



Policy Positions- 2013 Legislative Session

Updated June 10, 2013

Legend: Bill Number, Bill Title, Bill Sponsor (Date of DMCC Action) Final, Date
PI'd=Postponed Indefinitely

SUPPORT

SB13-020 Business Fiscal Impacts Leg Measures and Exec Rules / Harvey — None
(Support 1/14/13) (PI'd 1/16/13)

This legislation directs legislative council staff to create a five-day period following the introduction of new legislation or the notice of proposed rule-making. During this five-day period, any person may submit comments regarding potential business fiscal impacts of the proposed legislation or rule.

One of the Denver Metro Chamber of Commerce's priorities is to improve the business climate for companies operating in Colorado. This effort includes reducing overly burdensome laws and regulations. This legislation would ensure a direct and dedicated avenue for business to provide feedback on potential business fiscal impacts of proposed legislation or rule. The Chamber supports this opportunity to create a more informed legislative and rule-making process in Colorado.

SB13-027 RTD Mass Transit Station Parking Facilities/ Todd—Priola (Support 2/19/13)
(Signed by Governor 4/26/13)

The bill authorizes any public or private entity to lease, own or operate a public parking lot or structure at or near a regional transportation district (RTD) mass transit station. Such a lot or structure is only an RTD facility, as defined in existing law, if it is operated under a contract with the RTD that specifies the terms of its use and operation and provides the RTD with a share of its parking revenues.

The Chamber is in support of HB13-027, because it allows private companies adjacent to RTD Park-n-Rides to build parking structures and manage them. It also allows RTD to contract or sell its existing property. By allowing private companies to manage or build new parking garages, it will help meet the anticipated demand for parking along transit stations.

SB13-030 Additional Review of Rules Promulgated by Agencies / Sheffel — None (Support 1/14/13) (Signed by Governor 4/8/13)



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Starting Nov. 1, 2013, this bill requires the legal services committee to identify the rules that were adopted as a result of legislation passed during legislative sessions; starting with the 2013 legislative session. Legal services committee staff are then required to provide written notification of the rule's adoption to the legislation's sponsors who are still serving in the General Assembly, as well as current members of the applicable committees of reference.

In addition, SB13-030 requires the posting of a completed cost-benefit analysis on the agency's website that completed the analysis, as well as the Department of Regulatory Agency's website.

The Chamber supports this effort to create a more precise accounting of the cost relative to the benefit that result from regulations. This data can be used to inform rule-making and to create regulations that do not harm the state's business climate.

SB13-041 Protect Water Storage Long-term Use / Hodge — Fischer (Support 1/28/13)
(Signed by Governor 4/8/13)

This legislation addresses a 2011 Colorado Supreme Court holding that in part stated that storage of water is not a beneficial use except in the cases of flood control and fire or drought protection. This court holding required that, for a conditional storage right to be perfected, the water must be released from storage and put to beneficial use. SB41, if passed, will expand the definition of "beneficial use" to include storage for any decreed purpose. In addition, the legislation specifies that carrying over water in storage from one year to another is not grounds for a determination of abandonment.

Long-term water storage is a critical part of municipal drought mitigation plans. This legislation preserves the ability of water providers to hold water in storage for use in times of drought and protects drought supplies from claims of abandonment. For these reasons, the Denver Metro Chamber of Commerce supports SB41.

SB13-048 Highway Use Tax Fund Moneys Allocated To Local Governments for Multimodal Transportation Infrastructure / Todd —Tyler (Support 1/28/13) (Signed by Governor 4/26/13)

Current law authorizes the state department of transportation to spend a portion of its highway users tax fund moneys on transit-related projects. It also specifies that the funding of such projects constitutes maintenance and supervision of public highways because it will help reduce traffic on state highways, thereby reducing wear and tear on state highways and bridges and increasing their reliability, safety, efficient performance and expected useful life. The bill similarly authorizes counties and municipalities to spend moneys that they receive from the highway users' tax fund on transit-related projects.



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The Denver Metro Chamber supported the passage of “FASTER” legislation in 2009, which authorized in part the Colorado Department of Transportation (CDOT) to use a portion of its share of the highway users’ tax fund revenues for transit-related projects. That provision gave CDOT the flexibility to allocate those dollars on priority needs as determined by the Transportation Commission. This measure would grant local governments the same flexibility to allocate their share of the highway users tax fund to priority needs. The measure is permissive and does not mandate a direct allocation to transit related projects. It provides local governments with another tool to address priority transportation related needs within their communities. Therefore, the Chamber supports SB48.

SB13-052 Transit Oriented Development and Construction Defect Claims/ Scheffel Cadman—DelGrosso (Support 1/22/13) (PI’d 4/17/13)

This proposal would create a right to repair – a binding arbitration requirement – and clarifies the statute of repose for the six-year statute of limitations on actions for construction professionals that receive a notice of claim with respect to a construction defect in a transit-oriented development (TOD) project.

The Chamber supports SB13-52 because there has been a sharp reduction, if not a complete halt, to TOD projects that include owner-occupied, multi-family homes, such as condos. The sharp reduction comes from the exposure that builders are facing on potential construction defect claims and awards that far exceed the total value of the project. Owner-occupied, multi-family homes are a critical component of TOD projects and are part of the commitment made by those who supported FasTracks. Builders of these projects must have an opportunity to limit their exposure in construction defect claims if further TOD projects are to be built.

SB13-133 Distribution of State Share of Limited Gaming Revenues/ Steadman—Gerou (Support 2/11/13) (Signed by Governor 3/8/13)

This bill is a Joint Budget Committee initiated measure that inserts dollar amounts instead of percentages for the transfers of the state share of limited gaming revenues to:

- The Colorado Travel and Tourism Promotion Fund;
- The Bioscience Discovery Evaluation Cash Fund;
- The Local Government Limited Gaming Impact Fund;
- The Innovative Higher Education Research Fund;
- The Creative Industries Cash Fund; and
- The Colorado Office of Film, Television and Media Operational Account Cash Fund.



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The bill also makes clear that any amount of limited gaming revenues over and above the transfers to these funds will be transferred to the general fund. As directed by the Colorado constitution, the state share of the Limited Gaming Fund is one-half of the year-end balance each fiscal year. According to current forecasts by the Legislative Council Staff (LCS), the Limited Gaming Fund will contain approximately \$43.2 million as the state share portion of the fund at the end of FY 2012-13. Under current law, approximately \$20.4 million from the state share will be transferred to the General Fund at the end of the fiscal year; on June 30, 2013.

The net impact of the bill is to reduce allocations to the General Fund by \$7.2 million in FY 2012-13 and to increase allocations to various cash funds by the same amount. By limiting cash fund transfers to a fixed amount, rather than a percentage, future revenue growth in Limited Gaming Fund revenue will be allocated to the General Fund. Therefore, General Fund distributions from the Limited Gaming Fund are projected to meet and then exceed distributions under current law at some time in the next 10 fiscal years.

Tourism is a key industry in creating jobs and stimulating a healthy state economy. SB 13-133 is a measure that would help support this significant economic contributor by setting an annual base for the travel and tourism fund that is generated by transfers from the state's share of the limited gaming revenues. Currently, the statutes require a transfer of a percentage of those funds to the travel and tourism fund. The Denver Metro Chamber supports this bill as it creates a significant funding base for a cause that is important to Colorado's economic development.

SB13-136 Tax Exemption for Business Personal Property with a Local Government Opt Out/ Scheffel—Holbert and Kagan (Support 2/11/13) (PI'd 2/13/13)

Beginning in 2015, this bill increases the personal property tax exemption to \$25,000 for all local governments, excluding school districts, with a biennial adjustment. Local governments may opt out of the increased exemption.

On principle, the Chamber supports reducing, if not eliminating, the burden of business personal property taxes. Colorado's business personal property tax has put the state at a competitive disadvantage when it comes to attracting new industries. We appreciate that the opt-out in this bill would allow local governments to make their own decisions about how they manage revenue sources.



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SB13-147 Workers' Compensation Liability Statutory Employer / Jahn —Gardner
(Conditional support if amended 2/25/13) (Signed by Governor 6/5/13)

The bill clarifies that an employer is not liable as a statutory employer when a lessee, sublease, contractor, subcontractor or their employee is injured while not on the employer's premises.

The Denver Metro Chamber supports current law that requires all employers to carry the appropriate workers' compensation insurance. Employees should not be penalized just because they work for employers who do not follow current law and do not have workers' compensation insurance.

The bill, as introduced, attempted to clarify which employer is the "statutory employer" for the purposes of workers' compensation insurance; however, the bill language inadvertently exposed non-statutory employers to potential civil actions (i.e., slip-and-fall cases), which could result in costly judgments or settlements.

In an effort to rectify the unintended consequence of the introduced bill, there will be a compromise amendment offered in committee that will clarify that an employee would be covered under the employer's workers' compensation policy where the injury occurred, regardless of whether or not they are the statutory, or primary, employer. If an injury occurs while an employee is "in transit," that injury is covered by the primary employer's coverage.

SB13-191 Pipeline Rights of Way / Hodge —Williams (Support 2/25/13) (Lost on Second Reading in the Senate)

The bill clarifies that, subject to state constitutional and statutory requirements that require payment of just compensation and otherwise govern the exercise of the power of eminent domain, companies operating pipelines that convey oil, gasoline or other petroleum or hydrocarbon products are pipeline companies granted the right of eminent domain.

A pipeline company must also comply with all applicable laws and regulations including, but not limited to, federal pipeline safety regulations.

The Chamber supports this legislation as SB13-191 codifies the widely understood legislative intent that this statutory provision grants eminent domain rights to secure rights of way to pipeline companies that transport natural gas and petroleum products.



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SB13-200 Expand Medicaid Eligibility / Aguilar—Ferrandino (Support 3/11/13) (Signed by Governor 5/13/13)

In 2010, Colorado expanded Medicaid to parents of children who are eligible for Medicaid and for childless adults, or adults without a dependent child, up to 100 percent of the federal poverty line (FPL), which the Hospital Provider Fee Cash Fund funded. SB13-200, if passed, would increase the Medicaid eligibility income level for childless adults or adults without a dependent child to 133 percent of FPL, in addition to increasing income eligibility for parents and caretaker relatives of Medicaid children from 61 percent to 133 percent FPL. In addition, SB13-200 would allow for the Hospital Provider Fee Cash Fund to fund these increases in income eligibility.

The June 2012 U.S. Supreme Court decision upholding most of the Patient Protection and Affordable Care Act (PPACA) held that whether to expand its Medicaid program as provided for in PPACA was each individual state's decision. For states that choose to expand their Medicaid programs, PPACA provides that the federal government will fully fund the expansion through 2016 and then will then cover 90 percent of the costs thereafter.

If Colorado ultimately expands its Medicaid program as anticipated, SB13-200 provides the necessary changes to state law to allow for the Hospital Provider Fee Cash Fund to fund the 10 percent state's share that will arise after 2016. In addition, by expanding Medicaid as provided for in PPACA, Colorado will be taking advantage of the federal funds offered to provide insurance coverage for a population that often develops acute medical conditions due to its inability to access preventative care.

SB13-213 Future School Finance Act / Johnston – Hamner (Support Conditional on Source of Funding 3/18/13) (Signed by Governor 5/21/13)

SB13-213, the Future School Finance Act, would restructure the manner in which Colorado funds its current primary and secondary education system. Among the changes proposed by this legislation include: (1) determining per-pupil funding by an average daily membership model, rather than the current system that relies on a single count day; (2) requiring that funding for a student follow that student; (3) creating a system of transparency and accountability; (4) establishing a level of parity between public schools and public charter schools; (5) funding for full-day Kindergarten and expanded access to early childhood education; (6) addressing the development of “career ladders” for teachers; and (7) creating a \$100 million Innovation Fund that will award schools competitive grants for innovative programing, including establishing longer school days and years.

The legislation specifies that its implementation is conditional upon passage of a statewide ballot measure to increase state revenues for funding public education.



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The Denver Metro Chamber of Commerce has long recognized education as one of the pillars of a healthy and thriving economy. The Chamber also recognizes that the business community, as employers, is ultimately the end user of the work product that Colorado's education system produces – an educated workforce. Therefore, the Chamber supports SB13-213 as the funding reforms it incorporates will create a more equitable, efficient and transparent system to financing Colorado's public schools, including charter schools. For example, average daily membership will incentivize schools to keep students in the classroom and having funding follow the student is a critical component that rewards schools that attract students mid-year and keeps them in school. Research shows that this approach to funding changes behavior and outcomes.

The Chamber also embraces the transparency and accountability provisions contained within the legislation. Disclosing how schools spend the money allocated to them is important to gather information that assists principals, teachers, districts and parents to make the smartest decisions about how to spend school funds. The mandatory return on investment evaluation required by the bill will determine if expenditures are truly boosting achievement.

Data shows that strong early childhood education programs provide nearly seven dollars in return for every one dollar spent. Therefore, the Chamber supports the funds that the bill dedicates for full-day Kindergarten and expanded access to early childhood education. In addition, the Chamber supports the allowance of private providers to deliver these services, which enables Colorado to quickly meet the demand for early childhood education with high quality private providers.

This proposal would also create an innovation fund of \$100 million to allow schools to be creative in their programming, including establishing longer school days and longer school years, which research has shown has a direct and positive impact on learning. We strongly support these innovation grant funds because our educational system must become learning organizations themselves, we also support strong oversight to ensure these dollars are managed appropriately and achieve their stated goal.

The Chamber views this legislation as providing a framework and commitment for districts and the Colorado Department of Education to have in place where the voters of Colorado determine when and how they want to fund this plan. While the Denver Metro Chamber supports the policy contained in the bill, it is committed to thoroughly vetting any funding proposals and reserves the right to take positions on these proposals as they come forward.

SB13-275 Interim Pipeline Safety Review Committee / Hodge—None (Support 4/22/13) (PI'd 4/23/13)

This legislation would create the pipeline safety interim review committee to address issues of pipeline safety, as well as to review and propose legislation relating to such matters.



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The Denver Metro Chamber of Commerce supports SB13-275 as it would provide a forum for the discussion of pipeline safety issues. This discussion would hopefully bring forth pertinent facts and data that could inform any future legislation pertaining to pipeline safety issues.

HB13-1001 Advanced Industries Acceleration Act/ Young and Gerou/ Heath and Steadman (Conditional support based on funding source 1/14/13) (Signed by Governor 5/15/13)

This bill creates a new advanced industries grant program in the Office of Economic Development to provide grant funding for early-stage and second-stage development of companies in identified advanced industries including advanced manufacturing, aerospace, bioscience, electronics, energy and natural resources, infrastructure engineering and information technology. The bill provides for proof-of-concept grants, which allow for an advanced industry research project to be delivered to an eligible office of technology transfer; early-stage capital and retention grants for the purpose of accelerating the commercialization of advanced industry products or services to be performed in the state; and infrastructure grants for projects that build or utilize infrastructure to support or enhance the commercialization of advanced industry products or services.

The grant program absorbs the existing bioscience discovery evaluation grant program and the clean technology discovery evaluation grant program and repeals those programs; however, bioscience and clean technology will be retained in the consolidation.

The new Advanced Industries Acceleration Cash Fund that is created in this bill will be funded with moneys transferred from the bioscience discovery evaluation cash fund, limited gaming moneys that were previously used in the bioscience discovery evaluation grant program, income tax withholdings that were to be split between the bioscience discovery evaluation grant program and the clean technology discovery evaluation grant program, gifts, grants or donations, and any other revenues as appropriated by the legislature.

The Metro Denver Economic Development Corporation, an affiliate of the Denver Metro Chamber of Commerce, has identified eight major industry clusters in the nine-county metro Denver and northern Colorado region (Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Larimer and Weld Counties) that are key to Colorado's economy, making them primary targets for national recruitment efforts as well as economic development retention and expansion efforts. Of these eight clusters, four are identified as Advanced Industries under this bill (aerospace, bioscience, energy and information technology).

The Denver Metro Chamber of Commerce's is in support of this bill conditional on the identification of a funding source acceptable to the business community as his bill will provide



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additional resources for several of these key industry clusters to grow. This growth will lead to greater creation of primary or specialized jobs and wealth creation within the region.

HB13-1002 Small Business Development Centers Appropriations/ Tyler – Jahn (Conditional support based on funding source 1/14/13) (Signed by Governor 5/10/13)

This proposal appropriates an additional \$500,000 to the state's small business development centers, which focus technical assistance to small start-up businesses in Colorado. The proposal also allows up to \$200,000 of that appropriation to be designated to financing the state's economic gardening bill, should it pass. This bill is part of the House Democrats and Governor's Office of Economic Development and International Trade package of bills.

The Denver Metro Chamber of Commerce is committed to strengthening small businesses and does so through its affiliate, the Denver Metro Small Business Development Center (SBDC). Small businesses represent 97 percent of all employing businesses in Colorado and are a dominant source of new job creation in the state. Moreover, small businesses represent more than 85 percent of the Denver Metro Chamber of Commerce's membership. The Chamber is in support of this measure conditional on the identification of a funding source acceptable to the business community. Once an acceptable funding source is identified, this bill will provide additional resources to augment some of the programs that have already proven successful in supporting the development of this important segment of the state's economy.

HB13-1003 Economic Gardening Pilot Project/ Lee and Garcia – (Conditional support based on funding source 1/14/13) (Signed by Governor 5/24/13)

This proposal establishes the Economic Gardening Pilot Program in the Governor's Office of Economic Development and International Trade. This program will identify stage-two companies (between 6-99 employees; claim at least \$500,000, but no more than \$50 million, in revenue; has maintained principal place of business and a majority of its employers in Colorado for at least the previous two years; and has a product or service that is, or has the potential to be, sold outside the company's local area or state) and provide strategic assistance to allow them to grow to the next level. The program will report results and conclude in 2016.

Companies will be selected for participation in the Economic Gardening Pilot Project by the state director of the small business development centers within the Office of Economic Development and International Trade, and they will be required to pay a one-time fee of \$750 in order to participate in the pilot project. The revenues generated from these fees will be reinvested in the pilot project.



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This bill is part of the House Democrats and Governor's Office of Economic Development and International Trade package of bills.

The Denver Metro Chamber of Commerce is committed to strengthening small businesses and does so through its affiliate, the Denver Metro Small Business Development Center (SBDC). Small businesses represent 97 percent of all employing businesses in Colorado and are a dominant source of new job creation in the state. Moreover, small businesses represent more than 85 percent of the Denver Metro Chamber of Commerce's membership. The Chamber supports this measure conditional on the identification of a funding source acceptable to the business community as it provides additional resources to augment some of the programs that have already proven successful in supporting the development of this important segment of the state's economy.

HB13-1004 Colorado Careers Act of 2013/ Duran—Melton (Conditional support based on funding source 2/4/13) (Signed by Governor 5/28/13)

This bill would establish the career pathways program in the Division of Employment and Training in the Colorado Department of Labor and Employment. This program would provide grants to eligible entities that would enable individuals to acquire skills necessary to obtain or improve their employability.

The Chamber supports HB13-1004 because it expands the definition of approved training program to include approved workforce training. The legislation aims to create jobs by connecting people with careers that are immediately available. The community college system has long been a key training resource for Colorado's business community and the Chamber would suggest that, when an appropriate funding source is identified for this bill, those funds be directed to the community college system for the purposes of implementing this program. A July 1, 2015, sunset review will be put into place to evaluate the success of the program.

HB13-1005 Basic Ed and Career and Tech Ed Pilot Program / Fields—Buckner (Conditional support based on funding source 2/4/13) (Signed by Governor 5/28/2013)

The bill directs the State Board for Community Colleges and Occupational Education, in consultation with the local district junior colleges, area vocational schools, the Colorado Department of Education and local workforce development programs, to implement a pilot program of 20 career and technical education certificate programs that combine basic education in information and math literacy with career and technical education.

The Chamber supports legislation that broadens credits for adults who want to further their education but don't have the means to go to college. This proposal would allow adults to earn



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college credits within a 12-month certificate program. Additionally, this program would help those who are struggling with basic literacy and math skills to overcome those challenges while giving them skills that are valuable to employers.

HB13-1006 After the Bell Nutrition / Moreno—Giron (Support 1/22/13) (Governor Signed 5/15/13)

This bill would provide additional funding for breakfast in schools where 70 percent of the students are low-income and enable them to provide a free breakfast for every student in the school after the first bell of the school day has rung. Additionally, this bill will leverage a federal grant program that would cover much of the cost.

Myriad studies have shown the strong connection between student achievement and attendance for students who have access to quality nutrition programs. We support the expansion of the program to all schools that have a high number of low-income students.

HB13-1015 Disclose Mental Health Claims All-payer Database / Kraft-Tharp—Kefalas (Support 1/28/13) (Signed by Governor 3/15/13)

The All Payer Claims Database (APCD) is a secure, encrypted database of claims from commercial health plans, Medicare and Medicaid. The data collected in the APCD will enable comparisons of costs and quality among providers, which will lead to informed health care decisions among patients, employer purchasers and providers. Currently, plans are not submitting their small group claims because of a provision in state law that restricts the sharing of mental health claims data for only that market segment. Since payers' claims processing systems do not distinguish between physical and mental health claims, the APCD contains no data from this market. This legislation would make the necessary amendment to Colorado law that would allow health insurance plans to submit their small group claims to the APCD.

The Denver Metro Chamber of Commerce supported the 2010 legislation that authorized the creation of the All-payer Claims Database as it would enable the transparent public reporting of health care information in a manner consistent with privacy laws. Claims data from the state's small businesses, defined as businesses with 50 and fewer employees, is extremely important data. The small group market is the most volatile part of Colorado's insurance market and small employers need good information to make informed health care purchasing decisions. As this legislation would remove the barrier for the submittal of small group claims in a manner consistent with privacy laws, the Chamber supports it.

HB13-1019 Regulatory Reform Act / Szabo—Tochtrop (Support 1/22/13) (PI'd 2/6/13)



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This bill would enact the “Regulatory Reform Act of 2013,” which would allow for a state agency to issue a written warning for the first minor violation of a new rule by a business of 500 or fewer employees.

Compliance with new rules and regulations is often challenging to businesses that may not be aware of or fully understand these rules and regulations. As such, the Chamber supports HB13-1019 as it requires state agencies to provide businesses of 500 or fewer employees with a written warning and compliance education for a first minor violation before such agency can impose a fine.

HB13-1054 Lessen Unemployment Insurance Benefit Reduction for Retirement/ Melton and Exum Sr.-- Tochtrop (Support 1/22/13) (Signed by Governor 4/4/13)

This bill would allow individuals receiving unemployment to draw down funds from their retirement plans without all the penalties currently associated with such fund withdrawals. The bill clarifies that only the amount withdrawn from the retirement fund would be considered in determining the length of time the claimant is eligible to receive unemployment benefits.

We support providing incentives for employees to maintain their retirement accounts for their intended purpose – retirement. Employees should not be penalized with reduced unemployment insurance benefits just because they have a retirement account. Employees should be encouraged to preserve those retirement funds.

HB13-1069 Small Business Fiscal Impact Statements / Navarro – Baumgardner (Support 1/22/13) (PI'd 1/22/13)

This legislation requires a small business fiscal impact statement for each legislative measure introduced by a member of the General Assembly.

The Chamber is supportive of this effort to increase awareness of the business fiscal impacts of proposed legislation.

HB13-1080 Aircraft Manufacturer Employee Income Tax Credit / Holbert—Harvey (Support 1/22/13) (Signed by Governor 5/13/13)

The Aviation Development Zone Act provides a state income tax credit of \$1,200 for each new employee hired by an aircraft manufacturer located in an aviation development zone. Currently, the definition of “aircraft manufacturer” excludes businesses that are involved in aircraft maintenance. HB13-1080 amends this definition to include businesses that are involved in the maintenance and repair, completion or modification of aircraft. In addition, the bill specifies that



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businesses that fall within this modified definition are eligible to claim the state income tax credit for hiring new employees.

The aerospace and aviation industries, including Colorado Spaceport efforts, are vitally important to Colorado's economy. The Chamber supports HB13-1080's proposed expansion of the definition of "aircraft manufacture," as this definition more accurately reflects how the aircraft industry operates and would allow Colorado to retain and expand existing aviation-related business opportunities in the state. If passed, HB13-1080 will assist in continuing to attract and grow these important industries in Colorado.

HB13-1138 Authorize Benefit Corporations / Lee – Kefalas (Support 2/4/13) (Signed by Governor 5/15/13)

This bill, known as the Benefit Corporation Act of Colorado, would allow for a corporation to become a benefit corporation if it includes a statement of intention to become a benefit corporation in its articles of incorporation, along with a specification of an additional purpose of providing a general or specific public benefit. "General public benefit" is defined as a "material positive impact on society and the environment, taken as a whole, assessed against any third-party standard." The bill's definition of "specific public benefit" includes "a material positive impact...providing low-income or underserved individuals or communities with beneficial products or services...protecting or restoring the environment...improving human health and increasing the flow of capital to entities that have a purpose of benefitting society or the environment."

The Denver Metro Chamber of Commerce supports this legislation as it would create a legal entity that would allow interested for-profit corporations to increase their activities aimed at achieving a general or specific public benefit. Becoming a benefit corporation provides such a corporation flexibility to make business decisions predicated on other factors than profit maximization for its shareholders.

HB13-1165 Creation of a Manufacturing Career Pathway / Wilson – None (Support Conditional on Funding Source 2/11/13) (Signed by the Governor 5/28/13)

This legislation would require the State Board for Community Colleges and Occupational Education, in partnership with the Department of Labor and Employment, the State Work Force Development Council, the Department of Higher Education and the Department of Education to create a manufacturing career pathway for the skills needed for employment in Colorado's manufacturing sector. The pathway would connect school districts, community colleges and four-year institutions of higher education with adult education programs and local workforce



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development programs. In addition, this career pathway would provide a way for students to earn incomes as they move towards completion of the program.

Growing Colorado's manufacturing industry is an important priority to the Denver Metro Chamber of Commerce, and the community college system has long played a key role in training the workforce employed by Colorado's business community. The Chamber also supports the effort to connect the needs of industry with the skills being taught by the state's community colleges and four-year universities. Therefore, the Chamber supports this bill, conditional on the identification of an appropriate funding source, as it would help provide a skilled workforce for this industry. The Chamber further supports the Department of Higher Education allocating these funds to the State Board for Community Colleges and Occupational Education for implementation of the bill.

HB13-1167 Secretary of State Collect Business Information / Pettersen – Duran (Support 3/3/2013) (Signed by Governor 5/3/13)

If passed, this legislation would require the Colorado Secretary of State to request each individual that files documents with the Secretary of State to report whether the reporting entity to which the filing relates is owned by a woman, minority, veteran or person with a disability. The bill does not create a requirement that the individual submit the requested information.

The Denver Metro Chamber of Commerce supports this legislation as it would provide a mechanism to collect data that currently is not being collected. This data could provide valuable information to the economic development community as to the trends occurring in the composition of Colorado's business community, as well as provide insight on the origination of various innovative activities.

HB13-1174 Concerning Business Personal Property Exemptions and, in connection therewith, enacting the "Small Business Relief Act" / Saine and Humphrey -- Jahn (Support 2/11/13) (PI'd 2/20/13)

This proposal would increase Business Personal Property Tax exemption to \$25,000 for the 2015-2016 property tax year cycle and to \$50,000 for the 2017-2018 tax cycle. This proposal would exempt all locally assessed business personal property tax that has fully depreciated.

On principle, the Chamber supports reducing, if not eliminating, the burden of business personal property taxes. Colorado's business personal property tax has put the state at a competitive



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disadvantage when it comes to attracting new industries. Creating these exemptions will encourage the purchase of capital equipment, resulting in additional revenue from sales tax.

HB13-1177 Concerning A Business Personal Property Tax Exemption For Taxpayers That Do Not Qualify For The Exemption That Applies Per Personal Property Tax Schedule / Holbert—Scheffel (Support 2/11/13) (PI'd 2/20/13)

The proposal would create an exemption for business personal property tax holders who do not currently qualify for a schedule exemption.

On principle, the Chamber supports reducing, if not eliminating, the burden of business personal property taxes. Creating these exemptions will encourage the purchase of capital equipment, resulting in additional revenue from sales tax. This bill would create equity for businesses by allowing all businesses to take advantage of a business personal property tax exemption, even if they do not qualify for the per schedule exemption.

HB13-1189 Concerning a Property Tax Exemption for Business Personal Property Tax Purchased in the 2014 Calendar Year/ Wright—Lambert (Support 2/11/13) (PI'd 2/27/13)

This bill would exempt all personal property purchased in the 2014 calendar year from the levy and collection of property tax. For state-assessed utilities, the property must also be placed into service in order to be exempt.

On principle, the Chamber supports reducing, if not eliminating, the burden of business personal property taxes. Creating these exemptions will encourage the purchase of capital equipment, resulting in additional revenue from sales tax. This bill presents an interesting opportunity to have a full exemption for one year

HB13-1193 Advanced Industries Export Acceleration Program / Kraft—Mclachlan (Support Conditional on Funding Source 2/11/13) (Signed by Governor 5/23/13)

If passed, HB13-1193 would create a five-year program, the Advanced Industries Export Acceleration Program (Program), to benefit the advanced industries and to be administered by the Colorado International Trade Office. The legislation definition of "advanced industries" includes advanced manufacturing, aerospace, bioscience, electronics, energy and natural resources, and information technology. The Program consists of three components: (1) expense reimbursement, (2) export training, and (3) global network consultation to provide a wide range



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of support to companies with fewer than 200 employees in advanced industries that are new to exporting and have headquarters in Colorado or at least 50 percent of their employees based here. To fund these activities, the legislation creates the Advanced Industries Export Acceleration Cash Fund, which, contingent on the passage of another bill, will receive \$300,000 in funds annually for the next five years.

Conditional on the identification of an appropriate funding source, the Denver Metro Chamber of Commerce supports this effort to provide smaller companies with some of the resources they may need to enter the export market. The state would be able to combine this fund with the training and networking assistance that is already available to smaller Colorado companies.

HB13-1206 Expand Authority For Business Incentive Agreements / Delgrosso—Scheffel
(Support 2/11/13) (Signed by Governor 6/5/13)

A county, municipality or special district (local government) is currently authorized to negotiate an incentive payment or credit with a taxpayer that establishes a new business facility or expands an existing business facility (business incentive agreement). The bill expands the authority for a local government to negotiate a business incentive agreement with a taxpayer that has an existing business facility in the local government, if the local government is satisfied that there is a substantial risk that the taxpayer will relocate the facility out of state. A local government negotiating any type of business incentive agreement is not required to inform a school district of the negotiations because school districts are no longer authorized to enter into business incentive agreements.

This bill would make it possible for local governments to enter into business incentive agreements for personal property tax forgiveness with existing businesses that the local government believes are at a substantial risk of relocating out of state. The Denver Metro Chamber supports measures that work to protect existing jobs; therefore, we support this bill.

HB13-1212 Local Authority to Form Job Creation Districts / Moreno —None (Conditional support if amended 2/25/13) (Support 3/4/2013) (PI'd 4/30/13)

The bill creates a mechanism for a local government to create a job creation district in which to support an eligible project that generates jobs. The mechanism also creates a local job creation authority with the power to receive and utilize 90 percent of the portion of moneys derived from the increased tax revenues collected in the district that is above a designated level of base tax revenues to be used to finance improvements related to the project.



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The Denver Metro Chamber took a position of support conditional on the addition of an opt-in amendment to the legislation as introduced. The House Local Government Committee subsequently adopted this amendment, so the Chamber has moved its position on HB13-1212 one of support as it creates an additional economic development tool for local communities and enables the various taxing entities to communicate and collectively determine priorities.

HB13-1245 Funding Colorado Health Benefit Exchange / McCann—Steadman (Support 3/11/13) (Signed 5/23/13)

If passed, HB13-1245 will grant the Colorado Health Benefit Exchange (COHBE) to authority to assess special fees against small employer and individual insurance carriers. The bill caps these fees at \$1.80 per health benefit plan, per month, in the individual market and per policyholder, per month, against small group health benefit plans. The bill authorizes COHBE to assess these fees for a limited time period from January 1, 2014, through December 31, 2016.

The Denver Metro Chamber of Commerce supported the legislation that created COHBE so that the state could determine the structure and implementation timeline of the insurance exchange required by the federal Patient and Protection Affordable Care Act, as opposed to falling back on a federal program. This bill provides a funding mechanism for COHBE until it has the opportunity to establish itself and become self-funding through its operations. Therefore, the Chamber supports HB13-1245.

HB13-1252 Petroleum Storage Tank Redevelopment Fund / Hamner – Jahn (Support 3/18/13) (Signed by Governor 5/18/13)

This legislation creates a Petroleum Cleanup and Redevelopment Fund, which will consist of civil penalties collected for violations of the petroleum storage tank laws. The legislation authorizes the Colorado Department of Labor and Employment, on the approval of the director of the Colorado Division of Oil and Public Safety, to use this fund for administration, investigation or abatement action and preparing and implementing corrective action plans for petroleum releases that are not covered by the petroleum storage tank fund.

In addition, HB13-1252 directs the state treasurer to transfer \$5 million from this fund to the State Highway Fund to be used for a fire suppression system at the Eisenhower-Johnson tunnels.

The Denver Metro Chamber of Commerce supports the creation of a Petroleum Cleanup and Redevelopment Fund with its monies dedicated as proscribed in the legislation. In addition, the Chamber supports the transfer of money to the State Highway Fund to fund the fire suppression system at the Eisenhower-Johnson tunnels, which is critically important for the safety of the great number of individuals traveling on I-70.



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HB13-1255 Internet Protocol Emerging Tech Telecom Incentives / Williams— Kerr
(Support as Amended 4/22/13) (PI'd 5/08/13)

HB13-1255, if passed, would clarify that certain internet protocol-enabled services, including voice-over-internet protocol services are exempt from regulation from the Public Utilities Commission. The bill does not change the Public Utilities Commission's authority over 9-1-1 emergency services and will not impact next generation 9-1-1.

HB13-1255 would maintain and codify the current status quo in which voice-over-internet protocol services, as well as the additional IP services enumerated in the bill are exempt from regulation by the Public Utilities Commission. If passed, HB13-1255 would bring the necessary certainty that advanced IP-enabled services will not be hindered by legacy telephone regulations, which will work to attract tech-based companies to Colorado. As this bill will create a positive business environment for these companies so important to the state's economy, the Denver Metro Chamber supports HB13-1255.

HB13-1265 Enterprise Zone Bus Facility Employee Tax Credit / Hullinghorst–Heath
(Support 3/25/13) (Signed by Governor 5/03/13)

The "Urban and Rural Enterprise Zone Act," which created enterprise zone tax incentives in Colorado, excluded already-existing businesses in the areas that eventually were designated as enterprise zones from eligibility for income tax credits for new business facility employees. This exclusion was accomplished through "new business facility" language, which required businesses that existed in a distressed area prior to the enterprise program to qualify for a new business facility by expanding at their existing location in the enterprise zone and meeting one of six enumerated criteria within the bill.

Most businesses that already existed in a distressed area prior to the enterprise program have met at least one of the six criteria to qualify as a new business facility. Therefore, HB13-1265 ends the new business facility employee income tax credit and creates a new income tax credit for business facility employees. Although the credit remains the same, it does not include the requirements to meet the definition of a "new business facility."

The Chamber views enterprise zone designation tax credits as encouraging positive investment activity and spurring economic development. HB13-1265 aligns with the Enterprise Zone Tax Credit Task Force's recommendations, which spent the last eight months reviewing the program.



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HB13-1266 Health Insurance Alignment Federal Law / Mccann–Aguilar (Support 3/25/13)
(Signed by Governor 5/13/13)

HB13-1266, if passed, will align Colorado law with the federal Patient Protection and Affordable Care Act of 2010 and the federal Health Care and Education Reconciliation Act of 2010 to grant the insurance commissioner the authority to regulate health insurers in compliance with the new federal law requirements.

This legislation will eliminate duplicative requirements, streamline regulatory requirements and offer employers, insurers and individual's greater clarity as health care reform continues to move forward. The provisions contained within HB13-1266 allow for the continued responsible and efficient implementation of health care reform. Therefore, the Denver Metro Chamber supports this legislation.

HB13-1272 RTD & SCFD Sales & Use Tax Base Same As State / Hullinghorst–Steadman
(Support 3/26/13) (Signed by Governor 5/28/13)

If passed, HB13-1272 would make the sales and use tax base for the Scientific and Cultural Facilities District (SCFD) and the Regional Transportation District (RTD) the same as the state's sales and use tax base.

This legislation would create a more efficient and less cumbersome tax system, requiring fewer audits. It is expected to capture revenue that is due, but not being collected under the current system. In addition, the resulting funds are expected to support the north metro lines of FasTracks. Therefore, the Chamber has taken a position of support on this legislation.

HB13-1285 Study Disparities in State Procurement / Williams–Giron (Support Conditional on Funding 4/8/13) (PI'd 5/01/13)

This legislation directs the Department of Personnel to commission a disparity study to determine whether disparities exist between the participation of historically underutilized businesses and other businesses in the state procurement system. "Historically underutilized business" is defined as businesses owned by racial or ethnic minorities, women, veterans or persons with disabilities.

The disparity study directed by HB13-1285 will provide valuable information to ensure that state procurement system provides an equitable bidding process; however, the legislation does not identify a source of funding to pay for the study. Therefore, the Denver Metro Chamber of



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Commerce supports HB13-1285 conditional on the identification of an adequate source of funding acceptable to the business community.

HB13-1287 Extend CO Job Growth Incentive Tax Credit 5 Years / Primavera–Scheffel
(Support 4/8/13) (Signed by Governor 5/13/13)

HB13-1287 extends the Colorado job growth incentive tax credit by an additional five income tax years.

This tax credit rewards Colorado companies for creating jobs and, as such, encourages job growth, which benefits employees, employers and the overall economic health in Colorado. As such, the Denver Metro Chamber supports this legislation.

HB13-1295 Simplify Sales Tax For Marketplace Fairness Act/ Ferrandino – Heath (Support 4/15/13) (Signed by Governor 5/28/13)

The U.S. Congress is currently considering legislation entitled the “Marketplace Fairness Act of 2013 (Act).” This legislation, if enacted, would grant states the authority to compel out-of-state retailers with gross annual receipts in total remote sales of more than \$1,000,000 to collect and remit sales tax on behalf of the state and local taxing jurisdictions. However, for states to receive this taxing authority, the Act specifies minimum tax code simplification requirements.

HB13-1295, if passed, would make the necessary changes to Colorado law to give the state the authority to tax out-of-state retailers as provided by the Marketplace Fairness Act, if passed. HB13-1295 allows home rule cities to opt in by passing an ordinance or resolution accepting the state’s administration and distribution of its local sales tax on remote sales.

HB13-1295, if passed, would simplify Colorado’s complicated tax system and provide for new revenue by allowing the state the authority to collect sales tax revenue from out-of-state retailers if the federal Marketplace Fairness Act of 2013 is enacted. HB13-1295 also allows for home rule cities to maintain their existing tax structures while partaking in the revenue generated by the taxation of out-of-state retailers by accepting the state’s administration and distribution of local sales tax on remote sales tax only. For these reasons, the Denver Metro Chamber of Commerce supports HB13-1295.

HB13-1312 When Retailers Must Collect Sales Tax / Williams—Steadman (Support 4/22/13)
(PI’d 4/24/13)



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Colorado law requires every retailer or vendor doing business in this state and selling to the user and consumer to collect sales tax. Colorado law also imposes a use tax collection on every retailer doing business in Colorado that makes sales of tangible personal property for storage, use, or consumption in the state. HB13-1312 would expand the state's sales and use tax nexus to include out-of-state retailers that use drop-ship services within the state. If this legislation is passed, these out-of-state retailers will be presumed to have established a sufficient nexus to trigger the obligation to collect state sales and use tax.

The Denver Metro Chamber of Commerce supports this effort to level the playing field between out-of-state retailers that conduct substantial business within Colorado and currently are not obligated to collect the same use and sales tax as in-state retailers.

OPPOSE

SCR13-002 Colorado Health Care Cooperative / Aguilar-Ginal (Oppose 4/1/13) (Laid over to 1/8/2014)

Senate Concurrent Resolution 13-002 calls for the submittal to Colorado voters of an amendment to the Colorado Constitution that would create a Colorado health care cooperative to provide health care through a statewide system. SCR13-002 also calls for the assessment of a 6 percent payroll premium from employers, a 3 percent payroll premium from employees and a 9 percent premium on other income.

To fund the proposed health care cooperative system, SCR13-002 imposes payroll premiums on both employers and employees, as well as a tax on other income. These premiums would harm the growth of Colorado's economy and put Colorado at an extreme competitive disadvantage in relation to other states.

Additionally, if SCR13-002's proposed constitutional amendment succeeded on the ballot, it follows that the Colorado Health Benefit Exchange (COHBE) would no longer be necessary or viable within a health care cooperative system. The Denver Metro Chamber supported the creation of COHBE, which will be operational in the fall of this year. The Chamber also supports the current legislation to expand Colorado's Medicaid program as provided for in the federal Affordable Care Act. The Chamber opposes any attempts to reinvent the state's health care system before these and other health care reforms, in which much time and many resources have been invested, have been given a fair and reasonable opportunity to succeed.

For these reasons, the Chamber opposes SCR13-002.



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SJR13-021 Interim Committee Study Health Care / Aguilar–Ginal (Oppose 4/1/13) (PI'd 4/25/13)

This joint resolution calls for the creation of an interim legislative committee to study ways to create a health care system in Colorado that would provide affordable and comprehensive coverage to all Coloradans. SJR13-021 charges the committee with studying the feasibility of creating a cooperative-based health care system in Colorado, including the potential economic, population, provider and business impacts that such a system may have.

The Denver Metro Chamber supported SB11-200, which created the Colorado Health Benefit Exchange, so that Colorado – rather than the federal government – could design a health benefit exchange that met the unique needs of our state. The Chamber also supports this session's legislation that will expand Medicaid as provided for in the federal Affordable Care Act. These health care reforms in which much has been invested must have an opportunity to succeed before creating an interim legislative committee, funded by taxpayer dollars, to study other ways of structuring our health care system. At this time, such a committee is premature and unnecessary. Therefore, the Chamber opposes SJR13-021.

SB13-024 Prohibition Against Discrimination for Labor Union Participation/ Hill—None (Oppose 1/22/13) (PI'd 1/23/13)

The bill prohibits an employer from requiring any person, as a condition of employment, to become or remain a member of a labor organization or to pay dues, fees or other assessments to a labor organization or to a charity organization or other third party in lieu of the labor organization. Any agreement that violates these prohibitions or the rights of an employee is void.

The bill creates civil and criminal penalties for violations and authorizes the attorney general and the district attorney in each judicial district to investigate alleged violations and take action against a person believed to be in violation. The bill states that all-union agreements are unfair labor practices.

The Denver Metro Chamber has consistently opposed any efforts to weaken our existing Labor Peace Act as its statutory framework provides the right balance to ensure a healthy relationship between business and labor in this state. Colorado's Labor Peace Act has long provided a unique legal middle ground between right-to-work states, where employees cannot be coerced into paying union dues or fees as is proposed by this legislation, and forced-unionism states where a single workplace vote can compel "agency fee" tribute from non-union members. In Colorado, a second, separate workplace vote by a supermajority of eligible employees is needed before non-members can be forced to pay agency fees.



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The Metro Denver Economic Development Corporation has examined the economic performance of right-to-work states, union shop states and Colorado's unique Labor Peace Act to determine how states' economies performed during good and bad times. Its research indicates that right-to-work states went into recession quicker than Colorado or union-shop states, but they also came out of recessions faster than the other two options. Union-shop states exited recessions much later than Colorado and right-to-work states. Colorado exited sooner than union-shop states.

However, right-to-work states paid lower wages than union shop states. Colorado wages were higher than right-to-work states, but lower than union shop states. Given that economic development is not solely about the number of jobs, but the quality of jobs and wages, the Metro Denver Economic Development Corporation determined that Colorado's Labor Peace Act was the perfect balance between the two approaches. Therefore, the Chamber opposes SB13-24, as it would damage the balance created by the Labor Peace Act, which economic data has shown to be the most successful approach.

SB13-025 Collective Bargaining Firefighters / Tochtrop – None (Oppose 1/14/13) (Signed by Governor 6/5/13)

This bill gives firefighters various rights, including the right to bargain collectively or express a grievance through the representatives of their choice.

The Denver Metro Chamber of Commerce opposes Senate Bill 13-25, known as the Firefighter Collective Bargaining Act. The decision on whether to grant collective bargaining rights should remain on the local level, rather than being mandated statewide. Such a mandate removes the ability for local governments to make decisions that may have a tremendous impact, as well as create costs for Colorado taxpayers.

SB13-068 Modify Late Vehicle Registration Fee/ Baumgardner – None (Oppose 1/22/13) (PI'd 2/12/13)

SB12-068 would change the fee for late registration of a vehicle from a fee of \$25 per month to a flat fee of \$20 and repeal an exemption from the late fee for a vehicle that has expired temporary registration number plate, tags or certificates.

The Chamber was in support of FASTER in 2009 and will oppose legislation that changes the law. The late registration fees go to pay for bridge construction, which is already seriously underfunded.



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SB13-124 Requirements of Insurance Intermediaries / Kefalas—Primavera (Oppose 2/19/13) (PI'd 4/15/13)

This legislation addresses health insurance intermediaries. The bill expands the definition of “intermediary” by providing a list specific functions that fall within the definition, including utilization management, provider credentialing, administration of health insurance benefits, payment to providers, claims processing and disease management programs, when done on behalf of an insurance carrier. The bill then sets forth a detailed list of prohibitions on intermediaries and provides that a willful violation of these prohibitions constitutes an unfair or deceptive act or practice in the business of insurance. In addition, the Colorado Division of Insurance is charged with the authority to investigate complaints.

This bill proposes placing a regulatory framework on an industry that serves two already highly regulated industries – health care and insurance. As such, the Chamber opposes SB13-124, as it traditionally opposes such attempts to overregulate business transactions. In addition, this legislation, if passed, would expand the regulatory authority of the Division of Insurance into an industry that provides services that assist insurers in containing costs.

SB13-202 Additional Inspections of Oil and Gas Facilities / Singer–Jones (Oppose 3/25/13) (Signed by Governor 5/25/13)

SB 13-202 requires the Colorado Oil and Gas Conservation Commission (COGCC) to use a risk-based strategy for inspecting oil and gas locations that targets the operational phases that are most likely to experience spills, excess emissions and other types of violations. The bill would also require the COGCC to inspect every oil and gas well annually.

While the Denver Metro Chamber supports sensible regulations on all industries, including the oil and gas industry, the Chamber opposes this bill because it is unnecessary and includes cumbersome and expensive requirements with dubious merit. The COGCC inspection staff has already more than doubled since 2004, and the agency is requesting 10 additional inspectors in this year’s budget – all additions that have been supported by the oil and gas industry. This bill would require \$8.2 million to fund the additional 60-70 inspectors required, which would be generated through an additional mill levy on the oil and gas industry and deposited into the Oil and Gas Conservation and Environmental Response Fund, and the COGCC has not indicated these staff people are necessary at this time.



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SB13-252 Renewable Energy Standard Retail Wholesale Methane/ Morse – Ferrandino
(Oppose 4/15/13) (Signed by Governor 6/5/13)

Current law requires rural electric co-ops with more than 100,000 customers and their utility suppliers, to meet a 10 percent renewable standard by 2020. If passed, SB13-252 would increase this standard to 25 percent by 2020. To prevent dramatic rate increases due to the cost of complying with this mandate, the bill also contains a 2 percent retail rate cap.

The Denver Metro Chamber of Commerce's membership includes entities whose interests would be harmed and whose interests would be helped by this legislation. However, the Chamber understands that these parties were not consulted during the drafting of this bill, which would make significant and costly changes to the renewable energy standards that apply to rural electric co-ops and their utility supplier. Tri-State Generation and Transmission Association has estimated that it will cost between \$2 billion and \$4 billion to meet the proposed standard. In addition, we believe that the 2020 deadline, along with the identified 2 percent rate cap proscribed in the legislation, creates an unachievable mandate.

The parties who will be directly and significantly impacted by proposed legislation should be allowed the opportunity to participate in the drafting process. This stakeholder participation can ensure that proposed legislation does not contain an unachievable and costly mandate like the one proposed by SB13-252. Because such a process was not undertaken, and because we believe that the timeline in the bill is unachievable, the Denver Metro Chamber opposes this bill. We would encourage the bill sponsors to take the time to work through a stakeholder engagement process similar to that which was identified in 2007 when a Renewable Portfolio Standard was crafted for the investor owned utilities, and to use that process to identify a path forward.

SB13-272 Energy Efficiency and Renewable Energy Jobs Act / Schwartz – Fischer (Oppose 4/22/13) (PI'd 4/23/13)

SB13-272 proposes to add renewable energy technologies that produce thermal energy to the measures that may be utilized under current law as part of a gas utility's demand-side management (DSM) program. In addition, the bill would require investor-owned retail natural gas utilities to devote thirty percent of their DSM budgets to support installation of renewable energy technologies that cannot be net-metered.

The Denver Metro Chamber opposes SB13-272, which would mandate investor-owned utilities to dedicate thirty-percent of their DSM budgets to support installation of renewable energy technologies that cannot be net-metered. These types of decision should remain with the utilities



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and not be mandated by government. Additionally, the Chamber has concerns that this mandate would result in increased rates for consumers.

**SB13-287 Concerning Telecommunications / Nicholson and Brophy –
McLachlan/Sonnenberg (Oppose 5/1/13) (Laid Over to 5/10/13 on 5/06/13)**

Currently, the high cost support mechanism reimburses some of the cost of providing telephone services to rural areas. The funds in the high cost support mechanism are generated from an assessment on all telecommunications providers in high cost areas and is administered by the state's Public Utilities Commission. If passed, SB 13-287 would add broadband internet services in "unserved and underserved areas" to the list of services that are reimbursable under this mechanism.

The Denver Metro Chamber opposes SB 13-287 as it would take dollars that would otherwise encourage broadband deployment in unserved areas and it would make state funds available in areas with existing broadband infrastructure resulting in overbuilding, while unserved areas get left behind. The bill also provides state funds for broadband deployment in areas that may otherwise be covered by federal funds made available under the FCC's \$4.5 billion per year Connect America Fund.

**HB13-1078 Repeal Colorado Health Benefit Exchange / Joshi—Harvey (Oppose 1/22/13)
(PI'd 2/05/13)**

HB 1078 would repeal the Colorado Health Benefit Exchange, which was created in 2011 by SB11-200.

The Chamber testified in support of the state legislation, SB11-200, which ultimately authorized the creation of the Colorado Health Benefit Exchange (COHBE). The Chamber's testimony emphasized that SB11-200 would create a Colorado-specific Health Exchange that would allow the state to determine its structure and implementation timeline as opposed to falling back on a federal program. Once COHBE is operating, small businesses, their employees and individuals who have been prevented from obtaining insurance due to its high cost will be able to access coverage. Therefore, as HB13-1078 calls for the repeal of COHBE, the Chamber opposes this legislation.

HB13-1090 Prompt Pay/ Fischer—Tochtrop (Oppose 1/22/13) (PI'd 2/28/13)

This proposal would set requirements for public and private contractors relating to payment, billing cycles and retainage on construction projects.



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The Chamber encourages all contracts to be paid in a timely manner, but holds that it is unnecessary to mandate this level of detail in state statute. Terms of payment and penalties for failure to make payments in accordance with the contract should remain a matter of private contract. The bill also provides an elevated status to a single segment of the economy, as it relates to penalties for delayed payments.

The timelines in the bill do not take into account the time that can be involved in releasing funds secured by construction loans or federal funds. General contractors have little or no control over those timelines; therefore, we oppose HB13-1090.

HB13-1098 Colorado Mandatory E-verify Act / Swalm—Harvey (Oppose 1/22/13) (PI'd 2/11/13)

HB13-1098, the Colorado Mandatory E-Verify Act, would require that on or after January 1, 2014, all Colorado employers participate in the federal E-Verify program to verify the work eligibility status of each newly hired employee. This bill would replace the current state law requirement that employers, within 20 days of hiring a new employee, complete and keep a copy of an affirmation that the employer: (1) has examined the legal work status of the newly hired employee; (2) has retained file copies of the Form I-9 identification documents; and (3) has not knowingly hired an unauthorized alien. This bill would not affect an employer's responsibility to comply with all federal Form I-9 requirements. In addition, an employer who fails to participate in E-Verify with reckless disregard is subject to fines up to \$5,000 for the first offense and up to \$25,000 for the second offense. Subsequent offenses may result in a suspension of the employer's business license(s) for up to six months.

The Chamber supports efforts to ensure a legal workforce; however, it has historically been opposed to government mandates on business. This bill creates a mandate for all Colorado businesses and carries significant penalties for non-compliance. In addition, the Colorado Mandatory E-Verify Act creates a larger compliance burden on small businesses, which will bear a larger compliance burden under this mandate than larger businesses due to limited resources. Furthermore, E-Verify is part of a national immigration strategy and therefore should be managed at the federal level. The Chamber has consistently said that immigration issues should not be managed at the state level in order to create a predictable business climate for interstate commerce.

HB13-1106 Prohibit Discrimination Labor Union Participation / Everett—None (Oppose 2/4/13) (PI'd 2/11/13)

This legislation would prohibit an employer from requiring anyone, as a condition of employment, to become or remain a labor organization member. In addition, the legislation



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prohibits the employer from making the payment of dues or other assessment to a labor organization, or to a charity organization in lieu of the labor organization, a condition of employment. HB13-1106 creates civil and criminal penalties for violations and authorizes the attorney general and district attorneys to investigate alleged violations.

The Denver Metro Chamber has consistently opposed any efforts to weaken our existing Labor Peace Act as its statutory framework provides the right balance to ensure a healthy relationship between business and labor in this state. Colorado's Labor Peace Act has long provided a unique legal middle ground between right-to-work states, where employees cannot be coerced into paying union dues or fees as is proposed by this legislation, and forced-unionism states where a single workplace vote can compel "agency fee" tribute from non-union members. In Colorado, a second, separate workplace vote by a supermajority of eligible employees is needed before non-members can be forced to pay agency fees.

The Metro Denver Economic Development Corporation has examined the economic performance of right-to-work states, union shop states and Colorado's unique Labor Peace Act to determine how states' economies performed during good and bad times. Its research indicates that right-to-work states went into recession quicker than Colorado or union-shop states, but they also came out of recessions faster than the other two options. Union-shop states exited recessions much later than Colorado and right-to-work states. Colorado exited sooner than union-shop states.

However, right-to-work states paid lower wages than union-shop states. Colorado wages were higher than right-to-work states, but lower than union shop states. Given that economic development is not solely about the number of jobs, but the quality of jobs and wages, the Metro Denver Economic Development Corporation determined that Colorado's Labor Peace Act was the perfect balance between the two approaches. Therefore, the Chamber opposes HB13-1106, as it would damage the balance created by the Labor Peace Act, which economic data has shown to be the most successful approach.

HB13-1136 Job Protection Civil Rights Enforcement Act 2013 / Levy — Carroll (Oppose 1/28/13) (Signed by Governor 5/06/13)

This bill, known as the Job Protection and Civil Rights Enforcement Act, would amend state law to allow compensatory and punitive damages in employment discrimination cases brought under state law if intentional discrimination is established. When a plaintiff claims compensatory or punitive damages, either party is entitled to demand a jury trial. In addition, the bill will allow the court to award the prevailing plaintiff reasonable fees and costs, if the action is found to be frivolous, groundless or vexatious to the defendant. The bill limits the amount of compensatory or punitive damages to the amounts specified in the federal Civil Rights Act of 1991.



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Currently, the federal Civil Rights Act of 1991, which allows for compensatory or punitive damages, applies only to businesses that employ 15 or more employees. This bill would open all Colorado employers, regardless of size, to the possibility of compensatory or punitive damages, as well as the expense of defending a jury trial. This expansion of liability to small employers is not conducive to encouraging entrepreneurship and to fostering a thriving innovative business environment. For these reasons, the Denver Metro Chamber of Commerce opposes this legislation.

HB13-1222 Family Care Act Family Medical Leave Eligibility / Peniston—Ulibarri (Oppose 2/11/13) (Signed by Governor 5/03/13)

Currently, Colorado law does not address required family and medical leave. As such, Colorado employees are entitled to leave as provided for in the federal Family and Medical Leave Act, which allows for leave to care for a spouse, minor child or parent who has a serious health condition. This legislation proposes to expand the group of individuals whose serious medical condition will trigger an employee's entitlement to family and medical leave to include a person to whom the employee is related by blood, adoption, legal custody, marriage, or civil union or with whom the employee resides and is in a committed relationship.

The Denver Metro Chamber believes that the federal Family and Medical Leave Act (FMLA) adequately covers the conditions under which employees should be granted leave to take care of family members, as they are defined in federal law. The proposed state-level expansion of the types of relationships that will trigger an employee's right to FMLA leave will create confusion among both employers and employees. Furthermore, covering "employees in a committed relationship" is nebulous term and places the employer in a difficult position trying to determine which of his or her employees would qualify. Many employers already have provisions that cover "common law" spouses.

HB13-1225 Homeowner's Insurance Reform Act / Levy—Kefalas (Oppose 2/11/13) (Signed by Governor 5/10/13)

This proposal attempts to address consumer concerns raised by homeowners impacted by the catastrophic fires of summer and fall 2012.

The bill makes the following changes to current laws regulating homeowner's insurance:



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Requires insurers to offer extended replacement coverage and law and ordinance coverage, with an explanation of the terms of this coverage;

Requires insurers to include at least one year of additional living expense coverage and to offer a total of 24 months of additional living expense coverage, with an explanation of the terms of this coverage; and

Requires homeowner's insurance policies, endorsements, notifications, and summary disclosure forms be written in plain language and revised by January 1, 2015, to comply with this requirement.

The Chamber opposes this bill because it would require all homeowner's insurers operating in Colorado to significantly expand coverage or offer benefits that may or may not be affordable. The intent of the bill is to help homeowners in wildfire-urban interface areas affected by the wildfires, but this bill will force all insurers to apply coverage to those who may not want or need the extra coverage. This requirement could significantly increase premiums for all consumers and not allow individuals to manage their own levels of coverage according to their financial situation.

HB13-1227 Income Protection Act / Singer—Ulibarri (Oppose 2/11/13) (PI'd 3/19/13)

The bill creates the crime of wage theft for failing to pay wages or compensation to an employee or falsely denying the amount of wages or compensation due. Each failure to pay or false denial of wages or compensation due to each employee in each calendar month is a separate violation. It is an affirmative defense if a person is unable to pay the wages or compensation. The bill incorporates the definitions of "employee" and "wages or compensation" from other statutes pertaining to wages.

An employer who fails to pay lawfully owed wages to an employee is already subject to a number of state and federal laws, which carry stiff penalties. The Chamber opposes this bill because it would make failure to pay wages due to an employee a criminal violation and increase fines and penalties even in the event that there is a legitimate dispute over wages. It also seeks to eliminate an employer's ability to recover attorney's fees should the employer prevail in a lawsuit, but allows for an employee to recover attorney's fees if he or she prevails. The current system is effective in ensuring that employers pay lawfully owed wages.



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HB13-1249 Foreclosure Sale & Loan Mod Document Requirements / McCann—Giron
(Oppose 3/11/13) (PI'd 4/11/13)

Current law allows a "holder of an evidence of debt," generally a bank or other financial institution, to foreclose on real property even if the holder's interest is based on an assignment from the original lender and the assignment or other intermediate documents are not produced simply by providing a statement from the holder's attorney that the holder's interest in the property is valid. If passed, HB13-1249 would amend these documentation rules by requiring the foreclosing party to produce the originals or copies of an assignment, endorsement and any modifications. The bill would also remove an existing limitation on the liability of a holder that forecloses without having possession of the original documents to all parties damaged by the foreclosure.

The Denver Metro Chamber of Commerce opposes HB13-1249 due to the detrimental effect it would have on the banking industry, which would also impact Colorado's important housing industry as it becomes more difficult for consumers to obtain mortgages. The bill's document requirements would chill the ability of banks to sell loans on the secondary market, which severely hampers the operations of the banking industry. In addition, the proposed legislation would require lenders to produce old documents that are often impossible to obtain, preventing them from foreclosing. This inability to foreclose would allow delinquent borrowers to remain in homes without paying, resulting in a windfall for these individuals while negatively affecting the ability of Colorado's banks to lend and increasing costs for those that make their mortgage payments.

HB 13-1267 Increase Maximum Penalty Oil and Gas Violations / Foote—Jones (Oppose 3/25/13) (Died on Calendar)

HB 13-1267 would increase the fines for violations of the "Oil and Gas Conservation Act" from the current \$1,000 per day to \$15,000 and would set a minimum fine of \$5,000 per violation per day for violations that have a significant adverse impact on public health, safety or welfare, including the environment and wildlife resources. It also repeals the cap on the maximum total fine.

While the Denver Metro Chamber supports sensible regulations on all industries, including the oil and gas industry, the Chamber opposes this bill because the lack of clarity as to what violations would qualify for the increased fine structure. The bill allows for increased fines to be levied for violations with "significant adverse impacts," but does not define that term. In addition, this proposal does not take into account the systemic approach to oil and gas operations, nor the fact that there are other regulatory frameworks that apply to these operations that include fines for violations. The oil and gas industry has suggested that increases



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in the fine levels are not problematic; it is the process in which these fines can be levied that presents problems.

HB13-1269 Reduce Conflict of Interest Oil and Gas Commission / Foote–Jones (Oppose 3/25/13) (Died on Calendar)

HB 13-1269 changes the composition and the charge of the Colorado Oil and Gas Conservation Commission (COGCC) by amending the Commission’s mandate from one of fostering the development of oil and gas in the state while protecting public health, the environment and wildlife resources, to simply protecting public health, the environment and wildlife resources. The bill also prohibits any newly appointed commissioner from being an employee, officer or director of an oil and gas company.

The Denver Metro Chamber opposes this bill because it is a solution in search of a problem. The COGCC was significantly restructured as recently as five years ago in an effort to ensure that the entity regulating the oil and gas industry does so with a balanced perspective to allow for the development of the state’s resources in a way that protects our public health, environment and wildlife. The makeup of the Commission was intentionally structured to allow for industry representation so that regulatory decisions are made with adequate understanding of the energy business. This bill would remove that balanced perspective from the COGCC.

Additionally, the removal of the COGCC’s focus of fostering development of oil and gas in the bill may result in the violation Colorado’s obligations under the multi-state “Interstate Oil and Gas Compact” that was ratified by Congress. The legislative declaration accompanying this compact recognizes the obligation of the signatory states to foster the development of resources while protecting public health, safety, welfare and the environment.

HB13-1273 New Funding Local Governments Oil and Gas Development Impacts / Ginal–Kefalas (Oppose 3/25/13) (PI’d 4/30/13)

HB 13-1273 would create additional resources for the local government designee (LGD) process currently administered by the Colorado Oil and Gas Conservation Commission (COGCC) through the imposition of a fee on oil and gas operators’ drilling permit applications. The fee would be allocated equally by the COGCC to each local government with a registered LGD. The bill would also repeal a prohibition on local governments charging a tax or fee to conduct inspections or monitoring of oil and gas operations with regard to matters that fall under jurisdiction of COGCC. Finally, the bill would allow impact fees to be charged to cover environmental impacts of all development; not just oil and gas.



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The Denver Metro Chamber opposes this bill as it dismantles the local impact fee legislation that was fiercely negotiated and agreed upon by a broad coalition several years ago. HB13-1273 also violates the state's long-standing primacy and oversight of the oil and gas industry and opens the door to local regulation of development.

HB 13-1275 Front Range Oil and Gas Human Health Study / Ginal–Aguilar (Oppose 3/25/13) (PI'd 4/11/13)

HB 13-1275 would require the Colorado Department of Public Health and Environment (CDPHE) to issue an RFP for a study to conduct a review of existing epidemiological data regarding the effects of oil and gas operations on human health in Larimer, Weld, Boulder and Arapahoe counties. The bill requires that the data from the study be analyzed within a year and presented in a report to the General Assembly by March 15, 2014. The report must go to an oversight committee, which must then make a recommendation whether a follow-up study is warranted. The final report must also include a finding as to whether or not a cease-and-desist order should be issued by COGCC as a result of the findings. The study would be funded with severance tax revenues.

The Denver Chamber opposes HB 13-1275 as it is duplicative and unnecessary, as well as containing an unrealistic timeframe for the required study's completion. Currently, two separate study efforts are underway to review the impacts of oil and gas development in the state, which will address the questions regarding human health at issue in this legislation. The first study is a three-year, air-monitoring study led by the Colorado Department of Public Health and Environment in partnership with Colorado State University. The second study is a five-year, comprehensive oil and gas development impact study led by the University of Colorado with a grant from the National Science Foundation. These studies should be completed before determining whether additional review is warranted.

HB13-1304 Unemployment Compensation Benefits Due To Lockout / Moreno – Guzman (Oppose 4/15/13) (Senate Second Reading Laid Over to 5/13/13 on 5/03/13)

HB13-1304, if passed, would remove the distinction between an offensive lockout and a defensive lockout, making individuals eligible for unemployment compensation benefits in the event of a lockout instituted for any reason. Current law allows unemployment compensation benefits only in the event of an offensive lockout.

We strongly support the balance provided to employer-union relations in Colorado resulting from our Labor Peace Act, and we oppose any efforts that would undermine in any way that balance. We believe that HB13- 1304 is a step in the wrong direction as it relates to that balance as it would disrupt the balance of the costs associated with striking between employers and



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employees, removing the incentive to reach compromise. Prolonged labor disputes in which union members are entitled to unemployment compensation will have the impact of increasing unemployment insurance premiums for all of Colorado's employers. Therefore, the Denver Metro Chamber of Commerce opposes HB13-1304.

HB13-1309 Health Insurance Coverage For Breast Imaging / Primavera—Nicholson
(Oppose 4/22/13) (PI'd 5/02/13)

HB13-1309, if passed, would require all health insurance policies to provide coverage for breast imaging for individuals who have at least one risk factor for breast cancer. Risk factors include having a family history of breast cancer, being forty-years of age or older, or a genetic predisposition to breast cancer. Preventive breast imaging is not subject to copayments, deductibles or co-insurance.

The Denver Metro Chamber of Commerce does not dispute the importance of medical testing as required by an individual's physician. However, the medical community widely agrees that breast imaging is not a preventative service, rather constitutes the next level of care after preventative services are accessed. Furthermore, breast imaging is not included as an essential health benefit as defined by the federal government for purposes of complying with the requirements in the federal Patient Protection and Affordable Care Act. In addition, when a patient does not need to pay for advanced services such as breast imaging, the incentive to access health care in a thoughtful manner is removed. For these reasons, the Denver Metro Chamber of Commerce opposes HB13-1309.

HB13-1316 Oil Gas Commission Uniform Groundwater Sample Rule / Hullinghorst – None
(Oppose 4/22/13) (Died on Second Reading in Senate 5/6/13)

Recently adopted rules by the Colorado Oil and Gas Conservation Commission require oil and gas operators to conduct groundwater testing. These rules also provide for different quality standards for particular areas of the state. HB13-1316 would require the Colorado Oil and Gas Conservation Commission to adopt uniform statewide groundwater sampling rules that obligate operators to sample groundwater sources at intervals specified before and after drilling a well.

The Denver Metro Chamber of Commerce opposes HB13-1316. The Colorado Oil and Gas Conservation Commission, following its charge to adopt rules that regulate matters such as groundwater sampling, recently promulgated rules following its process of collecting relevant



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information and deliberation. The Chamber opposes with this legislation, which would nullify the work recently done by the Commission and create a separate set of rules outside the rule-making process of the Commission.

NEUTRAL

SB13-018 Permissible Use of Credit Information by Employers / Ulibarri — Fischer
(Oppose 1/14/13) (Neutral 2/12/13) (Signed by Governor 4/19/13)

As introduced, this bill specified the purposes for which consumer credit information can be used by an employer or potential employer and specifically limits the use of that information for employment purposes if the information unless it is “substantially related” to the job. This legislation as introduced also authorized an employee aggrieved by a violation of the above provisions to bring suit for an injunction, damages or both and requires the Colorado Department of Labor and Employment to enforce the laws related to employer use of this information.

The Denver Metro Chamber of Commerce opposed this legislation because it significantly restricted the ability of employers to gather critical information about potential employees before making hiring decisions. Consumer reports, such as credit reports gathered as part of background checks, are an important piece of information for prospective employers, especially when the position includes access to confidential or proprietary information.

Due to amendments made in the Senate Business, Labor and Technology Committee, the Chamber has moved its position from opposed to neutral. These amendments addressed the Chamber’s most pressing concerns with the bill by expanding the ability of employers to utilize credit reports as well as removing the private right of action that the introduced bill granted.

SB13 -165 Community Colleges Limited Number Bachelor Degrees / Todd—Wilson
(Neutral 3/11/13) (PI’d 4/8/13)

SB13-165 would grant the State Board for Community Colleges and Occupational Education to seek approval from the Colorado Commission on Higher Education (CCHE) for no more than 10 technical, career and workforce development baccalaureate degree programs that may be offered at state community colleges. If passed, the bill would allow CCHE to approve baccalaureate degree programs that, among other requirements, are sufficiently distinguishable from a degree program offered any public four-year institution of higher education in the community college geographic service area.



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The Denver Metro Chamber of Commerce recognizes that Colorado's community college system is an integral player in creating a skilled workforce through its education and training offerings. SB13-165 would offer students that do not have the ability to relocate to the areas with a public, four-year university the ability to earn a technical, career or workforce development baccalaureate degree, which would assist in meeting our workforce needs.

However, the Chamber also recognizes that the state's four-year universities have traditionally been the sole institutions from which a four-year baccalaureate degree may be earned. As such, caution must be used to ensure that any four-year baccalaureate degrees approved to be offered by a community college do not encroach on those offered by our state's four-year universities, which are already facing challenges due to funding shortages. Due to these competing interests, the Chamber took a neutral position on this bill.

HB13-1046 Employee User Name Password Privacy Protection / Williams — Ulibarri
(Oppose 1/22/13) (Neutral 2/19/13) (Signed by Governor 5/11/13)

As introduced, this bill would have prohibited an employer from requesting or requiring that an employee or an applicant for employment provide the employer with user names, passwords or any other type of information needed to access the employee or applicant's personal accounts or services accessed through the employee or applicant's electronic communications device. In addition, the bill would have granted employees or applicants a right to institute a civil action for injunctive relief, damages and reasonable attorney fees.

Due to amendments made in the House Business, Labor, Economic and Workforce Development Committee, the Chamber has moved its position from opposed to neutral. These amendments addressed the Chamber's most pressing concerns with the bill by removing the private right of action that the bill as introduced granted as well as exempting the Department of Corrections, county corrections departments or any state or local law enforcement agency from the definition of employer.

HB13-1142 Urban and Rural Enterprise Zone Act Reforms / Hullinghorst — Heath
(Support 1/28/13) (Neutral 3/18/13) (Signed by Governor 5/15/13)

As introduced, HB13-1142's provisions reflected the work of the Enterprise Zone Task Force by providing for a \$1 million cap on tax credits going forward with an exemption from the cap available under certain conditions. It would also require the director of the Colorado Office of Economic Development and the Colorado Economic Development Commission to review the



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enterprise zone designations at least once every 10 years to ensure that the existing zones continue to meet the statutory criteria to qualify as an enterprise zone.

The Chamber views enterprise zone designation tax credits as encouraging positive investment activity and spurring economic development. HB13-1142, as introduced, aligned with both the Economic Development Commission's work over the past year and the Enterprise Zone Tax Credit Task Force's recommendations, which spent the last eight months reviewing the program.

However, due to amendments made in House Finance Committee that change the agreement reached in the Enterprise Zone Tax Credit Task Force and the decreases in the amount of tax credits allowed, the Denver Metro Chamber has moved its position from one of support to one of neutrality.