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Slowly Coming Into Focus

The Joint Budget Committee (JBC) has begun putting the final pieces into place for the Colorado budget that will be sent to the full legislature. With the information from the March revenue forecast in hand, the budget question marks are starting to be answered – please see the March 20th, CASB Legislative Update. The state budget is included in the so-called “Long Bill,” which both the House and Senate must approve. The School Finance Act bill is run concurrently with the Long Bill.

The JBC reviewed forecasts from the Governor’s Office of State Planning and Budget (OSPB) and from the Legislative Council Staff (LCS) and decided that the numbers presented by LCS are the numbers they will work from. That gave the JBC a $382.2
Climbing the million gap between available revenues for 2017-18 and the items in the state General Fund that are required by law to be funded. **Memo to the JBC.**

Even a quick glance at the LCS memo makes it clear that crafting a balanced budget is not going to be an easy task. The JBC first recommended a $75 million hike in the negative factor for K-12 schools after a long day and night of deliberations. However, after a short night’s rest they settled on a $50 million increase. That increase will bring the negative factor to $881 million for the 2017-18 year. Hospitals were also hit hard by the budget cutting axe with huge reductions to the Hospital Provider Fee. The JBC now will send the bill to the General Assembly.

One item that will impact the budget is the Residential Assessment Rate (RAR). The RAR is used to calculate the property taxes paid by homeowners to ensure the constitutionally-mandated ratio of 45 percent of property taxes paid by residential, and 55 percent paid by commercial property owners. Due to the large increases in home values across Colorado, the RAR must be lowered to maintain the 45 to 55 percent ratio. That figure won’t be known until April 15, 2017, well past the time the full General Assembly begins consideration of the budget. JBC staff told the committee that once the RAR has been settled, any adjustments to the budget could be included in the same bill that sets the RAR.

### Bill Update

While the budget and school finance are getting most of the attention right now, there are a few additional bills that CASB is keeping an eye on. You can view the **CASB Bill Tracker** on our website.

**House Bill 1176 – Public Employees Retirement Association (PERA) Retirees Employed by Rural School Districts**
- The House Finance Committee voted 11-1 to send this bill to the Appropriations Committee for consideration.

**House Bill 1181 – Required State Assessment for Ninth-Grade Students**
- Sponsored by **Rep. Brittany Pettersen** (D), Lakewood, **Rep. Paul Lunodeen** (R), Monument, **Sen. Nancy Todd** (D), Aurora and **Sen. Kevin Priola** (R), Henderson.
- Aligns ninth- and tenth-grade testing to content standards and the eleventh-grade state-administered college preparedness test.
- The bill was approved by the House and is now assigned to the Senate Education Committee for a hearing.

**House Bill 1187 – Change Excess State Revenues Cap Growth Factor**
- Sponsored by **Rep. Dan Thurlow** (R), Grand Junction and **Sen. Larry Crowder** (R), Alamosa.
- The Senate State, Veteran and Military Affairs Committee voted down the bill on a 3-2 vote. The bill would have changed how Tax Payer Bill of Rights (TABOR) tax refunds are calculated, moving from a calculation based on population growth and inflation, to one based on personal income.

**Senate Bill 061 – Additional Funding for Charter Schools**
- Sponsored by **Sen. Owen Hill** (R), Colorado Springs, **Sen. Angela Williams** (D), Denver and **Rep. Lang Sias** (R), Arvada.
- Requires school districts to share mill levy override (MLO) funds with district-authorized charter schools, even if the charter school did not exist when the MLO was approved by local voters.
- The bill had two significant amendments added by the Senate before being passed out of the chamber. The first amendment would allow school districts three years to phase in the Mill Levy Override (MLO) sharing with district-authorized charter schools. The second amendment allows school boards to send a ballot question to voters asking them if MLO funds should be shared with charter schools. This election would have to be held in November of 2017 and the district has to pay for the election.

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**Please Welcome**

The CASB Advocacy Team is pleased to introduce **Brittany Crossman**. Brittany started with the CASB staff in February and has jumped in with both feet. In that time, she has worked with the Advocacy Team by assisting with and attending several of CASB’s Day at the Capitol events. These mornings spent in the middle of the action at the Capitol have really allowed her to gain a better
Our next Day at the Capitol is Wed., March 29. Join us at CASB for a briefing with our advocacy team, followed by a visit to the Colorado Legislature to see the House and Senate in action. To find out what's scheduled, visit the Colorado General Assembly website.

Brittany, an Atlanta native, moved to Colorado in September 2014 after graduating from the University of North Georgia with a bachelor's degree in marketing. In her free time, she enjoys exploring the great state of Colorado and hiking with her yellow lab, Charlie.