

RESOLUTION NO. 2025-038

A RESOLUTION DESCRIBING A PROPOSAL TO IMPOSE FOR THREE YEARS AN ADDITIONAL COUNTYWIDE SALES AND USE TAX OF 0.15% FOR THE PURPOSES OF UNMET NEEDS OF YOUTH, ADULTS, FAMILIES, UNHOUSED INDIVIDUALS, AND OLDER ADULTS IN BOULDER COUNTY WITH OR AT RISK OF MENTAL HEALTH AND SUBSTANCE USE DISORDERS BY PROVIDING MENTAL HEALTH CRISIS SERVICES; SUICIDE PREVENTION AND INTERVENTION; MENTAL HEALTH AND SUBSTANCE USE PREVENTION, TREATMENT, AND RECOVERY; TREATMENT SERVICES FOR UNHOUSED INDIVIDUALS; AND ASSISTANCE FINDING APPROPRIATE SERVICES THROUGH COMMUNITY-BASED ORGANIZATIONS, GOVERNMENTAL ENTITIES, AND OTHER OPTIONS; AND A VOTER-APPROVED REVENUE CHANGE.

Recitals

A. Mental health and substance use challenges impact youth, families, and individuals without regard to gender, age, sexual-orientation, religion, national origin, skin color or language.

B. Untreated mental health and substance use disorders are estimated to cost the US economy approximately \$282 billion each year in the form of lost productivity due to absenteeism and unemployment, resulting in significant losses in workforce participation; healthcare costs due to higher rates of chronic conditions among people with untreated mental illness; indirect and direct costs such as treatment expenses, lost earnings, and reduced quality of life; and social costs such as homelessness, incarceration, and strain on social services.¹

C. As of 2024, Colorado had the second-highest prevalence of mental illness in the country, with more than 530,000 Coloradans struggling with depression, more than one in four Coloradans, or 1.5 million people, suffering from poor mental health, and significantly elevated rates of suicide as compared to the national average.²

D. In Colorado, the economic cost of untreated mental illness is estimated to range from \$5.4 billion to \$10 billion annually associated with lost productivity, increased healthcare expenses, incarceration, and suicide.³

E. Data from communities that have implemented locally funded taxes for behavioral health services indicate that a local funding source improved the behavioral health system, increased access to behavioral health services for people with the highest need, increased ability to address complex behavioral health needs, and improved

¹ Unwell and Unproductive: The Economic Toll of America's Mental Health Crisis; Michigan Journal of Economics, April 4, 2025.

² "Addressing Mental Health Challenges in Colorado; Economic Impacts and Analysis of State Efforts" Mahan & Anderson, Common Sense Institute, April, 2025.

³ *Id.*

outcomes for people with mental health and substance use disorders.

F. A study of the economic benefits of expanding mental and behavioral health supports found that recovery from mental illness increases employment and workforce participation up to 41% and created an average return of \$4.00 in improved health and productivity for every \$1.00 spent on mental health treatment.⁶

G. Surveys of voters in Boulder County have demonstrated strong support for funding the services and supports identified in this Resolution.

H. Boulder County staff and community partners have devoted countless hours to creating a road map of behavioral health services in Boulder County, a Boulder County Behavioral Health Strategic Plan, and a plan to implement the Strategic Plan in the event additional funds become available. The Strategic Plan identifies five areas of core services that are essential to addressing the unmet need for mental health and behavioral health services, and outlines the mechanisms that are necessary to evaluate and measure success.

I. Article 2, Title 29, Colorado Revised Statutes, as amended, provides for the imposition of a county-wide sales and use tax upon approval of a majority of the registered electors of the County voting on such question.

J. The Board of County Commissioners of Boulder County desires to refer to the registered electors of the County of Boulder, State of Colorado, to be determined by a majority voting thereon, a new 0.15% sales and use tax, adding \$0.15 to the cost of a \$100.00 purchase, to be effective beginning on January 1, 2026 and extending for three years, expiring on December 31, 2028, with revenues to be expended for mental and behavioral health services in accordance with this Resolution.

⁴ 2024 Behavioral Health Services Annual Report. Larimer County Behavioral Health Services. <https://www.larimer.gov/behavioralhealth/bhs-annual-report/2024-reports>

⁵ 2017-2018 Mental Health Ballot Measures in Colorado Counties. www.mentalhealthcolorado.org/wp-content/uploads/2021/01/Denver-Foundation-Report.pdf

⁶ Expanding access to mental health supports would help the economy, according to new report. Ohio Capital Journal. <https://ohiocapitaljournal.com/2025/01/10/expanding-access-to-mental-health-supports-would-help-the-economy-according-to-new-report/>

K. The Board finds that the enactment of a 0.15% countywide sales and use tax for three (3) years with proceeds of such tax to be utilized in accordance with the provisions of this Resolution, and the exemption of such tax revenues and the interest thereon from the fiscal year spending limitations of Article X, section 20 of the Colorado Constitution (hereinafter the "Article"), would permit these additional revenues to be utilized to further accomplish Boulder County's goals to meet the mental and behavioral health needs of the residents of Boulder County.

L. The Board finds that the imposition of this 0.15% county-wide sales and use tax, effective for 3 years, the proceeds of which will be used for said purposes, and the exemption of such tax revenues and the interest on them from the fiscal year spending limitations of the Article, would provide additional revenues used to meet critical needs and is a cost-effective method of obtaining additional revenues.

M. The Article provides for the submission of such a sales and use tax proposal to the registered electors of the County at an election called by resolution of the Board of County Commissioners; and section 104(3) of said Article provides that if no general election is scheduled within 120 days after adoption of such resolution, the Board of County Commissioners shall submit the sales and use tax proposal to the registered electors at a special election, and therefore it is appropriate to refer this proposal to the odd-year election to be held on November 4, 2025, as required by Colo. Const., Art. X, Section 20(3)(a).

N. The Article provides that the County Clerk and Recorder shall publish the text of such tax proposal four separate times, a week apart, in the official newspaper of the County and of each city and incorporated town within the County.

O. Colo. Const., Art. X, Section 20(3)(b) requires certain election notices to be mailed to all registered voters of the County.

P. The Article provides that the proposal shall contain certain provisions concerning the amount, levying and scope of said tax.

NOW, THEREFORE, BE IT RESOLVED THAT: There shall be referred to the registered electors of the County of Boulder at a Coordinated Election held on Tuesday, November 4, 2025, the following proposal:

1.(a) The imposition and collection of a countywide 0.15% (fifteen hundredths of one percent) sales and use tax for three years in accordance with the provisions of the Article upon the sale at retail of tangible personal property and the furnishing of certain services in the County as provided in paragraph (d) of Subsection (1) of Section 29-2-105, Colorado Revised Statutes ("C.R.S."), as amended, and as is more fully hereinafter set forth.

(b) For the purpose of this sales tax, all retail sales are consummated at the retailer's place of business unless the tangible personal property sold is delivered by the retailer or his agent outside the County's limits. The gross receipts from such sales shall include delivery charges when such charges are subject to the state sales and use tax imposed by article 26, title 39, C.R.S., regardless of the place to which delivery is made. If a retailer has no permanent place

of business in the County, the place at which the retail sales are consummated for the purpose of this sales tax shall be determined by the provisions of article 26, title 39, C.R.S., and by rules and regulations promulgated by the Colorado Department of Revenue. Without limiting the broad application of this sales tax and recognizing that mobile telecommunications services are subject to particular legal requirements, this sales tax shall apply to mobile telecommunications services to the greatest extent permitted under Section 29-2-105(1.5), C.R.S.

(c) The amount subject to tax shall not include the amount of any sales or use tax imposed by article 26 of title 39, C.R.S., as amended.

(d) The sales of tangible personal property and services taxable under this sales tax shall be the same as the sales of tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., as amended, except as otherwise provided herein. There shall be exempt from taxation under the provisions of this proposed countywide sales and use tax, the tangible personal property and services which are exempt under the provisions specified in Part 7 of Article 26 of title 39, C.R.S., as amended, except that only those local exemptions identified in Section 29-2-105(d)(I), C.R.S., listed below in (1) through (4), and when legally recognized, the local exemptions listed below in (5) through (7) shall apply to this County sales and use tax. The following exemptions are consistent with exemptions contained in various existing Boulder County sales and use tax resolutions:

- (1) The exemption for sales of machinery or machine tools specified in Section 39-26-709(1), C.R.S.
- (2) The exemption for sales of food specified in Section 39-26-707(1)(e), C.R.S. For the purposes of this subsection, "food" is defined in Section 39-26-102(4.5), C.R.S.
- (3) The exemption for sales of components used in the production of energy, including but not limited to alternating current electricity, from a renewable energy source specified in Section 39-26-724, C.R.S.
- (4) The exemption for sales of electricity, coal, wood, gas, fuel, oil, or coke specified in Section 39-26-715(1)(a)(II), C.R.S.
- (5) The exemption for sales of wood from salvaged trees killed or infested in Colorado by mountain pine beetles or spruce beetles specified in Section 39-26-723, C.R.S.
- (6) The exemption for sales that benefit a Colorado school specified in Section 39-26-725, C.R.S.
- (7) The exemption for sales by an association or organization of parents and teachers of public school students that is a charitable organization specified in Section 39-26-718(1)(c), C.R.S.

(e) All sales of personal property on which a specific ownership tax has been paid or is payable shall be exempt from the sales tax imposed by the County when such sales meet both of the following conditions:

- (1) The purchaser is a non-resident of or has his principal place of business outside of the County; and
- (2) Such personal property is registered or required to be registered outside the limits of the County under the laws of the State of Colorado.

(f) The countywide sales tax shall not apply to the sale of "construction and building materials," as the term is used in Section 29-2-109, C.R.S., as amended, if such materials are picked up by the purchaser and if the purchaser of such materials presents to the retailer a

building permit or other documentation acceptable to the County evidencing that a local use tax has been paid or is required to be paid.

(g) The countywide sales tax shall not apply to the sale of tangible personal property at retail or the furnishing of services if the transaction was previously subjected to a sales or use tax lawfully imposed on the purchaser or user by another statutory or home rule county equal to or in excess of that sought to be imposed by the County. A credit shall be granted against the sales tax imposed by the County with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule county. The amount of the credit shall not exceed the sales tax imposed by the County.

(h) Notwithstanding any other provision of this sales tax regarding the taxation of food, this sales tax shall not apply to the following:

- (1) Sales of food purchased with food stamps. For the purposes of this subsection (a), "food" has the same meaning as provided in 7 U.S.C. § 2012, as currently in effect and subsequently amended.
- (2) Sales of food purchased with funds provided by the special supplemental food program for women, infants, and children, 42 U.S.C. § 1786. For the purposes of this subsection (b), "food" has the same meaning as provided in 42 U.S.C. § 1786, as currently in effect and subsequently amended.

(i) This sales tax shall not apply to the sales of cigarettes.

(j) This sales tax shall not apply to sales to a telecommunications provider of equipment used directly in the provision of telephone service, cable television service, broadband communications service, or mobile telecommunications service. It is the policy of this County that this exemption be applied in a uniform and nondiscriminatory manner to the telecommunications providers of telephone service, cable television service, broadband communications service, and mobile telecommunications service.

(k) All terms used in this ordinance shall have the same meaning as provided for in Section 39-26-102, C.R.S. Unless otherwise provided in this sales tax, any amendments thereto, or article 2, title 29, C.R.S., the provisions of article 26, title 39, C.R.S., shall govern the collection, administration, and enforcement of this sales tax.

2. The imposition of a countywide 0.15% (fifteen hundredths of one percent) sales and use tax is hereby imposed in accordance with the provisions of the Article for the privilege of using or consuming in the County any construction and building materials purchased at retail and for storing, using, or consuming in the County any motor and other vehicles on which registration is required, purchased at retail. Subject to the provisions of Section 39-26-212, C.R.S., as amended, the use tax shall not extend or apply:

(a) To the storage, use, or consumption of any tangible personal property the sale of which is subject to a retail sales tax imposed by the County;

(b) To the storage, use, or consumption of any tangible personal property purchased for resale in the County either in its original form or as an ingredient of a manufactured or compounded product, in the regular course of a business;

(c) To the storage, use, or consumption of tangible personal property brought into the County by a non-resident thereof for his own storage, use, or consumption while temporarily

within the County; however, this exemption does not apply to the storage, use, or consumption of tangible personal property brought into this State by a non-resident to be used in the conduct of a business in this State;

(d) To the storage, use, or consumption of tangible personal property by the United States government or the State of Colorado, or its institutions, or its political subdivisions in their governmental capacities only or by religious or charitable corporations in the conduct of their regular religious or charitable functions;

(e) To the storage, use, or consumption of tangible personal property by a person engaged in the business of manufacturing or compounding for sale, profit, or use any article, substance, or commodity, which tangible personal property enters into the processing of or becomes an ingredient or component part of the product or service which is manufactured, compounded, or furnished and the container, label, or the furnished shipping case thereof;

(f) To the storage, use, or consumption of any article of tangible personal property the sale or use of which has already been subjected to a legally imposed sales or use tax of another statutory or home rule county equal to or in excess of that imposed by the County. A credit shall be granted against the use tax imposed by the County with respect to a person's storage, use, or consumption in the County of tangible personal property purchased in another statutory or home rule county. The amount of the credit shall be equal to the tax paid by the person by reason of the imposition of a sales or use tax of the other statutory or home rule county on the purchase or use of the property. The amount of the credit shall not exceed the tax imposed by this Resolution;

(g) To the storage, use, or consumption of tangible personal property and household effects acquired outside of the County and brought into it by a nonresident acquiring residency;

(h) To the storage or use of a motor vehicle if the owner is or was, at the time of purchase, a nonresident of the County and purchased the vehicle outside of the County for use outside of the County and actually so used it for a substantial and primary purpose for which it was acquired and registered, titled, and licensed said motor vehicle outside of the County;

(i) To the storage, use or consumption of any construction and building materials and motor and other vehicles on which registration is required if a written contract for the purchase thereof was entered into prior to November 6, 2001;

(j) To the storage, use or consumption of any construction and building materials required or made necessary in the performance of any construction contract bid, let, or entered into any time prior to November 6, 2001.

3. The 0.15% use tax provided for herein shall be applicable to every motor vehicle for which registration is required by the laws of the State of Colorado, and no registration shall be made for any motor vehicle by the Department of Revenue or its authorized agents until any tax due upon the use, storage, or consumption thereof pursuant to this Resolution has been paid.

4. The definition of words herein contained shall be as said words are defined in Section 39-26-102, C.R.S., as amended, and said definitions are incorporated herein.

5. Except as provided by Section 39-26-208, C.R.S., as amended, any use tax imposed shall be collected, enforced, and administered by the County. The use tax on construction and building materials will be collected by the County building inspector or as may be otherwise provided by intergovernmental agreement, based upon an accurate estimate of building and construction materials costs submitted by the owner or contractor at the time a building permit application is made.

6. If the majority of the registered electors voting thereon vote for approval of this 0.15% countywide sales and use tax proposal, such 0.15% countywide sales and use tax shall be in effect throughout the incorporated and unincorporated portions of the County from January 1, 2026, through December 31, 2028, unless and until repealed or otherwise revised by a vote of the citizens of Boulder County.

7. If the majority of the registered electors voting thereon vote for approval of this countywide sales and use tax proposal, revenues collected from the imposition of said 0.15% countywide sales and use tax will be expended for the purposes and in accordance with the limitations of this Resolution.

8. The cost of the election shall be paid from the general fund of the County.

9. The County Clerk and Recorder shall publish the text of this sales and use tax proposal four separate times, a week apart, in the official newspaper of the County and each city and incorporated town within this County.

10. The County Clerk and Recorder, as election officer, shall undertake all measures necessary to comply with the election provisions set forth in Colo. Const., Art. X, Section 20(3), including but not limited to the mailing of required election notices and ballot issue summaries.

11. The conduct of the election shall conform so far as is practicable to the general election laws of the State of Colorado.

12. Beginning January 1, 2026, the net proceeds from the 0.15% countywide sales and use tax received by the County shall be expended by the County for the purposes of addressing unmet needs of youth, adults, families, unhoused individuals, and older adults in Boulder County with or at risk of mental health and substance use disorders by providing the following services through community-based organizations, governmental entities, and other options: mental health crisis services; suicide prevention and intervention; mental health and substance use prevention, treatment, and recovery; treatment services for unhoused individuals; and assistance finding appropriate services.

13. The Board shall allocate the tax revenues into five funding categories: crisis response and intervention services; treatment services; recovery supports; navigation services; and prevention services. To continue to maximize the County's strategic investments in the community and facilitate strong and effective partnerships with service providers and considering anticipated growth of mental and behavioral health programs and/or coordination needs with service providers, monies deposited in the Fund may also be used to support County administration of mental and behavioral health services and or programs, including but not limited to a dedicated staff position to serve as liaison with participating agencies. The Board will determine the allocation

of funds between the five funding categories to address changing and emerging needs and fluctuation in available funds.

14. Funds will support services provided by Boulder County, organizations and health care providers that provide licensed clinicians, and community-based organizations that serve under-served populations in Boulder County, including unhoused and formerly unhoused individuals, non-English speaking community members, and members of the LGBTQ community.

15. The Board has determined that the funding categories shall be the following:

(a) Crisis Response and Intervention Services These services will include mobile crisis response, walk-in centers, and place-based crisis response and stabilization for individuals experiencing a mental health crisis or substance use withdrawal.

(b) Treatment Services Treatment services will include out-patient and residential care for mental health and substance use disorders.

(c) Recovery Supports: These services include case management, staffed residential living, partial hospitalization, sober-living, intensive outpatient services, peer services and other step-down services that support county residents in recovery from substance use and mental health disorders.

(d) Navigation Services: Navigation services will connect people with the appropriate level of mental and behavioral health services and resources.

(e) Prevention Services: Prevention services will fund schools, non-profit organizations, and other groups to support youth and others who have been impacted by adverse experiences, who are experiencing risk factors, or at risk of developing a mental illness or substance use disorder, or at risk of suicide.

16. The intent of Boulder County is to leverage these tax revenues with Medicaid funds and other funds when possible and to provide services through community-based organizations, health care providers, and governmental entities.

17. The intent of Boulder County is for these tax revenues to provide additional funding for mental health and substance use services, and not to supplant existing sources of funding.

18. Monies from the extended sales and use tax will be appropriated annually as determined by the Board in accordance with the terms of this Resolution.

19. Interest generated from the revenues of the sales and use tax shall be used for the purposes set forth in this Resolution.

20. For the purposes of Colo. Const., Art. X, Section 20, the receipt and expenditure of revenues of the sales and use tax together with earnings on the investment of the proceeds of the tax shall constitute a voter-approved revenue change.

21. Upon the effective date of the 0.15% county-wide total sales and use tax proposed herein, the county-wide total sales and use tax rate of 1.185%, when added to existing state and municipal sales and use tax rates which are non-exempt under the provisions of Section 29-2- 108, C.R.S., as amended, results in a total sales and use tax rate in excess of the 6.9 percent limit stated in said statute as follows: Boulder: 9.045%; Boulder (retail food service): 9.195%; Erie: 8.685%; Lafayette: 9.055%; Longmont: 8.715%; Louisville: 8.960%; Lyons: 8.685%;

Nederland: 9.435%; Superior: 8.960%; Ward: 7.185%.

24. If any provision of this Resolution or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or applications and to this end, the provisions of this Resolution are declared to be severable.

25. The proposal as described in this Resolution shall take effect immediately upon the approval of the electorate.

26. The sales and use tax described in this Resolution expires on December 31, 2028.

27. A notice of the adoption of this county-wide sales and use tax addition proposal by Approval of this Resolution by the Board of County Commissioners shall be promptly published in a newspaper of general circulation in Boulder County the Board of County Commissioners shall be published in accordance with statutory requirements. A majority of the registered electors voting thereon shall be submitted by the County Clerk and Recorder to the Executive Director of the Department of Revenue, together with a certified copy of this Resolution, at least 45 days prior to the effective date of the sales and use tax created herein.

28. The Board of County Commissioners of Boulder County shall take action to set a ballot title for this issue.

IT IS HEREBY DECLARED by the Board of County Commissioners of the County of Boulder and State of Colorado that this Resolution is necessary for the immediate preservation of the public health, safety and welfare, and that it shall become effective immediately upon its adoption.

A motion to approve this Resolution 2025-038 was made by Commissioner Stolzmann, seconded by Commissioner Loachamin, and passed by a unanimous vote.

ADOPTED this 28th day of August 2025.

BOARD OF COUNTY COMMISSIONERS
OF BOULDER COUNTY:

Marta Loachamin

Marta Loachamin, Chair

Claire Levy

Claire Levy, Vice Chair

Ashley Stolzmann

Ashley Stolzmann, Commissioner

ATTEST:

Clerk to the Board: Matthew Ramos