



## Nexus Weekly Legislative Report March 9, 2018

The Colorado General Assembly convened for their ninth week. We are officially halfway done with the 2018 legislative session, with healthcare, education, affordable housing and energy bills taking up majority of the legislative agenda so far.

[HB18-1260](#)—Prescription Drug Price Transparency—by Representatives Ginal and Jackson, was heard on Thursday afternoon in House Health Insurance and Environment committee. The bill would require insurance carriers to provide information on the top 25 most expensive prescribed drugs in Colorado as well as the drugs that have the highest price increases from year-to-year. It also requires pharmaceutical manufacturers to provide a 90 day advance public notice when drug prices are increased along with an explanation for any increase over 10% above what the cost was 2-years prior. The bill is supported by consumer groups, health insurance carriers, providers and public health officials in the state. Pharmaceutical manufacturers strongly oppose the bill. The bill passed out of committee by party line vote, with Republicans voting against the bill, which indicates this bill will have a tough time in the Republican-controlled Senate.

The long awaited PERA reform bill was introduced on Wednesday. [SB18-200](#)—Modifications to PERA to Eliminate Unfunded Liability—has bipartisan sponsorship with Senators Tate and Priola and Representatives KC Becker and Pabon. The Public Employees Retirement Association currently has an unfunded liability of \$32 billion to \$50 billion. The bill both increases contributions from taxpayers—by 2 percent—and employees—by 3 percent—and cuts benefits for current and future retirees. It includes a fail-safe mechanism which would adjust benefits and contributions automatically to ensure the financial goals of PERA are met. Under the bill, all future employees of the state will be given the option to opt-out of the pension to enroll in a defined contribution plan. Sponsors of the bill drew ideas from the PERA board and Governor Hickenlooper. Democrats will have the biggest issue with the bill because of the opt-out option, which the teacher's union opposes. There will need to be many changes to the bill in order for it to pass both chambers successfully.

A conference committee consisting of Joint Budget Committee members, was held on Friday to resolve conflicts between the two chambers on how to fund the mid-year adjustment for K12 education. The original bill, HB18-1171, kept mid-year per pupil funding flat and put the extra money from local property taxes in the State Public School Fund. An amendment was added on House Floor, which increased per-pupil funding by \$8 and moved the extra \$97 million collected into the School Education Fund, where it can be accessed easier. This amendment was then stripped in the Senate, where the bill was taken back to its original intent coming out of the JBC. On Friday, the conference committee decided to accept the Senate version of the bill, with the \$7 million difference allocated to school safety projects. The House and Senate will have to accept the conference committee report. If accepted, public schools across the state will not receive the extra money they were hoping for during an education funding shortfall.