

## Under the Dome, Week 3

### Highlights of the Week

The legislature really kicked in to gear this week. Membership in the House was finalized when a vacancy committee for HD 25 (the seat vacated by Representative Keyser) chose Tim Leonard as the new Representative. He beat out seven other candidates in the first round of voting. He previously ran for State Senate and Governor. Committees of Reference began working through the bills on their calendar. The Senate Finance Committee unanimously passed legislation to reauthorize the Scientific and Cultural Facilities District despite opposition from smaller arts organizations. A group for the Tier 3 recipients argued in committee that they didn't receive a fair share of funding and were being discriminated against. The bill faces its next test in the Senate Appropriations Committee.

Outside of the Capitol on Monday, the Oil and Gas Conservation Commission released rules based on the Oil and Gas Taskforce recommendations. The rules promulgated give local governments a voice in the siting of large drilling operations in urban areas before operators apply for a state permit and provide residents more protections related to noise, emissions and fire control. Both industry and local control advocates were unhappy with the final result. Industry thought the definition of large drilling operations was too low (4,000 barrels of storage) while local control groups thought the threshold was too high. Congressman Polis has already indicated he might be inclined to support a ballot measure since the rules were not to his liking.

There was some good news for education funding at the Joint Budget Committee Wednesday. First, the JBC took action to buy down the negative factor by \$24 million which will increase per pupil funding for students by \$18 a student. The funding was "left over" from a lower than expected enrollment counts throughout Colorado. Second, local assessed values came in \$133.5 million higher than expected for FY 2015-16. This means the state needs to contribute \$133.5 million less than anticipated when the budget was set last year. The JBC voted to revert \$40 million of that to the state public school fund and \$93.5 million to the state general fund. The JBC chose the general fund and not the state education fund because the money in the general fund can be used for many other things and although they hope to use it for education, as the JBC takes balancing measures they just have more options at the end of the day. Next week, the JBC will begin figure setting for all state agencies.

**SB 228 Memo** Although not yet a bill, the JBC received a memo this week from staff providing three options of how to handle the expected General Fund transfers to the Highway Users Trust Fund (transportation) and the Capital Construction Fund (higher ed) authorized under SB09-228. JBC Staff Director John Ziegler said the JBC can choose to 1) Keep the status quo 2) Change the way the General Fund money is transferred under SB 228 but still use the same formula or 3) Completely rewrite the statute and specify that a certain amount of money must be transferred each year for five years, instead of basing the transfers on percentages. Due to the nature of the SB 228 formula, the \$200 million expected for transportation had to be transferred at two separate times which makes budgeting

challenging. There is also a scenario where the transfers are eliminated altogether if TABOR refunds hit a certain point. No decisions were made this week, however, the JBC has expressed interest in amending the SB 228 statute and transfers in some way.

Link to SB 228 Memo: [http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/SB09228-01-27-16.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/SB09228-01-27-16.pdf)

Link to Memo on Transportation Funding in Co:

[http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/SB09228-01-27-16.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/SB09228-01-27-16.pdf)

## **Bills of the Week**

**Winter Driving on I-70** The House Transportation Committee took up legislation that would require motorists to have adequate tires, chains or alternative traction devices on their vehicles from October 1st to March 15th each year on I-70 between Dotsero and Morrison. The bipartisan legislation sponsored by Representative Mitsch Bush and Rankin was caught up in controversy last year and was amended to recommend the TLRC study the issue. HB 1039 passed committee with bipartisan support and will next be heard on the House Floor.

**Business Intelligence Center** HB 1014 by Representative Williams, passed unanimously out of the House Business Committee on Thursday. The legislation officially recognizes the Business Intelligence Center operation within the Secretary of State's Office. Currently, the Business Intelligence Center assists states agencies in formatting and publishing data to a public platform, providing resources to facilitate use of data, assist local governments in publishing public data, among many other services. The legislation also allows the Department to contract with public or private entities to operate the Business Intelligence Center and may seek gifts, grants and donations to operate.

**Hold Harmless Retailers for Uncollected Taxes** SB 050 cleared its first committee unanimously with support from the business community. The legislation releases retailers from liability for uncollected local sales tax in the case of a misaligned location code. The bill came from the Audit Committee as a result of an audit that showed millions of under and over tax collections due to inaccurate location codes. SB 050 was placed on the consent calendar for Senate second reading.