SENATE COMMITTEE OF REFERENCE REPORT

	April 11, 2012
	Chairman of Committee Date
	Committee on Business, Labor and Technology.
	After consideration on the merits, the Committee recommends the following:
	be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:
1 2	Amend printed bill, strike everything below the enacting clause and substitute:
3	"SECTION 1. In Colorado Revised Statutes, 18-19-102, add (3)
4	as follows:
5	18-19-102. Definitions. (3) "METHAMPHETAMINE OFFENDER"
6	MEANS:
7	(a) A PERSON CONVICTED OF AN OFFENSE UNDER SECTION
8	18-18-403.5 (2) (b) OR AN ATTEMPT TO COMMIT SUCH OFFENSE AS
9	PROVIDED BY PART 1 OF ARTICLE 2 OF THIS TITLE; AND
10	(b) A PERSON CONVICTED OF AN OFFENSE UNDER SECTION
11	18-18-405 (1) (a) WHEN THE CONTROLLED SUBSTANCE IS
12	METHAMPHETAMINE.
13	SECTION 2. In Colorado Revised Statutes, add 18-19-103.7 as
14	follows:
15	18-19-103.7. Methamphetamine laboratory clean-up
16	surcharge. (1) In addition to the surcharges established in
17	SECTIONS 18-19-103 AND 18-19-103.5, EACH METHAMPHETAMINE
18	OFFENDER WHO IS CONVICTED, OR WHO RECEIVES A DEFERRED SENTENCE
19	PURSUANT TO SECTION 18-1.3-102, SHALL PAY A SURCHARGE TO THE
20	CLERK OF THE COURT IN THE COUNTY IN WHICH THE CONVICTION OCCURS
21	OR IN WHICH THE DEFERRED SENTENCE IS ENTERED. THE SURCHARGE IS IN
22	AN AMOUNT DETERMINED BY THE JUDGE, BUT MUST NOT BE LESS THAN
23	FIFTY DOLLARS NOR MORE THAN FIVE HUNDRED DOLLARS.
24	(2) THE CLERK OF THE COURT SHALL DISBURSE THE SURCHARGE

REQUIRED BY SUBSECTION (1) OF THIS SECTION AS FOLLOWS:

- (a) THE CLERK SHALL RETAIN FIVE PERCENT FOR PURPOSES OF ADMINISTERING THE DISBURSAL OF THE SURCHARGE PURSUANT TO THIS SUBSECTION (2).
- (b) The Clerk shall disburse ninety-five percent to the state treasurer, who shall credit the moneys to the local government assistance account of the methamphetamine laboratory clean-up cash fund created in section 25-18.5-103.5, C.R.S.
- (3) THE SURCHARGE IS MANDATORY, AND THE COURT MAY SUSPEND OR WAIVE THE SURCHARGE ONLY IF IT DETERMINES THAT THE DEFENDANT IS INDIGENT.

SECTION 3. In Colorado Revised Statutes, **amend** article 18.5 of title 25 as follows:

- **25-18.5-101. Definitions.** As used in this article, unless the context otherwise requires:
- (1) "Board" means the state board of health in the department of public health and environment.
- (2) (Deleted by amendment, L. 2009, (SB 09-060), ch. 140, p. 600, § 1, effective April 20, 2009.) "CERTIFIED INDUSTRIAL HYGIENIST" OR "CIH" MEANS AN INDIVIDUAL WHO IS CERTIFIED BY THE AMERICAN BOARD OF INDUSTRIAL HYGIENE OR ITS SUCCESSOR.
- (3) "CLEAN-UP STANDARDS" MEANS THE ACCEPTABLE STANDARDS FOR THE REMEDIATION OF AN ILLEGAL DRUG LABORATORY INVOLVING METHAMPHETAMINE, AS ESTABLISHED BY THE BOARD PURSUANT TO SECTION 25-18.5-102.
- (4) "Consultant" means a certified industrial hygienist or industrial hygienist who is not an employee, agent, representative, partner, joint venture participant, shareholder, parent, or subsidiary company of the contractor, and who has been certified pursuant to section 25-18.5-106.
- (5) "CONTRACTOR" MEANS ONE OR MORE INDIVIDUALS OR COMMERCIAL ENTITIES:
- (a) HIRED TO DECONTAMINATE AN ILLEGAL DRUG LABORATORY IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED BY THE BOARD PURSUANT TO SECTION 25-18.5-102; AND
- (b) CERTIFIED BY THE DEPARTMENT PURSUANT TO SECTION 25-18.5-106.
- (6) "DEPARTMENT" MEANS THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.
- (2.5) (7) "Governing body" means the agency or office designated

by the city council or board of county commissioners where the property in question is located. If there is no such designation, the governing body shall be the county, district, or municipal public health agency, building department, and law enforcement agency with jurisdiction over the property in question.

- (2.7) (8) "Illegal drug laboratory" means the areas where controlled substances, as defined by section 18-18-102, C.R.S., have been manufactured, processed, cooked, disposed of, used, or stored and all proximate areas that are likely to be contaminated as a result of such THE manufacturing, processing, cooking, disposal, use, or storing STORAGE.
- (9) "INDUSTRIAL HYGIENIST" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1402 (2.2), C.R.S.
- (3) (10) "Property" means anything that may be the subject of ownership, including but not limited to, land, buildings, structures, and vehicles.
- (4) (11) "Property owner", for the purposes of real property, means the person holding record fee title to real property. "Property owner" also means the person holding the title to a manufactured home.
- **25-18.5-102. Illegal drug laboratories rules.** (1) The board shall promulgate health-protective rules that establish procedures for testing and evaluation of contamination and the acceptable standards for the cleanup of illegal drug laboratories involving methamphetamine. PURSUANT TO SECTION 24-4-103, C.R.S., AS NECESSARY TO IMPLEMENT THIS ARTICLE, INCLUDING:
- (a) PROCEDURES FOR TESTING CONTAMINATION, EVALUATING CONTAMINATION, AND ESTABLISHING THE ACCEPTABLE STANDARDS FOR CLEANUP OF ILLEGAL DRUG LABORATORIES INVOLVING METHAMPHETAMINE;
- (b) PROCEDURES FOR A TRAINING AND CERTIFICATION PROGRAM FOR INDIVIDUALS AND COMPANIES INVOLVED IN THE ASSESSMENT, DECONTAMINATION, AND SAMPLING OF ILLEGAL DRUG LABORATORIES. THE BOARD SHALL DEFINE "ASSESSMENT", "DECONTAMINATION", AND "SAMPLING" FOR PURPOSES OF THIS ARTICLE. THE BOARD MAY DEVELOP DIFFERENT LEVELS OF TRAINING AND CERTIFICATION REQUIREMENTS BASED ON AN INDIVIDUAL'S OR COMPANY'S PRIOR EXPERIENCE IN THE ASSESSMENT, DECONTAMINATION, AND SAMPLING OF ILLEGAL DRUG LABORATORIES.
- 38 (c) PROCEDURES FOR THE APPROVAL OF INDIVIDUALS AND COMPANIES THAT PROVIDE TRAINING FOR CONSULTANTS OR CONTRACTORS PERFORMING ASSESSMENT, DECONTAMINATION, OR SAMPLING OF ILLEGAL DRUG LABORATORIES.

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- (d) PROCEDURES FOR CONTRACTORS AND CONSULTANTS TO ISSUE CERTIFICATES OF COMPLIANCE TO PROPERTY OWNERS UPON COMPLETION OF ASSESSMENT, DECONTAMINATION, AND SAMPLING OF ILLEGAL DRUG LABORATORIES TO CERTIFY THAT THE REMEDIATION OF THE PROPERTY MEETS THE CLEAN-UP STANDARDS ESTABLISHED BY THE BOARD PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1).
 - (2) THE BOARD SHALL ESTABLISH FEES FOR THE FOLLOWING:
- (a) CERTIFICATION OF INDIVIDUALS AND COMPANIES INVOLVED IN THE ASSESSMENT, DECONTAMINATION, AND SAMPLING OF ILLEGAL DRUG LABORATORIES;
- (b) Monitoring of individuals and companies involved in the assessment, decontamination, and sampling of illegal drug laboratories, if necessary to ensure compliance with this article; and
- (c) APPROVAL OF INDIVIDUALS OR COMPANIES INVOLVED IN TRAINING FOR CONSULTANTS OR CONTRACTORS PURSUANT TO PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION.
- (3) THE BOARD SHALL ADOPT RULES FOR DETERMINING ADMINISTRATIVE PENALTIES FOR VIOLATIONS OF THIS ARTICLE, BASED ON THE FACTORS ENUMERATED IN SECTION 25-18.5-107 (2) (g).
- 25-18.5-103. Discovery of illegal drug laboratory property owner - cleanup - liability. (1) (a) Upon notification from a peace officer that chemicals, equipment, or supplies indicative of an illegal drug laboratory are located on a property, or when an illegal drug laboratory used to manufacture methamphetamine is otherwise discovered and the property owner has received notice, the owner of any contaminated property shall meet the clean-up standards for property established by the board in section 25-18.5-102; except that a property owner may, at his or her option and subject to paragraph (b) of this subsection (1), elect instead to demolish the contaminated property. If the owner elects to demolish the contaminated property, the governing body or, if none has been designated, the county, district, or municipal public health agency, building department, or law enforcement agency with jurisdiction over the area where the property is located may require the owner to fence off the property or otherwise make it inaccessible to persons for occupancy or intrusion.
- (b) An owner of any personal property within a structure or vehicle contaminated by illegal drug laboratory activity shall have HAS ten days after the date of discovery of the laboratory or contamination to remove or clean his or her personal property according to board rules. If the personal property owner fails to remove the personal property within

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ten days, the owner of the structure or vehicle may dispose of the personal property during the clean-up process without liability to the owner of the personal property for such THE disposition.

- (2) (a) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (2), once a property owner has met the clean-up standards and documentation requirements established by the board, as evidenced by a copy of the results provided to the governing body, RECEIVED CERTIFICATES OF COMPLIANCE FROM A CONTRACTOR AND A CONSULTANT, PURSUANT TO SECTION 25-18.5-102 (1) (d), or has demolished the property:
- (I) compliance with subsection (1) of this section shall establish immunity for the property owner HE OR SHE SHALL FURNISH COPIES OF THE CERTIFICATES OF COMPLIANCE TO THE GOVERNING BODY; AND
- (II) HE OR SHE IS IMMUNE from a suit BROUGHT BY A CURRENT OR FUTURE OWNER, RENTER, OCCUPANT, OR NEIGHBOR OF THE PROPERTY for alleged health-based civil actions brought by any future owner, renter, or other person who occupies such property, or a neighbor of such property, in which the alleged cause of the injury or loss is the existence of the illegal drug laboratory used to manufacture methamphetamine; except that immunity from a civil suit is not established for the THAT ALLEGE INJURY OR LOSS ARISING FROM THE ILLEGAL DRUG LABORATORY. A PROPERTY OWNER WHO MET THE CLEAN-UP STANDARDS AND DOCUMENTATION REQUIREMENTS OF THIS SECTION AS IT EXISTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (2), AS AMENDED, IS LIKEWISE IMMUNE FROM SUIT.
- (b) A person convicted for the production MANUFACTURE of methamphetamine OR FOR POSSESSION OF CHEMICALS, SUPPLIES, OR EQUIPMENT WITH INTENT TO MANUFACTURE METHAMPHETAMINE IS NOT IMMUNE FROM SUIT.
- (3) A person who removes personal property or debris from a drug laboratory shall secure the property and debris to prevent theft or exposing another person to any toxic or hazardous chemicals until the property and debris is appropriately disposed of or cleaned according to board rules.
- **25-18.5-103.5. Methamphetamine laboratory clean-up cash fund rules.** (1) There is hereby created in the state treasury the Methamphetamine laboratory clean-up cash fund, referred to in this section as the "fund". The state treasurer shall credit moneys collected pursuant to this article to the fund. The moneys in the fund are subject to annual appropriation by the general assembly to the board for the direct and indirect costs.

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ASSOCIATED WITH IMPLEMENTING THIS ARTICLE. THE STATE TREASURER
MAY INVEST ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
OF THIS ARTICLE AS PROVIDED BY LAW. THE STATE TREASURER SHALL
CREDIT ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND
DEPOSIT OF MONEYS IN THE FUND TO THE FUND. ANY UNEXPENDED AND
UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF ANY
FISCAL YEAR REMAIN IN THE FUND AND ARE NOT CREDITED OR
TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

- (2) GOVERNING BODIES MAY APPLY TO THE BOARD FOR REIMBURSEMENT FROM THE LOCAL GOVERNMENT ASSISTANCE ACCOUNT OF THE FUND, WHICH IS HEREBY CREATED, FOR COSTS INCURRED BY THE GOVERNING BODIES FOR METHAMPHETAMINE LABORATORY CLEAN-UP EFFORTS THAT FALL OUTSIDE OF THIS ARTICLE. THE BOARD SHALL PROMULGATE RULES FOR DETERMINING ELIGIBLE ACTIVITIES UNDERTAKEN BY GOVERNING BODIES AND PROCEDURES FOR REVIEWING APPLICATIONS AND REIMBURSING GOVERNING BODIES.
- **25-18.5-104.** Entry into illegal drug laboratories. (1) If a structure or vehicle has been determined to be contaminated or if a governing body or law enforcement agency issues a notice of probable contamination, the owner of the structure or vehicle shall not permit any person to have access to the structure or vehicle unless:
- (a) The person is trained or certified to handle contaminated property pursuant to board rules or federal law; OR
- (b) Until the owner has received certificates of compliance pursuant to section 25-18.5-102 (1) (d).
- 25-18.5-105. Drug laboratories governing body authority. (1) An GOVERNING BODIES MAY DEEM AN illegal drug laboratory that has not met the clean-up standards set by the board in section 25-18.5-102 shall be deemed a public health nuisance.
- (2) Governing bodies may enact ordinances or resolutions to enforce this article, including but not limited to, preventing unauthorized entry into contaminated property; requiring contaminated property to meet clean-up standards before it is occupied; notifying the public of contaminated property; AND coordinating services and sharing information between law enforcement, building, public health, and social services agencies and officials. and charging reasonable inspection and testing fees.
- **25-18.5-106.** Powers and duties of department. (1) The department shall implement, coordinate, and oversee the rules promulgated by the board pursuant to this article, including:
 - (a) THE CERTIFICATION OF INDIVIDUALS AND COMPANIES

INVOLVED IN THE ASSESSMENT, DECONTAMINATION, OR SAMPLING OF ILLEGAL DRUG LABORATORIES, AS THE BOARD HAS DEFINED "ASSESSMENT", "DECONTAMINATION", AND "SAMPLING" PURSUANT TO SECTION 25-18.5-102.

- (b) THE APPROVAL OF INDIVIDUALS AND COMPANIES THAT PROVIDE TRAINING FOR CONSULTANTS AND CONTRACTORS WHO PERFORM ASSESSMENT, DECONTAMINATION, OR SAMPLING OF ILLEGAL DRUG LABORATORIES.
- **25-18.5-107. Enforcement.** (1) AN INDIVIDUAL OR A COMPANY THAT VIOLATES ANY OF THE RULES PROMULGATED BY THE BOARD PURSUANT TO SECTION 25-18.5-102 IS SUBJECT TO AN ADMINISTRATIVE PENALTY NOT TO EXCEED FIFTEEN THOUSAND DOLLARS PER DAY PER VIOLATION UNTIL THE VIOLATION IS CORRECTED.
- (2) (a) Whenever the department has reason to believe that an individual or a company has violated any of the rules promulgated by the board pursuant to section 25-18.5-102, the department shall notify the individual or company. The department shall specify in the notice the rule alleged to have been violated and the facts alleged to constitute the violation.
 - (b) THE DEPARTMENT SHALL EITHER:
- (I) Send the notice by certified or registered mail, return receipt requested, to the alleged violator's last-known address; or
- (II) PERSONALLY SERVE THE NOTICE UPON THE ALLEGED VIOLATOR OR THE ALLEGED VIOLATOR'S AGENT.
- (c) THE ALLEGED VIOLATOR HAS THIRTY DAYS FOLLOWING RECEIPT OF THE NOTICE TO SUBMIT A WRITTEN RESPONSE CONTAINING DATA, VIEWS, AND ARGUMENTS CONCERNING THE ALLEGED VIOLATION AND POTENTIAL CORRECTIVE ACTIONS.
- (d) WITHIN FIFTEEN DAYS AFTER RECEIVING NOTICE OF AN ALLEGED VIOLATION, THE ALLEGED VIOLATOR MAY REQUEST AN INFORMAL CONFERENCE WITH DEPARTMENT PERSONNEL TO DISCUSS THE NOTICE. THE DEPARTMENT SHALL HOLD THE INFORMAL CONFERENCE WITHIN THE THIRTY-DAY PERIOD ALLOWED FOR A WRITTEN RESPONSE, AS SET FORTH IN PARAGRAPH (c) OF THIS SUBSECTION (2).
- (e) AFTER CONSIDERATION OF ANY WRITTEN RESPONSE AND INFORMAL CONFERENCE, THE DEPARTMENT SHALL ISSUE A LETTER, WITHIN THIRTY DAYS AFTER THE DATE OF THE INFORMAL CONFERENCE OR WRITTEN RESPONSE, WHICHEVER IS LATER, AFFIRMING OR DISMISSING THE VIOLATION. IF THE DEPARTMENT AFFIRMS THE VIOLATION, THE DEPARTMENT SHALL ISSUE AN ADMINISTRATIVE ORDER WITHIN ONE

HUNDRED EIGHTY DAYS AFTER THE TIME FOR A WRITTEN RESPONSE HAS EXPIRED. THE ADMINISTRATIVE ORDER MUST INCLUDE ANY REMAINING CORRECTIVE ACTIONS THAT THE VIOLATOR SHALL TAKE AND ANY ADMINISTRATIVE PENALTY THAT THE DEPARTMENT DETERMINES IS APPROPRIATE.

- (f) The department shall serve an administrative order issued pursuant to this section upon the individual or company that is the subject of the order by personal service or by registered mail, return receipt requested, at the individual's or company's last-known address. An order may be prohibitory or mandatory in effect. The order is effective immediately upon issuance, unless otherwise provided in the order.
- (g) IN DETERMINING THE AMOUNT OF AN ADMINISTRATIVE PENALTY, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING FACTORS:
 - (I) THE SERIOUSNESS OF THE VIOLATION;
- 16 (II) WHETHER THE VIOLATION WAS INTENTIONAL, RECKLESS, OR NEGLIGENT:
 - (III) ANY IMPACT ON, OR THREAT TO, THE PUBLIC HEALTH OR ENVIRONMENT AS A RESULT OF THE VIOLATION;
 - (IV) THE VIOLATOR'S DEGREE OF RECALCITRANCE, IF ANY;
 - (V) WHETHER THE VIOLATOR HAS HAD ANY PRIOR VIOLATIONS AND, IF SO, THE NATURE AND SEVERITY OF ANY PRIOR VIOLATION OR VIOLATIONS;
 - (VI) THE ECONOMIC BENEFIT THE VIOLATOR RECEIVED AS A RESULT OF THE VIOLATION;
 - (VII) WHETHER THE VIOLATOR VOLUNTARILY, TIMELY, AND COMPLETELY DISCLOSED THE VIOLATION BEFORE THE DEPARTMENT DISCOVERED IT;
 - (VIII) WHETHER THE VIOLATOR FULLY AND PROMPTLY COOPERATED WITH THE DEPARTMENT FOLLOWING DISCLOSURE OR DISCOVERY OF THE VIOLATION; AND
 - (IX) ANY OTHER RELEVANT AGGRAVATING OR MITIGATING CIRCUMSTANCES.
 - (3) WHENEVER THE DEPARTMENT DETERMINES THAT AN INDIVIDUAL OR A COMPANY HAS BEEN GROSSLY NONCOMPLIANT WITH THE RULES PROMULGATED BY THE BOARD PURSUANT TO SECTION 25-18.5-102, THE DEPARTMENT MAY:
- 38 (a) Suspend or revoke the individual's or company's 39 Certification for the assessment, decontamination, or sampling 40 of illegal drug laboratories, as the board has defined 41 "assessment", "decontamination", and "sampling" pursuant to

SECTION 25-18.5-102; OR

(b) SUSPEND OR REVOKE THE APPROVAL OF AN INDIVIDUAL OR A COMPANY THAT PROVIDES TRAINING FOR CONSULTANTS OR CONTRACTORS PERFORMING ASSESSMENT, DECONTAMINATION, OR SAMPLING OF ILLEGAL DRUG LABORATORIES.

25-18.5-108. Judicial review. The department's decisions are subject to judicial review pursuant to section 24-4-106, C.R.S.

SECTION 4. In Colorado Revised Statutes, 38-35.7-103, **amend** (2) (c) and (4) as follows:

38-35.7-103. Disclosure - methamphetamine laboratory. (2) (c) If the seller receives the notice referred to in paragraph (b) of this subsection (2) or if the seller receives the notice referred to in paragraph (a) of this subsection (2) and does not elect to have the property retested pursuant to paragraph (b) of this subsection (2), then an illegal drug laboratory used to manufacture methamphetamine shall be deemed to have been discovered. and the owner shall be deemed to have received notice pursuant to section 25-18.5-103 (1) (a), C.R.S. Nothing in this section shall prohibit PROHIBITS a buyer from purchasing the property and assuming liability pursuant to section 25-18.5-103, C.R.S., if, on the date of closing, the buyer provides notice to the department of public health and environment of the purchase and assumption of liability and if the remediation required by section 25-18.5-103, C.R.S., is completed within ninety days after the date of closing.

- (4) If the seller became BECOMES aware that the property was once used for the production of methamphetamine and HE OR SHE REMEDIATES the property was remediated in accordance with the standards established pursuant to section 25-18.5-102, C.R.S., and evidence of such remediation was received by the applicable governing body in RECEIVES CERTIFICATES OF compliance with the documentation requirements established pursuant to section 25-18.5-102 25-18.5-103, C.R.S., then:
- (a) The seller shall IS not be required to disclose that the property was used as a methamphetamine laboratory to a buyer; and
- (b) The property shall be removed from IS NO LONGER ELIGIBLE FOR INCLUSION IN any government-sponsored informational service listing properties that have been used for the production of methamphetamine.

SECTION 5. Applicability. The provisions of this act apply to offenses committed on or after the effective date of this act.

SECTION 6. 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.".

- 1 Page 1, strike line 101 and substitute "CONCERNING REMEDIATION
- 2 PERFORMED ON."

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