



Legislative Newsletter



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*An up-to-date review of Colorado government and politics especially for the Aurora Chamber of Commerce.
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"The price of success is hard work, dedication to the job at hand, and the determination that whether we win or lose, we have applied the best of ourselves to the task at hand."

- Vince Lombardi

Senate passes Colorado's \$28.9 billion budget that would boost rural broadband, affordable housing funding *Denver Post*

The Colorado state Senate last Thursday approved a \$28.9 billion state budget over the objections of fiscal conservatives and some Democrats, sending the annual spending plan to conference committee.

The two-day budget debate transpired much like last week's vote in the House of Representatives, with lawmakers approving millions of dollars in new spending on a variety of pet projects, boosting funding to rural broadband, affordable housing and school security.

A bipartisan majority led by Senate President Kevin Grantham, R-Canon City, also restored \$750,000 in funding for film industry incentives, a governor's office economic development program that fiscal conservatives and some Democrats for years have tried to abolish. The annual spending blueprint, known as the long bill, passed 26-8. Four Democrats joined four Republicans in opposition, with one senator absent.

The disparities between the House and Senate bills are relatively minor. Both plans call for \$495 million for transportation projects, \$225 million to pay down the state pension's unfunded debt to retirees and a \$150 million boost to annual K-12 school funding. They also agree to earmark \$35 million for school security grants, money that was added in the wake of February's high school shooting in Parkland, Florida.

In the Senate, Democrats sought more for schools, while House Republicans had pushed to boost funding for roads. But rosy economic forecasts left the state unexpectedly flush with cash, producing enough funding to avert a protracted partisan battle over the competing priorities.

Some points of contention remain. The Republican-led Senate rejected a House plan to earmark the bulk of the transportation funding for local governments and alternate forms of transportation, such as mass transit. In a surprise move, the Senate also set aside more funding for affordable housing grants - \$5 million, instead of the \$1 million House Democrats had sought.

Colorado Senate, House in staredown over how to spend \$500M in new transportation funding

Denver Business Journal

Colorado legislators are veering toward a head-on collision on road funding after Senate Republicans gutted a plan Wednesday to spread nearly \$500 million in new transportation money between the state, cities, counties and transit.

In an abbreviated discussion near the end of a 10-hour budget debate, the GOP-majority Senate removed a provision in the budget package that would have parsed out \$495 million in one-time spending such that state highways would have received 35 percent of that amount, with 25 percent each going to cities and counties and another 15 percent to multi-modal transportation. Instead, it voted to put all of the money toward Colorado Department of Transportation construction, hoping it can jump-start work on expanding congested highway stretches like Interstate 25 north of Denver and Interstate 70 through the mountains.

House Speaker Crisanta Duran, D-Denver, had inserted the money-sharing provision during budget debate in the House one week ago, arguing the Legislature needed to get funds into the hands of local officials who understand transportation needs the best. Now House Bill 1340 will head to a conference committee with the Senate and the Democrat-dominated House miles apart regarding their visions of how to spend money new transportation money that's been made available because of a projected \$1.3 billion surplus in state revenues in the next fiscal year - a total that comes from Colorado's booming economy and from a federal tax-reform windfall.

"We're going to hear what they have to say, but we think the (Joint Budget Committee) set aside 495 million dollars for CDOT to fix our roads and bridges," said Sen. John Cooke, the Greeley Republican who chairs the Senate Transportation Committee. "We'll have to see what comes out of the conference committee. But if there's a formula, it's got to be better than that."

Wednesday's late-night budget debate was the latest turn in a session-long battle over transportation funding that has both captivated and divided Colorado business groups. Those groups have been leaders in calling for the Legislature to find some way to close CDOT's \$9 billion backlog in transportation-funding needs, though they haven't always agreed on the details of how to do that.

Separate business coalitions have floated ballot-initiative proposals to raise the sales tax or to raise the specific-ownership tax applied during vehicle registration to create a sustainable stream of transportation funding. But legislative Republicans have said the state has enough money to fix roads itself, particularly with the surplus available for the fiscal year that begins on July 1.

Senate Republicans, meanwhile, have rallied behind Senate Bill 1, which would set aside money annually from the general-fund budget and ask voters to approve selling as much as \$3.5 billion in bonds for highway projects using that money. The bill received unanimous Senate approval two weeks ago after a bipartisan compromise that lowered the annual budget set-aside to \$250 million and pushed back the bond-sales initiative to the 2019 ballot.

House Democrats continue to fight that measure, however, saying they think it commits too much of future revenue to bond repayments and risks taking money from other programs if the state were to sink into a recession in the coming years. They have yet to schedule a hearing for SB 1 and have set HB 1340 up as an alternative funding source if SB 1, which includes the use of \$500 million in one-time money, were to fail.

Last Wednesday's budget vote did little to give an indication of whether either bill could have the support to make it through both chambers.

But it likely continued to build pressure for leaders of the two parties to come to some negotiated solution in the 34 days they have remaining before the May 9 adjournment of this session, as neither party wants to worry about taking blame in the coming election were nothing to get passed. The need to get money quickly to the transportation was evident even in the one amendment that Republicans and Democrats teamed up to put onto HB 1340 Wednesday - a provision that would funnel the incoming revenue to CDOT quarterly instead of annually, so that the state could begin construction work even more quickly.

"Really truly, the locals aren't going to be seeing anything without the split that we came up with," said Sen. Rachel Zenzinger, an Arvada Democrat who supported the 35/25/25/15 percent funding division but couldn't get a single Republican in the chamber to go along with her. "I think it was a good idea to have that discussion, just in case SB 1 doesn't pass."

U.S. Supreme Court gerrymandering cases could influence Colorado

Colorado Politics

Cases pending before the U.S. Supreme Court could have an impact on a potential Colorado vote on gerrymandering.

Supporters of a change in Colorado's redistricting law want to get the issue on the upcoming ballot in November.

On March 28, the Supreme Court heard arguments in the case of *Benisek v. Lamone* concerning how much control state officials in Maryland should have over their right to redraw voting districts.

Republicans said Democrats gerrymandered a district long held by a Maryland Republican congressman, using the traditional term for drawing district boundaries to benefit one group over another.

After the lines were redrawn, a Democrat won the next election and two more afterward. The Republicans sued, calling the redistricting unconstitutional.

"The evidence is unequivocal," attorney Michael Kimberly, representing a resident of the affected area, told the justices. "It's deliberately making it more difficult for particular citizens to achieve electoral success because their views are disapproved by those in power."

The Supreme Court is trying to decide whether states should be required to follow certain guidelines on redistricting, rather than leaving the decision to state lawmakers.

Benisek v. Lamone is one of a string of cases concerning redistricting that the high court has involved itself in recently.

- Last October, justices heard arguments in *Gill v. Whitford*, a case from Wisconsin in which Republicans were accused of abusing the redistricting process. A ruling in that case is expected by the end of June.
 - After a lower court struck down congressional districts in North Carolina as unfair, the Supreme Court in January temporarily froze that order pending an appeal, leaving existing district boundaries in place.
 - Arguments in a Texas case alleging racial gerrymandering is slated to be heard by the justices later this month.
- Other redistricting cases are pending in various courts that involve Alabama, Georgia, Michigan and Virginia.

Colorado Gov. John Hickenlooper acknowledged the gerrymandering problem during an interview this week when he said, "I think it's a risk always."

If the state's political parties could agree on a bipartisan way to resolve the dilemma, he said, "That's great." However, he had no proposals to offer.

Ironically, during oral arguments at the Supreme Court in *Benisek v. Lamone*, four liberal justices sided primarily with Republicans who want to void the Maryland redistricting.

Justice Stephen Breyer said a map of Maryland's redistricting after the 2010 census "seems like a pretty clear violation of the Constitution - in some form."

He suggested the Supreme Court take action to resolve what he called "extreme gerrymandering."

The Supreme Court's fence-sitters, who are most likely to decide the outcome of the case, were Chief Justice John Roberts and Justice Anthony Kennedy. They both asked questions during the oral arguments but gave no hint of how they would vote before the court's judgment is issued later this spring.

Thirty-seven states - including Colorado - give state lawmakers significant input into how lines are drawn for voting districts.

Under the current system, state legislatures redraw their voting districts after each 10-year federal census. They are supposed to strictly follow changes in population numbers.

However, the lawmakers often are accused of abusing their discretion by allowing the party that holds a majority in the legislature to redraw districts in a way that favors their own candidates.

Like Maryland, minority party members and some citizens' groups accuse Colorado lawmakers of gerrymandering.

This month, two Colorado advocacy groups joined efforts in a plea for a measure on the next ballot that would let voters decide district boundaries. The non-partisan commissions they seek in their proposal would be required to closely follow federal voting laws.

The groups, Fair Districts Colorado and People Not Politicians, say a new law would result in more middle-of-the-road elected officials and less partisan bickering in the General Assembly.

Colorado Senate restores film incentives in next year's budget

Denver Business Journal

Colorado's film-incentives program, which appeared just one week ago to be headed to the scrap heap of history, likely will get at least one more year of life following a surprising turn of events last Wednesday.

The Republican-majority Senate, which has heaped the most criticism on the six-year-old program in recent years, declined to go along with a previously passed House budget amendment that sought to eliminate funding for the initiative. And while its future remains slightly in the balance as the Joint Budget Committee prepares to reconvene to work out differences between the House and Senate version's of next year's proposed \$28.9 billion state budget, the lack of agreement between the two chambers very likely means its funding will remain as it was proposed in the original version of the budget: \$750,000 for the 2018-19 fiscal year, a flat amount from the current budget.

The lack of agreement on the future of the program that has brought such films as "The Hateful Eight" and such television shows as the most recent season of "Top Chef" to Colorado came on the same day that senators passed 23 different amendments that added nearly \$73 million in spending to the proposed budget. With everything from broadband deployment to affordable-housing grants to Medicaid reimbursement for physical therapists getting bipartisan boosts during a 10-hour debate Wednesday, the process brought a rebuke from one of the highest-ranking and most fiscally conservative members of the Senate.

"Unfortunately, we squandered money today," Senate President Pro Tem Jerry Sonnenberg, R-Sterling, said. "We spent money like drunken sailors. We spent money on things that are not priorities."

The controversial film-incentives program - which refunds select movie, television or video-game producers as much as 20 percent of their in-state spend on a project if they hire a majority of cast and crew from Colorado - is a statistically insignificant part of the overall budget. But Gov. John Hickenlooper has pushed hard to keep and grow the program since he first signed it into law in 2012, pointing to studies that it generated more than six times the amount of economic activity in the state as the amount that officials paid to offer the financial breaks.

Senate President Kevin Grantham, R-Cañon City, said Monday that he would try to put back into the budget the \$750,000 that the House voted to take out of the program, though he admitted that he was one of the few members of his caucus that still supported the program and didn't expect a lot of support in his efforts.

However, when Sen. Tim Neville, R-Littleton, tried to tack on the same amendment as the House, transferring the money to a school-safety fund, his effort failed under pushback from Grantham and a number of Democrats. And that breathed life again into a program that had seemed to be lacking any.

"We have a very strong film industry now, and that creates so many opportunities for people in our state," said Sen. Nancy Todd, D-Aurora. "This is an investment we in Colorado have stood strong on."

Colorado eyes blockchain to secure government data, legal pot

Denver Business Journal

Colorado could use blockchain encryption to secure government data and track legal marijuana under proposed state laws that would put the state on the leading edge of the technology behind bitcoin and other cryptocurrencies.

One bill, introduced in the state Senate, requires Colorado's chief information security officer to assess cybersecurity threats and specifically to look at encoding or encrypting state data using blockchain or other "distributed ledger" technologies.

State Sen. Kent Lambert, R-Colorado Springs, a former Air Force colonel who co-sponsored the bill, believes everything from the state comptroller's checkbook and Colorado voting records to the state's registry of cattle brands could be done on a blockchain, bringing new levels of security and transparency to the data.

Democratic state lawmaker Rosenthal denied spot on primary ballot

Colorado Politics

Colorado State Rep. Paul Rosenthal's bid for a third term was cut short Saturday when the Denver Democrat failed to get enough support at a district assembly to make the primary ballot.

Facing criticism for straying from the party line on issues including homelessness and restrictions on oil and gas development, Rosenthal was knocked from contention by two Democratic challengers, policy advocate Ashley Wheeland and social worker and educator Emily Sirota, who both qualified for the House District 9 primary by winning at least 30 percent of delegate votes.

Wheeland took top-line with 39.5 percent, and Sirota got 35.8 percent, while Rosenthal received just 24.7 percent - nearly the same share he received at Denver and Arapahoe county assemblies two weeks earlier.

"This is one of those wave years where a lot of new folks are getting involved, there's a lot of enthusiasm," Rosenthal said after results were announced. "They're looking to some of their core beliefs about the Democratic Party and bills we carry and votes we take, things like that."

6 Colorado communities vote to establish municipal broadband, joining dozens of others across the state

Denver Post

Six more Colorado communities this week have voted to overturn a 2005 state law that prohibits local governments from setting up their own broadband network, joining 86 others in the state that have already done so.

Voters in Severance, Lake City, Lyons, Frisco, Firestone and Limon voted overwhelmingly in favor of allowing municipal broadband Tuesday, with margins of 347-92 in Limon and 222-18 in Lake City, for example.

Since 2008, cities and towns across the state have cast off the law, known as Senate Bill 152, as they have found existing high-speed internet service to be unavailable, too slow or too expensive - especially in rural areas of Colorado.

Several communities have teamed up with local telephone companies or internet service providers to bring broadband service to residents and businesses, while Longmont, as well as Montrose and Delta counties, have taken on the task of providing internet service through their electric utilities.

The Colorado Broadband Office says that 77 percent of rural areas in the state now have access to broadband service.

Gov. Hickenlooper Announces Boards and Commission Appointments

Office of the Governor

Wednesday, April 4, 2018 - Gov. Hickenlooper today announced Boards and Commissions appointments to the Colorado Human Trafficking Council, Eighth Judicial District Judicial Performance Commission, and Workers' Compensation Cost Containment Board.

The Colorado Human Trafficking Council brings together leadership from community-based and statewide anti-trafficking efforts to build and enhance collaboration among communities and counties within the state; to establish and improve comprehensive services for victims and survivors of human trafficking; to assist in the successful prosecution of human traffickers; and to help prevent human trafficking in Colorado.

For a term expiring Aug. 1, 2018:

- Daniel James Steele of Parker, to serve as the fifth of five representatives of a regional or city-wide human trafficking task force or coalition, and occasioned by the resignation of Cara Jenine Morlan of Englewood, appointed;

For a term expiring Aug. 1, 2022

- Daniel James Steele of Parker, to serve as the fifth of five representatives of a regional or city-wide human trafficking task force or coalition, reappointed.

Commissions on Judicial Performance provide voters with fair, responsible and constructive evaluations of judges and justices seeking retention. The results also provide judges with information to help improve their professional skills as judicial officers.

8th Judicial District

For a term expiring Nov. 30, 2019:

- John Lee Olander of Fort Collins, to serve as a non attorney, appointed.

The Workers' Compensation Cost Containment Board promotes cost containment and risk management programs in the administration of workers' compensation programs.

For a term expiring Dec. 13, 2019:

- Jeffrey Michael Citrone of Denver, to serve as an executive with good risk management experience in the insurance industry, reappointed.

Calculator

Days Left to Sine Die: 30

House Bills Introduced: 366

Senate Bills Introduced: 231

Dead Bills: 116

Governor Signed: 114