



2021 State of the State

Kelly Brough's Remarks

Thank you to the Governor for sharing how he sees this year's legislative session.

Now, I want to share with you our view, which differs a little and that may be no surprise to all of you.

As you know, this is my last State of the State and legislative session as the President and CEO of the Chamber. It's been an honor to work on behalf of all of you at the Capitol these past dozen years.

My thanks to the public affairs and communications teams at the Chamber, our lobbying firm BBMK, our Legislative Policy Committee Members, our new Legal Advisory Council, our committee chairs and our board, and the Colorado Competitive Council and its lobbying team for their leadership this session. And, for the years of staying engaged and focused on these critical policy issues that affect our prosperity as individuals, as companies and as a state. That commitment to our state was here long before I arrived and will continue long after I leave.

Over the years, we've seen a lot of good policy and a lot of bad policy, including the last 12 years, but through it all, this organization never loses sight of what's most important – Coloradans.

Those Coloradans are employers and employees. They work in the private sector, the public sector and the nonprofit sector. We represent different ages, interests, genders, races, orientations – and we are all Coloradans.

And as Coloradans we share a lot of the same goals. Goals to be able to access a good job. Goals to better educate and prepare our youth for the future. Goals to create an economy that works for everybody. Goals to get people and goods safely moving again on our roads. Goals to protect our environment AND our economy. Goals to make sure the future looks better for more of us than it does today.

Who can argue with those goals? No party, no person can argue with the opportunities that come with a great job. Yet so much of the work we do at the capitol assumes we don't share the same goals. And, that means we don't spend the time needed to really hear why someone might suggest a different strategy to reach that goal.

We clearly saw that this session.

And, the consequences of not listening before making changes mean Coloradans are not as well-served as they should be.

At the Chamber, you hear us talk about success across sector, geography, employer, employee – not because they are nice words, not because they sound good in this speech. But because this is what we know is TRUE.

They're all interconnected, we depend on one another, learn from one another and we will either rise together or fall together.

When you build policy, you impact people and companies differently – employers, employees, sectors and sizes. And I want to share some examples of that unique impact from this session with the legislators listening today:

Taxes – with House Bills 1311 and 1312, our legislature aimed to impact wealthy Coloradans and many businesses. And they did impact them, but they also impacted nonprofits and parents saving for their children's college educations. They sent a clear message that it is more important for this money to be spent by our legislature than by nonprofits and parents. The legislature chose to prioritize overhauling our tax system at the very moment that we are being delivered millions of federal dollars to expand the EITC and child care tax credit – really valuable programs, yet our state leaders felt they needed more.

Public option – House Bill 1232 was pitched as an effort to simply try to ensure people get more affordable insurance. And some will. But for most Coloradans, insurance will now cost more because this "savings" is being realized by shifting even more costs to employers and employees who get their insurance through work. Our lawmakers know this. For many of them, it was more important to create the perception that the problem was being solved rather than actually solving the problem. So they kept going, making a conscious decision to charge the majority of Coloradans more for their health care. This is politics – not policy. It is the luxury of single-party control – no matter which party it is. Less stakeholder outreach, less compromise, less incentive to find shared solutions to shared goals and frankly more consequences – whether intended or not.

As a business community, we don't play politics or just go out and try to move money around. We don't actively pick winners and losers. Employers don't put themselves above employees – or they wouldn't have employees. We HAVE to say yes to both. We have to work together. We have to ensure employers AND employees can be successful. We have to protect what's here while also growing our future.

The winners and losers game being played on every floor of the Capitol is a costly one and one Coloradans will pay for in the coming years.

Health care costs, employment law, taxes, privacy: These are tough issues. And tough issues demand extensive outreach and engagement.

And, while there were decisions to not engage in meaningful conversations, there were also places where we saw that outreach. Bringing together stakeholders, not only asking for feedback, but listening to it, understanding it and being responsive to it. It's hard work, but that's what makes good policy.

On data privacy and transportation, bill sponsors engaged us early and often – thank you Senator Fenberg, Senator Winter, Representative Garnett, and Representative Gray for your work on transportation and Senator Rodriguez, Senator Lundeen, Representative Carver and Representative Duran for your work on data privacy.

I also have to give a quick shout out to recognize the great work of Camila Tobon of Davis Graham and Stubbs and Alope Chakravarty of Snell and Wilmer for their legal work on data privacy – spending hours outlining the pros and cons of each bill draft.

On transportation, you heard that right, our legislature did pass a transportation package that will result in \$5 billion in funds over the next 10 years for transportation investment.

It wasn't the perfect package, but it was a compromise crafted in a reality that recognized the multitude of stakeholders involved in this work.

And although we are disappointed with some of the tax reform policy, we were engaged much earlier than last year thanks to the work of Senator Hansen.

Sponsors and legislators were also responsive to deep concerns from the business community on Senate Bill 176, a bill that would have changed definitions and processes related to harassment and discrimination. It died in the last days of the session. We know there is more work to be done on this topic and I'm so grateful for the dedication of Sarah Mercer from Brownstein Hyatt Farber Schreck and Austin Smith of Lockheed Martin for sharing their legal expertise with us as we all worked on this bill. You can imagine how difficult it is to express our commitment to protect every employee from harassment and discrimination while also highlighting critical flaws in the policy that is intended to do just that.

There was some other good news this session that shouldn't be lost:

State stimulus dollars came to the aid of small businesses in particular. Generating \$131.6 million of assistance through 5 targeted stimulus bills.

Our team worked tirelessly to get a bill introduced to change the way state and local taxes are calculated. In the 11th hour of the session the bill was not only introduced, but passed. It will mean anywhere from \$100 million to \$500 million a year in savings for small businesses across Colorado on their federal tax bill.

\$48 million will also go toward reskilling workers and building a workforce pipeline as we recover from the pandemic.

These are bright spots in what felt like an exhausting haul of a session. One in which we were constantly on the defense, against the wall, fighting for our members.

As the legislature provided this relief, they also made doing business here more complicated and more expensive. And that's not good policy in any year, but is really concerning given the year we are desperately trying to recover from.

This is at a time when employers are focused on one thing – their employees, their people. Getting people back to work. Keeping their doors open so they can keep their teams together.

People: that's what good policy is all about. And our hope is that we see more recognition of this reality in the coming year.

We can't say it enough – we need policy that recognizes it takes all of us to be successful. That the health of our state budget, our nonprofits and our public sector depend on a thriving private sector.

Just as the private sector relies on strong education, transportation, health care and the support of a nonprofit ecosystem to be successful.

It takes us all. So let's move forward with a recognition that we can and should do better for one another and for our state.

Five months are always hard. Hard for our legislators, hard for our team, and hard for all of you – who are focused on keeping Coloradans employed and keeping your doors open.

And this year was even harder. The session felt longer, we are still recovering from a global pandemic, and the scope of legislative issues felt broader than ever before as we managed through an increased volume of bills as a result of the pandemic and stimulus.

For our members, we know having to shift your focus away from your employees and your work and toward policy can be frustrating.

But the process, and your engagement in it, does matter. So thank you to everyone who provided feedback, who emailed legislators, who met with legislators to share a perspective. We appreciate you. We needed you and we will need you in the future. Even though we know you'd not only rather be focused on your core work, but frankly on your teams who need you to be focused on your work.

No matter how you score card things out (we do that, too) ... our focus has to be the same. We have to get people in great paying jobs, and everything we do, including our legislative process, should support that goal. Let's work together to put more Coloradans in great jobs with the opportunity to grow, earn more and achieve families' dreams.

Joining us next is our Platinum Sponsor, Jason Van Eaton, Senior Vice President of Governmental Affairs and Real Estate for Southwest Airlines.

Thank you.