



Under the Dome, Week 10

Highlights of the Week

The first full week of the second half of the legislative session didn't lack for excitement. On Monday, the House Education Committee considered two bills to address school suspension and expulsion policies that disproportionately affect African-American children, Latino boys, and children with disabilities. HB 1210 updates statute to offer better guidance for administrators to clarify eligibility for prevention, early intervention, and support services. HB 1211 creates the Discipline Strategies Pilot Program to provide school districts, boards of cooperatives, and charter schools with resources to sponsor their preschool through third grade teachers in receiving evidence-based, culturally responsive disciplinary training. Both bills passed the House Education Committee Monday afternoon with bipartisan support. HB 1210 also received initial approval after lengthy debate Friday on the House Floor.

The Senate Transportation Committee gave initial approval to SB 213 to authorize autonomous vehicles to operate in the state of Colorado. Industry representatives, the Farm Bureau, and advocates for the disabled testified in support of the bill during the committee hearing. The Colorado Motor Carriers Association and AFL-CIO testified with concerns. Two friendly amendments were added by the sponsor, to address concerns raised by municipalities and counties, and make changes to the legislative declaration. Another amendment, encouraged by the AFL-CIO, was defeated. SB 213 passed to the full Senate with unanimous support.

Budget Forecast:

On Friday, Legislative Council and the Office of State Planning and Budgeting presented their March Revenue Forecast. This is the last forecast before the JBC finalizes the FY 2017-18 budget. Colorado finds itself in an interesting predicament as the state's economy continues to expand and in fact, growth quickened over the last quarter. Unemployment is at a historically low 2.95% and the energy industry is showing the first signs of recovery after a two year downturn. However, OSPB estimates the **state faces a shortfall of \$696.6 million to fund the Governor's proposed FY 2017-2018 budget**. The General Fund budget is also **short by \$260.4 million according to OSPB estimates. Legislative Council's estimates were slightly more positive**, but the committee traditionally budgets to the more conservative estimate.

The Joint Budget Committee will find out on Monday where their current budget decisions put them in relation to the projected revenue. Both forecasts show TABOR refund obligations in the upcoming fiscal years. For FY 2017-18, TABOR revenue is expected to be \$264.1 million above the TABOR revenue cap while in FY 2018-19, TABOR revenue is estimated to be \$288.6 million above the TABOR revenue cap. This will result in SB 228 transfers to the HUTF and Capital Construction being cut in half for both years.

The Joint Budget Committee is scheduled to wrap up figure setting and close the budget by Friday so the “long bill” can be introduced in to the Senate on Monday, March 27th.

Legislative Council Revenue Forecast Power Point:

http://leg.colorado.gov/sites/default/files/march_2017_jbc_for_posting.pdf

Legislative Council Revenue Forecast:

http://leg.colorado.gov/sites/default/files/march2017forecast_0.pdf

The Office of State Planning and Budgeting Revenue Forecast:

<https://drive.google.com/file/d/0B0TNLOctD9wXYWJBTHM3T3NqdmM/view>

Bills of the Week

Oil and Gas Setbacks from Schools This week Representative Foote, a strong critic of the oil and gas industry, introduced HB 1256 which clarifies that the 1,000 foot setback between a school and an oil and gas well must be measured from the school property line not the building itself. This is the first bill taking on the energy industry since two statewide initiatives failed to make the ballot. The bill is scheduled to be heard in the House Health Insurance and Environment Committee.

Bipartisan Construction Defects Reform Late on Friday another bipartisan compromise bill was introduced to address construction defects reform in the State of Colorado. HB 1279 by Representative Saine, Representative Garnett, Senator Guzman, and Senator Tate will provide more notice to homeowners in potential construction defects lawsuits and adjusts the threshold for initiating such actions. The bill specifically addresses the time period before a lawsuit being filed by an HOA to address the defect and requires the approval of a majority of members of an HOA before it can initiate legal proceedings against a general contractor or subcontractor. The bill also requires the distribution to homeowners of disclosures on the expected cost of proposed litigation and notifications that their ability to sell their property may be impaired for the duration of a lawsuit. The bill was assigned to the House State, Veterans, and Military Affairs Committee.

Earlier this week, SB 17 - 156, the HOA coalition bill was also assigned to House State Affairs Committee. SB 17-156 requires that a homeowners' association (HOA) use mediation or arbitration before a lawsuit can be filed in disputes involving construction defects against a development party. If an HOA had governing documents that required mediation or arbitration at the time of construction, the HOA must adhere to that original policy in construction defect cases. The parties involved in a dispute must mutually agree upon a mediation or arbitration service provider, with preference given to a provider specified in the HOA governing documents. The mediation or arbitration must take place at a mutually agreeable location in the judicial district in which the HOA is located.

Promoting Employee Ownership On Thursday afternoon, the House Business Affairs and Labor Committee passed Representative Coleman's HB 1214 which directs OEDIT to promote employee ownership as part of its small business assistance center. The bill is trying to address an expected surge in retirement due to Colorado's aging population. As amended in committee, OEDIT would also establish and administer a revolving loan program cash fund, bankrolled by gifts, grants and donations, to help existing businesses convert into employee-owned businesses. The bill is next headed to the House Floor.

Striving for Efficiency in Government Programs This week the House Local Government Committee passed HB17-1206 by Representatives Singer and Arndt on a vote of 10-2. In 2013, the General Assembly passed SB 251, the Colorado Road and Community Safety Act which provided driver's licenses to all Colorado residents, regardless of immigration status. After the legislation was passed, it was discovered that proponents inadvertently left out valid social security numbers as an eligibility document. HB 1206 clarifies eligibility for the program by including social security numbers and streamlining a tedious renewal process. The bill is headed to the House Appropriations Committee.

Workers Compensation for PTSD For multiple years in a row, the Fraternal Order of Police (FOP) has pursued legislation to allow first responders, peace officers, and law enforcement with PTSD to claim workers compensation for PTSD. HB 1229 is a joint effort from the FOP and Pinnacle Assurance to do just that. The bill allows the above professions to access workers compensation if they are diagnosed by a licensed Psychologist or licensed Psychiatrist and the PTSD is attributable to instances specified in statute. The bill has bipartisan sponsorship and will be heard in the House Public Health and Insurance Committee Tuesday afternoon.

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