar series to help local governments prepare for Colorado's statewide Extended Producer Responsibility recycling program implementation in 2025. The Colorado Department of Public Health and Environment oversees the EPR program. EPR Program Manager Darla Arians will provide updates from the Department, resources available to communities, and an overview of how the program will impact local governments. Register at tinyurl.com/yc57bzj9.

PRODUCER RESPONSIBILITY PROGRAM

The Producer Responsibility Program for Statewide Recycling is accepting applications for a vacancy on the Producer Responsibility Advisory Board. This individual will represent the municipality seat. Applications will be accepted until May 5, or until the seat is filled. This representative will join a diverse board that's working to ensure the program meets the needs of local Colorado communities and businesses. To apply, please visit the Producer Responsibility webpage, tinyurl.com/5n7v8vca.

CELEBRATE WITH CML

CML wants to hear about your community's successes. Tell us about a new grant you've won, water tank that's finally finished, or anything else you're excited about! Email CML Publication & Design Specialist Alex Miller, amiller@cml.org, to have your community featured in the CML Newsletter.



Make plans to attend Annual Conference

Register now for this year's CML Annual Conference, happening June 24-27 in beautiful Breckenridge, Colorado. Register online at cml.org/conference. Early registration ends May 23, so register today to make sure you get the best price!

TICKETED EVENTS

Join leading experts across the state for an unforgettable experience packed with fresh ideas, actionable strategies, and a boost of motivation.

Be sure to claim your spot for a breakfast or luncheon event. Space is limited and tickets must be purchased in advance, as they are not available onsite. Even if you've already registered for the conference, you can adjust your reservation online to add tickets.

LEARN & CONNECT

The Annual Conference is CML's signature training event of the year, where municipal officials from across the state come together to learn, share ideas, and build connections. The conference features informative sessions designed to



tackle the issues municipal leaders face every day. But what really sets it apart is the chance to connect with peers from other communities who are navigating similar challenges. You'll leave with fresh ideas, new contacts, and practical take-aways to bring back to your community.

More information is available on the CML website, cml.org/conference. Don't miss this amazing opportunity to grow professionally, make valuable connections, and bring back new ideas to strengthen your community!

Don't miss Municipal Leadership Academy

The Municipal Leadership Academy is a dynamic professional development program designed for mayors, and council members from across Colorado. Through engaging workshops, peer learning, and expert-led sessions; participants build practical skills in governance, leadership, and collaboration. The Academy provides a unique space to explore pressing local issues, exchange ideas with fellow leaders, and grow the relationships that drive effective, community-focused decision-making.

The program will begin with an orientation in July, followed by one full-day session a month from August to March. Sessions will be held in person, in varying locations around the metro Denver area and the State of Colorado.

Municipal Leadership Academy is presented by Civic Results, in partnership with the Colorado Municipal League and CIRSA. Apply to attend the program at tinyurl.com/pzjdmm89.

MUNICIPAL UPDATES

DILLON, FRISCO, AND SILVERTHORNE

As the snow recedes, a season's worth of lost mittens, abandoned dog poop bags and misplaced treasures reveal themselves, making spring cleaning a necessity. The Towns of Blue River, Breckenridge, Dillon, Frisco and Silverthorne are calling all volunteers to help Summit County prepare for summer with the **Annual Countywide Town Cleanup Day** May 31. Volunteer check in will be at 9 a.m. in each town.

LAKEWOOD

Bear Creek Lake Park will be celebrating **World Migratory Bird Day** with a birding walk and festival May 10. The day will feature tables from Colorado organizations that work closely with bird conservation and education, activities, crafts and live birds. Stop by and learn about birds in the park and what you can do to protect them.

LITTLETON

Littleton's Project Downtown effort was honored to be nominated for a **Colorado Downtown Excellence Award** at the annual ceremony hosted by Downtown Colorado Inc. April 3. Project Downtown is the guide for Littleton's long-term investment decisions to improve mobility, connectivity, parking, pedestrian safety, wayfinding, and street enhancements.



Be sure to submit 2026 State Revolving Fund Eligibility Survey for your municipality

The 2026 Drinking Water and Wastewater State Revolving Fund Eligibility Surveys opened May 1. The Colorado Department of Public Health and Environment encourages all municipalities, counties, districts, public water systems, not-for-profit water systems, and other special districts to participate. Please visit the Colorado Environmental Online Services portal, tinyurl.com/mrxwf2vh, to complete the surveys (drinking water and wastewater), but please note that an individual system can only submit one of each type of survey.

To be eligible for funding, entities must submit the drinking water or wastewater survey by June 30, 2025, to be added to the 2026 project eligibility list for the State Revolving Fund.

The Colorado Department of Public Health and Environment's Water Quality Control Division conducts the State Revolving Fund Eligibility Surveys annually to identify water, sewer, stormwater, and

nonpoint source infrastructure improvement needs throughout the state. The programs provide funding for eligible projects and entities, including grants and low-interest loans with repayment terms of up to 30 years. Funding through the programs is available to implement these capital projects, and the first step for obtaining these funds is through survey completion.

Please note that the surveys are not funding applications; they are used to identify infrastructure improvement needs and estimated costs for addressing those needs. The surveys do not obligate communities to apply for funding. Communities that have not responded to the surveys, however, cannot receive grants and loans from the State Revolving Fund. Awards of any funds are subject to completing the funding application processes and meeting all requirements. Awards are subject to funding availability and applicable caps or maximums.

Take part in this year's NLC municipal infrastructure survey

Help the National League of Cities (NLC) show Congress what needs to be prioritized by sharing your municipality's top infrastructure project in a quick survey. NLC will be providing state-by-state breakouts for states with communities that participate.

The survey is part of the NLC's ongoing efforts to assess and report municipal infrastructure needs. This nationwide data collection effort will help the NLC's efforts in advocating for and protecting local-federal partnership programs in the face of cuts to federal funding.

Small communities with fewer resources often struggle obtaining funding for infrastructure projects, and these are the communities that the NLC especially wants to help. The survey takes about five minutes to complete. It is online at tinyurl.com/2v6kxxau.



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RESEARCH CORNER

THE INTERNET DOMAIN DESIGNED FOR GOVERNMENT

Data visualization by **MAEVE McHUGH**, CML municipal research analyst, and **ALEX MILLER**, CML publication & design specialist

In the internet age, local governments have the opportunity to better serve their constituents by moving services and operations online. The COVID-19 pandemic accelerated this shift in online services and highlighted how digital platforms can enhance government transparency by improving access to information and streamlining processes. As the public increasingly relies on digital government services, it is essential that local governments' online presence is secure and trustworthy. However, not all digital platforms are created equal, and thoughtful implementation is key to ensuring effective service delivery.

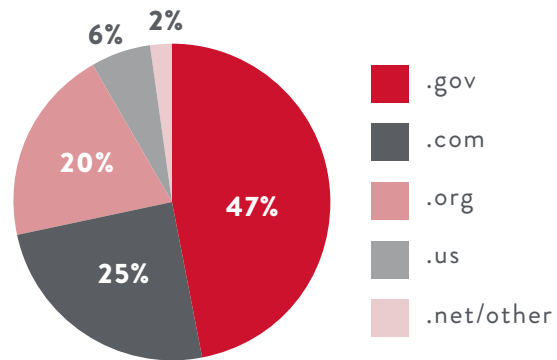
As the name suggests, the .gov domain was created specifically for government entities and remains the most secure and trusted option available to local governments. While its adoption is not mandatory, the State of Colorado has taken steps to lower potential barriers and encourage local governments to make the transition. Colorado's Statewide Internet Portal Authority (SIPA) manages the Colorado.gov platform and is the only entity of its kind in the country. SIPA offers a range of no-cost resources and technology solutions including payment processing platforms, form builders, IT services, and more to help governments serve residents efficiently and securely. SIPA also administers a micro-grant program that covers the cost of building a SIPA-hosted website or implementing other technologies that enhance government services. The current micro-grant cycle closes May 23.

Reasons to adopt a .gov website domain

- The domain is free, and a SIPA Colorado.gov domain requires only an Eligible Government Entity Agreement, significantly reducing any administrative burden
- .com, .org, .net, or .us domains are available to anyone for a fee, including scammers who might pose as a local government. Meanwhile, .gov domains are only available to verified government organizations, adding an extra layer of security and ensuring public trust in the authenticity of the local government website
- SIPA's portal partner company is available for technical assistance, and performs regular security updates

COLORADO MUNICIPAL DOMAINS

Percentage of Colorado municipalities with the following internet domains.



WEBSITE ADOPTION

Colorado municipalities with a website

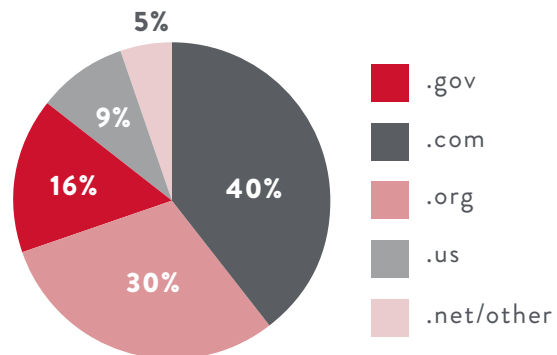
244

Colorado municipalities without a website

28

NATIONWIDE MUNICIPAL DOMAINS

Percentage of municipalities nationwide with the following internet domains.



Nationwide municipal domain data from USCityURL dataset, DOI: <https://doi.org/10.1177/23998083231190961>

RESOURCES Get a .gov domain: www.get.gov | SIPA micro-grant program: <https://sipa.colorado.gov/micro-grant>

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CML LEGAL CORNER



Implementing law enforcement whistleblower protections

By Rachel Bender,
CML senior associate counsel

During the 2024 legislative session, the Colorado General Assembly rejected House Bill 24-1460 (HB24-1460), Law Enforcement Misconduct. The bill addressed several topics including creating a private cause of action for peace officer whistleblowers. HB24-1460 was introduced less than a month before the end of the session and received significant pushback from the law enforcement coalition, who had not been made aware of the bill prior to its introduction. After the bill failed to pass, stakeholders committed to working together through the interim on a new bill for the 2025 legislative session.

Stakeholders met monthly through the remainder of 2024, resulting in the introduction of House Bill 25-1031 (HB25-1031), Law Enforcement Whistleblower Protection. The bill has passed through the General Assembly and will soon be on its way to the governor's desk where we anticipate it will be signed into law. HB25-1031 will go into effect immediately upon the governor's signature. Law enforcement agencies across the state should familiarize themselves with the bill and consider taking certain steps in anticipation of its passage.

HB25-1031 OVERVIEW

HB25-1031 applies to most local government peace officers and prohibits employers from taking adverse employment actions or retaliating against an officer who, in good faith, discloses information to the proper supervising authority that the officer reasonably believes shows a danger to public health or safety, or an alleged violation of law by another peace officer. The bill does not protect the officer if they make a disclosure that they know is false or if they make a disclosure with reckless disregard for the truth.

In addition to traditional adverse employment actions that would constitute retaliation, HB25-1031 specifically includes suspension, creating a hostile work environment, corrective action or reprimand, employment ratings that result in loss of pay or adversely effect eligibility for promotion or assignment, laying off, reducing work hours, and knowingly providing false information to negatively affect future employment opportunities. The bill makes clear that certain administrative procedures like suspending someone during an investigation and departmental objective procedures used to distribute assignments or meet operational needs do not constitute retaliation.

If a law enforcement agency has written internal administrative procedures in place for addressing whistleblower complaints, an officer must exhaust those internal procedures before bringing a civil action. Employers have 180 days to complete the administrative process; if an employee files suit before the completion of the internal investigation, the agency can seek a stay of the case.

If an aggrieved officer shows that their protected activity was a contributing factor in the employer's adverse employment action, HB25-1031 authorizes broad relief including reinstatement, back pay, compensatory damages, and attorney fees and costs. Employers have an affirmative defense if they can show, by a preponderance of the evidence, that they would have taken the same action on a legitimate nonretaliatory basis.

STEPS FOR IMPLEMENTATION

Since HB25-1031 will go into effect immediately, law enforcement agencies should consider taking several steps as soon as possible. The one mandatory piece of the bill is, by Jan. 1, 2026, each agency must provide a training to employees or a

workplace posting, or both, regarding the requirements of HB25-1031. If an agency puts up a posting, it must be placed in an area that is readily accessible to all employees and it must be in a readable format. If an agency chooses to conduct a training, it must provide the training for new employees during the employees' orientation.

The remaining two steps are only recommendations; however, they may provide agencies with some protection. First, an agency should consider designating a person or department to investigate allegations of internal misconduct. If an agency does not make such a designation, the bill provides that the proper supervising authority, to whom peace officers must disclose any internal misconduct, is the highest-ranking peace officer in the organization.

Second, and more importantly, law enforcement agencies should consider adopting written internal reporting and administrative procedures that include a process for addressing whistleblower complaints within 180 days. While not required, if an agency has these procedures in place, the bill requires employees to exhaust that internal administrative remedy prior to bringing a civil lawsuit. If the agency adopts such procedures, it must provide an alternative reporting procedure or person in the event the internal reporting procedures require an employee to report to the individual who is the subject of the whistleblowing complaint. If your agency does not already have procedures in place, consider reaching out to larger departments that may have procedures in place that could serve as a model.

This column is not intended and should not be taken as legal advice. Municipal officials are always encouraged to consult with their own attorneys.



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The CML Newsletter is going fully digital this year. Beginning in August, CML will stop producing the print version of the newsletter, and all subscribers will begin receiving the electronic edition. The new and improved digital newsletter will be more accessible and easier to navigate. The decision to go fully digital reflects our commitment to using member resources effectively. We look forward to seeing you online!

GOING DIGITAL

- Tax-exempt status of municipal bonds may be safe for now
- Participate in NLC municipal infrastructure survey
- Research Corner: The internet domain designed for government
- Legal Corner: Implementing law enforcement whistleblower protections

Featured in this issue

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