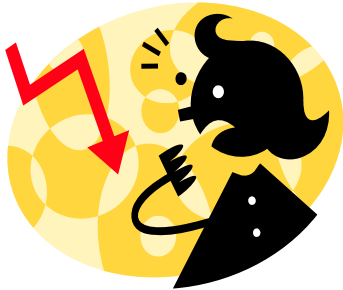


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DUCT-TAPING GOVERNMENTAL SERVICES: 2009 STATE LEGISLATIVE SESSION

Almost everyone was caught off-guard by the precipitous fall of our economy. As government revenues evaporated, women lost some important gains made in the 2008 State Legislative Session.



LOSSES

1. The planned expansion (2008's SB 160) of Child Health Plan coverage from 205% of federal poverty level to 225% of FPL was rolled back;
2. Expansion of full day kindergarten and Colorado preschool slots were put on hold.
3. Funding for Community Health Clinics serving low income individuals and families was cut.

Without the federal stimulus money, far more would have been cut. The American Recovery and Reinvestment Act (ARRA) required maintaining existing eligibility criteria to receive federal Medicaid funding. Federal Higher Education funding also had some requirements for maintenance of effort.

But not all news was bleak. Colorado Legislators, the Governor, and non-profit coalitions, spurred in part by financial shortfalls, took some very positive steps in duct-taping together some essential health and safety services:

GAINS

1. A new self-imposed hospital provider fee will enable the State to pull in matching federal Medicaid dollars. The money gained can be used to reimburse hospitals for a greater percentage of their costs in treating low-income patients, with enough money left over to extend health coverage for up to 100,000 Coloradans. (HB 1293)
2. A new \$20 fee on marriage and \$10 fee on divorce will provide almost \$1,000,000 per year in funding for domestic violence related service (SB 68)
3. In response to a \$127 million incentive in the Federal Stimulus Package, Colorado will modernize its Unemployment Insurance policies. In particular, women will benefit from adopting of an "alternative base period", which will eliminate the wait to receive benefits for some very low wage and intermittent workers. Those who leave a job to follow a spouse who gets a new job will soon become eligible for unemployment. And those who lose a job due to their own or a family member's illness should face fewer hurdles to getting unemployment while they look for a new job. The bill also contains temporary expansion of those eligible for UI, and the amount received during some retraining. (SB 247)



Two bills relate to the discussion of how to hold together provision of basic services. SB 228 does not address the overall caps on state taxes and revenues, but it does loosen the insidious secondary, internal quota that limited growth of the State's general fund to a maximum of 6% a year. Furthermore, SB 228 eliminates the ratchet effect of this internal quota. Without SB 228, the use of federal stimulus dollars to supplant state dollars would have meant future general funds would face future cuts, regardless of whether the economy recovered. Without SB228, general fund expenditures under the 6% cap like K-12 education, Medicaid and Corrections would continue to squeeze out other government services, while all revenue above 6% of the previous years general fund, regardless of the amount, would continue to automatically transfer to transportation and capitol construction only.

Finally, HB 1064 establishes an interim committee to look at poverty and economic opportunity. The State cannot provide all basic services people need. Individuals, non-profits, churches, businesses and foundation all play a role. Through better coordination and a joint vision, we can develop the political will to reduce poverty. In these tough times, more people feel just a paycheck away from poverty.