

Legislative Update

March 31 2006

Prepared by Jerry Braden, Lobbyist for CAL

Session

The session is approximately two thirds over. As of today, a total of 614 bills have been introduced, 225 in the Senate and 389 in the House.

April Deadlines:

April 3rd is the deadline for final passage of Senate of House bills.

April 7th is the deadline for final passage of the Long Bill in the Senate.

April 10th is the deadline for final passage in the House of all Senate bills.

April 14th is the deadline for Appropriations committee in the house of introduction to report bills referred to the Appropriations committee.

April 17th is the deadline for request resolutions.

April 20th the 100th day is the deadline to introduce resolutions

April 21st is the deadline for final passage in the house of introduction of all bills referred to Appropriations committee in that house.

April 28th is the deadline for Appropriations committee in the second house to report bills referred to Appropriations committee.

Musical Chairs

Senator Deanna Hanna resigned from her Senate seat over the letter which she send to the Colorado Realtors Associations regarding "reparations". Rep. Betty Boyd, was appointed by the Senate district 21 vacancy committee to fill Hanna's seat.

Andy Kerr, a school teacher was appointed by the House District 26 vacancy committee to fill Boyd's House seat. Both Boyd and Kerr will have to run in the November elections to keep their new seats.

Rep. Joe Stengel was cleared of any wrong doing by the five member House Ethics Committee. Stengel repaid part of the money which he had claimed as a per diem during the interim of 2005. The ethics committee will provide a written report on Stengel in the near future.

Budget/Joint Budget Committee

The legislative Joint Budget Committee (JBC) finished their work on the state budget bill commonly referred to as the "long bill". The bill, the first post Referendum C, is a record \$ 16.5 billion package. House bill 1385 started in the House on March 27th, members caucused for several days and approved the bill in the House on Thursday March 30th. It passed to the Senate on Friday March 31st. 74 different amendments were offered during the House debate.

The process will start over in the Senate during the week of April 3rd. The JBC will convene as the conference committee to compromise on the differences in the House and Senate Versions. Then both houses must pass the long bill before it is sent to the Governor for his review. It is likely that the Governor will use some line-items vetoes, as he did last session. (see vetoes below)

The State Constitutional requirements, federal mandates and spending driven by growing school and college enrollments, increasing prison populations and Medicaid and human services actually leave little money for the legislators to debate.

The budget will restore money to several programs cut prior to passage of Ref. C including;

- the state's property tax exemption for qualified senior homeowners,
- stipends for student attending state colleges and universities
- increase in health care programs for the poor
- adding guards and other employees to state prisons
- increasing the state share of spending for public schools

The budget will be for the 2006-2007 fiscal year beginning July 1.

Immigration Issues

Of the immigration bills introduced this session most have already been killed although immigration remains a very hot topic both locally and nationally.

The ones still alive include:

- HB 1306- Requires the state auditor or a contractor to study the implementation of the Secure and Verifiable Identity Document Act.
- HB 1131- Prohibits a bail bonding agent from posting bail for a defendant known to be in the U.S. illegally.
- HB 1343- Prohibits public contracts with firms that knowingly employ illegal immigrants; requires contractors to certify that its workers are legal residents. Also sets up a tip line to field reports of suspected violations.
- SB 90- Immigration status of persons in Colorado.

Health Care Issues

Health care is a major issue this session with approximately 90 bills introduced that in some way deal with or affect health care.

Major issues being address include

- "CO Clean Indoor Air Act" - or anti smoking bill which has been signed by the Governor
- "Eligibility for Medical Assistance" - concerning payment for services
- "Protection for Health Care Workers alleging violation of standards" -
- "Sanctions under Medical Assistance program"
- "Hospital report cards"
- "Reduction in cost of prescription drugs"
- "Telemedicine to inmates"
- "Palliative care to terminally ill patients"
- "Surrogate decision makers for health care benefits"
- "Reimbursement for nursing facility providers"
- "Contractual agreements with health care providers"
- "Public Assistance programs for employees"
- "Reorganization of programs administered by the State Department of HCP&F"
- "Trauma care reimbursement program"

Eminent Domain

On March 14th, the House State Affairs committee met to hear HCR 06-1001 by Rep Al White and Senator Lois Tochtrop. This is the constitutional amendment that restricts the use of eminent domain. There was lengthy testimony with several amendments being considered. The resolution passed the committee to the House floor. It needs 44 votes to pass the House.

There is also a citizen initiative to restrict the use of eminent domain with volunteers gathering signatures. They must complete the signature process by June.

Senate Bill 169, "Concerning Urban Renewal, and, in connection therewith, eliminating blight as a condition permitting the establishment of an urban renewal authority or the approval of an urban renewal plan, restricting urban renewal activity to slum areas, and placing restrictions on the ability of an urban renewal authority to condemn property through eminent domain" sponsored by Senator Lois Tochtrop is still in the Senate State Affairs Committee. Senator Tochtrop is working with legislative drafting office to try to define "blight" which will be different than in current law.

Summary of 169- according to the Legislative staff in their fiscal note-

This bill eliminates "blight" as a condition for establishing an urban renewal authority or approving an urban renewal plan, and prohibits an urban renewal area from including any property not satisfying the statutory definition of "slum". The bill establishes that only considerations of public health and safety may be used to establish an urban renewal authority, eliminating any consideration of the public morals or welfare of the residents of the municipality, contained in current law. The bill also precludes consideration of "economic performance" to establish an authority.

Every 5 years after the creation of the urban renewal authority, the governing body must review the authority's powers, existing urban renewal projects, and the condition of the urban renewal area, to evaluate the continued need for the authority. Regarding property acquired through eminent domain by an urban renewal authority for subsequent transfer to a private party, the bill:

- requires the urban renewal project for which the property is acquired to be commenced within 3 years after the slum determination is made rather than the current 7-year time frame;
- requires the determination of whether a particular area is a slum area to be made on a parcel-by-parcel basis, rather than an area-wide basis;
- provides a former owner of property the right to reacquire property for the lesser of the amount of compensation paid or its fair market value, if the property is not used or ceases to be used for its stated public use within one year; and
- specifies that only individual parcels of property satisfying the definition of "slum" may be included in a slum area.

The bill requires the authority, before determining that property is either located in a slum area or constitutes a slum, to notify the governing body of the relevant county or municipality and all owners of property, residents, and business owners located within the area. The bill specifies that the presence of slum conditions is to be determined without regard to the economic performance of a parcel of property.

If a governing body of a municipality designates itself as an urban renewal authority, the bill requires the authority, within 3 months, to comply with existing statutory provisions addressing, among other things, the number of authority commissioners that may be officials of the municipality. Finally, the bill repeals statutory provisions granting municipal rehabilitation authorities the power of eminent domain.

Governor's Vetoes

Thus far Governor Owens has vetoed 5 bills including:

House Bill 06-1374, "Concerning the funding of public school capital construction, and, in connection therewith, making appropriations to fund public school capital construction for the 2005-06 fiscal year.". In his veto message the Governor said, "House Bill 1374 is the wrong way to meet our obligations because of how the spending is calculated relative to our six percent spending limit. House Bill 1374 appropriates \$10 million under the limit, but also appropriates \$10 million above the limit. This amount above the limit permanently raises our spending base, and thus allows higher spending in FY 2006-07. This is because our spending cap is based on the prior year's level. Thus, a higher base in FY 2005-06 means a higher base in FY 2006-07 and each year thereafter."

House Bill 06-1371, "Concerning a supplemental appropriation to the Department of Human Services." - Vetoed certain portions.

1. Footnote 75b, page 8, "Department of Human Services, Services for People with Disabilities, Developmental Disability Services, Community Services, Adult Program Costs and Services for Children and Families, Program Funding. According to the Governor, this footnote is in violation of the Colorado Constitution, Article III and possibly Article V, Section 32, because it interferes with the ability of the executive branch to administer the appropriation and may constitute substantive legislation that cannot be included in an appropriations bill. While I agree with the need to reduce inequities among community centered boards, this footnote represents an unfunded administrative mandate. However, I will instruct the department to comply to the extent feasible.

2. Footnote 77b, page 8, "Department of Human Services, Services for People with Disabilities, Division of Vocational Rehabilitation, Independent Living Centers and State Independent Living Council - same reason as above.

House Bill 06-1369, "Concerning a supplemental appropriation to the Department of Health Care Policy and Financing" - Vetoed certain portions

1. Footnotes 37a, pages 6-7, "Department of Health Care Policy and Financing, Medical Service Premiums -- The calculations for this line item include \$831,000 total funds for a 1.0 percent rate increase for inpatient hospital services provided to Medicaid clients.

2. Footnote 40a, page 7, "Department of Health Care Policy and Financing, Medical Services Premiums -- The calculations for this line item include \$5,100,000 total funds for rate increases for long-term care community providers. It is the intent of the General Assembly that the Department increase rates as follows

3. Footnote 42a, page 7, "Department of Health Care Policy and Financing, Medical Service Premiums -- The calculations for this line item includes \$309,000 total funds for a 2.0 percent rate increase for durable medical equipment rates.

Each footnote was vetoed because they "interferes with the ability of the executive branch to administer the appropriation and may constitute substantive legislation that cannot be included in the general appropriations bill".

H.B. 06-1023, "Concerning educator licensure" The Governor said, "The bill, as amended, would require an aspiring principal coming from a non-traditional professional background to spend at least three additional years in the classroom and earn a Masters degree before gaining eligibility for professional licensure. It is shortsighted to assume that experience in the private sector, the military, or another non-traditional background is insufficient for instilling the necessary leadership and management skills for the effective administration of a school. A one-size-fits-all approach is not the answer at a time when school districts statewide are approaching substantial principal shortages. The State of Colorado should not discourage otherwise qualified people from pursuing an education career by creating unnecessary barriers to entry. The skills necessary for successfully managing a school are not unique to those who have obtained a Masters degree, and I cannot support a proposal that establishes such a narrow definition of adequacy. "

H.B. 06-1005, "Concerning the authorization of additional school district revenues to fund costs associated with full-day kindergarten programs." The veto message said in part, ". If current revenue streams are inadequate to expand kindergarten programs, perhaps the eligible school districts should re-prioritize their expenditures and reduce spending on other programs or services that are of lower priority. I am not convinced that taxation is the only remaining option for these school districts to expand their current kindergarten program services."

Ballot Initiatives

Currently there have been 101 ballot initiative submitted to the State thus far dealing with a wide variety of issues.

A few major initiatives include:

- Issue Committee Contributions (Pay to Play)
- Schools
- Eminent Domain
- PERA
- Minimum Wage
- Same Sex partners
- Marriage
- Abortion
- Tax on Oil and Gas for School buildings
- Protection from Demonstrations at Memorial Services
- Housing Growth
- Campaign Finance
- Marijuana
- Nuclear weapons
- Peace.