



Under the Dome, Week 12

Highlights of the Week

The FY 2016-17's budget faced its first test in the House this week. On Monday morning, the annual Long Bill (HB 1405) was introduced along with 14 orbital bills. There were three "surprise" bills in addition to the budget package that were also introduced: The Colorado Healthcare Affordability and Sustainability Enterprise, CHASE (HB 1420), Allocate Additional FY 2016-17 General Fund Revenues (1421), and the School Finance Act (HB 1422). The Speaker decided to introduce and run her bill to enterprise the hospital provider fee (HB 1420) as part of the budget package. She secured Republican Larry Crowder as her Senate sponsor. The companion bill, HB 1421, specified that any additional revenue available after the September Revenue Forecast would be allocated in the following way: \$50 million to the HUTF which makes the SB 228 transfer for transportation whole, \$16.2 million to restore the FY 2015-16 Severance Tax transfer, \$40 million to K-12 education to decrease the negative factor, and \$49.5 million to higher education in the state. Both bills were debated with the budget package in the House Appropriations Committee.

A diverse group of individuals and organization representatives came to the capitol to voice their support of the bill. Vocal proponents included: the CEOs of two rural hospitals, Denver Metro Chamber of Commerce President Kelly Brough, Colorado Contractor's Association President Tony Milo, Colorado Community College System President Nancy McCallin, University of Colorado President Bruce Benson, Colorado League of Charter Schools President Nora Flood, and various representatives of school districts throughout the state. Both HB 1420 and HB 1421 passed down partisan lines. However, the "Fix the Glitch Coalition," which is behind both of the bills, is actively working to garner additional Republican support of the bills before they are considered on the floor.

The School Finance Act caused quite a stir upon introduction because the bill was heard in the education committee the same day it was introduced. The School Finance Act itself drew fire from House Republicans because of the way small school districts were funded and how the "size factor" was accounted for. The School Finance Act did pass out of the House Education Committee on Monday with bipartisan support. Currently, legislators are working on amendments to the bill that ensure that districts losing local money because of decreased oil and gas activity are made whole through grants and also to maintain level funding for school districts with fewer than 50 students.

The House debated the budget on the floor Thursday. For more than 11 hours, the House considered the fifteen budget-related bills. House members offered 37 different amendments on the budget Long Bill. In the House Appropriations Committee, an amendment was added by the JBC to fund the Division of Air Quality, funding that had been rejected multiple times by the JBC. Republicans on the JBC opposed the funding because of political concerns around the Administration's pledge to continue

working toward implementation of the President's Clean Power Plan. Amendments to the budget included efforts to:

- Reverse the action taken during the House Appropriations Committee and not fund the FTE responsible for implementing the Clean Power Plan
- Increase funding for education and transportation by \$5.75 million using money set aside this year for the workforce development package
- Increase spending for education and transportation by \$3 million utilizing money set aside of the state's film incentive program
- Increase funding for the homeless program at Ft. Lyon
- Increase the number of oil and gas inspectors in the OGCC
- Defund CDPHE's Healthy Kids survey and immunizations database
- Defund Colorado's assessment system (PARCC)
- Defund the Department of Personnel's Central Collections Agency
- Defund CDPHE's Long Acting Reversible Contraception program

There were two amendments that passed onto the budget although one was stripped off during the committee of the whole report. The first was brought by the JBC and reduced an appropriation from the Marijuana Tax Cash Fund to the Department of Education's Bullying Prevention Program by \$1.2 million. The amendment was necessary because the Marijuana Tax Cash Fund was out of balance. The other amendment appropriated \$50,000 to begin implementation of the Pay for Success Program which was authorized through legislation last session.

There was also extensive debate over HB 1416 which authorized the SB 228 transfers - \$199 million to the HUTF in FY 2015-16 and \$158 in FY 2016-17 and \$49.8 million to capital construction in FY 2015-16 and \$52.7 million in FY16-17. Minority Leader DelGrosso ran an amendment on the bill to fully fund the HUTF transfers in FY 2016-17, which otherwise is 25% lower than intended in the original law. He also ran an amendment that rehashed the battle over bonding for transportation. The amendment would have allowed the state to bond \$3 billion for transportation projects. The amendment died with bipartisan opposition. On Friday, the budget passed the House on a vote of 39-26, with a majority of the Republican voting no.

It will head to the Senate next week for debate. Once the bill has passed the Senate, there will be a conference committee to hash out all differences between the House and Senate version of the bills. In good news for community providers throughout the state, the House passed HB 1408 which included \$20 million to offset the loss of federal money for a primary rate increase that had been in place since 2012. There was extensive discussion over the last week on what providers would qualify for the rate bump. An amendment added on the House floor Thursday specified the rate bump applies to providers in a handful of eligible codes. These broad categories of codes include: outpatient visits, immunization administration, health screening, and neonatal care.

While the House was consumed with the budget, the Senate tried to clear their calendars to prepare for their upcoming budget week. Two of the House Democrats' agenda bills – HB 1001 and HB 1166 which aimed to promote equal pay for women were passed out of the House on Monday, scheduled for a Senate Committee hearing Wednesday, and dead by Wednesday evening. HB 1001, which set in place a series of requirements any state contractor had to meet related to equal pay and HB 1166 made it a discriminatory or unfair employment practice for an employer to seek salary history information,

including information about prior compensation and benefits, from an applicant for employment. During the Senate State Veterans and Military Affairs hearing industry argued that they all supported pay equity but the two bills didn't further the cause and instead would punish employers who are good actors. Proponents including The Women's Foundation and the Bell Policy Center both believed the bills would move the state forward in make sure men and women are both paid fair and equal wages. In the end both bills died on a partisan vote.

The Senate Agriculture Committee killed HB 1004, another bad for business bill. The bill required the state to create a climate action plan aimed at reducing Colorado's greenhouse gas emissions as well as collect analysis related to the economic, social and health impact to low-income individuals. The Senate did pass a few bills this week as well. Most notably, the Senate Floor finally gave approval (27-6) to HB 1005 which will allow individuals to use rain barrels in their back yard. Last year, the bill hit a road bump over concerns it would violate water law and limit water lawfully due to agriculture. The last step for the rain barrel bill is the Governor's desk.

After several hours of testimony, the Senate Health and Human Services Committee approved legislation to clean up procedures for hospitals and law enforcement regarding 72 hour holds. Katherine Mulready, the Vice President of Legislative Policy and Chief Strategy Officer for the Colorado Hospital Association, as well as representatives from the Police Chiefs Association testified to the dire need to pass such a bill. Opposition testimony came from Mental Health America and individuals who have experienced holds against their will. Opponents worried that the 72 hour hold period and provisions related to law enforcement holds were still not ideal. The bill passed with clarifying amendments and one that specified that only psychologists, psychiatrists, physicians and psychiatric advanced practice nurses are able to release 72 hour holds. The bill will be heard on the Senate floor after the budget.

Bills of the Week

Workforce Development Updates HB 1289 and HB 1291 were both passed out of the House Education Committee Monday with bipartisan support. HB 1291, Modern Technology in Public Schools, allows the Department of Education to create a voluntary resource bank for schools and districts that want to start or expand computer science programs for students. Colorado's State Board of Education would add technology skills to the current content standards, where it deems appropriate. There would also be grants available to educators wishing to receive additional training in computer science. Colorado Succeeds and the Colorado Technological Association, as well as students from St. Vrain Valley School District, testified in support of the bill. It passed on a vote of 9-2 and is on its way to the House Appropriations Committee. HB 1289 creates a pilot program where school districts receive \$1,000 for each student who either earns an industry credential tied to an in-demand job, finishes a rigorous workplace training program tied to key industry needs, or successfully completes a Computer Science AP course. The bill sets up the program for two years. Industry, school districts, and students all testified in support of the bill. HB 1289 passed 10-1 to the Appropriations committee.

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