

Meeting Location:

First Baptist Church of Denver
Miller Hall, Lower Level
1373 Grant St., Denver CO 80203

Present:

Kimberly Bailey, ~~Britta Blodgett~~, John Bristol, ~~Robin Brown~~, ~~Michelle Claymore~~, Tammy Fields, ~~Kelly Flenniken~~, ~~Barry Gore~~, ~~Kittie Hook~~, ~~Tara Hosick~~, ~~SeonAh Kendall~~, Drew Kramer, Jonita LeRoy, Laura Lewis Marchino, Danielle Lendriet, Rachel Lunney, ~~Stacy Miller~~, Wendell Pryor, Jeremy Rietmann, Leigh Seeger, Jeff Shaw, Trish Thibodo, ~~Greg Thomason~~, ~~Lindsay Van Meter~~, Carolynne White, Kim Woodworth,

Guests Present:

Jenn Cassell, Stewart Meek

I. Call to Order

Meeting was called to order by board chair, Tammy Fields

II. Approval of the Jan. 11, 2019 Board Meeting Minutes

VOTE: Drew Kramer made a motion to approve the **Jan. 11, 2019** meeting minutes, Wendell Pryor seconded. Carolynne White abstained. All approved.

III. Approval of the November Financials

January 2019 Monthly Financial Report:

(Accrual Reporting)

- Balance Sheet:
 - Total assets and liabilities - \$277,908
- Income Statement:
 - Total income – \$110,223
 - Total expenses – \$12,376
 - Net income from operations – \$97,847

YTD Financial Report:

- Balance Sheet:
 - Total assets and liabilities - \$277,908
- Income Statement:
 - Total income – \$110,223

- Total expenses – \$12,376
- Net income from operations – \$97,847

VOTE: Carolynne White made a motion to approve the **January Financials**, Jeff Shaw seconded. All approved.

IV. Legislative Update: [Jenn Cassell, Bowditch & Cassell and Stew Meek, Public Policy Committee Co-Chair Reported]

KEY ISSUES IN THE 2019 LEGISLATIVE SESSION

Many high profile, key issues will reemerge in 2019: TABOR/Gallagher, transportation funding, affordable housing, and the state budget. This group of major policy issues is unchanged from prior years; pressure remains from local communities, governments, and special districts to find permanent solutions. Of course, many more issues will be debated this session as we expect to see upwards of 600 to 700 bills introduced in the 2019 session.

With Democrats controlling both chambers, we expect many bills that failed in past sessions to make more progress in the upcoming year.

2019 LEGISLATIVE LEADERSHIP

House and Senate caucuses met shortly after the elections and elected their leaders for the coming session:

- House Speaker K.C. Becker, D-Boulder
- House Majority Leader Alec Garnett, D-Denver
- House Minority Leader Patrick Neville, R-Castle Rock
- Senate President Leroy Garcia, D-Pueblo
- Senate Majority Leader Steve Fenberg, D-Boulder
- Senate Minority Leader Chris Holbert, R-Douglas County

23 members of the House will be new to the legislature and 11 Senators are new to the Senate in 2019 (7 of whom served in the House), and some vacancy committees have yet to determine new appointments to vacant seats, potentially increasing the number of new members.

TODAY

The 2019 session is off to a strong start as new members are eager to pass the first bills of their legislative careers, and senior legislators are hopeful to pass the legacy bills of their careers. More bills are passing third readings in their chambers of origin and are moving to opposing chambers. We officially surpassed 300 bills to-date as more legislation was introduced addressing business regulations, tax policy, and education. Adding to the surge of bills in the Senate was the passage of supplemental budget appropriations bills for various state agencies.

House Speaker K.C. Becker asked EDCC to join in on a joint call to discuss her proposal on De-Brucing Colorado. She has asked EDCC to provide our collective thoughts and suggestions, as well as our support. Below is a summary of the De-Brucing Concept.

Summary of State “De-Bruicing” Concept

This summary reflects the current discussions at the Capitol. Some of the details below may change if the state decides to move forward with a de-Bruicing measure.

Issue

TABOR establishes a state revenue limit at which point any additional revenues collected must be refunded to the taxpayers. Colorado is unique with this revenue limit among the 50 states.

Since the passage of TABOR in 1992, Colorado’s TABOR refunds are shown below:

Year	Amount	Year	Amount
FY 1996-97	\$139 m	FY 2004-05	\$41 m
FY 1997-98	\$563 m	FY 2014-15	\$170 m
FY 1998-99	\$679 m	FY 2017-18	\$18 m
FY 1999-00	\$941 m	FY 2018-19 (est.)	\$380 m
FY 2000-01	\$927 m	FY 2019-20 (est.)	\$189 m

Amounts shown above reflect the year the refund amounts were collected.

Proposal

Refer a measure to the ballot to authorize the state to retain all collected revenues above the TABOR limit. Such a measure is NOT a constitutional change, and requires a simple majority vote in the legislature, and a majority vote of the people. Tax rates would not change through this proposal.

The state would continue to calculate the TABOR revenue limit, and allocate funds above the limit to the following priority areas:

- P-12 Education
- Higher Education
- Transportation
- State Infrastructure

Questions/Issues

- Managing TABOR refunds has been challenging for the State. Since the passage of TABOR, the state has experienced TABOR refunds in times of both increasing and constricting revenues. Allowing the state to retain all revenues at current tax rates would provide some moderate budgetary flexibility in certain years. As an example, the state was forced to drain many “rainy day” accounts and budget reserves in 2001-02 to provide the mandatory TABOR refund of \$927 million – at a time when Colorado’s revenues were dropping due to a budgetary recession. No other states were forced to cut the budget and provide tax refunds at the same time.
- Impact on Senior Homestead Exemption. The state currently spends approximately \$150 million per year on the Senior Homestead Exemption (SHE). SB 17-267 (Hospital Provider Fee) allows the state to count the expenditures for the SHE as part of the TABOR refund. In effect, the state doesn’t have to provide any TABOR refund for the first \$150 million in excess of the TABOR revenue cap. If the state de-Bruices, absent a statutory change, the state still has to budget for the SHE.

- Sufficient Funds? TABOR refunds – when they exist – provide an uneven source of revenue. In the 25 fiscal years since the enactment of TABOR in FY 1993-94, Colorado has issued TABOR refunds in 8 years (with more projected in future years). Directing TABOR refunds to any type of permanent spending is not realistic; in contrast, using these funds for infrastructure projects on a pay-as-you go basis makes more sense.
- 2018 Transportation Debacle. TABOR has many champions, and any measure to de-Bruce the revenue limit will generate opposition. Perhaps the confusion over the 2018 transportation measures is illustrative of what could happen with a de-Brucing measure. After the transportation coalition announced intentions to submit a tax increase to the voters, anti-tax groups submitted a measure to the ballot to direct the state to issue bonds – with no new source of revenue. Basically, these groups said, “the state has sufficient funds” and created such ballot confusion that neither measure received more than 40 percent support. Would a similar pro-TABOR measure give the voters a better choice – or would it simply load up the ballot in hopes of confusing voters resulting in many voting no on everything? What if voters are faced with both a de-Brucing measure and a tax cut?

Bills that have been decided by PPC:

- HB19-1075 Tax Credit Employer-assisted Housing Pilot Program (Representative Jim Wilson) EDCC Position & Action – SUPPORT
- SB19-067 Rural Development Grant Program Creation (Senator Don Coram) EDCC Position & Action – MONITOR

V. Operations Director Report

Administrative:

- Board retreat follow up items
- Submitted 1099's for 2018
- Set up QB's with 2019 Budget
- Billed Membership: includes manually updating contacts, contact info, etc.
- Closed out 2018 membership dues
- Coordinated legislative luncheon and board meeting
 - Coordinated logistics
 - Convened panel discussion
 - Sponsorship reach
 - Marketing & Title Slides

Communications:

- January E-Newsletter
- Legislative Luncheon & Advocacy Training E-vite to members and legislative leadership
- Regional Forum E-vite and Sponsorship asks
- Public Policy – Update on bill support

Outreach:

- Convened the website steering committee & are working through 3 RFP's for website build out

2019 EVENTS:

- Reached out to board members on yearly sponsorship packages
- Convened the Drive Lead Succeed Conference Steering Committee
- Regional Forum, Eastern Plains – sponsorship outreach, speaker outreach, held weekly steering committee calls, logistics, pre-conference workshop and reception coordination
- Regional Forum, South Central – secured date and location, working to get steering committee aligned and set up

COMMITTEE SUPPORT:

- PPC:
 - Legislative Luncheon e-vite; event coordination
 - Policy update and bill tracking email to members
 - Support letter for SB19 – 131, Local Sales Tax Administration
- Communications:
 - Monthly website postings
 - Daily social media postings
 - Event advertising
- Data:
 - Helped secure contract with Emsi
 - Communications push to get 30 user licenses

VI. Committee Updates:

- **Data Committee:** [Laura Lewis Marchino, Chair Reported] Laura reported on the Emsi contract. After the initial agreement, EMSI realized they couldn't support such a low cost for all members. After some phone calls, we were able to retain the original \$1500 entry fee for the first 30 users. After that, additional participants would pay \$2500 and all participants would pay \$2,500 for years two and three. Eligible users must be members of EDCC and must work for the following organizations where the primary role is economic development: Chamber of Commerce's, Rural/Urban/Regional Economic Development Organizations, City or County Government Organizations, Councils of Government. We were initially hoping that all EDCC members could participate. We are waiting for the final contract and will begin advertising the program. Please help us in sharing the news, take advantage of the program yourselves, and help us make this happen! We need a minimum of 30 participants.
- **Professional Development Committee:** [Michelle Claymore, Chair] **No Report**
- **Communications Committee:** [seeking committee chair] **No Report**

VII. Other Items

No other items were reported

VIII. Adjourn

- Tammy Fields adjourned the meeting at 2:40 p.m.
Next meeting: March 15, 2019, OEDIT Offices, 1600 Broadway, Suite 2500, Denver CO 80202