

2024 END OF SESSION REPORT

**TOTAL BILLS WITH A
FORMAL POSITION**

85

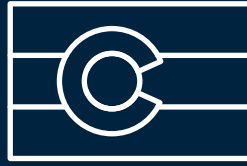
**TOTAL
TESTIFIED BILLS**

44

During this year's 120-day legislative session, lawmakers debated 705 bills and passed more than 500 new pieces of legislation. Resolution of major issues was left to the end, with several landmark proposals and major compromises introduced in the final weeks, and even days, of session.

Session began with a call by legislative leadership for decorum, and ended with a refreshing level of congeniality, contributed to by the passage of bipartisan legislation on property tax. Ultimately, while we found opportunity for compromise on several impactful policies, we also saw policy passed at the expense of Colorado's economic competitiveness. Public policy continues to be the biggest threat to Colorado's economy and business climate, and the Chamber was extremely active this session. See our priorities on the next pages.

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TOP 2024 ISSUES

1

Property Tax

After the temporary relief from special session, it was critical that the legislature finally address the 2020 repeal of Gallagher. **SB24-233 creates separate local and school funding tax rates for the same property, makes changes to both residential and commercial rates, and more.** Residential taxpayers will be in a better position than they would be without it, and commercial payers finally receive rate relief after a generation of paying a disproportionate share and being left out of last year's special session. However, residential ratepayers will not see a decrease in what they owe going forward – rather, their tax bill will not increase as much as it would have, and ballot measures on the topic still loom. The Governor signed this bill on May 14.

2

Insurance Caps

Ballot measures filed by trial lawyers threatened to devastate Colorado's insurance rates, and the Denver Metro Chamber strongly supported updating caps on non-economic damages in order to find a compromise that would keep the ballot measures from advancing. **Eventually, parties were able to reach agreement in the final days of session and passed SB24-1472.** While the higher limits will be reflected in insurance premiums, those increases will be significantly less than the ballot measures would have delivered.

3

Air Quality

In the final weeks of the session, the Governor brokered a ceasefire between environmental activists and energy producers. The deal resulted in a new legislative package in return for both parties shelving their respective bills and ballot initiatives until 2027. SB24-229 reduces NOx (oxides of nitrogen) from oil and gas operations by 50% by 2030 and added additional protections for disproportionately impacted communities. SB24-230 imposes a quarterly per barrel fee on oil indexed to price to fund clean transit and wildlife protections. **Both pieces of legislation have been sent to the Governor.**

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KEY HOUSING BILLS

1

(Chamber Support) Governor's Housing Package

In response to feedback from last session's land use overhaul (SB23-213), this year the Governor strategically broke up the components from the monolithic package into several individual bills. This included HB24-1313, requiring housing density near public transit; and HB24-1152, permitting single-family property owners to build accessory dwelling units. Similar to last year, each of the Governor's bills received pushback from Colorado local governments, arguing in favor of local control. **However, this year he was able to get the proposals past the finish line and to his desk.**

2

(Chamber Support) Construction Defects Reform SB24-106

A diverse coalition of stakeholders, including the Chamber, came together to address Colorado's construction litigation climate that has stifled condominium construction in the state. SB24-106 would have made it easier to build multifamily for-sale housing by reducing insurance costs and decreasing the magnitude and frequency of construction "defect" claims, all while maintaining homeowners' rights to file legitimate claims. While it passed the Senate with strong bipartisan support, **it met its demise in the House.**

3

(Chamber Oppose) Protections for Real Property Owners HB24-1230

HB24-1230 would have doubled down on the current affordability crisis by extending the time to file a claim on construction defects and requiring awards of prejudgment interest to the plaintiff. Fortunately, **this bill died on the calendar.** Housing and construction litigation reform will continue to be a priority for the Denver Metro Chamber as we look ahead to 2025.

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KEY SUSTAINABILITY BILLS

1

(Chamber Support) Modernize Energy Distribution System SB24-218

This policy aims to ensure Xcel Energy makes timely, critical investments in the local grid in a manner that serves the interests of customers and aligns with the state's energy policy objectives, focused on promoting the adoption of electric vehicles, facilitating beneficial electrification, and encouraging community and rooftop solar projects. The bill aims to deliver customer savings while preparing the electric grid to meet future needs. **The Governor signed this bill into law on May 22.**

2

(Chamber Support) Air Quality Ozone Levels SB24-095

The bill proposed to use incentives instead of penalties to address significant sources of high emissions. Based on a highly cost-effective approach utilized in California, the data-driven approach targeted malfunctioning or poorly maintained vehicles for repair or replacement, expanded clean fleet subsidies for light-duty trucks, added new rebate programs, and dedicated funds to modeling.

Unfortunately, the legislation did not make it through in a difficult budget year.

3

(Chamber Support) Regulate Dredge & Fill Activities in State Waters HB24-1379

The bill establishes a state dredge and fill permitting program in the Department of Public Health and Environment (CDPHE) intended to cover waters left unregulated after the decision in the U.S. Supreme Court ruling in *Sackett v. Environmental Protection Agency*. Debate over the provisions of the bill and a competing measure, SB24 -127, centered around which agency should oversee the new program, the scope of the program and statutory versus regulatory requirements. **Ultimately, a compromise was reached between the two bills, and paved the way for HB24-1379 to move forward.** In its final form, the new program will reside in CDPHE and will cover all state waters with some exclusions.

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KEY ECONOMIC COMPETITIVENESS BILLS

1

(Chamber Oppose) Consumer Protections for Artificial Intelligence SB24-205

Colorado is officially the first state in the nation to pass comprehensive AI legislation. SB24-205 requires a developer of high-risk artificial intelligence to use reasonable care to avoid algorithmic discrimination. To protect against the risk, the bill rolls out heavy disclosure and obligation requirements for developers and deployers and does not include an opportunity for businesses to cure a violation. Though we secured several amendments that brought the bill to a more practical and implementable place, concerns remain about the impact to current businesses and economic development. **While the Governor echoed our concerns in a published letter addressing SB24-205, he signed the bill into law.**

2

(Chamber Oppose) Deceptive Trade Practice Significant Impact Standard HB24-1014

HB24-1014 would have eliminated a judicially created requirement that limits the application of the Colorado Consumer Protection Act (CCPA). In the 1998 *Hall v. Walter* ruling, the Colorado Supreme Court held that an injured individual or business must prove that an unfair, unconscionable, or deceptive act or practice “significantly impacts the public.” Elimination of the public impact requirement would have severely lowered the threshold of what is considered a violation of CCPA. **HB24-1014 passed through the house and was postponed indefinitely by the Senate.** While the bill was not successful this year, it is one where we anticipate continued legislative interest.

3

(Chamber Support) Tax Credits for Quantum Industry Support HB24-1325

Due to a particularly tight budget, legislators introduced many tax credits and incentives as a creative way to provide support. HB24-1325, Tax Credits for Quantum Industry Support seeks to demonstrate Colorado’s aligned support for the quantum industry and give our state a competitive advantage in clinching a \$75 million-dollar federal grant. The tax credit only kicks in if Colorado receives the federal grant, which was an important factor in **ultimately getting this bill passed through the legislature.**

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KEY ECONOMIC COMPETITIVENESS BILLS: WORKFORCE

1

(Chamber Support) Opportunity Now Grants & Tax Credit HB24-1365

A bipartisan bill that was a part of the Governor's broader workforce package, HB24-1365 expands upon previously successful legislation aimed at addressing workforce shortages by increasing enrollment in high priority pathway programs through scholarship and career advising. HB24-1365 specifically focuses on incentivizing jobs in construction and infrastructure, and **the Denver Metro Chamber was thrilled to see it passed by the legislature.**

2

(Chamber Amend) Prohibition Against Employee Discipline HB24-1260

Often referred to as the "captive audience bill," HB24-1260 prohibits an employer from requiring an employee to attend meetings, listen to speech or view communications concerning religious or political matters. In close partnership with the bill sponsors, we were able to amend the bill to ensure that an administrative process must be exhausted before filing a court case and exempting certain employer communications from the prohibition, including communications required by law or that are necessary for an employee to perform their job duties. **Concerns remained around the bill's expansive definitions that fail to differentiate between politics and policy, and as a result incurred a veto by the Governor.**

3

(Chamber Amend) Wage Theft Construction Industry Contractors HB24-1008

Despite our best efforts to stop legislation that would hold one company liable for the illegal actions of another, HB24-1008 passed the legislature. The bill expands general contractor accountability for wage claims involving contractors and would make general contractors responsible for their subcontractors' payments to laborers. While we oppose wage theft and support practical solutions to ensure workers are paid and bad actors held accountable, this bill does not achieve that goal, which is why we requested a veto. **The Governor took out his pen and vetoed the bill, citing the bill wrongly singled out one industry and failed to hold the "real" wrongdoers accountable.**

KEY TAKEAWAYS

The Chamber works for the economic empowerment of every Coloradan. We know that policy plays a critical role in supporting or impairing our ability to attract and retain talent, grow our economy, and be the best place in the nation to live and do business. We advocate on behalf of our members on a variety of legislative priorities, sharing perspective and concerns, and advocating for thoughtful, well-reasoned policy that supports the Colorado economy.

The Chamber firmly believes that what's good for our businesses is beneficial to our community, and that the nature of the relationship between employers and employees is a collaborative one.

During the interim period before the next session, the Denver Metro Chamber will continue to work on critical issues, focus on tracking the upcoming primary election, which will take place Tuesday, June 25, and evaluate ballot measures that could appear on the November 2024 ballot.

Thank you to all of our members for the work you do. The Denver Metro Chamber of Commerce is proud to advocate with members for state policy that supports a strong economy and continued success for Colorado.

