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Legislature Adjourns, Partisanship Prevails...

By

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&

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If there is one political lesson learned from the 2015 legislative session, it is this: Unless consensus can be forged in a split legislature, with one chamber controlled by one party and the other chamber controlled by the other party, very few bills will pass both chambers.

The Session in the Rear-View Mirror

In terms of the lobbying agenda of CACI and the businesses across the State that it represents, defense was the name of the game. If one believes that preventing the legislature from harming the business climate is a success, then the 2015 session was a success.

The session will be long remembered, however, as a particularly frenetic one in which many bills, dealing with major, complex issues, were either introduced late in the session, or not acted on until late if they were introduced earlier in the session. Such issues included:

- Construction-defect reform and affordable housing;
- Converting the hospital-provider fee to a “state enterprise”;
- Transportation funding;
- K-12 education testing reform; and
- Addressing the TABOR surplus.
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Notably, the 2015 session was laced with partisanship and gridlock and could be compared to the divisive [2013](#) and [2010](#) sessions. Both sides of the political aisle played to their electoral bases, and social issues such as abortion and guns were highlighted. In total, the General Assembly introduced 682 bills: 392 in the House and 290 in the Senate.

The session also differed from 2014 during which collaboration was a priority for legislators seeking to pass legislation that impacted businesses, and CACI was able to reach consensus on major pieces of legislation. Unfortunately, the 2015 session brought a far more polarized environment at the State Capitol.

Many bills were introduced in the House that raised significant concerns by CACI’s members and focused on employment and wage issues. These included three minimum-wage proposals that spotlighted, in one way or another, “income inequality,” a national theme that will likely be a focus again in preparation for the 2016 legislative elections.



House and Senate Republicans should be commended for fighting off many anti-business, employment related bills, along with a handful of moderate Democrats, notably Representative Angela Williams (Denver), Tracy Kraft-Tharp (Arvada) and Paul Rosenthal (Denver), who helped defeat three of these bills in the House (HB-1258, HB-1342 and HB-1331).

Other bad-for-business bills that CACI and its business allies successfully defeated included:

Dead SB-275, which could have potentially exposed and encouraged confidential and proprietary business information to be shared with state lawmakers. **Opposed.**

Dead HB-1205, which would have set in motion state studies of business tax incentives without insuring fairness and objectivity. **Opposed**

Dead HB-1258, which would have started Colorado down the path of establishing a massive, worker-funded, state-operated insurance program for paid family medical leave. **Opposed.**

Dead HB-1300, would have allowed localities to set their own minimum wages. **Opposed**

Dead HB-1331, which would have qualified workers earning three times the minimum wage to receive overtime. **Opposed**

Dead HB-1342, which would have allowed workers and former workers unfettered access to personnel files and add rebuttals while excluding any employer information not in the files, thus paving the way for lawsuits against employers. **Opposed**

Dead HB-1346, which would have sought to recover income tax due Colorado when multi-national companies, which operate in Colorado, “shelter” profits generated by their “affiliated corporations” by parking funds in 40 so-called, off-shore “tax havens.” **Opposed**

Dead Senate Concurrent Resolution 3, which, if approved by the legislature by a two-thirds vote in each chamber, would have been placed on the November ballot as a proposed constitutional amendment to increase the state minimum wage. **Opposed**

Dead House Concurrent Resolution 1001, which, if approved by the legislature by a two-thirds vote in each chamber, would have been placed on the November ballot as a proposed constitutional amendment to increase the state minimum wage. **Opposed**

Oil and Gas Debates Press Pause, Uncertainty for 2016 Remains

As the 2015 session began, many expected that oil-and-gas issues might dominate. However, the work of the Task Force Regarding State and Local Regulation of Oil and Gas Operations served to press pause--at least temporarily--on several high-profile debates regarding industry operations.

Ultimately, the task force adopted nine of nearly 60 recommendations, focused largely on better planning, increased cooperation and communication among local communities, the oil and gas industry and regulators, and increased oversight of industry operations. None of the



recommendations called for specific legislation.

Although 2015 has produced so far a quiet year on oil-and-gas issues, it remains to be seen what 2016 will bring. Stakeholders within the industry, the Hickenlooper Administration and from communities and local governments across Colorado acknowledged the Task Force recommendations as workable solutions that will help achieve real compromise. Yet environmental groups quickly denounced the Task Force results and declared intentions to push a 2016 statewide fracking ban.

CACI's 2015 Legislative Agenda

CACI's final 2015 legislative agenda stood at more than 50 bills plus one House Concurrent Resolution and one Senate Concurrent Resolution. In addition, the CACI lobbying team monitored many more bills for their potential impact on the business climate.

[CACI Councils](#) worked diligently with CACI staff to analyze bills and take positions on these bills. A special appreciation goes to the participants of those councils and council chairs:

- Energy and Environment Council, Chaired by John Jacus, Attorney at Davis, Graham & Stubbs
- Governmental Affairs Council, Chaired by Loren Furman, CACI
- Health Care Council, Chaired by Cindy Sovine, Political Consultant
- Labor and Employment Council, Chaired by Stacey Campbell, Attorney at Campbell Litigation
- Tax Council, Chaired by Rhonda Sparlin, Partner, RubinBrown

The following end-of-session report outlines the many bills and positions taken by CACI during the 2015 Legislative Session. For questions regarding this report, please contact Loren Furman at lfurman@cochamber.com or Dan O'Connell at doconnell@cochamber.com.



Energy & Environment Council Bills

[SB 46](#) by Sen. Grantham & Rep. Moreno
[SB 93](#) by Sen. Sonnenberg & Rep. Becker, J.
[SB 119](#) by Sen. Sonnenberg & Rep. Becker, K.C.
[SB 120](#) by Sen. Jones & Rep. Winter
[SB 254](#) by Sen. Grantham & Rep. Lee
[SB 258](#) by Sens. Cooke & Sonnenberg
[HB 1119](#) by Rep. Buck
[HB 1250](#) by Rep. Tyler & Sen. Jones
[HB 1284](#) by Rep. Roupe & Sen. Grantham & Hodge
[HB 1330](#) by Rep. Foote
[HB 1363](#) by Rep. Ginal & Sen. Hill

HealthCare Council Bills

[SB 19](#) by Sen. Sonnenberg & Rep. Nordberg
[SB 123](#) by Sen. Crowder & Rep. Primavera
[SB 197](#) by Sen. Crowder & Reps. Fields & Willett
[HB 1029](#) by Rep. Buck & Sen. Kefalas
[HB 1083](#) by Rep. Primavera & Sen. Crowder
[HB 1297](#) by Rep. Ginal & Sen. Aguilar

Labor & Employment Council Bills

[SB 31](#) by Sen. Hill
[SB 69](#) by Sen. Woods & Rep. Priola
[SB 180](#) by Sen. Neville & Rep. Neville
[SB 269](#) by Sen. Roberts & Rep. Brown
[HB 1133](#) by Rep. Danielson
[HB 1172](#) by Rep. DelGrosso
[HB 1221](#) by Rep. Buckner & Sen. Kerr
[HB 1258](#) by Rep. Winter & Sen. Ulibarri
[HB 1272](#) by Rep. Esgar & Sen. Holbert
[HB 1264](#) by Rep. Salazar & Sen. Kefalas
[HB 1300](#) by Reps. Melton & Moreno
[HB 1331](#) by Rep. Tyler
[HB 1342](#) by Rep. Salazar
[HCR 1001](#) by Reps. Melton & Moreno

Tax Council Bills

[HB 1158](#) by Rep. Pabon & Sen. Holbert
[HB 1180](#) by Rep. Kraft-Tharpe & Sen. Heath
[HB 1205](#) by Rep. Becker & Sen. Hill
[HB 1206](#) by Rep. Singer
[HB 1219](#) by Rep. McCann
[HB 1346](#) by Rep. Foote & Sen. Jones
[SB 141](#) by Sen. Scheffel & Rep. Thurlow
[SB 222](#) by Sen. Scheffel & Rep. Williams
[SB 230](#) by Sen. Scheffel & Rep. Williams

Governmental Affairs Bills

[HB 1057](#) by Rep. Court & Sen. Sonnenberg
[HB 1063](#) by Rep. Pabon & Sen. Balmer
[HB 1154](#) by Rep. Becker & Sen. Hill
[HB 1226](#) by Rep. KC Becker & Sen. Hodge
[HB 1236](#) by Rep. Winter

Bill Name/Description

Reduce Cost Attainment of RES by Elec Utilities
 Compensation for Mineral Interest Holders
 Pesticide Applicators' Act Sunset Review Report
 Electric Grid Modernization Plans
 Renewable Energy Standard & Municipal Utilities
 Coordinated Review of CO2 Emissions State Plan
 Local Governments Liable for Mineral Royalties
 Performance Based Regulation of IOUs
 Community Solar Gardens
 Social Cost of Carbon for Certain Fiscal Notes
 Fortifying Lifeline Infrastructures from EMP

Council Position

Support/**Signed by Gov**
 Support/**Dead**
 Support/**Sent to Gov**
 Oppose/**Dead**
 Support/**Sent to Gov**
 Support/**Dead**
 Support /**Dead**
 Oppose/**Dead**
 Oppose/**Amended**
 Oppose/**Dead**
 Oppose/**Dead**

Bill Name/Description

Increased Audit over Health Benefit Exchange
 Patient Ability to Choose Pharmacies
 Advanced Practice Nurse Prescriptive Authority
 Health Care Delivery Regarding Telemedicine
 Patient Contribution Rehab Services
 Optometrist Health Insurance Contracts

Council Position

Support/**Signed by Gov**
 Oppose/**Dead**
 Support/**Sent to Gov**
 Support/**Signed by Gov**
 Oppose/**Dead**
 Oppose/**Dead**

Bill Name/Description

Reciprocity to Practice Occupations
 Repeal of Job Protection/Civil Rights Act
 Regulatory Reform
 Independent Contractor Unemployment Insurance
 Continuation of Pay Equity Commission
 Elimination of Punitive Damage Awards
 Continuation of Parental Leave Act
 Family Medical Leave Insurance Program
 Prohibits Use of Doctrine of Laches
 Homeless Persons Bill of Rights
 Local Gov'ts to Enact Minimum Wage Laws
 Mandated Overtime Pay
 Access to Employee Personnel Files
 Amendment to Constitution on Minimum Wage

Council Position

Oppose/**Dead**
 Support /**Dead**
 Support/**Dead**
 Support/**Dead**
 Oppose/**Dead**
 Support/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**
 Oppose/**Dead**

Bill Name/Description

Tax Refund for IT Equipment in Data Centers
 Creation of Tax Refund Research & Development
 Tax Expenditure Review Committee
 Refund of Sales/Use Tax Recycling
 EZ Investment Tax Credit Renewable Energy
 Taxation of Corp Income Sheltered in Tax Haven
 Expansion of State Income Tax Credit
 Sales/Use Tax for Rural Broadband
 Property Tax Valuation Method - Phone Companies

Council Position

Support/**Dead**
 Support/**Passed**
 Oppose/**Dead**
 Support/**Dead**
 Support/**Sent to Gov**
 Oppose/**Dead**
 Support/**Dead**
 Support/**Dead**
 Support/**Dead**

Bill Name/Description

Statewide Initiative Process
 Concerning Patents
 Credit Card Interchange Fee
 Retail Food Establishment Fees
 Tax Credit for Improving Energy Efficiency

Council Position

Support/**Passed**
 Support/**Passed**
 Oppose/**Dead**
 Oppose/**Amended**
 Support/**Dead**



[HB 1257](#) by KC Becker & Sen. Hodge
[SB 91](#) by Sen. Scott
[SB 101](#) by Sen. Balmer & Rep. Pabon
[SB 177](#) by Sen. Ulibarri & Rep. DelGrosso
[SB 275](#) by Sens. Lambert, Carroll & Reps. Hullinghorst, Young

Manufacturing/Workforce Develop Bills

[HB 1170](#) by Rep. Kraft-Tharpe & Sen. Hill
[HB 1227](#) by Rep. KC Becker & Sen. Heath
[HB 1230](#) by Rep. Lee & Sens. Heath & Cooke
[HB 1270](#) by Rep. Duran & Sen. Woods
[HB 1275](#) by Rep. Winter & Sen. Marble
[HB 1276](#) by Rep. Pabon & Sens. Heath & Cooke

Eliminate Penalty / Cigarette Licensing
 Statute of Limitations / Construction Defects
 Electronic Wage Payment
 HOA Construction Defect Lawsuit
 Protection of Information Given to Gen. Assembly

Bill Name/Description

Workforce Readiness/Increasing Post-secondary
 Tax Credit for Employers for Student Loans
 Innovative Industry Workforce Dev. Program
 Pathways in Technology / Early College & HS
 Career & Tech Educ in Concurrent Enrollment
 WORK Act

Oppose/**Dead**
 Support/**Dead**
 Support/**Dead**
 Support/**Dead**
 Oppose/**Dead**

Council Position

Support/**Passed**
 Support/**Dead**
 Support/**Passed**
 Support/**Passed**
 Support/**Passed**



Energy & Environment Council

SB 46 Reducing Cost Attainment of Renewable Energy Standards for Rural Electric Associations (Sponsors: Sen. Grantham & Rep. Moreno)

CACI Position: **Support**

Bill Status: Passed in House & Senate. Signed by Governor on 5/1/15

- Under the broad renewable energy standards passed in 2013, some rural electric associations (REAs) faced challenges in complying with the specific requirement that at least 2% of their electricity be generated by retail distributed generation. SB 46 gives these REAs with large industrial loads additional flexibility regarding the technologies they can employ to fully and cost-effectively comply with current standards;
- CACI lobbied and testified in support of this legislation, expressing support for this narrowly focused effort to give REAs more flexibility and control over how they operate their businesses, and highlighting the cost mitigating benefits this legislation will yield to REAs and their customers.

SB 93 Compensating Mineral Interest Holders for Decreased Value of Holdings (Sponsors: Sen. Sonnenberg & Rep. Becker, J.)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 3/16/15

- SB 093 was one of two bills this session that focused directly on oil and gas issues, despite widely held expectations that oil and gas issues might dominate the legislature in 2015. This bill sought to ensure that local governments would be liable for compensating royalty and mineral rights holders if their private property interests in undeveloped oil and gas or other mineral reserves were limited or nullified by local government rules, regulations, or prohibitions on extraction and production operations;
- CACI lobbied and testified in support SB 093, working with oil and gas industry associations and mineral rights holders to convey the importance of private property rights. The bill died on a party line vote in the House “kill” committee known as the Committee on State, Veterans & Military Affairs Committee;

Background: When the 2015 Session began, the Task Force Regarding State and Local Regulation of Oil and Gas Operations worked to meet its end-of-February deadline to approve recommendations for submission to the governor and General Assembly. Governor Hickenlooper created the 21-member task force via executive order shortly after the 2014 Legislative Session, as the potential for highly controversial ballot measures to sharply increase regulations or allow bans on industry operations loomed over the nearing 2014 election cycle;

The task force adopted nine of nearly 60 recommendations, focusing primarily on better planning, increased cooperation and communication among local communities, the oil and gas industry and regulators, and increased oversight of industry operations. None of the recommendations called for specific legislation, although two recommendations called for increased funding for oversight activities, and one called for passage of rule review legislation. It remains to be seen if the work of the task force will dissuade environmental and local control advocates from seeking 2016 ballot measures to limit, ban, or more tightly regulate oil and gas operations.

SB 119 Pesticide Applicators’ Act Sunset Review Report (Sponsors: Sen. Sonnenberg & Rep. Becker, K.C.)

CACI Position: **Support**

Bill Status: Passed in House & Senate. Sent to Governor on 5/6/15

- This legislation continues the Pesticide Applicators’ Act (PAA) until September, 1 2022, and implemented recommendations from the Department of Regulatory Agencies’ sunset review report to add two members to the



Pesticide Advisory Committee for a total membership of 15 and adopt the federal standard of two years for private applicator recordkeeping. The bill also requires the Commissioner of Agriculture to post finalized enforcement actions for violations of the act within 30 days of the final disposition;

- CACI supported this legislation to ensure Colorado’s ongoing compliance with federal law, and that the CO Department of Agriculture retains authority as the state regulator of issues related to pesticide application. While there was debate regarding the duration of the Pesticide Applicators’ Act reauthorization, this legislation had broad bipartisan support during the legislative process.

SB 120 Electric Grid Modernization (Sponsors: Sen. Jones & Rep. Winter)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on Agriculture, Natural Resources & Energy on 2/12/15

- This legislation sought to require retail electricity providers to develop 10-year grid modernization plans that outline how they would achieve measureable progress toward modernization objectives;
- CACI lobbied in opposition to this bill, communicating the duplicative nature of this legislation with existing industry practices and the existing responsibilities of the Colorado Public Utilities Commission.

SB 254 Extending Deadline for Municipal Utilities to Obtain Incentives for Installation of Solar Electric Generation Technology (Sponsors: Sen. Grantham & Rep. Lee)

CACI Position: **Support**

Bill Status: Passed in House and Senate. Sent to Governor on 5/1/15

- Under the Colorado Renewable Energy Standard, municipal utilities are granted a 3-for-1 multiplier credit for how the installation of solar generation projects counts in fulfilling renewable energy requirements. SB 254 extends the deadline for municipal utilities to receive the 3-for-1 multiplier credit for solar generation installations, which would have otherwise expired on July 1, 2015;
- CACI supported this bill and similar legislation aimed at providing electricity generators more control over their operations and more flexibility in how they comply with renewable energy mandates.

SB 258 Coordinated Review of State Plan for Federal CO2 Emissions Reduction Compliance (Sponsors: Sen. Cooke, Sonnenberg & Rep. Dore)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 5/4/15

- SB 258 would have required that before Colorado could adopt a state plan for the implementation of the Clean Power Plan’s carbon emissions reductions required by rules under Section 111-d of the Clean Air Act, the plan must be reviewed at the Colorado Public Utilities Commission to determine the plan’s impact on electricity rates, energy reliability, and the state economy. The bill would have also required the state plan to be adopted by both chambers of the General Assembly by a simple majority vote;
- CACI lobbied in support of SB 258, joining a coalition of electricity generators and consumer businesses who hold strong concerns regarding the nature of the pending Clean Power Plan rules, and the potential that their implementation could result in substantial and harmful impacts on electricity rates, energy reliability and the boarder state economy. Given the sweeping changes likely to be included in the final Clean Power Plan rules, CACI supported the bill to ensure the state plan is transparent and has proper legislative oversight.



HB 1119 Local Gov't's Required to Compensate Royalty Holders Affected by Fracking Ban (Sponsor: Rep. Buck)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans, & Military Affairs on 2/25/2015

- HB 1119 was one of two bills this session that focused directly on oil and gas issues. The bill sought to ensure that local governments would be liable for compensating royalty and mineral rights holders if their private property interests in undeveloped oil and gas or other mineral reserves were limited or nullified by local government rules, regulations, or prohibitions on oil and gas operations;
- CACI lobbied and testified in support of this bill and worked with oil and gas industry associations and mineral rights holders to convey the importance of private property rights. The bill died on a party line vote in the House "kill" committee known as the Committee on State, Veterans & Military Affairs.

HB 1250 Performance Based Regulation of Investor Owned Utilities (Sponsors: Rep. Max Tyler & Sen. Jones)

CACI Position: **Oppose**

Bill Status: Died in House Committee on Appropriations on 4/24/15

- This legislation sought to establish statutory precedent for the consideration of certain environmental goals and factors when establishing rates for investor-owned public utilities. The bill also directed the Public Utilities Commission to conduct an open investigatory proceeding to explore alternative utility revenue models and to report those findings to the General Assembly for consideration;
- CACI lobbied and testified in opposition to this bill, communicating the duplicative nature of this legislation with existing industry practices and statutory and regulatory frameworks, as well as the potential unintended consequences such as energy cost increases that could stem from additional state mandates regarding new generation technologies or practices, and tighter timelines for their implementation.

HB 1284 Expanding the Scope of Community Solar Gardens (Sponsors: Reps. Winter, Roupe & Sens. Grantham, Hodge)

CACI Position: **Oppose**

Bill Status: Passed in House and Senate. Sent to Governor on 5/1/15

- As introduced, HB-1284 sought to allow community solar gardens to reach subscribers in contiguous counties, to increase the minimum subscriber requirements, and to change the definition of "community solar garden" to allow multiple solar generation facilities within a single solar garden;
- Ultimately this bill was amended down to include only the provision allowing community solar gardens to reach subscribers in contiguous counties, regardless of their population. Despite the amendment to limit this bill's impact, CACI members remained concerned that the changes included in HB-1284 exceeded the intent and purpose of the community solar garden program so as to allow community solar garden facilities to operate as utilities under the guise of the community solar garden designation. Other concerns included cost shifting from community solar garden operators and subscribers to existing utilities and their customers.

HB 1330 Including the Social Cost of Carbon in Certain Legislative Fiscal Notes (Sponsor: Rep. Foote)

CACI Position: **Oppose**

Bill Status: Died in House Committee on Legislative Council on 4/24/15

- HB 1330 sought to require legislative council staff to include the social cost of carbon emissions within the legislative fiscal note for certain bills or resolutions addressing electricity generation;



- CACI lobbied in opposition to HB 1330 based on members’ concerns with the technical ability of legislative council to generate a valid and reliable estimate regarding the social cost of carbon, and that this bill would require a biased process, predisposed to focus only on the costs of carbon based electricity generation without considering the benefits of affordable and reliable energy sources to the broader economy.

HB 1363 Fortifying Lifeline Infrastructures Against Large-Scale Electromagnetic Disturbances (Sponsors: Rep. Ginal & Sen. Hill)

CACI Position: **Oppose**

Bill Status: Died in House Committee on Transportation and Energy on 4/29/15

- As introduced, HB-1363 created a new definition for “lifeline infrastructures” that included electric, water, and gas utilities, telecommunications networks, and irrigation networks, and required the Public Utilities Commission (PUC) to examine and make recommendations for the mitigation of network vulnerabilities against large-scale electromagnetic disturbances such as severe solar flares or electromagnetic pulse (EMP) attacks;
- CACI lobbied and testified against HB 1363, highlighting the redundant nature of this legislation given the multiple federal agencies currently considering the risks to national security posed by EMP disturbances and attacks.

HealthCare Council

SB 19 Expanding Authority of State Auditor to Conduct a Performance Audit of the Colorado Health Benefit Exchange (Sponsors: Sen. Sonnenberg & Rep. Nordberg)

CACI Position: **Support**

Bill Status: Passed in House & Senate. Signed by Governor on 4/3/15

- This legislation gives the Office of the State Auditor the authority to conduct a full performance audit of the Colorado health benefit exchange, known as Connect for Health Colorado;
- As the 2015 legislative session began, Connect for Health Colorado was facing strong scrutiny in the press and at the General Assembly, as a limited audit of exchange responsibilities and expenditures released in late 2014 uncovered numerous questions on the use of funds. SB 19 aimed at increasing the transparency of exchange operations and oversight over exchange expenditures.

SB 123 Patient Ability to Choose Willing Pharmacy to Fill Prescriptions for Specialty Drugs (Sponsors: Sen. Crowder / Rep. Primavera)

CACI Position: **Oppose**

Bill Status: Died on Senate Second Reading on 2/20/15

- SB 123 sought to allow any willing pharmacy to become designated as a certified specialty pharmacy authorized to fill high-cost, complex specialty drugs. Due to the high cost and extremely perishable nature of many specialty drugs, health insurance carriers often contract with specialty pharmacies that are properly equipped to handle, store, administer, and provide comprehensive patient support to patients that require specialty drugs;
- CACI opposed this bill along with a coalition of health insurance providers to communicate the concerns that this legislation would infringe upon health insurers’ freedom to contract in the specialty pharmacy realm, therefore undercutting current cost-saving and quality-control benefits. The bill died during a division vote during Second Reading on the Senate floor.



SB 197 Prescriptive Authority for Advanced Practice Nurses (Sponsors: Sen. Crowder / Reps. Fields & Willett)

CACI Position: **Support**

Bill Status: Passed in House & Senate. Sent to Governor on 4/29/15.

- This bill makes several changes regarding the prescriptive authority of advanced practice nurses (APN), allowing APNs to gain prescriptive authority upon graduation and passage of the certification exam, and reducing the hours of the prescribing mentorship required for an APN to gain full prescriptive authority from 1,800 hours to 1,000 hours;
- After a compromise was reached on changes to the introduced bill, SB 197 had unanimous support during the legislative process.

HB 1029 Coverage Under a Health Benefit Plan for Telehealth Services (Sponsors: Reps. Buck, Ginal & Sens. Kefalas & Martinez-Humenik)

CACI Position: **Support**

Bill Status: Passed in House & Senate. Signed by Governor on 3/20/15

- HB 1029 clarifies the statutory authority for the use of telehealth services in all geographic regions, and establishes that health insurance carriers must reimburse health service providers who deliver care via telehealth on the same basis that the carrier is responsible for coverage for in-person services;
- Numerous technical amendments were required to ensure this legislation achieved its desired impact without creating unintended consequences for patients, health service providers or insurance carriers. Upon the adoption of these amendments, CACI took a support position for HB 1029 and use of cost-efficient, technology-based telehealth services in Colorado.

HB 1083 Limits on Copayments for Physical Rehabilitation Services (Sponsors: Rep. Primavera & Sen. Crowder)

CACI Position: **Oppose**

Bill Status: Passed in House & Senate

- HB 1083 as introduced would have limited the cost sharing impact of co-payments for physical rehabilitation, occupational therapy, and chiropractic services to 50% of what the health provider is paid by the insurance carrier. Carriers would have also been prohibited from classifying these services as specialty services;
- CACI led a coalition of Health Care Council members to strongly oppose the introduced version of HB 1083. The legislation would have interfered with insurers' freedom of contract and limited the cost-sharing impact of copayments for the listed services. The bill would have resulted in cost shifting across the health care market place and increased health insurance premiums for businesses and their employees. CACI opposed similar legislation in 2014, which was vetoed by Governor Hickenlooper;
- After several hearings in the House Health, Insurance and Environment Committee, HB 1083 was ultimately amended to only require that the CO Commission on Affordable Health Care study the issue of copayments and impact on access to rehabilitation services. The bill initially died in the Senate Appropriations hearing, however, it was reconsidered after the appropriation was reduced from over \$200,000 to \$25,000. The amended bill was passed on the final day of Session.



HB 1297 Optometrists Health Insurance Contracts (Sponsors: Reps. Ginal, Joshi & Sens. Aguilar, Lundberg)

CACI Position: **Oppose**

Bill Status: Died on House Second Reading on 4/21/15. Laid over to 5/11/2015.

- HB 1297 sought to prohibit health and vision insurance carriers and optometrists from charging fees for certain services and corrective lenses; requiring discounts on certain non-covered services and products; requiring that optometrists participate in a carrier’s other plans or other networks; and or requiring that optometrists use specific optical labs. Violation of any these prohibitions would have been deemed an unfair and deceptive practice and subject to penalties;
- Despite an oppose position, CACI worked closely with the bill’s legislative sponsors, proponents and opponents of this legislation in seeking a compromise. CACI’s Health Care Council took an OPPOSE position on the bill based on concerns that the bill was an attempt to legislate the terms and conditions of contracts between two private business entities in ways that would result in cost shifting across the health insurance marketplace;
- The bill sponsors laid the bill over until the end of session, effectively killing the bill, after it became clear that the parties were unable to agree upon compromise legislation.

HB 1389 Create Hospital Provider Fee Enterprise (Sponsors: Reps. Hullinghorst, Court & Sen. Steadman)

CACI Position: **Support**

Bill Status: Died in Senate Committee on State, Veterans and Military Affairs on 5/5/15

- HB 1389 would have made a technical change to the classification of state revenues associated with Hospital Provider Fees under the Tax Payers Bill of Rights (TABOR). Had HB-1389 passed, the Health Care Affordability Enterprise (enterprise) would have been created within the Dept. of Health Care Policy and Financing (HCPF). By designating the Health Care Affordability Enterprise as an enterprise under TABOR, hospital provider fee revenue collected by the enterprise would have no longer been subject to the state's TABOR limit;
- In effect, this bill’s passage would have decreased state revenue subject to TABOR by \$722.7 million in FY 2016-17. The state TABOR surplus for FY 2016-17, forecast at \$434.9 million, would have been eliminated, and state revenue subject to TABOR would have fallen below the Referendum C cap by \$287.8 million. Therefore, the TABOR refund expected to occur under current law in tax year 2017 would not have been triggered. As a result, the State of Colorado would have gained significantly more flexibility under TABOR to dedicate state funds toward vital state priorities in place of carrying out the TABOR refunds required if hospital provider fee revenues continue to count against the TABOR revenue limits;
- This legislation, sponsored by the House Speaker, Dickey Lee Hullinghorst, died after failing to gain the necessary bipartisan support. Republican leadership in both chambers prioritized the protection of TABOR refunds as the 2015 legislative session began.

Labor & Employment Council

SB 31 Reciprocity to Practice Occupations (Sponsors: Senator Hill)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on Business, Labor & Technology on 1/28/15

- HB 31 would have allowed any individual authorized to practice certain professions or occupations in another state to practice in Colorado for up to one year without having to receive approval from a regulatory agency;



- CACI’s Labor & Employment Council took an OPPOSE position to the bill based on concerns that out-of-state individuals would be treated differently than those who were already required to be regulated in Colorado.

SB 69 Repeal Provisions of Civil Rights Enforcement Act (Sponsors: Senator Woods & Rep. Priola)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 4/20/15

- SB 69 would have repealed provisions of current law relating to remedies for employment discrimination which were adopted during the 2013 Legislative Session through HB 13-1136.
- CACI supported this bill because it is concerned that the current statute will create long-term litigation costs for employers across the State.

SB 180 Regulatory Reform (Sponsors: Senator Neville & Representative Neville)

CACI Position: **Support**

Bill Status Died in House Committee on State, Veterans & Military Affairs on 3/30/15

- SB 180 would have provided for special enforcement provisions under the APA for certain small businesses that experience a minor violation of an administrative rule. The bill also required state agencies to create fact sheets to help businesses comply with new rules;
- Similar legislation has been attempted during the last three legislative sessions without success. Unfortunately, HB 180 was sent to the House “kill” committee after it passed the Senate.

SB 269 Independent Contractor Unemployment Insurance (Sponsors: Sen. Roberts & Rep. Brown)

CACI Position: **Support**

Bill Status: Died in House Committee on Local Government on 5/5/15.

- SB 269 would have repealed current standards for determining independent contractor status under the current Employment Security Act, and established a multi-factor test to determine whether an individual is an employee or independent contractor. The bill outlined 11 criteria to meet the test, and an individual who met six or more of the criteria, by a preponderance of the evidence, would be considered an independent contractor for Unemployment Insurance purposes;
- CACI testified in support of the bill which was met with significant opposition in the House by organized labor representatives. Strangely, the bill was assigned to House Local Government Committee where there was no local government correlation and promptly died on a party line vote.

HB 1133 Continuation of Pay Equity Commission (Sponsors: Rep. Danielson)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on State, Veterans, & Military Affairs on 4/6/1

- The Pay Equity Commission was created in 2010 and is scheduled to sunset on July 1, 2015. In January 2015, the Senate Committee on Business & Labor reviewed the sunset review conducted by the Department of Regulatory Affairs and determined that the Commission should not be continued. Despite that decision, the proponents introduced HB 1133 to attempt to continue the Pay Equity Commission which required funding through gifts, grants and donations;
- CACI opposed and testified against this bill based on lack of specific outcomes reached during the five years of the Commission’s existence; lack of participation by Commission members; and lack of committed funding through gifts, grants and donations.



HB 1172 Elimination of Punitive Damages Awards/Civil Rights Enforcement Act (Sponsor: Rep. DelGrosso)

CACI Position: **Support**

Bill Status: Died in House Committee on Judiciary on 2/19/15

- Under current law passed through HB 13-1136, an employee may file an employment discrimination claim and seek compensatory and punitive damages in state court after pursuing administrative relief through the Colorado Civil Rights Division. HB 1172 would have eliminated punitive damages as a remedy in these employment discrimination cases;
- This was a priority bill introduced by CACI in an effort to alleviate some of the litigation costs anticipated for employers through the passage of HB 13-1136. Despite CACI's outreach efforts, the opponents of the bill were unwilling to agree to any changes to the current law including those in HB 1172. The bill died in its first committee of reference.

HB 1221 Continuation of Parental Leave Program (Sponsors: Rep. Buckner & Senator Kerr)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on State, Veterans, & Military Affairs on 3/25/15

- In 2009, the Parental Leave Act was adopted which required private sector employers with 50 or more employees to provide 18 hours of leave per academic year to workers who are parents to attend parent-teacher conferences, or meetings related to special education, dropout prevention, attendance, truancy and disciplinary issues. Considerable efforts were expended between CACI and the proponents to reach a compromise on that legislation, and the law is scheduled to sunset on September 1, 2015;
- This Session, HB 1221 was introduced with the goal of continuing the parental leave law. However, the sponsors expanded the legislation to apply to pre-school children as well as the types of activities for which a worker could take time off from work to attend. HB 1221 also did not include a sunset provision which was provided in existing law to evaluate its purpose;
- The expansion of the current law raised concerns for CACI's Labor & Employment Council which took an OPPOSE position on the bill. The bill died in the Senate Committee on State, Veterans and Military Affairs.

HB 1258 Creation of Family Medical Leave Insurance Program (Sponsors: Rep. Winter & Senator Kerr)

CACI Position: **Oppose**

Bill Status: Died on House Third Reading on 4/30/15

- HB 1258 is the 2nd attempt in the last two legislative sessions to create a new government program within the CO Department of Labor requiring workers to receive a wage replacement for up to 12 weeks of leave annually. Each employee would be mandated to pay a premium based on yearly wages and all employers would be required to administer the program. Additionally, a solvency surcharge could be imposed on workers to keep the program solvent. The bill also required an evaluation to determine whether the program was feasible;
- Based on the significant cost to the State to create this program, the bill was amended to reduce the fiscal impact by requiring the evaluation to be paid for by gifts, grants and donations or federal funding;
- CACI opposed this bill based on concerns that the program would not align with the Federal Family Medical Leave Act which applies to employers with 50 or more employees, and would require all employers and employees to comply with this legislation;
- The bill also required employers to guarantee the same or equivalent position for the employee when they return – a costly mandate for businesses that do not have the resources to hold a position or hire an additional worker for up to 12 weeks of leave;



- The bill died after significant debate on 3rd Reading on the House Floor by a bi-partisan vote, including all Republicans and two Democrats: Rep. Angela Williams (D) and Rep. Tracy Kraft-Tharpe (D).

HB 1272 Prohibits Use of Doctrine of Laches (Sponsors: Rep. Esgar & Senator Holbert)

CACI Position: **Oppose**

Bill Status: Died in House Committee on Judiciary on 3/24/15

- This bill would have prohibited the courts from applying the doctrine of laches in certain judicial cases. Laches is currently an equitable defense, and the courts can invoke the doctrine of laches in cases where there has been an unreasonable delay in the filing of a claim;
- The CACI Labor & Employment Council took an OPPOSE position to this bill because the doctrine of laches is a long-standing legal doctrine that attorneys still use in legal proceedings and CACI members believe it is an important doctrine to maintain. The sponsor of the bill chose to kill her bill in the first committee of reference based on opposition to the bill.

HB 1264 Homeless Persons’ Bill of Rights (Sponsors: Rep. Salazar & Senator Kefalas)

CACI Position: **Oppose**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 4/27/15

- This bill would have established a private right of action by homeless individuals for civil relief if the individual believed their rights were violated. The bill allowed for various remedies including injunctive and declaratory relief, restitution for the loss of property, actual damages, and compensatory damages up to \$1,000 per violation;
- The bill would have permitted homeless individuals to use public space in the same manner as any other person. Public spaces, as defined in the bill, included “any property partially or wholly owned by a state or local government and any other property with an easement for public use”;
- CACI’s Labor & Employment Council took an OPPOSE position to the bill based on the definition of “public in the bill and the potential for increased lawsuits against private business owners. CACI joined the CO Municipal League and other interest groups in opposition to the bill which died on a bi-partisan vote in the first committee of reference.

HB 1330 Allowing Local Govt’s to Enact Minimum Wage Laws (Sponsors: Reps. Melton & Moreno)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on State, Veterans, & Military Affairs on 4/15/15

- HB 1330 would have given local governments the ability to set their own minimum wage rates within their jurisdictions which would have been higher than the State's minimum wage rate;
- CACI, the CO Restaurant Association and other interest groups opposed the bill based on concerns that it would create an un-level playing field between local jurisdictions and compliance and employee recruitment problems for businesses across the State;
- The bill was passed in the House but sent to the Senate’s “kill” committee known as the Senate Committee on State & Veterans Affairs, where it died.

HB 1331 Mandated Overtime Pay Salaried Workers (Sponsors: Rep. Tyler & Senator Merrifield)

CACI Position: **Oppose**

Bill Status: Died on House Second Reading – Laid over until 6/21/15

- HB 1331 would have pre-empted the federal Fair Labor Standards Act (FLSA) and changed the minimum wage standard for hourly employees receiving overtime. Regardless of current exempt (salaried) or non-exempt (hourly) status, any employee making less than \$51,355 would become statutorily required to make an hourly wage and receive overtime after 40 hours;



- An amendment added by the sponsor exempted several groups of workers, including elected officials and legislators. Because 1331 was tied to the state minimum wage as adjusted for inflation, the threshold would have changed each year. President Obama was also expected to announce a new federal threshold for overtime between February and April, 2015;
- CACI's Labor Council took an OPPOSE position on the bill which died on House Second Reading thanks to the help of all of the Republicans who opposed the bill, as well as three Democrats which included: Representatives Williams (D), Kraft-Tharp (D) and Rosenthal (D).

HB 1342 Access to Employee Personnel Records (Sponsor: Rep. Salazar)

CACI Position: **Oppose**

Bill Status: Died on House Second Reading on 4/23/15

- HB 1342 would have allowed a current or former employee to inspect or request copies of their personnel file from their employer. The State, political subdivisions, and financial institutions were exempted from the bill. It also allowed an employee to include written rebuttal information in their file. If an employer failed to comply with the bill, the following applied:
 - personnel information not provided in an inspection could *not* be used by employer during legal proceedings;
 - employee was entitled to attorney fees if their civil action to obtain a court order requiring the production of documents prevails;
 - A court or administrative law judge could impose penalties on the employer if it could be demonstrated that the employer intended to conceal personnel documents.
- CACI's Labor & Employment Council took an OPPOSE position based on concerns that the bill established unnecessary litigation procedural hurdles by denying the use of personnel records in a future court proceeding simply because a document was not in the file at time of inspection. Additional concerns were that files can include information on other co-workers and access to that information could disclose confidential information subjecting an employer to further litigation;
- The bill died on the House Second Reading thanks to the help of all of the Republicans who opposed the bill, as well as two Democrats which included: Representatives Williams (D), and Kraft-Tharp (D).

HCR 1001 Amendment to Constitution on Minimum Wage (Sponsors: Reps. Melton & Moreno)

CACI Position: **Oppose**

Bill Status: Died on House Third Reading on 3/31/15

- This concurrent resolution would have created a referred measure for the November 2016 ballot. The intent of the measure was to amend the Colorado Constitution to increase the statewide minimum wage from \$8.23 to \$12.50 by January 1, 2020 as follows:
 - \$9.50 on January 1, 2017
 - \$10.50 on January 1, 2018
 - \$11.50 on January 1, 2019
 - \$12.50 on January 1, 2020
- The resolution also stated that beginning Jan. 1, 2021, the minimum wage would be increased annually for inflation using the Consumer Price Index;
- The Concurrent Resolution required a two-thirds vote of the House of Representatives, however, the Resolution failed based on a lack of proper votes for passage. CACI opposed this legislation based on the same concerns outlined above for HB 1300.



Tax Council

HB 1158 Tax Refund for IT Equipment in Data Centers (Sponsors: Reps. Pabon, DelGrosso & Sen. Holbert)

CACI Position: **Support**

Bill Status: Died on Senate Third Reading on 5/6/15

- HB 1158 was a priority bill introduced by CACI, the CO Technology Association and other CACI member companies for the second legislative session in a row. During the 2014 Session, the bill passed successfully out of the House but was assigned to four committees of reference during the last two days of Session, effectively killing the bill based on lack of time for passage;
- HB 1158 involved significant stakeholder work throughout the summer and fall of 2014 and created a sales & use tax incentive on IT equipment for taxpayers who own or operate a new or refurbished data center. Several guardrails were included in the legislation to address concerns raised in 2014 which included: an increased amount of the investment by taxpayers; significant reporting and data requirements by a taxpayer; ensuring that the incentive was only available prospectively; and capping the amount of the incentive;
- The bill ran into problems this Session based on resistance by House members as well as concerns with the fiscal impact to the State. The coalition's lobby team saved the bill from being defeated in the House Appropriations Committee by amending the bill to allow for the Joint Technology Committee (a year-round legislative cmte) to review the benefits that a data center tax incentive would bring to State & local government;
- Unfortunately, the bill died on the Senate Floor during Third Reading due to lack of support by Senate members. The members of the Joint Technology Committee stated that a review of data center benefits to the State can be considered by the committee without legislation.

HB 1180 Sales & Use Tax Refund for Medical & Clean Tech (Sponsors: Rep. Kraft-Tharp & Sen. Heath)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- This bill reinstates the sales and use tax refund for clean technology and medical device firms with 35 employees or less. The refund must be claimed between January 1 and April 1 in the year following the date sales taxes were paid. The refund is for sales taxes paid on equipment used for the research and development of clean technology or medical technology and is limited to \$50,000 per taxpayer per year. Taxpayers will be allowed to claim the refund for sales taxes paid between January 1, 2015, and December 31, 2019.

HB 1205 Creation of Tax Expenditure Review Committee (Sponsors: Reps. K.C. Becker, Saine & Senators Hill & Johnston)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on Appropriations on 4/28/15

- HB 1205 would have created a new committee to review evaluations of tax expenditures made by the State Auditor's staff and a contractor hired by the state auditor. The evaluation would include: purpose, goal of the expenditure; beneficiaries; whether expenditure accomplished its goal; economic impact; whether it's effective & consistent with best practices; whether other tax expenditures or state programs are being coordinated with the tax expenditure under review; opportunities to improve its effectiveness; if there is limited data to determine its effectiveness; an explanation of performance measures used to accomplish goal; whether the behavior would have occurred without the expenditure; and whether the expenditure is a cost-effective use of state resources;



- The expenditures would have been reviewed based on the oldest enacted and would include less than five per year. The committee would be tasked with considering the evaluations and recommending legislation to repeal, continue or modify the tax credits, exemptions;
- CACI's Tax Council took an OPPOSE position based on concerns by CACI members that included:
 - potential targeting of certain industries;
 - lack of predictability for planning of business practices;
 - a biased review by a third party contractor hired by the Auditor's Office; and
 - lack of language in the bill directing the review to include positive economic impacts of tax credits and expenditures.

HB 1206 Sales & Use Tax Refund for Recycling Equipment (Sponsors: Representative Singer)

CACI Position: **Support**

Bill Status: Died in House Committee on Finance on 3/18/15

- HB 1206 created a sales and use tax refund on taxes paid on machinery and equipment used for recycling purposes. The refund would have been available for taxes paid between January 1, 2015 and December 31, 2019. Despite the small fiscal impact to the State, this bill failed to move beyond the House Finance Committee.

HB 1219 Enterprise Zone Investment Tax Credit for Renewable Energy (Sponsors: Reps. McCann; Becker J. & Senators Hodge; Sonnenberg)

CACI Position: **Support**

Bill Status: Passed in House and Senate. Sent to Governor on 5/11/15.

- HB 1219 is similar to legislation introduced during the 2014 Session with a few modifications to address last year's fiscal impact. HB 1219 as amended allows a taxpayer that has a renewable energy project in an enterprise zone, and receives an Enterprise Zone Investment Tax Credit (ITC), to receive a refund of the credit;
- The amount of the refund equates to 80 cents for every dollar of the ITC credit and is capped at \$750,000 per year per taxpayer. The refund applies to investments made on or after January 1, 2015. Based on the modifications to this legislation, which reduced the fiscal impact to the State, the bill passed successfully through both the House and Senate.

HB 1346 Taxation of Corporate Income Sheltered in Tax Havens (Sponsors: Rep. Foote, Pettersen & Senator Jones)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on State, Veterans, & Military Affairs on 5/1/15

- HB 1346 was introduced late during the Session and was an attempt to penalize companies that are believed to be avoiding Colorado tax. However, the bill if passed, would have changed 30 years of long-standing tax policy and would have adversely affected the tax filing status of thousands of legal entities that have nothing to do with tax havens;
- CACI's Tax Council took an OPPOSE position on this bill because it failed to distinguish between legitimate taxpayers and companies trying to evade CO taxes. Concerns were also raised by CACI's members as to its impact on economic development. The bill created a black-list of countries which is an approach that is not broadly accepted by other states or the federal government. The bill had opposition by the World Trade Center and the CO Office of Economic Development based on these reasons as well;
- The bill passed in the House on a party-line vote with all Republicans voting against the bill and Democrats voting in favor. In the Senate, where Republicans hold a majority, it was assigned to the Senate's "kill" committee where it died on a party-line vote. CACI had a tremendous amount of support from the Council on State Taxation (COST), the Organization for International Investment (OFII) and the World Trade Center. All of these organizations provided testimony and outreach to legislators which made a difference in defeating this anti-taxpayer bill.



SB 141 Expansion of State Income Tax Credit (Sponsors: Senator Scheffel & Rep. Thurlow)

CACI Position: **Support**

Bill Status: Died in House Committee on Finance on 5/1/15

- SB 141 would have increased the state income tax credit on personal property to include up to a \$16,000 threshold amount of personal property or the inflation-adjusted amount, whichever is greater. The current threshold amount is \$15,000. Each year thereafter, the bill would have increased the threshold by an additional \$1,000 or the inflation-adjusted amount. The bill was unsuccessful due to the fiscal impact to the State, which was estimated to be \$1.4 million by legislative council staff.

SB 222 Sales & Use Tax Refund for Rural Broadband Limit (Sponsors: Sen. Scheffel & Rep. Williams)

CACI Position: **Support**

Bill Status: Died in House Committee on Appropriations on 5/5/15

- Current law allows broadband Internet providers the ability to claim a state sales and use tax refund for equipment used to provide broadband services in areas with a population of less than 30,000. The current total refund allowable is \$1 million annually. SB 222 would have increased the refund limit to \$2.5 million in 2015, \$4.0 million in 2016 and \$5.0 million in 2017 and future years. The bill was lost in the House Committee on Appropriations.

SB 230 Property Tax Valuation Method/Phone Companies (Sponsors: Sen. Scheffel & Rep. Williams)

CACI Position: **Support**

Bill Status: Died in Senate Committee on Appropriations on 4/17/15

- In accordance with current law, the intangible property of state assessed utilities is part of the assessed value of the company and is subject to property tax. SB 230 would have phased in an exemption from property tax of all state assessed intangible personal property for phone companies;
- The bill provided for an exemption of 20% of intangible property for phone companies beginning the tax year 2015 with additional 20% increments in later fiscal years until all of the intangible property becomes exempt. The bill was lost in the Senate Committee on Appropriations based on the projected fiscal impact to the State.

Government Affairs Bills

HB 1057 Statewide Initiative Process (Sponsors: Rep. Court & Sen. Sonnenberg)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- HB 1057 as amended requires that the House Legislative Council Staff prepare initial fiscal impact statements for all measures submitted to the title board that are certified for the statewide ballot. The statement must include an abstract that describes the measure’s effect on state and local government revenues, expenditures, taxes and fiscal liabilities as well a fiscal impact summary. The bill requires the staff to submit the statement to the proponents of the measure and the title board and to post it on the Legislative Council Staff website;
- The bill also requires two representatives of the proponents to appear at all review and comment meetings. If the representatives fail to appear, then the initiative is withdrawn;
- The bill initially failed on a Senate Third Reading vote, however, a Senator chose to change his vote, so a Motion to Reconsider was adopted by the Senate which allowed for the bill’s passage.



HB 1063 Prohibited Communications Concerning Patents (Sponsors: Rep. Pabon & Sen. Balmer)

CACI Position: **Support**

Bill Status: Passed in House & Senate.

- HB 1063 protects businesses and patent holders by clarifying what must be in a patent demand letter, including patent number and area of alleged patent infringement. Additionally, the patent cannot have expired, demand letters must be for current patent holder and letters cannot threaten lawsuit without filing in court. By using the CO Attorney General to determine if demand letters are legal, 1063 ensures businesses can use the state’s expertise without expending precious time, energy and capital against frivolous suits from “patent trolls”;
- CACI sought feedback from the U.S. Patent Trademark Office Director, and also worked with a wide coalition of stakeholders in support of this bill including: universities and tech-transfer institutions, pharmaceutical and bio-medical interests, the Colorado Competitive Council (C3), the Colorado Bankers Association and businesses of all types and sizes affected by patent trolls.

HB 1154 Credit Card Interchange Fee (Sponsors: Rep. J. Becker & Sen. Hill)

CACI Position: **Oppose**

Bill Status: Died in House Committee on Finance on 3/4/15

- HB 1154 would have prohibited the application of an interchange fee to the portion of the total amount of a credit or debit card sale based on any state, local or district sales taxes applicable to the sale. The bill also allowed for civil actions and penalties against violators of the law;
- CACI’s Governmental Affairs Council took an OPPOSE position to this bill based on concerns that the bill would create costs and complications for companies attempting to comply with the law, as well as potential interference with contracts reached between financial institutions and businesses that conduct a sale. CACI teamed up with the banking institutions and associations to defeat this bill.

HB 1226 Retail Food Establishment Fees (Sponsor: Rep. KC Becker & Senator Hodge)

CACI Position: **Oppose as Introduced**

Bill Status: Passed in House and Senate.

- Under current law, the license fees for retailers are set in statute. HB 1226 removes the fees from statute and requires the State Board of Health within the Department of Public Health & Environment to set the fees through rule-making;
- CACI Governmental Affairs Council took an OPPOSE position on the bill based on concerns raised by retailers who prefer the current fee-setting process. After several meetings with the House sponsor, a compromise was reached on the legislation and amendments were adopted to resolve concerns.

HB 1236 Tax Credit for Improving Energy Efficiency (Sponsors: Rep. Winter & Sen. Martinez-Humenik)

CACI Position: **Support**

Bill Status: Died in Senate Committee on Finance on 5/1/15

- HB 1236 as amended created a non-refundable income tax credit for the construction, remodeling and improvement of multi-family residential and commercial buildings as well as affordable housing projects assuming those projects met certain standards of energy efficiency.
The credit was capped per building per year and was based on square footage and certification;
- The bill died in the Senate Committee on Finance most likely due to the estimated fiscal impact by legislative council.



HB 1257 Elimination of Penalty to Increase Compliance on Cigarette Sales (Sponsors: Rep. KC Becker & Sen. Hodge)

CACI Position: **Oppose**

Bill Status: Died in Senate Committee on Business, Labor & Technology on 4/28/15

- HB 1257 would have eliminated the prohibition on local governments that currently levy fees or taxes on the sale of cigarettes from receiving a portion of state cigarette tax revenue. Currently, local governments receive a certain percent (27%) of the State’s cigarette tax revenue and that distribution of revenue is based on where the sale is made. This arrangement was established several years ago between retailers and local governments;
- CACI took an OPPOSE position on this bill based on concerns that the bill would change a long-standing agreement reached between the parties on cigarette tax distribution. Concerns were also raised by cigarette distributors who have to change their current stamping and distribution process, which would have increased costs for those companies.

SB 91 Reducing Statute of Limitations on Construction Defects (Sponsors: Sen. Scott & Rep. Willett)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 4/22/15

- SB 91 would have reduced the current statute of limitations from 8 years to 6 years for taking legal action against a construction professional which included: an architect, contractor, builder, building vendor, engineer or inspector. The bill as amended reduced the period to 5 years for building professionals involved in the construction of single family homes;
- This bill was introduced in an attempt to reduce some of the litigation that Colorado is experiencing with construction defect lawsuits in the State. On average, most construction defect claims are filed before the current statute of limitations period of 8 years.

SB 101 Electronic Wage Payment (Sponsors: Senator Balmer & Rep. Pabon)

CACI Position: **Support**

Bill Status: Died in House Committee on State, Veterans & Military Affairs on 3/18/15

- Currently, employers can pay an employee in cash, check or direct deposit in accordance with the Colorado Wage Act. Employers may also use a paycard to pay their employees as long as the employee has the option to use another legal form of payment;
- SB 101 as amended would have clarified that an employee’s written permission is needed to be paid by direct deposit. The bill also defined a paycard, and placed additional controls on paycards as amended. The bill died based on concerns with how the bill was amended from the introduced version of the bill.

SB 177 HOA Construction Defect Lawsuit Approval Timelines (Sponsors: Sen. Ulibarri & Rep. DelGrosso)

CACI Position: **Support**

Bill Status: Died in the House Committee on State, Veterans & Military Affairs on 4/27/15

- SB 177 was a key piece of legislation introduced to address the problems Colorado is experiencing with its current housing market and a lack of construction of affordable condominiums and townhomes. Some have attributed that problem to current law and the ease in which a lawsuit can be brought against a building contractor. SB 177 was an effort brought by a large coalition of business and local government interests to address these issues by modifying current law relating to construction defects;
- The bill included the following provisions:



- An alternative dispute resolution process to resolve construction issues;
- Allowing majority vote of all association homeowners before pursuing legal action;
- Providing disclosures to all homeowners potentially involved in a lawsuit to include:
 - Nature and scope of the proposed litigation, and the relief sought;
 - Estimated costs to the association, including special assessments on members or use of the association’s reserve funds;
 - Expected impact on values of units included in the legal action, and
 - Expected impact on values of units not included in the legal action, including effects on refinancing and prospective buyers gaining mortgage financing;

➤ Despite significant outreach, media and coalition efforts, the bill did not have the support of the Speaker of the House who made it publicly known that she did not support the bill. The bill was assigned to the House “kill” committee where it died on a party line vote with Republicans in favor and Democrats voting against the bill.

SB 275 Protection of Information Given to Members of General Assembly (Sponsors: Sens. Lambert, Carroll & Reps. Hullinghorst, Young)

CACI Position: **Oppose**

Bill Status: Died on Senate Second Reading on 5/1/15

- SB 275 was one of the most contentious bills introduced this Session. The bill was opposed by over 50 business organizations and companies as well as several state agencies and the State’s Attorney General’s Office;
- The intent of the sponsors was to protect whistleblowers who have concerns with a state agency’s actions and allow for the receipt of confidential information by a whistleblower during the course of their official duties as a legislator;
- Concerns raised by the many groups opposed to this bill were that the disclosure of confidential, sensitive, proprietary or trade secret information that is currently exempt under CORA could be used against a public or private entity for adverse purposes;
- CACI and the opponents believe that it is unnecessary to allow the disclosure of confidential and proprietary information as it should have no relationship to the malfeasance of a state agency. CACI and the large group of opponents teamed up to defeat this bill where it died on Senate Second Reading.

Manufacturing/Workforce Development Bills

HB 1170 Increasing Postsecondary and Workforce Readiness (Sponsors: Reps. Kraft-Tharp, Wilson & Sens. Hill & Heath)

CACI Position: **Support**

Bill Status: Passed in House and Senate. Sent to Governor on 5/11/15.

- This bill creates a statewide coordinator to work with schools and businesses to increase students' readiness to continue their education or enter the workforce. It assigns equal value to 4 year degree programs, community college programs and career & technical education programs.

HB 1227 Tax Credit For Employers That Pay Student Loans (Sponsors: Rep. Becker, K. & Sen. Heath)

CACI Position: **Support**

Bill Status: Died in House Committee on Appropriations on 4/10/15

- This bill would have offered an income tax credit for employers who pay a portion of their employees' student loans if the employee studied a STEM field, has worked at the company for more than one year, and earns an annual salary below \$60,000. The bill was defeated in the House Committee on Appropriations due to the fiscal impact.



HB 1230 Innovative Industry Workforce Development Program (Sponsors: Reps. Lee, Foote & Sens. Heath & Cooke)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- HB 1230 is intended to incentivize employers to offer internships by reimbursing a portion of the cost to employers of hiring an intern.

HB 1270 Pathways In Technology Early College High Schools (Sponsors: Reps. Duran, Foote, & Sens. Todd, Woods)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- HB 1270 authorizes the operation of up to nine pathways in technology early college high schools (p-tech schools) in the state. A p-tech school enrolls students in grades 9 through 14 in an educational program that focuses on science, technology, engineering, and mathematics. The p-tech school combines high school and college-level course work with workplace educational experiences. A student who graduates from a p-tech school is expected to graduate with a high school diploma and an associate degree in applied science.

HB 1275 Career & Tech Ed In Concurrent Enrollment (Sponsors: Rep. Winter & Sens. Heath, Marble)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- This bill clarified that coursework done by a student toward the completion of an internship or apprenticeship would be eligible for credit under concurrent enrollment.

HB 1276 Skilled Worker Outreach, Recruitment and Training (Sponsors: Reps. Pabon, Williams & Sens. Cooke & Heath)

CACI Position: **Support**

Bill Status: Passed in House and Senate.

- This bill establishes a matching grant program to market skilled worker training programs.