



2020 Legislative Report

2020 Session Summary

The 2nd Regular Session of the 72nd General Assembly concluded on June 15th. Hicks & Associates is pleased to present this report on the activities of the legislature in 2020.

On January 8th, when the session began, the message from Democratic leadership in both chambers was *pass legislation that had bi-partisanship and a broad stakeholder process in order to enact the best possible legislation.* It is said that a good law

happens when everyone loses something and not just one side loses. Another expectation going into the session, was that *there wouldn't be as many controversial bills as the prior year due to the election year.* Democratic leadership priorities at the beginning of the session included **paid family and medical leave, transportation funding, education funding, combat climate change, and justice system reform.** As session got underway, it was realized that only a few bills would gain

bi-partisanship support and large stakeholder engagement in the process, showing that leadership planned to go in their own partisan direction. This left the Colorado business community in the same position as last year's session, on the defensive.

- ✓ 651 Bills introduced
- ✓ 260 Bills killed
- ✓ 135 Bills signed into law

Just after hitting the halfway point of the session, the COVID-19 pandemic took hold, and the session was suspended for 2-plus months. Before the suspension the General Assembly passed legislation that asked for the Colorado Supreme Court to determine whether the 120-

day legislative session must be counted consecutively, or if the days could be non-consecutive, when a state of emergency is declared. The Colorado Supreme Court ruled that the days do not have to be consecutive during a public health emergency.

As many industries were forced to close, we worked with the construction and other industries to lobby

the Governor's Office and state agencies to ensure those industries were deemed as essential services to remain open and operational. Even though the legislative session was suspended, the Joint Budget Committee (JBC) continued to work. In early March, the JBC was nearly done crafting the state budget, but that all changed as the pandemic hit. Many issues arose during the suspension, but none as dire as the huge budget shortfall the state was facing. At the beginning of January, the state was expecting \$800 million in new money, then during the March budget forecast that number went to just over \$27 million of new money, and the May budget forecast projected a \$3.3 billion budget shortfall, which is expected to be the case for the next few years.

With the expected budget shortfall, it was realized that most bills with a negative fiscal impact to the state would not be pursued and would be postponed indefinitely. Right before the session reconvened at the end of May, the motto was "*Fast, Friendly, and Free*" Speaker KC Becker (D-Boulder) stated. As the session reconvened it was apparent that leadership was not sticking with that motto. As many bills were killed, there were multiple bills that were introduced looking to directly address issues related to the COVID-19 pandemic. With the General Assembly only planning on being back in session for three weeks the new bills flew through the process.

Even though there was a plan of how to go about navigating the session by the majority in both chambers, it was proven that those were merely just words as the General Assembly went in a very partisan direction to start the session and after the suspension took full advantage of the crisis to enact the legislation they wanted all along.

Throughout the session, as the Colorado business community was 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 some successes during the session, the battle to defend sound business practices and to limit governmental overreach continued to the last day of the session.

There were 651 bills introduced in the 2020 Session, which is 53 more bills than last year (593), up almost 10%. And 710 memorials and resolutions. There were over 250 bills postponed indefinitely and an additional 59 bills died on the calendar. As of June 29th, the Governor has signed 135 bills into law. Below are some of the bills that were introduced with impacts to business and industry both from before the suspension of the session and reconvening after.

Hicks & Assoc. reviewed every bill that was introduced to determine the possible affects it could have on IECRM. IECRM tracked 33 bills throughout the session and took positions on 17 bills while closely monitoring or amending them. IECRM served as a resource to many business groups and legislators as it pertained to construction and general business issues.

Simplifying sales and use tax in Colorado continues to be a legislative priority. This year the Sales and Use Tax Simplification Task Force had two priority bills that passed through the process.

HB20-1022 Sales and Use Tax Simplification Task Force, was introduced as the existing task force was going to sunset this year. This bill extends the task force for the next 5 years. The bill did have a negative fiscal impact to the state, but the financial appropriation was removed and the bill passed through the legislative process.

HB20-1023 State Address Data For Sales and Use Tax Collection, also passed through the legislative process. This bill establishes a hold harmless provision for those who use the state's geographic information system database (GIS database) to determine the jurisdictions to which sales and use tax is owed. As this is a new program the bill hopes to protect those individuals and businesses from any

issues that arise from the new system that it not their fault.

HB20-1089 Employee Protection Lawful Off Duty Activities, was one of the first 100 bills introduced in the House. The bill would have prohibited an employer from terminating an employee for off-duty activities that are legal under state law even if those activities are not legal under federal law. For example, if an employee was to use marijuana while off-duty, they couldn't lose their job. The only way you could is if the employee were impaired while on the job. IECRM worked with other business groups in opposition to this bill, we brought up the issues on reliability of testing, as well as employees who operate heavy machinery and public safety. **In the end, the bill died in its first committee – postponed indefinitely - and did not receive one vote in support.**

Consumer protection and construction defects were both hot topics during the session, as we saw multiple bills introduced concerning both issues.

SB20-080 Consumer Protection Act Damages, SB20-093 Consumer and Employee Dispute Resolution Fairness, and SB20-138 Consumer Protection Construction Defect Time Period. IECRM worked with groups within the industry to oppose these pieces of legislation. We also worked on amendments that were adopted. Even before the suspension these bills had an uphill battle. In the end we were able to gain enough opposition and with the added pressure of COVID-19, all three were defeated. **It is expected that these bills will come back in future sessions.**

SB20-120 Apprentice Examinations and professional Licenses. As the bill was introduced IECRM raised many concerns that were able to get mitigated by amendments that were adopted. With the COVID-19 pandemic, the bill was also amended to remove the negative fiscal impact to the state. We will be working with the Department of Regulatory Agencies (DORA) on the implementation. IECRM believes we need to continue to train and license

more Journeyman electricians but how we go about it differs from the proponents of this legislation. The pressure to pass this legislation came from the unions as this was not a priority bill of DORA's coming out of COVID-19. **Signed by the Governor.**

Post-Session Suspension/COVID-19 Related

Once the session reconvened on May 26th, IECRM refocused their efforts to monitor and amend the COVID related bills that the legislature introduced. Several of the bills had impacts to IECRM and its members and with most bills looking to pass IECRM was able to get key amendments and changes to minimize the impacts to its members and industry.

HB20-1414 Price Gouge Amid Disaster Deceptive Trade Practice. While the session was suspended, the sponsors and the Attorney General's office reached out to IECRM and other industries for input while the bill was being crafted. The bill allows only the Attorney General's office and District Attorneys to investigate possible price gouging. It only will apply during a declared emergency, either by the President or the Governor, and it has a limited period in which these cases can be brought. IECRM tracked this bill closely and continued to work with the Attorney General's office on amendments that were adopted. **Sent to the Governor.**

HB20-1415 Whistleblower Protection Public Health Emergencies. The sponsors of the bill expressed their concerns with Colorado's lack of whistleblower protection. As introduced, there were many concerns from not only the business community but local governments as well. IECRM was successful working with the sponsors and other stakeholders to amend the bill to address many concerns including, changing the burden of proof from the employer as well as the definition of principle. The bill was passed on the final day of the session. **Sent to the Governor.**

HB20-1420 Adjust Tax Expenditures for State Education Fund. This bill was the biggest bombshell of the session, it was introduced one week before the legislature concluded the session. This bill introduction came as a surprise to everyone as there was no stakeholder process. As introduced, there were many concerns with the bill from both the business community and Governor Jared Polis, who stated that he would veto the bill as introduced. The bill looked to eliminate multiple tax exemptions for businesses in hopes to generate revenue for education. It would also decouple the state taxable income calculation from the federal income taxes for multiple areas. The bill was going to affect all industries, not just the successful and wealthy ones as the sponsors stated as the intent. In the final few days of the session there were many changes made to the bill, including taking out the energy deduction for manufacturers and adding a 2-year sunset on the legislation. The bill was still opposed by the business community, but it was severely watered down and significantly lessened the impact to many businesses. IECRM worked with other stakeholder groups and legislators as to the impact on IECRM members.

SB20-205 Sick Leave for Employees. The bill requires that employers offer sick leave to their employees for reasons related to COVID-19 until December 31st, which is in line with the federal “Emergency Paid Sick Leave Act” in the “Families First Coronavirus Response Act”. Beginning January 1st, 2021, the act requires all employers in Colorado to provide paid sick leave to their employees. The employee will earn 1 hour of paid sick leave for every 30 hours they work. The maximum amount an employee will be able to earn, and use is 48 hours a year. As it passed on the final day, the bill was amended and has delayed the implementation for employers with 15 or less employees for an additional year. Employers that provide comparable paid leave to their employees are not required to provide additional paid sick leave. **Signed by the Governor.**

SB20-207 Unemployment Insurance. When the bill was introduced, there was much concern from the business community, especially with the definition of employee which was different than currently in law. IECRM worked with the sponsors and other stakeholders to address this concern along with many others. In the end the bill restored the definition of employee to current law and tried to mitigate the cost to employers as it pertains to the surcharge. With adopted amendments, much of the concerns from the business community were mitigated and the bill made it through the legislative process. **Sent to the Governor.**

SB20-216 Workers’ Compensation for COVID-19. The bill looked to provide workers compensation for those essential workers who contracted COVID-19 while on the job. From the beginning, there were many issues with the bill including putting the burden of proof on the employers to prove that the worker did not contract COVID-19 on the job. This is the opposite of how workers compensation claims currently operate. IECRM worked with a large coalition of employers in opposition to this bill. In the end the sheer costs of this was too large, especially with the current state of the budget. **The bill was postponed indefinitely.**

Looking for a long-term fix for transportation funding was in discussions but as COVID-19 derailed the session it did the same to finding a solution. This issue will not be going away and will need to be addressed but when that will happen is unknown, as the state expects its budget wows to continue in the next few years.

For the second consecutive year all business groups were on the defensive and true policy advances were few. Even though it is an election year we still saw many significant pieces of legislation pushed through the process with minimal stakeholder engagement.

The interim will be different than any other as the General Assembly has decided to have no interim

committees because of the budget shortfall due to COVID-19. There will still be legislation drafted over the interim and IECRM will stay engaged and keep members updated along the way.

2020 Election Cycle

This election season will prove to be very important, as the Colorado Senate has a very small majority (19-16 Democrats) and the Republicans will try to flip the majority back in their favor. Even with the passage of Paid Sick Leave, there will be a ballot initiative voted on in November for long-term Paid Family and Medical Leave. If signatures are allowed to be submitted electronically, it is expected that there will be many other ballot measures this November, including raising the Tobacco Tax to fund education.

Hicks & Assoc. will assist and counsel IECRM on which candidates to support. IECRM will also participate in the Building Jobs for Colorado (BJ4C) candidate interviews this summer.

The last few years we have seen much anti-business legislation and need to continue to support candidates that are pro-business and understand how important industry is to the state and its economy.

We thank the IECRM Government Relations Committee for their hard work, guidance and committee testimony this session. Meeting bi-weekly was vital to the process and gave Hicks & Assoc. the expertise and direction needed to monitor/amend/support/oppose bills.

Below is a list of the bills that IECRM took a position as well as the rest of the bills that were tracked.

IECRM Bill Position Report

Engagement, Lobbying, Testimony, & Monitoring				
IECRM was heavily involved in multiple pieces of legislation this legislative session. The following bills include priority bills, meaning IECRM 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
HB20-1002	College Credit for Work Experience	Monitor	Signed by Governor 7/8	IECRM listed this bill as monitor to watch for possible ideas and opportunities for IECRM students.
HB20-1022*	Sales and Use Tax Simplification Task Force	Support	Signed by Governor 6/29	Worked with stakeholders and sponsors to provide support through lobbying efforts and finding funding sources for this bill to make sure it passed.
HB20-1023*	State Address Data for Sales and Use Tax Collection	Support	Signed by Governor 3/1	Worked with coalition members and the sponsors to make sure this legislation passed. IECRM members would benefit from this system.

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB20-1046*	Private Construction Contract Payment Requirements	Amend	Postponed Indefinitely	Collaborated with stakeholders and like industries as well as the sponsors to provide feedback and information. Since this issue needs collaboration, the bill was tabled and IECRM will be working on it over the interim with the coalitions as the bill will likely be back next year.
HB20-1089	Employee Protection Lawful Off-duty Activities	Oppose	Postponed Indefinitely	Worked with a large coalition group on amendments but weren't able to get to a good place. IECRM then lobbied to the House Business Committee and were able to defeat the bill.
HB20-1093	County Authority License and Regulate Business	Monitor	Signed by Governor 3/23	IECRM monitored this legislation to make sure that local authorities were not looking to add additional regulations.
HB20-1154	Workers' Compensation	Monitor	Died on the Calendar	This bill was brought to us by the sponsors. IECRM chose to monitor as it looked not to have a direct impact on IECRM as introduced
HB20-1155	Higher Efficiency New Construction Residence	Amend/ Monitor	Signed by Governor 6/30	IERM worked with other industries on this bill. Amendments were made to this bill and IECRM took a monitor position after amendments.
HB20-1225	Cooperative Electric Utilities Reasonable Rates Energy Storage	Monitor	Signed by Governor 3/27	IECRM monitored this legislation because it had the ability to effect rates and installations of Energy Storage Systems.
HB20-1326	Create Occupational Credential Portability Program	Amend/ Support	Signed by Governor 6/25	IECRM worked with the sponsors on this legislation. Because the sponsors felt that the electrical trades should be kept at a high level, they were exempted.
HB20-1348	Additional Liability Under Respondeat Superior	Monitor	Postponed Indefinitely	This bill allows a plaintiff in a civil court claim to bring additional claims against the employer arising out of the same incident as the one involving an employee. IECRM had concerns with this and should look for this to resurface.
HB20-1351	Local Government Authority Promote Affordable Housing Units	Monitor	Postponed Indefinitely	IECRM monitors all bills that possibly have an effect on housing and growth in CO.
HB20-1353	Competitive Solicitation Under Procurement Code	Monitor	Postponed Indefinitely	IECRM monitored this legislation due to the impact it could have had on the procurement process.
HB20-1395	End Skilled Worker Outreach, Recruitment, and Key Training Act Grants to Transfer Money to General Fund	Monitor	Signed by Governor 6/26	This bill was introduced to balance the budget. IECRM monitored this bill due to effect it had on programs that IECRM participates in.

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB20-1414	Price Gouge Amid Disaster Deceptive Trade Practice	Amend	Sent to Governor	IECRM participated with BJ4C and suggested amendments to this legislation. IECRM decided to monitor after bill was amended.
HB20-1415	Whistleblower Protection Public Health Emergencies	Oppose	Sent to Governor	This legislation as introduced placed possible risk to IECRM members. IECRM worked with the sponsors to get key amendments to make the bill more tolerable.
HB20-1420*	Adjust Tax Expenditures for State Education Fund	Oppose	Sent to Governor	Worked with large coalition to oppose the bill. We were able to work with coalition to get the bill watered down from effects on IECRM members.
SB20-009	Expand Adult Education Grant Program	Monitor	Signed by Governor 7/8	IECRM reviewed this bill and looked to just monitor based on the non-direct impacts to IECRM.
SB20-046	Clarify Double Electrical Inspection Fees If Late	Monitor	Died on the Calendar	IECRM monitored this bill as it was determined it was needed just to clean up language with old statutes.
SB20-080	Consumer Protection Act Damages	Oppose	Postponed Indefinitely	Worked with large coalition to oppose the bill and worked to count the needed votes to kill the bill.
SB20-081	School Information for Apprenticeship Directory	Monitor	Signed by Governor 3/20	IECRM has seen a number of bills that expand the directory for apprenticeships. This bill did not have a direct impact on IECRM.
SB20-093	Consumer and Employee Dispute Resolution Fairness	Oppose	Postponed Indefinitely	IECRM worked with a coalition group to oppose this legislation. Its negative impact on the industry and the arbitration process is the reason for opposition.
SB20-099	Thresholds for Sales Tax Collection Requirements	Monitor	Postponed Indefinitely	With IECRM interest in sales tax placed bill as an actively monitored by IECRM. With the large fiscal note IECRM knew it would have a tough road to passage.
SB20-120	Apprentice Examinations and Professional Licenses	Oppose	Signed by Governor 7/7	Worked with sponsors and stakeholders on several amendments that were adopted to the bill. Provided extensive committee testimony. Funding was stripped from the bill, so implementation may take time.
SB20-138	Consumer Protection Construction Defect Time Period	Oppose	Died on Senate Calendar	Worked with large coalition to oppose the bill and lobby Senators on our opposition to the bill.
SB20-159	Global Warming Potential for Public Project Materials	Amend	Died on Calendar	IECRM worked with construction groups to seek amendments to limit this bill to specific products.

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
SB20-192	Staffing Agency Requirements for Employees	Monitor	Postponed Indefinitely	IECRM monitored this bill to see the impact on a few IECRM members that provide skilled labor to the electrical industry.
SB20-205	Sick Leave for Employees	Oppose	Signed by Governor 7/14	Worked with large business coalition opposing the bill. We knew it was going to pass and were able to get some amendments to address some of the concerns.
SB20-207	Unemployment Insurance	Oppose	Sent to Governor	IECRM worked with a larger coalition to secure key amendments to this legislation. As introduced, it would have placed IECRM members with additional risk of UI benefits.
SB20-215	Health Insurance Affordability Enterprise	Monitor	Signed by Governor 6/30	Engaged with large coalition to oppose the bill and lobby the legislature on the impact this bill will have on the business community.
SB20-216*	Workers' Compensation For COVID-19	Oppose	Postponed Indefinitely	Worked with Pinnacol Assurance and other groups to oppose the bill. Lobbied the Senate on the effects of the bill.
SB20-223	Assessment Rate Moratorium & Conforming Changes	Monitor	Signed by Governor 6/23	IECRM monitored this legislation as it was a companion bill to SCR20-001
SCR20-001	Repeal Property Tax Assessment Rates	Monitor	Passed Both Chambers	IECRM monitored this resolution/legislation for impact.

*indicates priority bill

Link to IECRM 2020 bill tracker for access to complete actions and bill text:

<https://coloradocapitolwatch.com/bill-tracker-votes/0/1557/2020/0/>

To join the IECRM Government Relations Committee, please email info@iecrm.org