



End of Session Legislative Briefing

May 6, 2009

The Political Landscape

- The budget overshadowed all other issues this session.
 - Due to the downturn, legislators were forced to work through a \$1.4 billion budget shortfall over the current-year and upcoming-year budgets.
 - Controversial ways balance the budget included Pinnacol surplus transfer, threaten cuts to Higher Ed, vendor fee reduction

The Political Landscape

- Unusual turnover among legislators, including leadership
 - Minority Leader Mike May rescinds resignation
 - Rep. McGihon and Sen. Veiga
 - President Groff leaves to join Obama Administration causing new Senate leadership
 - Rep. Green, others?
- 5 freshman Senators and 18 freshman Representatives

Bad Bills That Were Killed

- **SB 246 Construction Defects** (Morse/Pommer): would have required moratory interest (interest paid as damages for a delay in performing an obligation) to be awarded to claimants in residential construction defect cases from the time of the creation of the construction defect until the filing of a notice of claim at 6% per year and then at 8% per year thereafter.
- **SB 273 Pinnacol Assurance** (White/Marostica): would have required the board of Pinnacol Assurance to transfer \$500 million from Pinnacol's surplus to the General Fund.

Bad Bills That Were Killed

- **HB 1208 Prevailing Wage** (Soper): would have required a contractor awarded a contract in excess of \$100,000 (and each subcontractor who worked on the project) to pay workers prevailing wages and fringe benefits on a weekly basis and make payroll records available via the Colorado Open Records Act.
- **HB 1210 Mandatory Sick Leave** (McGihon/Carroll M.): would have required private employers to provide paid sick leave:
 - >15 employees, 1 hour for every 30 hours worked up to 72 hours
 - >5 ≤ 15 employees, 1 hours for every 60 hours worked up to 40 hoursAnd required accrual of sick leave to start with employment and allowed carryforward to future years.

Bad Bills That Were Killed

- **HB 1302 Preference for Colorado Steel** (Pace/Tapia): would have required state agencies that purchase steel products to give a preference to products manufactured or fabricated in Colorado if certain conditions were met.
- **HB 1328 State Preference for US Steel Products** (Pace/Tapia): would have required every contract for the construction, alteration or maintenance of public works to contain a provision requiring U.S. steel products to be used unless certain conditions were met.
- **HB 1344 Medical Malpractice Damages** (Scanlan/Boyd): would have made adjustments for inflation, annually, to the damages limitation for noneconomic loss or injury in medical malpractice lawsuits.

Other Bills That Died

- **SB 095 Prompt Pay** (Tapia/Riesberg):
 - Request Written Statement of Ability to Pay
 - Billing Cycle – 25/30 day
 - Alternate Billing Cycle – up to 75 days with notice
 - Retainage – Limited to 10% for the first 50% of the project and none thereafter
 - Change Directives

Bad Bills That Passed

- **HB 1057 Parental Leave Academic Activities** (Kerr A./Bacon): allows a non-supervisory employee who works for an employer with at least 50 employees, to take up to 18 hours of unpaid leave annually (up to 6 hours per month) with one week notice for the purpose of attending parent-teacher conferences or other academic activities related to the educational advancement of the employee's child.

Bad Bills That Were Amended

- **SB 274 HUTF Diversion for Drivers Licenses**
(Keller/Pommer): as introduced would have diverted driver's license and permit fees from HUTF to fund the Division of Motor Vehicle in the Department of Revenue for FY 2009-10 and thereafter. Successfully amended bill to divert fee revenues from FY 2009-10 only.

Bad Bills That Were Amended

- **SB 228 Flexibility to Use State Revenues** (Morse/Marostica & Court): as introduced, repealed SB 97-1 and HB 02-1310 diversions, the 6% General Fund Limit and the 6% HUTF off-the-top limit. Successfully amended bill to:
 - Allocate 2% of General Fund revenues (\cong \$170M) to transportation in FY 2012-13 through FY 2016-17 if certain conditions are met
 - Allocate 0.5% to 1% of General Fund revenues to capital construction in FY 2012-13 through FY 2016-17 if certain conditions are met
 - Increase statutory reserve by 0.5% each year starting in FY 2012-13 to no less than 6.5% by FY 2016-17
 - Require the TLRC to develop and make recommendations and introduce legislation to complete the 7th Pot
 - Maintain the 6% HUTF off-the-top limit

Good Bills That Passed

- **SB 165 Drinking Water Wastewater Small Grants**
(Isgar & Penry/Curry & Gardner C.): creates the Small Communities Water and Wastewater Grant Fund for the planning, design, and construction of drinking water and water treatments systems and funds it with up to \$10 million from the Severance Tax Trust Fund

Highlight of the Session

- **SB 108 FASTER** (Gibbs/Rice): establishes a dedicated and stable funding source for transportation as follows:
 - \$174 million in FY 2009-10;
 - \$230 million in FY 2010-11; and
 - \$255 million in FY 2011-12 and thereafter.
- Allows tolling of existing capacity