



Transportation Bill Travels through Senate

And more introductions -Special District Transparency & Income Tax Restructuring and Federal Guidance

On Friday, Senate Bill 21-260, the Transportation Funding and Spending bill, was considered by the full Senate on second reading. As expected, the bill passed but was heavily debated, and the NCLA successfully secured a number of changes to address many of the bills's concerning factors. Monday's Senate Finance Committee testimony laid the groundwork for these amendments. Detailed updates of SB-260 are included below.

Staff from the Joint Budget Committee, Legislative Council and Legislative Legal Services released an "[Overview of Federal Guidance Concerning the Coronavirus State Fiscal Recovery Fund Established Under the American Rescue Plan Act](#)" memo this week. The memo describes the allowable uses of the federal stimulus funding. The NCLA was pleased to see a specific call out for the replenishment state's Unemployment Insurance Trust Funds as an allowable use. The NCLA has been actively urging using the funds to draw down the debt in the UI fund to forestall a UI premium surcharge tax upon all employers. We will be pushing for a chamber/industry letter encouraging the full restoration of the UI Trust Fund to its January 27, 2020 balance.

This week, an income tax restructuring bill ([HB21-1311 - Income Tax](#)) was introduced, with the initial Committee hearing going into a late Friday night. The bill includes a myriad changes to individual and corporate income taxes including changes to tax credits, 529 contribution deductions, itemized deductions, capital gains deductions, business income deductions, child tax credits, and others. [Click here for a full overview](#) of the multiple tax provisions included in the measure. The bill passed out of committee along party lines and is headed to the House Appropriations Committee. The NCLA will take an official position this week.

SB21-262 - [Special District Transparency](#) is a bi-partisan metropolitan and special district reform bill that creates greater transparency for homebuyers and targets seven areas of Colorado's special district laws. The bill expands how and the extent to which homeowners & buyers are told about the metro district, including how they can become involved with a district's board of directors and just how much their pocketbooks will be impacted by additional property taxes. The bill has passed out of the Senate Local Government Committee and will be heard on the 2nd reading on the Senate floor on May 17. NCLA will take an official position this week.

SB21-265-[Transfer from General Fund to State Highway Fund](#) directs \$124 million from the general fund to the state highway needs. These funds are a result of better than expected revenue to the state. The bill was adopted by the House on Friday and moves to the House in the coming week.

Employee Traffic Reduction Program (ETriP) Update – Long-Awaited Draft Rules Released

The long-awaited [Draft Rules](#) have been released. The Air Pollution Control Division has confirmed that the GHG Pollution Standard portion of the rulemaking will be delayed and will not be included in the request for rulemaking during next week's AQCC hearing. NCLA is currently engaging with other business community

leaders to organize a collective voice in the upcoming rulemaking and will plan on declaring party status to this rulemaking.

Transportation Bill, SB 21-260 Senate Finance Hearing and 2nd Reading Debate

NCLA's firm position to amend SB 260 resulted in a number of amendments to the measure during Senate floor debate to greatly improve the measure. Weld County Senator Barb Kirkmeyer and Larimer County Senator Joann Ginal were instrumental in their behind the scenes work on the floor to assure passage of the key amendments, one of which

Leading to the Senate floor was the Senate Finance Committee hearing on Monday. Thanks to Carl Maxey (NCLA) and Johnny Olson (Move Colorado) for their testimony during the 7.5-hour hearing. Additionally, Chris Colclasure testified a former deputy director of the Air Quality Pollution Control Division and attorney that we are working with to assist us in the AQCC hearings on ETRP and the GHG Transportation rules that are directly tied to Section 28 provisions. With great credibility, Mr. Colclasure was fantastic, outlining how problematic and unnecessary Section 28 is. To move the needle in the conversation with sponsors on amendments, Republican members of the committee offered a [series of amendments](#) that NCLA requested to address concerns and served as the basis for discussions with sponsors leading into the Senate floor work. Additional groups that join in NCLA's Amend position include:

- Colorado Realtors Association
- Colorado Farm Bureau
- Economic Developers of Colorado
- Colorado Auto Dealers Association
- Move Colorado
- American Civil Engineers Association
- Weld County
- NFIB (oppose)
- Colorado Springs Chamber of Commerce
- Grand Junction Chamber of Commerce
- South Metro Chamber of Commerce
- Aurora Chamber of Commerce
- Colorado Chamber (CACI)

Priority Legislation

[SB21-238](#). AMEND - [Front Range Passenger Rail District](#)

Passed the Senate this week and is headed to the House Transportation and Local Government Committee. NCLA continues to pursue an amendment to require an "opt-in" structure for local governments to be included in the Front Range Rail District.

[HB21-1232](#) OPPOSE - [Standardized Health Benefit Plan CO Option](#)

After passing through the House, the Senate Health & Human Services Committee will hear the measure on May 17. More amendments are anticipated.

[SB21-200](#). OPPOSE - [Reduce Greenhouse Gases Increase Environmental Justice](#)

SB 200 continues to be laid over for 2nd reading on the Senate floor, now scheduled for May 17. The bill continues to provide Democratic inter-party contention, other bills have been introduced to influence GHG issues and air quality standards. The Governor maintain For example, Sen. Hansen's replacement to [SB21-161](#) is [SB21-264](#).

[SB21-087](#) - OPPOSE - [Agricultural Workers' Rights](#)

SB 87 has been laid over several times, awaiting second reading in the Senate. The Farm Bureau has worked on amendments with the sponsors and feeling better about the bill but still has some concerns.

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](#) to list the measures thus far introduced that the NCLA is monitoring and upon which the NCLA will or has taken a position.