



**COMMON
SENSE**
Policy Roundtable

2012 Candidate Survey
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Colorado House District 38
Dave Pigott (R)

1. Growing Colorado's economy and job creation continues to be a top priority for voters throughout the state. As a legislator, what is the one thing you believe that you could do have the greatest impact on improving Colorado's business climate?

Improving Colorado's business climate requires the creation and maintenance of a globally competitive business environment measured in annual increase in Gross State Product (GSP) (GSP is by no means the only metric for measuring success, but it is an easy and straight forward metric)

A globally competitive business environment considers a myriad of factors. I will focus on three: maintaining a fair and equitable tax system; creating a more efficient regulatory regime; and promoting market certainty. Of these three factors, market certainty is perhaps the most important. As market certainty increases, the cost of capital decreases and it becomes easier to start or grow a business.

2. In 2009, Colorado enacted rules and regulations for the oil and gas industry that are widely considered the most comprehensive and restrictive in the nation. Recently, local government have sought to implement their own set of regulations, many of which are preempted by existing state rules. Given the uncertainty that a patchwork of local regulations would create for the energy industry, would you support legislation banning local governments from creating new regulations?

Asynchronous or antagonistic regulatory regimes dramatically increase compliance costs and reduce the economies of scale relied upon by large or expanding small businesses. In some cases, these regimes inhibit the development and use of industry best practices which can actually increase safety concerns. I support an efficient regulatory regime which naturally demands uniformity.

3. Greater access to oil and gas reserves throughout the United States and here in Colorado has dramatically increased our potential domestic energy supply. The use of a time tested technology known as hydraulic fracturing has been a significant contributor to the energy industry's ability to capture resources that would otherwise be out of reach. Despite a long history of safely utilizing hydraulic fracturing technology, some interest groups are advocating for an outright ban on

its use. As a legislator, would you support a ban on hydraulic fracturing – and if so, why?

As a state and as a nation, our economic and security interests demand reliable, affordable energy. Domestic energy production increases reliability and reduces cost. We have and should maintain a diverse and market-driven portfolio of domestic energy sources in order to mitigate non-systemic risk. This includes natural gas.

4. Colorado's Medicaid program is going at an unsustainable rate, threatening to consume a greater portion of the state's General Fund. As Medicaid costs continue to grow, fund for K-12, Higher Ed, and other important funding priorities are reduced. As a legislator, would you support reforms to Colorado's Medicaid program and if so what possible solutions would you offer?

Maintaining a sustainable social safety net capable of assisting dependent members of society and restoring them to a self-reliance is a core function of government. Medicaid fails the test of sustainability. In its present form, the cost of Medicaid is at the mercy of perverted incentives, it does nothing to help control the cost of health care and in some ways artificially drives up the cost of care. I support reforms that ensure Medicaid's sustainability.

5. The Supreme Court's decision on the Patient Protection and Affordable Care Act affirmed that states cannot be coerced by the federal government into expanding Medicaid beyond current levels. State lawmakers will have to decide whether or not they want to expand Medicaid as part of the implementation of new health care law or opt out of the expansion altogether. As a legislator, would you support the State of Colorado opting out of the Medicaid expansion – why or why not?

The expansion of Medicaid will not contribute to the sustainability of the program; it is far more likely to bankrupt the program much sooner than it otherwise would. As a legislator, I will focus on ensuring the sustainability of the Medicaid program before considering potentially crippling expansions.

6. Currently, when a bill is introduced the Office of Legislative Council issues a fiscal note indicating the potential fiscal impact the proposed legislation would have on state revenue. There have been efforts recently to create a similar impact statement for businesses. The creating of a business impact statement would allow businesses to weigh in on the impact that a bill would have on their industry. Would you support the creating of a business impact statement – why or why not?

Yes, I support the creation of a business impact statement.

7. Colorado currently assesses an income tax to both distributed and undistributed income from irrevocable trusts managed in the state. Some states only apply an income tax to distributed income and have experienced dramatic growth in individual irrevocable trust assets managed in their respective states. In order to eliminate the double taxation in Colorado, ensure our state is positioned to create good paying financial sector jobs and capture additional tax revenue without raising

taxes, would you support the elimination of the income tax on undistributed income?

Yes.