



2008 Legislative Preview From CCLP, COFPI **January 9, 2008**

As the 2008 legislative session begins today, the Colorado Center on Law and Policy (CCLP) and the Colorado Fiscal Policy Institute (COFPI) are focusing on a variety of bills and issues that impact health care, state tax and budget policy, and self-sufficiency for lower-income families.

Fiscal Issues:

Earned Income Tax Credit—COFPI and CCLP will lead the charge, along with dozens of other organizations, to make permanent the state Earned Income Tax Credit (EITC). A refundable 10% Earned Income Tax Credit (EITC) will provide key tax relief to over 250,000 low-income federal EITC recipients earning up to about \$38,000. Recipients use the money for things like buying groceries and school supplies, paying bills, and needed car repairs. The money goes straight into local economies, in which a 10% state EITC could pump an additional \$43 million.

Constitutional Fiscal Reform—COFPI and CCLP will continue in its leading role as watchdog for tax fairness, equity, and adequacy. Legislation concerning constitutional fiscal reform will be a key priority, as well as proposals to change the amount of revenue available to invest in public structures and vital services.

Single Sales Factor—COFPI will pay close attention to the proposal to change how multistate corporations report income to the State. Legislation like this could potentially shift the responsibility among taxpayers for paying for public services here, and the jury is still out on who pays how much under this kind of proposal. COFPI believes that more transparency is needed with respect to the state budget, in order to have the necessary information to make good decisions and evaluate fiscal outcomes.

Rainy Day Reserve Fund—COFPI will support the creation of a Rainy Day Reserve Fund. Most states create such a fund for the express purpose of offsetting cuts in vital services during recessions and economic downturns. Colorado, however, is one of 5 states that do not have a Rainy Day Fund. Instead, Colorado has a statutory reserve equal to just 4 percent of the state's General Fund. COFPI will advocate for an increase in reserves, so as to better equip Colorado to combat future recessions and economic downturns.

Health Care:

Health Care Commission: CCLP will support and focus on recommendations from the Blue Ribbon Commission on Health Care Reform to provide comprehensive health care reform, as well as on other long-term measures to increase access to and affordability of health care.

Self-Sufficiency:

Economic Self-Sufficiency: CCLP will work to increase cash assistance through the Colorado Works program, advocate for family-friendly workplace policies, and support legislative recommendations from the Pay Equity Commission.

Please note that this is not a comprehensive list of all the bills and issues CCLP and COFPI will be working on during the 2008 session, but rather it's a guide to some of our main priorities.

For more information or to arrange an interview with CCLP and COFPI policy experts, please call Scott Downes at 303-573-5669 ext. 306 (office) or 303-621-5595 (cell).

The **Colorado Center on Law and Policy** works to secure justice and promote economic security for all Coloradans, and to provide the critical advocacy formerly provided by federally funded legal services programs.

The **Colorado Fiscal Policy Institute**, a nonprofit, nonpartisan project of the Colorado Center on Law and Policy, promotes justice and economic security for *all* Coloradans. As both a resource and catalyst, the Institute works for changes in public policy through timely, credible and accessible fiscal policy analysis, education, advocacy and coalition building.