



Budget Week Continues Legislative Council - Chief Economist - Economic Outlook Presentation

As the Budget continues to make its way through the House, NCLA has weighed in on several measures shown below. During this week's NCLA Board meeting, special guest Kate Watkins, Chief Economist from Legislative Council, gave a presentation on [Colorado's Economic Outlook](#). The highlights of the presentation include:

- The pandemic had profound impacts on our lives, but the pandemic economy has been much more resilient than forecasters expected in large part due to unprecedented federal fiscal stimulus
- A broad-based economic recovery is expected with vaccine distribution, with the economy returning to trend in 2022
- Labor markets will lag the recovery, with leisure and hospitality sectors remaining hardest hit
- Inflationary pressures are expected to rise in the near-term but remain at or below historical growth rates (between 2% and 3%)
- Risks to the Forecast
 - Income tax policy change impacts still yet to be seen
 - Additional federal stimulus: What happens when the stimulus wears off?
 - Measures on the ballot in November
- Collections continue to surprise to the upside, additional stimulus, resiliency, and innovation
- If upside risk materializes, revenue will be constrained by the Referendum C cap.

Employee Traffic Reduction Program (ETriP) Update

As continued listening sessions happened this week, the CDPHE Air Pollution Control Division heard from more stakeholders about the program that undergo rulemaking during the May 20-21 AQCC Hearing. We have developed a [summary of those listening sessions](#).

Priority Legislation

During the NCLA Board's most recent board meeting, the following measures were considered and acted upon for official position of the NCLA.

The NCLA Board voted to SUPPORT all of the following budget-related bills:

Stimulus/Budget - Agriculture/Rural

[SB21-229](#). Rural Jump-start Zone Grant Program

[SB21-203](#). Funding for Colorado Proud

[HB21-1262](#). Money Support Agricultural Events Organization

[SB21-235](#). Stimulus Funding Department of Agriculture Efficiency Programs

[SB21-234](#). General Fund Transfer Agriculture and Drought Resiliency

Stimulus/Budget - Business/Tourism

[HB21-1265](#). Qualified Retailer Retain Sales Tax for Assistance

[HB21-1263](#). Meeting and Events Incentive Program

Stimulus/Budget - Water

[HB21-1260](#). General Fund Transfer Implement State Water Plan

Other matters:

Transportation

- [SB21-238](#). Front Range Passenger Rail District - OPPOSE
Creates a front range passenger rail district that will be responsible for the planning and implementation of a passenger train from Pueblo to Fort Collins utilizing the Amtrak Southwest Chief passenger train and railway. Concerns were discussed about the funding of such a program and the lack of innovative technology around a rail system vs. other forms of passenger travel.

Energy/Environment

- [SB21-220](#). Reverse Transfers from Severance Tax Operational Fund - SUPPORT
A Joint Budget Committee bill that transfers funds from the severance tax fund for money management of core departmental programs.
- [SB21-200](#). Reduce Greenhouse Gases Increase Environmental Justice - OPPOSE
Directs the AQCC to accelerate the GHG emissions reduction program by intensifying the goals and shortening the date those goals must be met. NCLA opposes SB 200 on the premise that utilities and other targeted industries have been underway in compliance with the 2019 standards and SB 200, through multiple provisions, side steps such efforts with little consideration for actual benefit for the exorbitant costs that would accrue to this policy.
- [HB21-1266](#). Environmental Justice Disproportionate Impacted Community - OPPOSE
Requires the AQCC to promote outreach to and engage with disproportionately impacted communities. The effects of the current rules and upcoming rulemakings need to be understood before more GHG Reductions are codified.

UI/Workforce

- [SB21-233](#). Department of Labor & Employment Unemployment Insurance Division - OPPOSE
Establishes the left-behind worker's program to provide unemployment assistance relief payments to eligible individuals who are unemployed through no fault of their own, who meet specified criteria, and who are ineligible for regular unemployment benefits due to their immigration status.

Enterprise

- [SB21-232](#). Displaced Workers Grant - SUPPORT
Appropriates money to the department of higher education for the Colorado opportunity scholarship initiative's displaced workers grant.
- [HB21-1264](#). Funds Workforce Development Increase Worker Skills -- MONITOR
Creates the stimulus investments in reskilling, upskilling, and next-skilling workers program as an initiative of the state workforce development council to facilitate training for unemployed and underemployed workers in the State.
- [SB21-199](#). Remove Barriers To Certain Public Opportunities -- OPPOSE
Repeals existing provisions requiring a person to demonstrate they are a documented worker and eligible for certain public benefits. The Board noted the bill allows for the State to work with undocumented workers. The business component of alleviating the requirement of documented workers is a concern of the Board.

NCLA Tracking Report

On a bi-weekly basis, the NCLA Board reviews and considers its position on pending legislation. See the [NCLA 2021 Legislative Tracking Report](#) for a listing of the measures thus far introduced that the NCLA is monitoring and upon which the NCLA will or has taken a position.