



by Emily Roberts, CBSA Vice President

CBSA's DAY AT THE CAPITOL

On March 4 CBSA held our annual Day at the Capitol event, bringing healthcare innovators to the state Capitol to highlight the discoveries and advancements taking place in Colorado to improve the health and lives of patients. Nearly 60 people attended the event to learn about the Association's policy priorities for 2019 and how those priorities have led to CBSA's engagement so far this session.



View CBSA's 2019 State Policy Priorities [here](#).

The event also included a discussion about the Association's work to promote increased access to capital and highlighted efforts to foster the growth of the state-funded Advanced Industries Grant program. CBSA announced that since inception, the program has awarded more than 400 grants to Colorado bioscience companies, creating 79 new life science companies, 773 direct jobs, and \$551.7 million in follow-on

grants and investments.

In addition, 12 bioscience companies showcased their innovations to state legislators and their staff, helping to tell the bioscience story and underscoring the importance of CBSA's priorities. Thank you to everyone who participated in this year's event.



COLORADO ECONOMIC AND REVENUE FORECAST

In March both the Legislative Council and the Governor's Office of State Budget and Planning (OSBP) published their forecasts for the economy and state government revenue through FY 2019-20. The forecast showed that while the economy will continue to grow in 2019 and 2020, it is expected to slow as a result of global economic slowdown and stronger headwinds from tightening labor markets. It also indicated that revenue projections for this year are down \$270 million, leaving the General Assembly with \$1.18 billion that they can spend or save in the General Fund.

The Legislative Council's forecast also indicated that they do not expect a TABOR surplus in the next two years. As CBSA continues to explore ways to accelerate investment in Colorado's bioscience industry, it will be important to consider the potential impact of more limited dollars up for grabs.

It's these figures from the Legislative Council's forecast that the Joint Budget Committee relied on when they drafted the state budget bill that was considered in the Senate this week. The budget contains \$185 million dollars to cover a portion of the funding for full-day kindergarten. It also includes \$30 million for investment in highways, \$77 million to bring down the budget stabilization factor, \$40 million to spend on new programs, and \$70 million on capital construction.



CBSA was encouraged to see that the budget bill also maintains the same level of funding for bioscience grants within the AI Accelerator Grants Program, which is critical to our industry in Colorado.

As the state budget bill moves on to the House, CBSA will continue to work to ensure our key priorities remain intact. You can find more information about the Economic and Revenue Forecast [here](#).

UNDER THE DOME

With just over one month left in the legislative session, CBSA is hard at work advocating on behalf of our members and the bioscience industry in Colorado.

CBSA has taken positions on the following bills:

CBSA Position: Support

- HB19-1041, Require Surgical Smoke Protection Policies
- HB19-1127, Lt. Governor Concurrent State Service
- SB19-006, Electronic Sales & Use Tax Simplification System
- SB19-059, Automatic Enrollment in Advanced Course Grant Program
- SB19-067, Rural Development Grant Program Creation

CBSA Position: Oppose

- HB19-1210, Local Government Minimum Wage
- HB19-1216, Reduce Insulin Prices
- SB19-005, Import Prescription Drugs From Canada
- SB19-188, Family And Medical Leave Insurance Program

CBSA Position: Amend

- SB19-085, Equal Pay for Equal Work Act

CBSA Position: Neutral

- HB19-1131, Prescription Drug Cost Education

CBSA will continue to monitor a number of bills introduced this session to ensure any proposals or amendments put forward will not impede research or have unintended consequences for the bioscience industry.

Family and Medical Leave Insurance Program

Earlier this month Senate Bill 188, FAMLI Family and Medical Leave Insurance Program, was introduced in the Senate. While CBSA supports the concept of paid family leave for employees, we think there is a way to accomplish that goal in a manner that works for both employers and employees, and this bill falls short of that goal.

CBSA continues to coordinate with our partners in the business community to convey our concerns and share suggested changes with the bill sponsors. One of our top concerns is that employers who already offer paid family leave programs of equal or greater value to the state's plan be exempted from participating, as they are in many other states with similar programs. We are also advocating for changes to the definition of a family member so it aligns with the Federal Family Medical Leave Act and ensures there is no stacking of leave.

More information about Senate Bill 188 and why CBSA is opposed can be found [here](#).





State Legislation on Prescription Drug Pricing

This month CBSA testified in opposition to [House Bill 1131 – Prescription Drug Cost Education](#) and [House Bill 1216 – Reduce Insulin Prices](#).

In CBSA's testimony on [House Bill 1131](#), we asserted that requiring manufacturers to disclose the wholesale acquisition cost as an isolated piece of information could actually be misleading in identifying the real cost for a patient. We also objected to the requirement to disclose this information in scientific or educational conversations where there is no intent to sell. CBSA ultimately moved to a neutral position on the bill when an amendment was adopted at the hearing to limit the requirement to marketing conversations.

On [House Bill 1216](#), CBSA expressed our recognition for the need for more information about the pricing of insulin, but shared concerns with the House Health & Insurance Committee about the broad scope of an Attorney General investigation without adequate protections for proprietary information. We also stressed our support for policies to pass rebates on to patients at point of sale as a meaningful way to reduce out-of-pocket costs.

There are still state bills we expect to be introduced in the coming weeks that could have a significant impact on the bioscience industry in Colorado. CBSA will continue to keep you updated as we engage on legislation and work to ensure any proposals or amendments put forward will not hamper innovation or create an unfriendly business environment.

Our innovators work every day to develop treatments and cures that improve patients' quality of life. We are opposed to SB5, drug importation, because it could pose a health risk to Colorado patients. Learn more about the bill to import prescription drugs from Canada. CEO Jennifer Jones Paton shared CBSA'S

concerns on [630KHOW](#) with Krista Kafer.

[Listen to the interview.](#)

FEDERAL

Medical Device Tax Repeal This month Senator Pat Toomey (R-PA) and Senator Amy Klobuchar (D-MN) introduced [Senate Bill 692](#), the Protect Medical Innovation Act, to permanently repeal the medical device excise tax. The bill has strong bipartisan support, including Colorado's Senator Cory Gardner as an original cosponsor.





As many might remember, in 2018 Congress passed a two-year suspension of the tax, but if they don't act before the end of 2019 the tax will be reinstated. Since it's a tax on every dollar of revenue – not income or profit - the effects are truly felt across the industry, impacting both large and small companies.

CBSA continues to educate lawmakers and their staff about how this tax will impact future job growth and cutting-edge R&D if reinstated and urge the Colorado delegation to support permanent repeal.

More information about the medical device excise tax can be found [here](#).



President Trump's 2020 Budget Proposal

In March, President Trump released his 2020 budget proposal. While spending is ultimately determined by Congress, the President's budget is an opportunity for the White House to outline their spending priorities.

The budget echoes many of the ideas included in the Administration's American Patients First blueprint, including increasing competition, encouraging better negotiation, incentivizing lower list prices, and lowering out-of-pocket costs for beneficiaries.

The Administration's [2020 Budget Fact Sheet](#) on lowering drug prices outlines the specific strategies to achieve these goals.

The full budget proposal is available [here](#).

GET INVOLVED

If you're interested in getting more involved in CBSA's state or federal advocacy efforts, please contact [Emily Roberts](#).