



The Colorado Chamber of Commerce

1600 Broadway, Suite 1000

Denver, CO 80202

www.cochamber.com

January 18, 2022

TO: House Speaker Alec Garnett
Senate President Leroy Garcia
House Minority Leader Hugh McKean
Senate Minority Leader Chris Holbert
Members of the Joint Budget Committee
Members of the House Appropriations Committee
Members of the Senate Appropriations Committee
Colorado General Assembly
200 E Colfax Avenue
Denver, CO 80203

Dear Senators and Representatives,

On behalf of employers across Colorado, we are reaching out to share our concerns with the long-term effects of the pandemic and the opportunities for economic recovery. The pandemic has continued to strain Colorado's economy, impacting businesses of all sizes and altering the fabric of our local communities. For nearly two years, our state's job creators have endured extreme financial uncertainty, an ongoing worker shortage, supply chain issues, inflation, new government regulations and public health shutdowns.

This session, the state legislature has the opportunity to provide real relief to businesses and their employees across Colorado, setting us on the course to recovery for years to come. One of the single most effective actions that can be taken to accomplish this goal is replenishing the Unemployment Insurance Trust Fund (UITF), which is funded solely on the backs of employers to compensate workers for unemployment claims.

The Fund was fully depleted in the height of the pandemic when health officials forced businesses to close for months to combat the spread of COVID-19, ultimately triggering thousands of unemployment insurance claims. This combined with fraudulent claims, significant rate schedule changes, future surcharges and \$1 billion in federal debt, are reasons why businesses are in dire need of economic relief. According to a new report released by the Common Sense Institute (CSI), Colorado employers face \$5.3 billion in additional state and federal unemployment insurance payroll taxes between 2023 and 2027.

That's why we're asking you to pass Governor Polis' budget proposal to provide at least \$600 million in relief to the UITF or any similar funding effort using federal or general fund dollars. Doing so not only supports our local businesses impacted by the pandemic, but it also supports employees, their families, and our communities. According to CSI, the \$600 million allocation will move the base premium rate to a lower



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rate schedule beginning in 2024 and remove the solvency surcharge in 2025 instead of 2026, which will produce a \$358 million tax reduction and preserve 4,700 jobs in 2025.

Unless legislators take action now, every business in Colorado will face historically high premium increases in the coming years – especially those that had to lay off workers through no fault of their own. It would be unconscionable to put this burden on the backs of businesses in these already difficult economic times.

These premium increases will directly impede our recovery and will be felt across the board by Colorado's workforce, small businesses, and consumers. 41 states have taken similar action to help businesses with these premium increases, and it's critical that Colorado play a leading role in our national recovery by addressing this issue.

We thank you for your attention to this critical issue and ask you to support unemployment insurance relief to help employers hire more workers, pay strong wages, and prevent cost increases for customers.

Sincerely,

Colorado Chamber of Commerce
Colorado Advanced Manufacturing Association
Colorado Bankers Association
Colorado Beverage Association
Colorado Black Chamber
Colorado Business Roundtable
Colorado Competitive Council (C3)
Colorado Concern
Colorado LGBTQ Chamber of Commerce
Colorado Springs Chamber & EDC
Colorado Women's Alliance
Colorado Women's Chamber of Commerce
Denver Metro Chamber of Commerce
Denver South
Independent Bankers of Colorado
National Federation of Independent Businesses (NFIB)

Local Chambers of Commerce & Economic Development Orgs

Arvada Chamber of Commerce
Aspen Chamber Resort Association
Aurora Chamber of Commerce
Boulder Chamber of Commerce
Broomfield Chamber of Commerce
Castle Pines Chamber
Castle Rock Chamber of Commerce
Cherry Creek Chamber of Commerce



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Colorado River Valley Chamber (West Garfield County/Rifle)
Craig Chamber of Commerce
Douglas County Business Alliance
Evergreen Area Chamber of Commerce
Fort Collins Chamber of Commerce
Glenwood Springs Chamber Resort Association
Golden Chamber of Commerce
Grand Junction Chamber of Commerce
Greater Englewood Chamber of Commerce
Greater Pueblo Chamber of Commerce
Greater Woodland Park Chamber of Commerce
Greeley Chamber of Commerce
Gunnison Country Chamber of Commerce
Logan County Chamber, Serving the Greater Sterling Area
Longmont Area Chamber of Commerce
Loveland Chamber of Commerce
Northern Colorado Legislative Alliance
Northwest Douglas County Chamber & EDC
Parker Chamber of Commerce
Steamboat Springs Chamber
Tri-Lakes Chamber of Commerce
Upstate Colorado Economic Development
Vail Valley Partnership
West Metro Chamber of Commerce
Westminster Chamber of Commerce

Trade Associations:

American Council of Engineering Companies of Colorado (ACEC)
American Subcontractors Association Colorado
Associated Builders and Contractors Rocky Mountain (ABC RM)
Associated Collection Agencies Colorado
Associated General Contractors (AGC)
BOMA Colorado
Building Jobs4Colorado
CO/WY Petroleum Marketers Association
Colorado Association of Home Builders
Colorado Contractors Association
Commercial Real Estate Development Corporation (NAIOP)
Early Childhood Education Association
Hispanic Contractors of Commerce
Independent Electrical Contractors
National Electrical Contractors Association, Rocky Mountain Chapter
National Utility Contractors Association of CO (NUCA)
Rocky Mountain (IECRM)
Rocky Mountain Food Industry Association



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Rocky Mountain Mechanical Contractors Assoc.

Sheet Metal and Air Conditioning Contractors' National Association, Colorado Chapter

Business Owners & Operators:

Affordable Concrete, LLC

Campbell Litigation, P.C.

Feely Consulting, LLC

HERRON Enterprises, USA, Inc.

Kinsley Meetings

Perseverance