



MEMO

To: Colorado Nonprofit Association Public Policy Committee

From: Aponte & Busam Public Affairs

Date: May 12, 2009

Re: Summary of 2009 Legislative Session

A Historic Year – Start to Finish

On Wednesday, May 6th, the 2009 Legislative session came to a close after 120 days of debating and lawmaking. The session began with the historic election of Representative Terrance Carroll as Speaker of the House, joining Senate President Peter Groff to give Colorado the distinction of becoming the first state to have African Americans lead both chambers of the General Assembly. As lawmakers began their work of crafting new public policy, concerns about the state's faltering economy became paramount. Lawmakers were forced to make upwards of \$1.5 billion in cuts to all sectors of government, most notably education, health care and higher education. Though a large share of proposed legislation was overshadowed by budget concerns, lawmakers did make significant advances in job creation, fiscal reform, healthcare affordability, education reform and transportation funding.

Democratic Lawmakers Depart

Throughout the session several Democratic lawmakers announced their resignations, including Rep. Anne McGihon (D-Denver), Sen. Jennifer Veiga (D-Denver), Rep. Gwen Green (D-Golden) and Senate President Peter Groff (D-Denver). McGihon's seat was filled in late March by Rep. Daniel Kagan, who served for the remainder of the 2009 session and will continue until the term is up in 2010. Vacancy committees have begun meeting to appoint replacements for the remaining elected officials. We should know the outcome of these replacements before the end of May!

Senate Majority Leader Brandon Shaffer (D-Boulder) was elected to serve as the next Senate President upon Senator Groff's departure. Additionally, Senator John Morse (D-Colorado Springs) was elected to serve as the Majority Leader of the Senate.

Looking Ahead to 2010

Although the next election cycle is not until 2010, campaigning has already begun. Most notably, Governor Bill Ritter (D-Denver) is running for a second term as the state's chief executive. Several challengers have surfaced, including Senate Minority Leader Josh Penry and former Congressman Scott McInnis. Additionally, a large number of Federal and State races are scheduled for 2010, making it a busy year for campaigning. In anticipation of the elections, state lawmakers are expected to tackle campaign issues such as fiscal reform, healthcare reform, education reform and transportation funding.



Despite the state's budget woes, lawmakers were able to make considerable advances in key areas such as healthcare, education and transportation. Additionally, they began to tackle Colorado's fiscal constraints that limit the state's spending ability and have a tremendous negative impact during economic downturns. Outlined below are the bills that the Colorado Nonprofit Association followed throughout the session, as well as other key legislation.

Impacting the Colorado Nonprofits Business Operations

Colorado Nonprofit Association supported several major pieces of legislation that impacts how nonprofits could do business in Colorado.

Our **Signature Bill HB 09-1088** sponsored by Rep. David Balmer and Senator Linda Newell allows for nonprofit organizations in the state that are receiving public funds to be identified as public procurement entities which allows utilization of purchasing contracts the state has negotiated with vendors. This should save significant dollars for the many organizations that qualify and better assist them to continue the work so important to their missions! Remember the luncheon; Governor Bill Ritter Jr. came and signed this bill in front of members and supporters. Freshman Senator Newell continues to express her thanks to the organization for asking her to carry this major piece of legislation.

Colorado Nonprofit Association lobbied to support an all inclusive "Economic Opportunity Poverty Task Force" **HB 09- 1064** sponsored by Rep. John Kefalas and Senator Paula Sandoval. This important piece of legislation created a task force made up of members from the general assembly and instructed them to look at public policy development that reduces poverty level in the state! Many of the member organizations "turned up the advocacy heat" to pass this bill.

HB09-1248 "Business Entities Regulations" was introduced as a very large cleanup bill in many areas that impacted how business operates in Colorado. Colorado Nonprofit Association testified in favor of the bill in both House and Senate business affairs committees.

State Budget and Fiscal Reform

The state's budget was the main event during the 2009 session, as Colorado was forced to cut more than \$1.5 billion. Although there was assistance from the Federal Stimulus Package, there wasn't enough to prevent FY 2010 budget reductions. These budget cuts would have had a significant impact to services provided by human service nonprofits. Many of these service organizations are also members of the Colorado Nonprofit Association. Tireless lobbying efforts from this association and representatives of member organizations resulted in minimizing cuts proposed by the joint budget committee.



The forecast for economic recovery is not looking bright. The next economic forecast, due out on June 20, will provide more insight into what the future holds. However, the nonprofits that provide care to this community is bracing for additional cuts should revenues not improve.

On the heels of the SB 228 success, incoming Senate President Brandon Shaffer (D-Longmont) is spearheading a big picture discussion of fiscal reform that included SJR 44 which allows for a study of fiscal stability in Colorado. There has been outreach to Senator Shaffer to best secure an appointment from the nonprofit community.

The Governor's office announced their plans this past weekend to create a group to address TABOR. We are still researching all of the specifics and more details will be forthcoming.

- SB09-228 (Morse/Marostica) – Increases the state's rainy day reserve fund, allows for key investments in transportation and infrastructure projects and replaces the existing 6% allocation formula with a new 5% personal income limit, which is tied to the economy so that when the economy recovers from a downturn state services can recover as well.
- HB09-1342 (Benefield & Kagan/Boyd & Williams) – Eliminates the state sales-tax exemption on cigarettes, generating an estimated \$30 million per year for the state.
- SB09-281 (Shaffer/Weissmann) – One of the most publicized bills of the session, SB 281 was amended to form an interim committee to study Pinnacle Assurance, a quasi-governmental agency that sells workers' compensation insurance. The bill, in its original form, would have transferred \$500 million from Pinnacle's reserve to help offset the state's budget deficit.

Health Care

Colorado Nonprofit Associations monitored many different health care bills. Cody Belzley, health care policy director from Governor Ritter's office attended one of the Government Relations forums and asked the association for support of HB09- 1293. The Association sent a letter to the Governor's office that reinforced a supportive position. Listed below are the bills the Colorado Nonprofit Association stamped for approval:

- HB09-1293 (Boyd & Keller/Ferrandino & Riesberg) – Known as the Colorado Healthcare Affordability Act, HB 1293 provides coverage to more than 100,000 uninsured Coloradans and makes healthcare more affordable by reducing uncompensated care and cost-shifting, two of the leading contributors to increasing healthcare costs. The bill also allows for 12 month continuous eligibility, ensuring consistent care and the promotion of the medical home concept.



- HB 09-1012 (Rice& Mitchell) – Authorized carriers providing individual and group health coverage plans in this state to offer incentives for covered persons and groups to participate in wellness and prevention programs. This bill was signed in April by the Governor.

Although the budget crisis overshadowed much of the session, lawmakers did pass several other health care bills, HB 1020 and HB 1353 which made strides towards expanding coverage for uninsured populations. Despite several attempts to broaden Colorado’s health care system, including HB 1273, “Healthcare for all Coloradoans” and HB 1358, large scale health care reform remains an opportunity for the future.

Other Monitored Health Care Legislation

- HB09-1020 (Acree/Spence) – Creates an expedited process for re-enrollment in the state’s Medicaid and CHP+ programs. Applicants will now be able to re-enroll online or over the phone, thus easing the restrictive nature of the current re-enrollment process.
- SB09-226 (Sandoval/Gagliardi) – Requires the state board of education and the state charter institute to create a policy regarding food allergies. The policy is required to address reasonable accommodations to reduce the risk of exposure, emergency responder information, procedures for self-administration of epi-pens and communication with parents/guardians.

The final matrix has been attached with the list of all of the bills that the association either supported, monitored or remained neutral. Additionally, the following list identifies bills that were originally being monitored or opposed and were finally postponed indefinitely.

HB09-1087	Child Sex Offense Civil Action
HB09-1140	Clarity the Initiative and Referendum Process
HB09-1209	Modify Healthcare Coverage Cooperatives
HB09-1210	Mandatory Paid Sick Leave
HB09-1327	Urban Renewal Modification Taxing Entities
HB09-1355	Eliminate Vending Machines Sales Tax Exemption
HB09-1361	Modify Spending When Revenue Changes
SB09-61	Licensed Doctor to Review Insurance Claims Denial
SB09-23	Fair and Legal Employment Act - Oppose
SB09-102	Medical Benefits if Employer Insurance