



2019 Final Report

2019 Session Summary

The 1st Regular Session of the 72nd General Assembly has concluded as of May 3rd. Hicks & Associates is pleased to present this report on the activities of the legislature in 2019.

The Colorado elections of 2018 set the stage for a major shift in governmental policy and objectives in Colorado with the sweeping victory by the Democratic Party. With both chambers of the legislature and the governor's office in their hands, the expectation was that we would see a bold and aggressive policy agenda rolled out in the 2019 legislative session. While traditional issues of education, infrastructure and health care are still present and in need of attention, new agenda issues were placed on the table for action. Past efforts in areas of energy, climate change, business/employee relations and environmental efforts became the building blocks for the 2019 session. There was no

shortage of public policy efforts in many areas of the social debate, but our focus is on the business community and those policy efforts that will have an impact on Colorado business succeeding.

There were **654 bills** introduced in the 2019 Session. As of June 7th, 436 bills have been signed into law, only 136 bills were either postponed indefinitely or died on the calendar and the Governor vetoed 5 bills.

- 654 bills introduced
- 136 bills killed
- 436 bills signed into/became law

One of the true tests of the new leadership was not only the context of their policy objectives, but also the management of the legislative process and inclusion of citizens and impacted parties into legislative discussion. The

2019 session had its moments where the legislative procedures invoked did not encourage public debate, stakeholder input, or a chance for debate on the merits of major policy efforts. The business community found itself in a mode of reacting and amending as many of the introduced bills had not

been discussed with impacted business parties prior to introduction.

Throughout the session the Colorado business community found themselves on the defensive. IECRM teamed up with coalitions and combined efforts were undertaken to amend and revise many of the business policy bills introduced due to cost and practical business application issues. While there were successes during the session, the battle to defend sound business practices and to limit governmental overreach continued to the last day of the session.

Leadership started with a huge statement by introducing **SB18-181, Protect Public Welfare Oil and Gas Operations**. This bill set the tone for the session due to the procedural nature of how the bill was rushed through the legislative process leaving many stakeholders with no opportunity to provide input. We worked with many businesses to communicate to the legislature the impact that this bill could have on our economy and that it will affect more than the oil and gas industry. With a new perspective on how to regulate and oversee the oil/gas industry in Colorado, the economic impacts of such policy changes will have ripple effects not only in the energy sector but throughout Colorado's business structure. While we seek ways to pay for our common goals in Colorado, this bill will have the net effect of reducing tax revenues to the state and local governments and creating a new fiscal reality.

We saw many bills drafted without any stakeholder process which made for legislation that needed significant amendments. Everything from **SB19-085, Equal Pay** to **HB19-1025, Ban the Box** were amended and watered down enough to where many business groups stood in a neutral position.

SB19-188, FAMLI Family Medical Leave Insurance Program was one of the most controversial bills of the session for large and small businesses. Over the past four sessions we have seen

this bill transform every year, but with the Democrats controlling the legislative and executive branch of government they decided to scrap much of the stakeholder input from the past four sessions and go for everything. The majority of businesses, large and small, agree that there is a need for Paid Family Leave, but the issue is what it should look like and how will it be funded. We saw this bill make many dramatic changes throughout the session, especially with who was forced to participate in the program and how it was going to be funded. Working with a large coalition and through committee testimony, IECRM was able to help the legislature understand how big the fiscal impact would be to the small and large businesses as well as the State and the citizens. In the end the bill was not going to make it out of the Senate, so the Sponsors made the decision to turn it into a study over the next year with the intent to run the legislation again next session.

A big win for all business was the Simplification of Sales and Use Tax bills that were a top priority for much of the legislature as well as all business. Colorado is known to have one of the most complicated tax systems, with over 700 different taxing jurisdictions. We were able to work with all stakeholders to pass **SB19-006 Electronic Sales and use Tax Simplification System**, and **SB19-1240, Sale and Use Tax Administration**. These bills will help the Department of Revenue implement a system to simplify our tax system making it easier for all Colorado businesses while also leveling the playing field by forcing out-of-state businesses to comply with the same standards.

Another top priority for leadership was addressing climate change. There were multiple bills to address this with everything from Climate Action Plan to Reduce Pollution to funding infrastructure to support more electric vehicles (EV's) by letting utilities make rate payers pay for it. IECRM teamed up with business groups who were opposing many of the climate change bills and touched on the feasibility of these pieces of legislation and the real impacts they will have on Colorado's economy. The

stated objectives of much of this legislation will not only increase the cost of energy but has the effect of picking winners in the energy industry.

Apprenticeship programs were addressed within the context of skill trades continued development. Much of the efforts towards apprentice programs was driven by unions to mold the training programs and application more to their model of operation.

Construction/Affordable Housing/Licensing:

During the session we saw efforts from leadership to address affordable housing, construction issues and the licensing and inspection work for skill trades in Colorado. Electrical inspection fees, plumbing inspections, home appliance changes, pay issues, contract provisions and funding infrastructure were all on the table. Much of this agenda was opposed by most of the business community and groups in construction including IECRM. We worked closely with the business and construction community to make many changes to these bills. We continue to see a shift in the public policy status for employee issues and union application for business operations.

This year the Sunset Review for the Electrical Board was up for renewal with a 13 year recommended extension to 2032. Over last year during interim we worked with the Department of Regulatory Agencies (DORA) on the review, having them come visit our facilities as well as meeting with contractor members to give suggestions to the agency on this year's bill. **SB19-156, Sunset State Electrical Board** was a collaborative effort between IECRM, DORA, leadership/sponsors and all stakeholders on the drafting and passage of the bill.

Another example of a bill being introduced without much of a stakeholder process was **HB19-1035, Remove Fee Cap Electrical Inspection Local Government Higher Education**. This bill came from Colorado Counties Inc. (CCI). There was much concern with the bill when it was first introduced from our industry. We met with the sponsors and stakeholders to express our concerns. Even though it wasn't IECRM's bill our members

were heavily engaged and we raised many issues with the bill that the sponsors nor CCI realized. We were able to work on multiple amendments including the fee price structure as well as decoupling the fee from the state. There were still some concerns with this piece of legislation but we were able to change to an amend position from opposition and supported several aspects of the legislation including the addition of a residential electrical contractor to the State Electrical Board.

Transportation funding continues to be a huge issue in Colorado. Both sides of the isle worked together to add \$100 million to transportation in the State Budget. Speaker Becker also had 2 bills that passed that would take the TABOR refund for the State and put that money toward Education and Transportation (1/3rd K-12, 1/3 Higher Education, 1/3 Transportation), but the voters will have to approve that via the ballot in November 2019. The major question continues to be that Colorado has not made transportation funding a true budget priority to fund the projects and safety issues that are in need today.

Overall it was a session that put all business groups on the defensive and true policy advances were few. There will be studies conducted and more stakeholder groups convened during the off session, but make no mistake, many of the policy efforts we fought this session will reemerge next session. We expect to see FAMLII back and IECRM will have to stay engaged over the interim as they are conducting the study and holding stakeholder meetings. With it being an election year in 2020 we know there will be some big-ticket items next session but feel that there won't be as many as we saw this year.

What is yet to be seen is the public's reaction to many of these newly passed policy issues. There are mounting efforts to contest passed legislation either legally or through the ballot process. Certain elected officials may also have to stand for recall efforts as well. Given the issues placed on the ballot by this session, Tabor refunds and sports betting, the 2019 election should be very interesting.

We want to thank the IECRM Government Relations Committee, IECRM Board President David Scott and IECRM CEO Marilyn Stansbury for their hard work and guidance this session as it was vital to the process. Their business acumen and expertise in the electrical field and construction gave us direction and the details we needed to amend/support/oppose legislation.

We were engaged in many different bills and worked closely with different stakeholders and groups that we haven't in previous sessions. IECRM had a strong presence at the Capitol, testifying on more bills that we have in past years. We also saw some business groups going neutral or supporting certain bills because they were going to pass. IECRM expressed our concerns and stood strong by our core values and mission.

The call for constant engagement and action will be greater for IECRM in the 2020 session. Without a

strong voice, clear message and defined goals, Colorado business faces yet another session where our ability to operate and succeed will be called into question.

During the interim it is critical that IECRM and its members and partners continue the relationship development with local legislators by inviting them to companies and jobsites and talking with them about business impacts, economic and workforce shortage solutions, and other top of mind policies impacting the electrical industry.

Hicks & Assoc. scanned every bill that was introduced to determine the possible affects it could have on IECRM. IECRM tracked over 40 bills throughout the session and took positions on 12 bills while we closely monitored or amended the rest. We were a resource to many business groups and legislators as it pertained to construction and general business. Below is a list of bills that IECRM tracked throughout the session.

IECRM Bill Tracker

Engagement, Lobbying, Testimony, & Monitoring				
IECRM was heavily involved in multiple pieces of legislation this legislative session. The following bills include priority bills, meaning we directed the lobbying team to actively engage with other stakeholders, lobby all members of the General Assembly, provide testimony during committee, create fact sheets to ensure IECRM's position and engage in any and all amendments to bills. Also included are the bills we were asked to engage in by other key stakeholders and bills that we were monitoring				
Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB19-1003	Community Solar Gardens Modernization Act	Monitor	Governor Signed 5/30	Worked closely the sponsors to monitor the bill and build relationship.
HB19-1008*	Include Career and Technical Education in Building Excellent Schools Today Program	Support	Governor Signed 3/7	Worked with stakeholders and sponsors to lobby this bill through the process.
HB19-1025	Limit on Job Applicant Criminal History Inquiries	Opposed	Governor Signed 5/28	Worked with stakeholders to amend many of the concerns and limit the cost and liability to business

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB19-1117	Regulation of Professions and Occupations Reform	Monitor	Postponed Indefinitely	Lobbied committee and testified to the effects this legislation will have.
HB19-1135	Clarify Income Tax Credit for Retrofitting a Home	Monitor	Governor Signed 4/12	
HB19-1138	Vehicle Transfer Registration Fee Credit	Monitor	Governor Signed 5/20	
HB19-1157	Modify Specific Ownership Tax Rates	Monitor	Postponed Indefinitely	
HB19-1199	Colorado Clean Pass Act	Opposed	Postponed Indefinitely	Lobbied committee on the effect of the legislation and were able to get it Pl'd
HB19-1210	Local Government Minimum Wage	Monitor	Sent to Governor	Worked with a large coalition to oppose the bill. Once we knew that it was going to pass we were able to get additional amendments added.
HB19-1227	Prevailing Wage Working Group in Department of Personnel and Administration	Monitor	Died on the Calendar	
HB19-1231	New Appliance Energy and Water Efficiency Standards	Monitor	Governor Signed	Worked with construction coalition, BJ4C and sponsors to amend the bill because of the unintended consequences the introduced bill had, and we were able to be neutral on the bill.
HB19-1240*	Sales and Use Tax Administration	Support	Governor Signed 5/23	We worked with sponsors and coalition to help draft/amend the bill and lobby it all the way to the Governor.
HB19-1245	Affordable Housing Funding from Vendor Fee Changes	Monitor	Governor Signed 5/17	Worked with several groups that were in opposition to lobby against the bill.
HB19-1257	Voter Approval to Retain Revenue for Ed & Transportation	Monitor		Lobbied legislature that any transportation funding is good but expressed our worries that this is not a stable funding source.
HB19-1258	Allocate Voter-approved Revenue for Education & Transportation	Monitor	Governor Signed 6/3	
HB19-1260	Building Energy Codes	Monitor	Governor Signed 5/30	
HB19-1261	Climate Action Plan to Reduce Pollution	Monitor	Governor Signed 5/30	Worked with large coalition to oppose the bill. Knowing it was most likely going to pass we worked to amend the bill.
HB19-1267	Penalties for Failure to Pay Wages	Monitor	Governor Signed 5/16	Monitored closely and attended many stakeholder meetings because of the possible consequences. The bill have much bi-partisan support as it was into a labor trafficking bill.
HB19-1289	Consumer Protection Act	Monitor	Governor Signed 5/23	

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB19-1294	Transfer Apprenticeship Credit to College Credit	Monitor	Governor Signed 5/28	
SB19-006*	Electronic Sales and Use Tax Simplification System	Support	Governor Signed 4/12	Like HB-1240, we worked with sponsors and coalition during the interim and session to help draft the bill and lobby it all the way to the Governor.
SB19-024	Taxes Paid by Electronic Funds Transfer	Monitor	Governor Signed 3/11	Worked with sponsors but once there was extra money added to the budget for transportation the Sponsors asked to postpone the bill.
SB19-051	Increase General Fund Funding for Transportation	Monitor	Postponed Indefinitely	
SB19-077	Electric Motor Vehicles Public Utility Services	Monitor	Sent to Governor	
SB19-085*	Equal Pay for Equal Work Act	Opposed	Governor Signed 5/22	Worked with stakeholders and sponsors to amend the bill. With amendments most business groups became neutral.
SB19-101	Prerequisites for Construction of Managed Lanes	Monitor	Postponed Indefinitely	
SB19-130	Sales Tax Administration	Monitor	Postponed Indefinitely	
SB19-131	Exempt Certain Businesses from Destination Sourcing Rule	Support	Postponed Indefinitely	
SB19-135	State Procurement Disparity Study	Support	Sent to Governor	
SB19-138	Bond Requirements for Public Projects Using Private Financing	Monitor	Governor Signed 4/16	Monitored bill closely and worked with members of BJ4C.
SB19-156*	Sunset State Electrical Board	Monitor	Sent to Governor	Worked closely with DORA in the interim and worked with all stakeholders throughout drafting/amending of the bill as well as through the process. Provided extensive testimony.
SB19-169	Project Management Competencies for Certain Contracts	Monitor	Sent to Governor	
SB19-171	Apprenticeships and Vocational Training	Monitor	Sent to Governor	

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
SB19-196*	Colorado Quality Apprenticeship Training Act of 2019	Opposed	Sent to Governor	We worked with the Carpenters Union and ABC to oppose the bill but having AGC and union groups supporting the bill made it difficult to defeat.
SB19-225	Authorize Local Government to Stabilize Rent	Monitor	Died on Calendar	
SB19-226	Voluntary Housing Agreements Unincorporated Areas	Monitor	Postponed Indefinitely	
SB19-236	Sunset Public Utilities Commission	Monitor	Sent to Governor	
SB19-239	Address Impacts of Transportation Changes	Monitor	Sent to Governor	
SB19-262	General Fund Transfer to Highway Users Tax Fund	Monitor	Sent to Governor	

*indicates priority bill

Link to IECRM 2019 bill tracker: <https://coloradocapitolwatch.com/bill-tracker-votes/0/1557/2019/0/>