



# Legislative Newsletter



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*An up-to-date review of Colorado government and politics especially for the Aurora Chamber of Commerce.  
Compiled and edited by Axiom Strategies, Inc.*

*"The value of an idea lies in the using of it."  
-Thomas Edison*

**State Senate Prez Grantham: Package of additional construction defects bills will drop soon**  
*The Colorado Statesman*

There will be more bills introduced this session aimed at reforming Colorado's construction defect litigation, which proponents say is a way to address the slowdown in housing construction across the state.

That was the big news to come out of the state Senate leadership's media availability on Monday. Senate President Kevin Grantham, R-Canon City, promised not just one, but a collection of bills on the issue.

**Colorado Technology Association aims to steer state into the future**  
*The Colorado Statesman*

Colorado's technology industry is booming, and Andrea Young couldn't be happier.

Young, the president and CEO of the Colorado Technology Association, a trade organization that represents more 300 companies and counts some 15,000 people involved in its network, said in a recent interview with The Colorado Statesman that she's excited about the prospects for the tech sector in the state as CTA continues its work to bring companies, academic institutions and government entities together.

It's a sprawling endeavor, encompassing everything from workforce development to high-speed internet access, innovative technologies and industries to old-fashioned schmoozing.

**Nevilles: Colorado businesses need regulatory relief**  
*Colorado Statesman*

Ronald Reagan once joked that the nine most terrifying words in the English language are, "I'm from the government and I'm here to help." It's a string of words most businesses may dread even more, given the government's make-or-break power to tax and regulate.

Like many Americans, Statehouse Republicans understand that there was a serious subtext to Reagan's quip. Government regulators too often assume an unnecessarily adversarial role vis-à-vis business, punitively enforcing fines and penalties as their default method of ensuring compliance with rules and regulations.

That's why we introduced the "Regulatory Relief Act of 2017" as the first bill of this legislative session. It signals the importance Republicans place on giving businesses a break. Our aim is to help end this constant state of conflict that exists between the public and private sectors, in favor of a culture of cooperation and respectful coexistence that will help spur economic growth and opportunity.

### **Charter school legislation is back; so is opposition from the teachers union**

*Coloradopolitics.com*

As anticipated, bipartisan legislation has resurfaced to spread education dollars around a little more uniformly between traditional neighborhood schools and Colorado's proliferating charter schools. A similar effort failed in the legislature last year.

Senate Bill 61, introduced in the upper chamber Friday just before the long holiday weekend, would require a school district to distribute revenue it receives from "local property tax mill levies equally, on a per-student basis, to the school district charter schools." Currently, local school boards decide how to divvy up those tax dollars.

Charter supporters say the autonomous public schools are being shortchanged in many school districts. According to the Colorado League of Charter Schools, only 11 of the state's 178 districts equitably share revenue from voter-approved property-tax increases with charters, which receive state funding but are run outside of the traditional school district system.

### **Colorado hospitals could close if Obamacare is repealed and not replaced, execs say**

*Denver Post*

Hospitals across the state could be forced to cut back services or even close if the Affordable Care Act is repealed without an adequate replacement, several health care executives in Colorado warned on Wednesday.

A hospital in the San Luis Valley, for instance, may not be able to maintain a level of care that means patients currently don't have to leave the valley for chemotherapy or to have surgery on broken bones, its CEO said. A hospital in Delta County - already with a profit margin only in the low single digits - could see its revenue dip dangerously close to the red, its CEO said.

### **Colorado legislators look to cut other taxes to offset a tax hike for roads**

*Denver Business Journal*

Colorado Senate Republican leaders, cognizant that ruling House Democrats are unlikely to want to cut anything from the budget to try to increase funding for highways and transit, said Monday they are willing to discuss a rollback of certain taxes instead to advance some sort of solution this year.

### **Top CDOT Executive Fired, CBI Investigating Alleged Embezzlement**

*CBS Denver*

CBS4 has learned the Colorado Department of Transportation has fired one of its top executives amidst concerns he stole thousands of dollars through the use of CDOT purchasing cards.

CDOT terminated Chris Wedor, its director of audits, Dec. 29, after the agency discovered "irregularities" in Wedor's use of the state credit cards.

### **How the political mood at the Capitol shifted toward a tax hike for roads**

*The Denver Post*

Colorado needs \$9 billion to improve roads and alleviate traffic congestion in the next 10 years - a number so large that state lawmakers are entertaining a once-unthinkable solution: a tax hike.

Democratic and Republican leaders are negotiating a measure for the November ballot to increase taxes and generate billions of dollars for transportation projects across the state, including the expansion of Interstate 25 north and south of Denver and Interstate 70 through the mountains.

### **Marijuana-related bills for Colorado legislature; Seeks clarification on DEA's new CBD extract rule**

*Colorado Springs Independent*

Colorado's 71st General Assembly is underway, with issues like transportation, affordable housing and, of course, wrangling a balanced budget looming large. But another specter - that of new leadership in D.C. - also haunts the state Capitol, particularly when it comes to our pioneering pot policy.

Amid the nervous wait to see how the Department of Justice under Jeff Sessions (should he become attorney general) will deal with the conflict between state and federal drug laws, Colorado legislators are staying the course. Nine marijuana-related bills - some that we've seen before:

### **Key Dem's advice to Hick: Think twice before hiking taxes on pot**

*ColoradoPolitics.com*

Concerns have been raised that a proposal by Gov. John Hickenlooper to raise marijuana taxes would divert sales to the illegal market.

It's an interesting theory, considering the governor's office has made curbing so-called "gray" and "black" market sales a priority.

Former state Sen. Pat Steadman, D-Denver, who led much of the effort around Proposition AA four years ago to levy marijuana taxes, said the governor's office might want to think twice about raising marijuana taxes if it plans on making a dent in illegal activities.

### **Colorado lawmakers could allow marijuana for PTSD; a hurdle remains**

*ColoradoPolitics.com*

Post-traumatic stress disorder would be eligible for medical marijuana treatment in Colorado under a proposal in the legislature.

Advocates believe this is the year to finally add PTSD as a qualifier for medical marijuana, after previous attempts in the legislature and through state agencies failed.

What's encouraging to proponents is that the bill was introduced favorably after an interim legislative committee studying marijuana issues unanimously referred the measure.

### **GOP energy committee launches with hearing heavy on data, light on controversy**

*Colorado Statesman*

The first meeting of the Senate's Republican-led Select Committee on Energy and the Environment wrapped Thursday after two hours of testimony and barely a hint of partisan rancor or ideological fury.

"This is obviously something new for all of us," said committee Chairman Ray Scott, R-Grand Junction. "This committee is charged with the responsibility of reviewing the facts, not trafficking in fictions or farfetched fears. We're here to deal with substance, not spin. We see our role not as indoctrination, one way or another, but as education, so elected officials and average citizens can make policy decisions in a reasoned, sensible, reality-based way."

### **Gov. Hickenlooper submits budget amendments to Legislature, calls for reductions in Senior Homestead Exemption & higher retail marijuana sales taxes to backfill school funding reductions**

*Office of the Governor*

Tuesday, Jan. 17, 2017 - The Office of State Planning and Budgeting (OSPB) today submitted budget amendments to the Joint Budget Committee that apply to the FY 2017-18 budget request.

Within the request, the OSPB outlined Gov. Hickenlooper's plan to address a \$135.1 million reduction in property taxes triggered by the "Gallagher" amendment in the Colorado Constitution. The amendment requires that the total property tax burden in the State be shared more by non-residential owners than by residential owners. Because residential values have grown faster than non-residential values and the relative burdens are out of compliance with the Constitution, the mechanism to adjust the burden is to lower the residential assessment rate.

The Division of Property Taxation at the Department of Local Affairs (DOLA), using more updated information than the State had in December, projects that the residential assessment rate will drop 17.6 percent - from 7.96 percent to 6.56 percent. As a result, the lower residential assessment rate, net of other changes to projected enrollment, requires \$106.2 million in State funds to keep the budget request whole. This equates to \$122.70 per student in the school finance formula.

To bridge the gap, the Governor is asking for legislation to 1) reduce the Senior Homestead Exemption by half in FY 2017-18 (\$68.1 million), and 2) increase the special sales tax on adult-use recreational marijuana to 12.0 percent in FY 2017-18 (\$41.9 million). These amounts would be earmarked for K-12 education finance. Both changes require legislative approval but have prior voter approval, and the revenue can be retained by the State.

Without the increase in resources from these two legislative requests, the "negative factor" would increase to \$982.3 million compared with \$876.1 million in the FY 2017-18 budget request.

"One part of the Constitution lowers property taxes for schools and shifts the burden to the State, and another part of the Constitution says the K-12 school budget has to grow. This is a prime example of why we call our budget rules a 'fiscal thicket,'" said OSPB director Henry Sobanet.

In the State of the State address last week Governor Hickenlooper asked legislative leaders to convene on the subject of K-12 education funding rules.

## **Gov. Hickenlooper appoints Kathleen Staks as executive director of the Colorado Energy Office**

*Office of the Governor*

Tuesday, Jan. 17, 2017 - Gov. John Hickenlooper announced today that Kathleen Staks has been appointed executive director of the Colorado Energy Office, effective Jan. 20, 2017. She will replace Jeff Ackermann, who was recently appointed to the Public Utilities Commission.

"Kathleen will be pivotal in helping us work collaboratively with diverse stakeholders to ensure that Colorado is a strong supporter of both traditional and renewable energy resources," said Gov. Hickenlooper. "Colorado's energy practices touch every person in Colorado daily. Kathleen will continue to ensure that our State's energy portfolio benefits Colorado businesses, workers and families."

Staks currently serves as the assistant director for energy and minerals at the Colorado Department of Natural Resources (DNR), where she is responsible for developing and implementing policy regarding energy development across the state. Staks has extensive experience working with Colorado energy and mining companies, as well as renewable industry businesses. Prior to joining DNR, Staks worked at Great Outdoors Colorado (GOCO) as the program director for open space and parks and wildlife. In that position she oversaw land conservation grant programs and managed the relationship between GOCO and the Colorado Division of Parks and Wildlife.

"I am very excited to get started with the Colorado Energy Office and work with its talented team to implement the Governor's broad energy strategy," said Staks. "The Energy Office has implemented great programs over the last several years to further energy efficiency and innovation and I look forward to exploring new opportunities across the energy spectrum."

Staks holds a Bachelor of Arts in Journalism from Southern Methodist University and a law degree from the University of Denver. She held clerkships and internships with governmental and law firm entities specializing in environmental regulation, eminent domain and water rights litigation. She also served as assistant editor of the Water Law Review. Staks also serves as a member of the Jefferson County Open Space Advisory Committee.

## **Gov. Hickenlooper Announces Boards and Commission Appointments**

*Office of the Governor*

There is a judicial district nominating commission for each of Colorado's 22 judicial districts that selects nominees for district and county judicial vacancies. Each district nominating commission is chaired by a justice of the Supreme Court, who is a non-voting member of the commission.

Each judicial district nominating commission consists of seven citizens residing in that judicial district.

No more than four members can be from the same political party, and there must be at least one voting member from each county in the district. In all districts with populations of more than 35,000, the voting members consist of three people admitted to practice law in Colorado and four people not

admitted to practice law in Colorado. In judicial districts with populations under 35,000, at least four voting members are people not admitted to practice law in Colorado. It is determined by majority vote of the governor, attorney general and chief justice how many, if any, of the remaining three members will be persons admitted to practice law in Colorado.

Commission members serve six-year terms. Non-lawyers, who are the majority of every nominating commission, are appointed by the governor. Lawyer members are appointed by joint action of the governor, attorney general, and chief justice.

For a term expiring December 31, 2022:

- Keenen Daniel Lovett of Cortez, to serve as an attorney and as a Republican from Montezuma County, appointed.

The State Board of Human Services adopts policies, rules and regulations for the administration of the Department of Human Services. The Board adjusts the minimum award for old age pensions for changes in the cost of living. The Board also adopts rules and regulations concerning foster care and adoption procedures, mental health programs, alcohol and drug abuse programs and developmental disabilities programs.

For a term expiring March 1, 2019:

- Julie Ann Holligan Westendorff of Durango, to serve as a county commissioner, and occasioned by the resignation of the Honorable David Allen Foy of Otis, appointed.

The State Medical Assistance and Services Advisory Council assists the Department of Health Care Policy and Financing in the preparation and implementation of a comprehensive medical plan for low-income families.

For a term expiring November 12, 2017:

- Theresa G. Buxton, RN, PhD of Centennial, to serve as a professional nurse, and occasioned by the resignation of Ruth O'Brien, RN, PhD, FAAN of Aurora, appointed.

The Colorado Advisory Council for Persons with Disabilities has the following powers, functions and duties:

- coordinate with State boards, advisory councils, and commissions established for or related to persons with disabilities;
- advise the Governor and General Assembly on legislation and State policy affecting persons with disabilities;
- monitor the State's implementation of Title II of the federal "Americans with Disabilities Act of 1990;"
- act as an additional entry point for public grievances regarding disability issues and refer those grievances to the appropriate State agency or personnel;
- develop procedures relating to the Council's internal operations.

For a term expiring October 7, 2020:

- Mark Douglass of Pagosa Springs, to serve as a person with disabilities from business and industry, disability advocacy organizations and other nonprofit organizations, appointed.

The Stroke Advisory Board evaluates potential strategies for stroke prevention and treatment, and develops statewide needs assessments identifying relevant resources to improve quality of care for stroke patients. Each January 1, the Board submits a report specifying its findings and recommendations to the Colorado Department of Public Health and Environment and the corresponding committees in the State House and State Senate.

For a term expiring August 1, 2018:

- Katarzyna Mastalerz, MD of Denver, to serve as a physician who is actively involved in stroke care and who is board-certified in neurosurgery, and occasioned by the resignation of John Lawrence Hudson MD, PhD of Lakewood, appointed.

The Board of Trustees for Western State Colorado University makes policy for the school and oversees its operation.

For a term expiring December 31, 2020:

- Nancy Ellen Chisholm of Lakewood, a Republican, reappointed.

### **Calculator**

**House Bills Introduced: 121**

**Senate Bills Introduced: 95**

**Dead Bills: 0**