Axiom Newsletter

February 26th, 2018

"Even if you're on the right track, you'll get run over if you just sit there."

- Will Rogers

Colorado civic leaders call for statewide sales tax hike to boost road money, again

A coalition of Colorado leaders want to ask voters to approve a statewide sales tax hike in November to generate more money for transportation needs.

The effort, led by the Denver Metro Chamber of Commerce, would push the debate about how to improve Colorado's roads and transit to the ballot and may put pressure on lawmakers who are deadlocked on the question.
The coalition filed four initiatives last Thursday that offer different options for ballot language, all involving sales tax hikes. The proposals would increase the current 2.9 percent sales tax rate by a half-cent per dollar, 0.62 percent or a full penny. A fourth initiative would direct $150 million in current tax revenue to transportation and increase the sales tax by a half-cent.

"I think very clearly ... people throughout the state of Colorado strongly believe that you need increased funding to address the level of transportation challenges and needs we have," said Kelly Brough, the Denver Metro Chamber president.

Brough said the coalition will select one option to push toward the ballot, depending on what action lawmakers take during the legislative session and which proposal is most viable with voters. The coalition, which includes road builders, filed similar ballot questions in 2017 only to back off months later.

This time, the initiatives would allocate 45 percent of the new revenue toward the payment of bonds estimated between $2.5 billion and $5 billion for statewide transportation needs, depending on which option is selected.

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Lt. Gov. Lynne signs marijuana tax fix into Colorado law
Colorado Politics

The bill to fix the mistake made in the 2017 omnibus bill for rural Colorado has now made it into law.

Lt. Gov. Donna Lynne signed Senate Bill 88 into law Thursday afternoon. The measure restores the ability of 14 special districts to collect retail marijuana taxes, an authority they lost last year. Lynne signed the bill as Gov. John Hickenlooper is out of state at a meeting of the National Governors Association.

Senate Bill 88 fixes a drafting error in last year's bill on Sustainability of Rural Colorado. Senate Bill 17-267 changed the state's hospital provider fee into an enterprise, a government-owned business. It also gave a tax break on personal property to small businesses, and set up bonding for $1.9 billion for road and other transportation projects, with a quarter of that going to rural communities.

But it was the section on retail marijuana taxes that contained the error that no one - the sponsors, the lobbyists or the special districts - noticed until well after the measure was signed into law in late May.

Under SB 267, $30 million would go to rural schools as one-time funding. That money would come from upping the state's retail marijuana tax from 12.1 percent to 15 percent, as approved by voters several years ago.

But some of that 2.9 percent in marijuana tax revenue was already allocated to special districts, including the eight-county metro Denver Regional Transportation District (RTD). Because that exception wasn't carved out in the bill, the special districts lost their ability to collect those taxes.
Committee hearing for Colorado’s homeless Right to Rest Act delayed
Denver Post

The committee hearing for the Colorado Right to Rest Act, a bill that proposes to decriminalize various behaviors associated with homelessness, has been delayed, Rep. Jonathan Singer of Longmont said last Monday.

It was to be heard last Wednesday, but now likely won't be heard for about two weeks, according to Singer, who chairs the Local Government Committee in the state House. No new hearing date has been set.

The bill's sponsors, Rep. Jovan Melton of Aurora and Rep. Joe Salazar of Thornton, both Democrats, “asked for time to discuss amendments with the stakeholders,” said Singer, also a Democrat, “and as chair I'm inclined to give them the benefit of time.”

According to its summary, the Right to Rest Act - which is known to some as a "homeless bill of rights" - seeks to establish certain rights for homeless people in Colorado, including "the right to use and move freely in public spaces, to rest in public spaces, to eat or accept food in any public space where food is not prohibited, and to have a reasonable expectation of privacy of one's property."

Denver-area jobs study finds major tech industries are outpacing national growth
Denver Business Journal

Software and IT employment grew 32 percent in the Denver metro area over the past five years, making it fastest growing among nine major industry clusters the Metro Denver Economic Development Corp. highlights in its latest annual study, which was issued Thursday.

Software and IT outpaced the industry’s growth nationwide and its growth made the Denver area the eighth-highest concentration of software and IT workers among major U.S. cities.

Patty Silverstein, Metro Denver EDC’s chief economist, and Lisa Strunk, senior economist of Development Research Partners, produced the annual report.

The study found 5,550 metro-area software and IT companies employed 58,190 people in 2017, which is a 32.2 percent jump from the 44,084 employed in the nine-county region five years ago. The software and IT industry grew at 26.1 percent nationally. Last year, 2.5 percent of the metro area's workforce was in software and IT, compared to 1.9 nationwide, the cluster study found.
Re-funding of Colorado Energy Office has wide bipartisan support
Denver Business Journal

Reorganization and funding of the Colorado Energy Office - an issue that imploded at the end of the 2017 legislative session, leaving the future of the agency in jeopardy - is moving forward now with near-unanimous support.

Senate Bill 3, sponsored by Sen. Ray Scott, R-Grand Junction, passed the Colorado Senate by a vote of 34-1 on Thursday.

Only Sen. Matt Jones voted "no." Jones is a Louisville Democrat who opposes the new all-of-the-above energy focus of the office that previously concentrated its efforts on renewable sources.

Scott's 2017 effort not only attempted to change the office's energy focus but included provisions raising fees on electric vehicles and allowing investor-owned utilities to spend money building natural-gas reserves.

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Denver approves first social marijuana license, allowing vaping and edibles in Lincoln Park coffee shop
Denver Post

A Denver coffee shop received city approval Monday for the nation's first business license to allow marijuana use by patrons under a 2016 voter-approved initiative.

The Coffee Joint soon can allow customers age 21 or older to vape or consume edibles they bring to the cafe, which is already open at 1130 Yuma Court, just east of Interstate 25 in the Lincoln Park neighborhood. But the shop will not allow any smoking, which is allowed only outdoors under state law, and can't sell any marijuana products on site.

The owners of the shop, which has ownership ties to a dispensary next door, had been expecting official approval after a public license hearing Feb. 9 drew no opposition. Now co-owner Rita Tsalyuk is eager to allow consumption sometime in the next couple weeks, pending building and safety inspections, along with a schedule of yoga classes and educational and art events.

"Tons of people already came in," she said. "We're offering free coffee and sneak previews" of the shop.

Approved by 54 percent of Denver voters in November 2016, Initiative 300 resulted in the availability of the first-of-its-kind cannabis consumption establishment license under a pilot program.

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Economist: No quick fix for affordable housing crisis plaguing Colorado, rest of nation
Colorado Politics

Colorado Springs’ affordable housing crisis wasn't created overnight, and it won't be solved quickly, an economist said Friday morning in a speech on the topic.

There are things the city can do, though, in conjunction with El Paso County, local nonprofits, regulatory agencies and private businesses, said Elliot Eisenberg, a former senior economist with the National Association of Home Builders in Washington, D.C. Those approaches include easing financial requirements on developers, encouraging local partnerships and thinking outside of the box, he said.

Eisenberg's address came on the heels of another panel hosted Wednesday by The Gazette at which city leaders acknowledged a shortage of affordable housing is indisputably linked to the local homeless population.

But Eisenberg dove a bit deeper, explaining that Colorado Springs' affordable housing shortage - a national problem - is the product of wages stagnating while housing prices and rents rise because demand exceeds what is being built.

"We're chronically underbuilt," Eisenberg said, predicting a nationwide shortage of 4.4 million homes by the end of 2019.

More homes will have to be built to drive prices down, he said. One way to promote that is to reduce the fees developers pay, he said.

If the fees associated with building a home increase, Eisenberg explained, developers will likely increase their prices by twice as much, or more, to recoup their costs and make up for the lost time.

The same principles apply to rents and apartment buildings, he said, adding high housing costs hold back the economy.

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Colorado film incentive program remains in political limbo after alarming audit
Denver Post

Colorado lawmakers this spring appear poised to rehash a perennial fight over taxpayer subsidies for the state film industry, a program that Democratic Gov. John Hickenlooper views as a critical job creator but that some conservatives have blasted as a taxpayer giveaway to Hollywood.

The latest installment in the long-running political drama has a new wrinkle: An alarming audit released in June found that the state made nearly $2 million in cash payments to film production companies that didn't even qualify for incentives.
Citing the audit's red flags, the Joint Budget Committee earlier this month deadlocked along party lines over whether to fund Hickenlooper's request for $2 million in the 2018-19 fiscal-year budget, instead voting to renew the $750,000 the office received this year from the general fund. The office also receives $500,000 in operating expenses from state gaming revenues, bringing its total funding to $1.25 million.

With the vote, state budget writers effectively punt the issue back to the state legislature, which last year reduced the program's funding from the $3 million to $5 million it had received annually over the prior three years.

"I think what we’re doing by our discussion here is inviting legislation to restore funding if the legislature so desires," state Rep. Bob Rankin, a Republican budget writer from Carbondale, said after the vote.

The issue was among a handful of relatively small expenses that became a major flashpoint in last year's debate over the $26.8 billion state budget, with the GOP-led Senate seeking to eliminate the program's general fund appropriation entirely, before the two sides settled on the reduced amount.

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Colorado's oil and gas industry regulator Matt Lepore will resign and work as an industry consultant
Denver Post

The Colorado official assigned to police the oil and gas industry will resign March 2 to work as a consultant for companies, the third state oil and gas commission chief to leap from the role of regulator to helping those he regulated.

Colorado Oil and Gas Conservation Commission director Matt Lepore's move, confirmed by state officials last Tuesday, raises concerns about a "revolving door" between a high-profile state agency and a powerful industry. State law prohibits public officials from taking direct advantage within six months of matters the officials handled for the government.

Lepore has run the COGCC for just over five years during a boom in oil and gas industry operations increasingly close to Front Range cities, directing the agency in its mission of facilitating the extraction of fossil fuels while protecting people and the environment. Colorado officials have faced especially intense criticism after a fatal house explosion April 17 in Firestone caused by a severed industry pipeline improperly connected to a well that was leaking gas by the home.

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Former Colorado lawmaker Ken Kester passes away in Arizona
Colorado Politics

Former Colorado state lawmaker Ken Kester of Las Animas passed away on Feb. 17 at his home in Arizona. Kester served in the Colorado House from 1998 to 2002 and in the state
Senate from 2003 to 2010. Services will be held at 10 a.m. on Monday, Feb. 26, at the Las Animas Community Center.

Kester was born March 16, 1936, at the family ranch in southeastern Colorado.

An 18-year old Dick Wadhams served on Kester’s first campaign, a run for Bent County Commissioner, in 1974. He told Colorado Politics that Kester “was a natural candidate. He had a very successful GM dealership in Las Animas and sold cars all over the state. He was very popular with the public and involved in community activities. Everybody knew Ken Kester and respected him.”

From a bio written by his adult children in 2010 (edited for length and by permission)

Gov. Hickenlooper Announces Boards and Commission Appointments
Office of the Governor


The State Conservation Board coordinates programs, training and organization for the eight state conservation districts and federal agencies; the allocation of state funds; and, serves as co-sponsor of watershed and flood prevention projects.
For a term expiring Dec. 31, 2019:

- Margaret E. Lenz of Wray, reappointed.

The Minority Business Advisory Council provides a public forum at which the perspective of minority businesses is brought to the attention of the State and makes recommendations for regulatory changes needed at all levels of government to encourage the initiation, stability and growth of minority businesses in Colorado.

For terms expiring Jan. 31, 2021:

- Dee Ann Espinoza of La Jara, to serve as a representative of minority-owned businesses, reappointed;
- Helga Grunerud of Lakewood, to serve as a representative of a business association, reappointed;
- Barbara Jean Myrick of Colorado Springs, to serve as a representative of minority-owned businesses, reappointed;
- Maria Alejandra Spray of Erie, to serve as a representative of minority-owned businesses, reappointed;
- Steven Lawrence Trujillo of Pueblo, to serve as a representative of a business association and community representative, appointed.
The State Innovation Model Advisory Board provides advice, oversight and guidance over the operation of the Office of State Innovation Model and the management of grant funds. It also provides recommendations about how to better integrate behavioral and physical health in Colorado.

For a term expiring June 1, 2019:

- Dorien M. Rawlinson of Larkspur, to serve as a representative of a health plan recommended to the Governor's Office by a statewide association of health plans, and occasioned by the resignation of Cara Beatty, MD of Boulder, appointed.

The Urban Drainage and Flood Control Districts Board of Directors assists local governments in the planning, design, construction and maintenance of multi-jurisdictional drainage and flood control projects.

For a term expiring Jan. 31, 2019:

- Honorable William Joseph Starker of Wheat Ridge, and occasioned by the resignation of the Honorable Joyce Jay of Wheat Ridge, appointed;

For terms expiring Jan. 31, 2020:

- Honorable Deborah Ann Brinkman of Littleton, appointed;
- Honorable Aaron Brockett of Boulder, appointed;
- Honorable Carol Dodge of Northglenn, appointed.


Each Judicial District Nominating Commission consists of seven citizens residing in that judicial district. No more than four members can be from the same political party, and there must be at least one voting member from each county in the district. In all districts with populations of more than 35,000, the voting members consist of three people admitted to practice law in Colorado and four people not admitted to practice law in Colorado. In judicial districts with populations under 35,000, at least four voting members are people not admitted to practice law in Colorado. It is determined by majority vote of the governor, attorney general and chief justice how many, if any, of the remaining three members will be persons admitted to practice law in Colorado.

5th Judicial District
For terms expiring Dec. 31, 2023:

- Michael John Bordogna of Leadville, to serve as a non attorney and as a Democrat from Lake County, appointed;
The Physical Therapy Board is responsible for the regulations of the practice of physical therapy in Colorado. It also grants licenses to qualified applicants, adopts all reasonable and necessary rules for the administration and enforcement of regulations, supervises unlicensed persons by physical therapists, taking into account the education and training of the unlicensed individuals and the physical therapy of animals, including without limitation, education and clinical requirements for the performance of physical therapy of animals and the procedure for handling complaints to the Department of Regulatory Agencies regarding physical therapy of animals.

For terms expiring Jan. 1, 2022:

- Shashi Krishna Gunda, DPT of Colorado Springs, to serve as a physical therapist, appointed
- Janice Ann McCoy of Denver, to serve as a member of the public, appointed;

**Calculator**

Days Left to Sine Die: 72  
House Bills Introduced: 256  
Senate Bills Introduced: 180  
Dead Bills: 62  
Governor Signed: 2