



2017 Final Report

2017 Session Summary

The final gavel fell on the 2017 legislative session on May 10th. With 681 bills introduced, 371 bills passed, and 251 bills postponed indefinitely, this session saw a wide range of policy. With the new Trump administration creating a new political landscape and 30 freshman members taking seats in both houses, the 2017 session kicked off promising big changes. Early in the session, leadership in both houses outlined some key issues that they wanted to address, such as transportation, construction defects, affordable housing, education funding, and the hospital provider fee. The political climate of the legislature, however, made accomplishing these tasks much easier said than done. The Democrat majority house and the Republican majority Senate found themselves colliding without one another more often than working with one another, and decision makers spent just as much of their time held up in political gridlock as they did discussing important policy issues.

As always, it is difficult to reflect on a legislative session without considering the state's budget bill, or long bill. Due to Colorado TABOR laws and our unique taxing structure, the state must pass a balanced budget each year. This year the budget proposal started in the Senate,

with an incredible 42 additional amendments tacked on. Important budget items included transportation funding, marijuana taxes, education funding, and how to fund rural hospitals. In a state where every dollar counts, these multimillion-dollar programs are forced to compete with one another, leaving many programs underfunded. With so much at stake, the year's budget proposal took weeks to finalize and was delaying in the Joint Budget Committee for a significant amount of time before reaching the Governor's desk. Now the legislation must go through a finalization process in which all the figures are checked again and run for the last time, we expect the Governor will put his final signature on it soon.

In most years here along the Colorado Front Range, there are a few large storms which contribute to most of the precipitation that falls each year. More than half of our total annual precipitation falls during 20% of the days during which that precipitation occurs. The other half of our annual precipitation totals come from the remaining 80% of days when it rains, snows, or hails. This means

that the difference between a very wet and a very dry year comes down to the presence or absence of just a few major storm systems. Unfortunately, we did not get those larger storms this year.

In order to protect GreenCO's pro-business agenda, we kept a vigilant

- 681 bills introduced
- 253 bills killed
- 371 bills passed or awaiting final signature

watch over Democrat bills aimed at regulating or otherwise inhibiting Colorado fair business practices, but there were some key pieces of legislation that came back this session. Much effort was directed towards these bills once more in order to allow Colorado business owners to operate unencumbered.

Defending and Preserving a Business Friendly

environment: GreenCO supports maintaining and improving Colorado’s business friendly environment by opposing legislation that increases regulatory burden or exposes businesses to additional litigation.

HB1305 “Ban the Box” legislation was back again this year to add additional barriers to the hiring process. This bill would make it illegal for employers to include a check-off box on their applications asking applicants to specify whether they have previously been convicted or charged with a crime. This type of legislation poses issues, however, because it does not provide any sort of liability protections for employers, and because the legislation did not apply to government jobs, it singled out the private sector. Although the bill managed to make its way out the Democrat majority house, with the help of heavy lobbying efforts from the business community, it was killed in the Senate.

HB1119 was another business-centered bill that hit the docket this session. This legislation aimed to establish the uninsured employer board to establish the criteria for payment of benefits and adopt rules and penalties for employers in instances that the employer does not have the proper workers’ compensation in place. Proponents of the bill felt that the legislation was a good compromise, in that it allowed employers with multiple offenses to be properly fined and punished while also taking appropriate measures to provide compensation for workers’ that are injured without the necessary coverage. Opponents of the bill believed that while the Division of workers’ compensation should have more discretion for second and third offenses, this bill transformed into a 19-page document with unrelated content that needlessly expanded government. There were also concerns about where the money would come from to be put into the fund. Ultimately, members were persuaded by the proponents and the bill passed through the House and the Senate with bipartisan support.

HB1021 was introduced early on in the session and was met with apprehension from the business community. This bill requires employers to release

requested information to the division of labor and allows the division to have access to employers’ premises and all books, records, and payrolls of employers. This bill then goes one step further to mandate that if the division finds the information they have gathered to suggest a violation of wage laws, the information is no longer confidential and must be released to the public. This type of legislation was seen as a clear case of government overreach into the private sector, with too much clearance being requested. But in a political environment in which constituents are calling for transparency and open records, despite cooperative lobbying efforts from the business community the bill was passed into law.

Investment in Infrastructure: The state’s infrastructure and transit needs have quickly become one of the most pressing and contentious policy areas for the state legislature. A steadily increasing population combined with crumbling roads and bridges has led to lengthy transit times, dangerous road conditions, and what many consider “crisis level” disrepair of our states infrastructure. This is why investing in our infrastructure in becoming increasingly crucial. **HB1242** was introduced with bipartisan support in the House as a potential solution to the transportation problem. The bill offered a ballot question submitted to the voters that would raise the sales and use tax for the next 20 years. The money generated would go to CDOT, local governments, and multimodal transportation initiatives, with 375 million going to CDOT annually. Although the bill gained significant bipartisan support in the House and passed on a final vote of 41-24, it faced challenges in the fiscally conservative Senate. The legislations heavy-handed use of the sales and use tax ultimately proved unpalatable for the Senate finance committee, and the bill failed on a vote of 3-2. The loss of the legislation was considered a blow to many members and stakeholders who had worked on the legislation through a lengthy stakeholder process, and there were a number of bills, such as the all-Republican sponsored **SB303** and the cooperative approach, **HB1362** introduced shortly after in response. These bills weren’t the compromise that decision makers were looking for, however, and they were both postponed indefinitely.

The states infrastructure problems will be addressed going forward in a rather unlikely way. **SB267** was introduced late in the session under the broad title “Sustainability of Rural Colorado” with the initial intention of returning the funding to rural hospitals that

had been stripped in order to balance the state budget. Under its ambiguous title, SB267 will turn the hospital provider fee into an enterprise, finance rural schools, offer a small business tax credit, and yes, designate money for transportation. \$150 million to be exact. This complicated piece of legislation, coined as a “grand compromise” by some and constitutionally unsound by others will be the first step towards investing in our state’s transportation problem. While the bill certainly is a far cry from the estimated \$9 billion required to fully address the states transportation problem, it will hopefully prove to be the tipping point for this tough policy issue, and we hope to see more transportation legislation coming next session.

Construction Defects: The construction defects issue was back again this session, to equal feelings of despair and delight. After the issue failed to resolve itself in anything but gridlock in 2016, stakeholders from all sides of the issue entered the 2017 session with determination to pass legislation and stimulate the stagnant construction sector. With stakeholders ranging from HOAs and homeowners to trial lawyers and the builders/contractors themselves, there were many, and often conflicting, opinions on how to fix the construction defects issue. Over the course of the session, six bills were introduced to address the problem, suggesting strategies such as informed consent, arbitration, and builders right to repair. **HB1279** was the only bill that was met with any sort of bipartisan approval. This informed consent bill required the HOA, homeowners, and the builders to work together to ensure that all parties understood the terms of the suit, including potential timeframes and monetary commitments before committing to becoming involved in litigation. The bill also required that the builders have the opportunity to present their side of the case, and should they choose to, offer to remedy the defect. Supporters of the legislation saw it as a fair way to bring all interested parties to the table, and the legislation passed on a unanimous vote through the House, and through the

Senate on a vote of 33-2. Like transportation, many see this bill as a good, but possibly underwhelming, step in the right direction. Builders are still on the fence as to whether this type of legislation will actually incentivize contractors to reenter the market. It remains to be seen if further legislation will appear in the 2018 legislative session to continue the forward momentum gained this year.

Workforce Education: GreenCO supports students as they work to educate themselves through both higher education and vocational/technical/skilled trade education. **HB1180** aimed to support and promote these interests. This bill offers students enrolled in vocational or trade schools tuition assistance even when they do not meet the previously required minimum credit hour requirements under the federal Pell grant program. Often times these minimum credit hour requirements are not being met because these students are working full time jobs while enrolled or have other family obligations that they must dedicate their time to. This is very important legislation that will work to provide economic opportunity to students working to finance their tuition and enter into the workforce.

Now that the 2017 session has wrapped up, legislators and stakeholders have already begun looking forward to next year. Similar topics, such as transportation and construction defects that didn’t achieve their desired resolution will likely be hotly contested policy issues, as will the use of marijuana tax dollars and the preservation of Colorado’s friendly business environment. With the Trump administration still stretching their legs and passing their own policies, it is likely that the state legislators will continue to work to protect Colorado voters’ interests while also working to adhere to federal policy. We look forward to working with you next session and seeing what is to come!

GreenCO's Priority Bill Outcomes

Active Engagement, Lobbying, & Testimony				
<p>GreenCO was heavily involved in multiple pieces of legislation this legislative session. The following bills were priority bills, meaning we directed the lobbying team to actively engage with other stakeholders, lobby all members of the General Assembly, provide testimony during committee, create fact sheets to ensure GreenCO's position and engage in any and all amendments to bills.</p>				
Bill Number	Short Title	GreenCO's Position	Outcome	GreenCO's Actions
HB 1021	Wage Theft Transparency Act	Actively Oppose	Passed	Lobbied and worked with coalition members
HB 1119	Payment of Workers' Compensation Benefits	Monitor/Oppose	Passed	Lobbied and worked with sponsors, committee members to amend bill
HB 1180	Tuition Assistance for Certificate Programs	Actively Support	Passed	Lobbied and worked with coalition members
HB 1194	Technical Changes for P-tech Schools	Monitor	Passed	
SB 045	Construction Defect Allocation of Defense Costs	Monitor/Oppose	Failed	Lobbied and worked with coalition members to oppose and work to amend
SB 247	Electricians Inspectors Licensing Qualifications	Actively Support	Passed	Lead process through the Senate and House. A good win for GreenCO

SB 272	Measures of Postsecondary and Workforce Readiness	Support	Passed	Lobbied and worked with sponsors and committees
--------	---	---------	--------	---

*indicates priority bill

Asked to Engage by Other Key Stakeholders

There were several other bills introduced during the 2016 session that GreenCO was asked to engage in. Whether that meant lending support on a piece of legislation or expending political capital to kill unfriendly proposals, GreenCO was as an important source for information.

Bill Number	Short Title	GreenCO Position	Outcome	GreenCO Actions
HB 1216	Sales and Use Tax Simplification Task Force	Support	Passed	Worked with Coalition
HB 1279	Construction Defect Actions Notice Vote Approval	Support	Passed	Lobbied and worked with coalition members
HB 1300	Apprentice Utilization in Public Projects	Monitor	Failed	
HB 1305	Limits on Job Applicant Criminal History Inquiries	Opposed	Failed	Lobbied committee
HB 1362	Plan for Addressing Statewide Infrastructure Needs	Monitor	Failed	
SB 155	Statutory Definition of Construction Defect	Monitor	Failed	Worked with Sponsor
SB 156	Homeowners' Association Construction Defect Lawsuit Approval Timeline	Support	Failed	Lobbied and worked with Coalition
SB 211	Contractor Surety Bonds for Public Projects	Support	Passed	Lobbied and worked with sponsors
SB 303	State Highway System Funding and Financing	Support	Failed	Lobbied and worked with sponsors and committees

In an effort to quantify the legislative efforts by GreenCo for the 2017 session, the following three categories of bills were tracked. We have listed the success rate for each category to show the impact GreenCO policy efforts had during the session.

Priority Bills: GreenCO identified seven priority bills for 2017 session. The GreenCO position on these seven bills was **successful 71% of the time.**

Engaged in Other Key Stakeholder bills: These were bills where another key stakeholder requested GreenCO assistance on legislative efforts they were engaged in. GreenCO took a position on 66% of these bills and had a **45% success rate** with these pieces of legislation. (Note: these types of stakeholder assistance efforts prove to be very beneficial to long term GreenCO policy efforts as we build relationships with other groups and organizations).

GreenCO position bills: These are bills that GreenCO took a position on, either support or oppose, and then efforts were made by lobbying team to convey GreenCO's position and possibly to seek amendments to the bill as well. Much of this legislation deals with business practices and general GreenCO policy statements. In 2017 session, GreenCO took positions on 19 bills and had **an overall success rate 79%.**

From these statistics, we can see that GreenCO had a productive legislative session. While large ticket items like; construction defects, infrastructure funding, effective regulatory reform were not accomplished, there were a number of bills that did pass that will help GreenCO member's bottom line and business success.