

May 10, 2024

The Honorable Jared Polis
Governor of Colorado
200 E. Colfax Denver, CO 80203

Dear Governor Polis,

I am writing on behalf of the Colorado Chamber of Commerce to respectfully request your veto of HB24-1008, Wage Claims Construction Industry Contractors. The Colorado Chamber represents thousands of individual businesses of all sizes and industries, over 70 local chambers of commerce, 49 trade associations and several economic development organizations across the State. We are requesting a veto because the bill creates a more litigious environment for businesses in Colorado, unfairly singles out one industry, and will not prevent wage theft.

To paint a picture, Colorado is currently ranked 38th in the nation for cost of doing business by CNBC. Meaning the cost is among the highest in the nation. The policies adopted by the legislature have a real impact on Colorado's competitiveness in comparison to other states. Through surveys, meetings, and interviews; the Chamber has identified that, because of the punitive nature of legislation like HB24-1008, companies are looking at moving or expanding in states other than Colorado. A veto of HB24-1008 is an opportunity to show businesses in Colorado that decisionmakers care about strengthening Colorado's economy and business climate.

Combatting wage theft in a real way is extremely important to our members, but we must contemplate the economy as a whole and keep Colorado moving forward. While we generally oppose wage theft, HB24-1008 as a policy is problematic and sets a damaging precedent. The legislation attempts to enact joint and several liability to make a Colorado company responsible for the illegal actions of another independent business entity. This is not a solution to combat wage theft; this is an unfair and unnecessary attempt punish good actors for the actions of others. Frankly, this type of policy may even incentivize wage theft because in practice regardless of the behavior of a subcontractor, the general contractor is liable.

HB24-1008 specifically singles out the construction industry. This is concerning for two reasons. First, it is unfair to single out an industry that is so necessary to Colorado's growth and development. Second, it sets the stage to expand joint and several liability to other industries in Colorado which will only stall economic progress. A veto of HB24-1008 will prevent Colorado from unintended consequences that could expand to other industries.

The fact is that Colorado currently has effective and fair solutions to prevent wage theft. The Colorado Department of Labor and Employment (CDLE) already has the authority to investigate and enforce penalties for violations. If there are concerns about a lack of action by CDLE, let's look at resources for the department and build on the authority that already exists. This will lead to better outcomes for employees without making innocent companies joint and severally liable.

There are better and more effective ways to thwart wage theft. For all the reasons mentioned above, the Colorado Chamber of Commerce requests that you veto HB24-1008.

Sincerely,



Loren R. Furman
President & CEO
Colorado Chamber of Commerce