

# **The Budget, Election Dynamics & Opportunities in 2023**

**Presented by Capitol Success Group**

# Budget Overview

- Economy is showing slower growth trends due to many factors - inflation, aggressive monetary policy, and geopolitical uncertainty
- 92% of the \$3.8 billion in ARPA funding has been appropriated
- In FY 2023-24, the budget will account for the high inflation in the spending cap allowing the state to retain over \$1 billion more in revenue
- Higher government costs due to increases in Medicaid, K-12 funding, community provider rates and employee compensation
- The spending limits of TABOR will play a consequential role in the state budget for years to come, with refunds forecasted for the next three years

# 2022 Election Dynamics

- This year there are a lot of factors at play: redistricting, mid-term year, inflation, public safety, housing costs and recent supreme court decisions that will play an important role in voter turnout
- In the Colorado State House all 65 seats are up for election, with a comfortable 17 seat majority for the Democrats currently at 41-24. Even with redistricting and more competitive races, the Democrats should maintain a majority in the House come January.
- In the Senate, 17 seats out of 35 are up for election with Democrats holding a slight majority 21-14. This is where Republicans have the best chance to take the majority. There are about 7 competitive races that could decide who holds the majority in the Senate.
- Overall, Democrats appear to have a fundraising advantage across the board, including in the state-wide races, however a large percentage of independent voters and voter turnout will be a deciding factor in the elections this year.
- We predict that the Democrats will keep a majority in both chambers and the Governor's mansion maintaining the trifecta.

## Competitive Senate Races

- **SD 3** - Pueblo & southern region - (D) Sen. Hinrichsen (i) against (R) Stephen Varela - fundraising is even at around 90k+ each and a 5 pt advantage to Democrats
- **SD 8** - Northwestern region - (D) Rep. Roberts against Matt Solomon, one of the most expensive races in the state - major fundraising advantage to Roberts \$246k to \$94k and a 6 pt advantage to Democrats
- **SD 11** - Southeastern region of CO Springs - (R) Sen. Hisey against (D) Rep. Exum - Hisey \$120k; Exum \$92k and a slight 2 pt advantage do Democrats
- **SD 15** - Northern Colorado - (R) Sen. Woodward (i) against (D) Janice Marchman - Woodward major advantage \$254k; Marchman \$111,000 and a tie in voter registration
- **SD 20** - Genessee & Evergreen area - (D) Rep. Cutter against (R) Tim Walsh - Cutter \$143k; Walsh raised \$127k and added \$420k in loans - 7 pt advantage to Democrats
- **SD 24** - Thornton & Northglenn area - (D) Rep. Mullica against (R) Courtney Potter - major advantage to Mullica \$177k; Potter \$47k and a 9 pt advantage to Democrats

## Competitive House Races

- **HD 18** - El Paso & Teller region - (D) Rep. Snyder against (R) Shana Black - most competitive races w/ redistricting - Snyder \$70k+; Black \$20k
- **HD 61** - Arapahoe & Douglas area - (D) Eliza Hamrick against Dave Woolever (R) - Hamrick has major fundraising advantage w/ \$70k; Woolever around \$10k and a slight Republican lean
- **HD 19** - Boulder & Weld area (D) Jennifer Lea Parenti against (R) Rep. Woog - even fundraising at \$35k+ each and a slight lean right
- **HD 25** - Jefferson & Morrison area - (D) Sen. Story against (D) Rep. Larson - Story \$52k; Larson \$40k and slight Republican advantage
- **HD 28** - Jefferson & Lakewood area - (D) Sheila Lieder against (R) Dan Montoya - Lieder little to no fundraising; Montoya \$4k - no lean
- **HD 38** - Arapahoe & Jefferson area - (D) Rep. Ortiz against (R) Jaylen Mosqueira - advantage to Ortiz \$88k; Mosqueira \$26k - no lean

# ARPA Spending

## Colorado's Federal & State Stimulus Investments

Major Program Area	Number of Appropriated Bills	ARPA SLFRF Funds (\$M)	General Fund (\$M)
<b>Affordable Housing</b> Revitalizing communities and providing safe, stable housing that Coloradans can afford	13	\$231.0	\$376.9
<b>Behavioral and Mental Health</b> Ensuring Coloradans have accessible, high quality care to address the impacts of the pandemic on behavioral and mental health	17	\$543.8	\$10.8
<b>Broadband</b> Laying the infrastructure needed to provide broadband across the state	1	\$76.1	\$0.0
<b>Capacity to Serve Coloradans</b> Making infrastructure and process improvements so our state systems can deliver needed services more efficiently and effectively	14	\$542.6	\$306.7
<b>Economic Recovery and Resilience</b> Investing in the success of critical industries and the resiliency of Colorado's businesses and environment	38	\$1,143.5	\$471.5
<b>Public Health &amp; Safety</b> Helping vulnerable populations remain healthy by meeting basic needs for food, shelter, safety, and support, as well as investing in our communities to prevent crime	17	\$408.1	\$30.0
<b>Reducing Homelessness</b> Supporting those that are unhoused through immediate and long-term support	4	\$200.1	\$30.3
<b>Workforce</b> Supporting development of in-demand skills and connecting Coloradans to quality employment opportunities	19	\$370.0	\$44.5
<b>TOTAL</b>		<b>\$3,515</b>	<b>\$1,271</b>
		<b>\$4,786</b>	

- **Appropriated state and federal stimulus:** Over the 2021 and 2022 legislative sessions, Colorado appropriated 92% of its allocated \$3.8 billion in ARPA State and Local Fiscal Recovery Funds (SLFRF) and leveraged an additional \$1.3 billion in State General Fund to supplement federal pandemic funding and bolster the Colorado Recovery.
- **Spending progress:** Spending is progressing well, with \$969 million of our SLFRF funds encumbered and \$719.5M of that total fully spent down as of the most recent July 2022 Treasury report.
- **Projected spending:** Colorado expects to see strong continued progress for SLFRF project spending over the next fiscal year, especially as implementation accelerates on funding appropriated to departments through the 2022 legislative session.
- Note these numbers exclude federal awards made direct to agencies or beneficiaries.



# 2023 Legislative Opportunities

- Potential to improve workplace safety and patient outcomes through legislation and rule writing
- Potential to improve nurse pipeline by dedicating funds to hire and retain more nurse educators
- None of this can be achieved without advocacy from you: the experts
- Find out who the candidates are running in your district and engage with them via townhall events, fundraisers, email or phone, social media, or in-person at the capitol
- The key is to educate them about our issues, share why they are important and how they can elevate the voice of nurses in policy decisions