THE CAPSTONE GROUP LLC PUBLIC AFFAIRS STRATEGIES

Under the Dome, Week 6

Highlights of the Week

Despite a short week, the House and Senate both pushed a full week's work into four days. The House floor anxiously awaited debate on HB 1054, the End of Life Options legislation. The bill was first scheduled to be heard on Tuesday, was pushed back to Thursday, and now is placed on the calendar for debate next Wednesday. It is unclear at this time if the bill has the votes to pass the House floor. If it doesn't, the sponsors will have to decide if they want to have the emotional debate with all 65 members regardless. The Senate gave final approval by unanimous vote of the majority of the FY 2015-16 budget supplemental bills Friday morning. A few remain to be heard next week. The package, which reduces state spending by \$100 million, will then head to the Governor for final action. The JBC continued figure setting for the FY 2016-17 budget. Next week, the Joint Budget Committee is acting on budget recommendations for the Colorado Department of Public Health and Environment and the Department of Human Services, and voting to set so-called 'common policy' rates for things like worker's compensation that impact every department.

The Senate Education Committee considered the first attempt this year to roll back the 2010 teacher evaluation law, SB 191. SB 105 by Democrat Senator Mike Merrifield and Republican Senator Vicki Marble would allow a school district to use no more than 20% of a teacher's evaluation based on student growth. A district wouldn't be mandated to use any student growth data in a teacher's evaluation under this proposal. The committee heard four hours of testimony for and against the bill. Supporters of the bill argued that there is too much pressure on teachers under the new system, while opponents express concern that the teacher evaluation law is the cornerstone of accountability. In the end, Senator Marble pulled her name off of the bill and voted against it, as did Senator Woods who was listed as a co-sponsor when the bill was introduced. The bill died on a vote of 3-6.

While Senate Education was considering SB 105, the House Health Insurance and Environment Committee was having a lengthy debate on drug pricing transparency legislation. HB 1102 would require that drug manufacturers submit a report to the Colorado Commission on Affordable Health Care detailing certain information about drugs made available in Colorado for which the wholesale acquisition cost is \$50,000 or more per year or per course of treatment. The legislation was initiated by health plans and opposed by pharmaceutical companies, with patient advocate groups on both sides of the argument. Opponents stressed that the legislation could hurt future research and development efforts and force drug companies to share proprietary information, without a direct benefit to consumers. Proponents asserted that getting information about the cost of research and development, marketing, profits and more would give policymakers the information they need to make informed decisions down the line that would decrease the cost of drugs. The hearing lasted late into the evening but no final action was taken on the bill to allow time for the sponsor to draft amendments.

Bills of the Week

Documentary Fee for Residential Real Property also known as TD 1000, HB 1145 by Representative

Lebsock the residential real property conveyance is calculated based on the total sale price, as listed on the conveyance document. If there is no amount listed, or the amount is less than \$500 and there is related documentation, then the total sales price on the declaration form is used to determine the filing fee. HB 1145 was the result of months of collaboration between the title companies, realtors, banks, clerk and recorders and counties. The bill passed the House Floor unanimously Friday and will next head to the Senate.

Immigration Policy in the State For the first time this session, Colorado dipped into immigration issues at the capitol. HB 1274 and HB 1285 are part of a larger package to address access and services for undocumented individuals from the Department of Motor Vehicles. HB 1274 has three parts: it increases the spending authority for the original driver's license for undocumented individuals program passed in 2013, which will allow an additional six offices to address the acceptance of certain identification to receive the licenses. HB 1285 by Representative Pabon and Senator Crowder will allow undocumented individuals who fail their first driving test to retake their test at a 3rd party testing center approved by the DMV. HB 1274 was assigned to House State Affairs and HB 1285 was assigned to House Finance.

Misassigned Locator Code The legislative audit committee brought forth SB 50 to hold harmless businesses from paying back sales tax, fines or penalties, for a misassigned locator code by the Department of Revenue. The bill sailed through the Senate and was heard in the House Business Committee this week. Colorado Counties Inc testified again in the House asking for an amendment to also hold the counties harmless for the lost revenue and require the state to backfill that amount. The committee was not amenable to the amendment due to high fiscal impacts and the bill passed on unanimously unamended. The bill will next be heard on the House Floor. Douglas County will continue to work with members of the Audit committee over the summer to address the issue of lost funds to the counties and cities when Department of Revenue misassigned locator codes for sale tax collection.

Higher Education Loan Regulation Senator Carroll, who is challenging Congressman Mike Coffman, introduced legislation to require private lenders to disclose certain information to a borrower including potential fees or penalties, terms of loan and deferral options, interest information and cancellation options. Senator Carroll expressed her desire to run the bill as an effort to curb the increase in student debt. SB 043 was killed down partisan lines in the Senate State, Veterans, and Military Affairs Committee. SB 24, by Senator Matt Jones, was also killed by the Senate State Affairs committee. The bill caps the annual interest rate that a private or nongovernmental lender may charge for a student loan at two percentage points higher than the rate charged by the federal government for an unsubsidized loan made for the same purpose. The cap imposed on loans made to students, their spouses, and to taxpayers claiming a student as a dependent.