



2021 Legislative Report

2021 Session Summary

The First Regular Session of the 73rd General Assembly concluded on June 8th. Hicks & Associates is pleased to present this report on the activities of the legislature in 2021.

On January 13th, when the session began, it wasn't the normal opening day proceedings. Yes, new members were sworn in and as changes in leadership were made official. Due to COVID-19, the legislature got right to work on legislation that addressed fixes from previous bills passed last year as well as time sensitive bills to address the pandemic. Those bills took three days to pass, and the legislature adjourned for over a month to address issues with the pandemic as well as get a better idea of the economic forecast of the state. On February 16th, the General Assembly reconvened to truly begin the 2021 Legislative Session.

- ✓ 623 Bills introduced
- ✓ 110 Bills killed
- ✓ 504 Bills signed into/became law

Much of this session was going to be predicated on the State Budget, which took a huge hit last year due to the pandemic. But when the economic forecast came out it was much better than anticipated and along with the Federal aid the state received, the cuts were restored, and the State had its biggest budget yet of just over \$34.1 billion.

During the first week there was some sense of normalcy, as speeches were made in by leadership in both chambers along with the Governor's State of the State. The message from Democratic

leadership in both chambers was similar, to address the many issues due to the COVID-19 Pandemic as well as other priorities, while working in a bi-partisan effort and to bring all parties to the table on legislation.

Similar to last year, there were only a few bills that gained bi-partisanship and large stakeholder process, showing that leadership planned to go in their own

direction. The session quickly became the normal post-election session with many controversial bills being passed. During the first few months of session, it became clear how difficult it would be to work on legislation, as many avenues used in the past to work the General Assembly were not going to be the same, as access and interactions were much different this year.

Many thought that there would be less bills introduced compared to most years, but in reality, that wasn't the case. There were 623 bills introduced this year, just over 20 less than 2020 and over 20 more than 2019. The final day for bills to be signed into law was July 8th and there were 504 bills that were either signed into law or became law as the clock ran out, 110 bills that were postponed indefinitely. There were a few bills that died on the calendar and the Governor vetoed 4 bills.

Since the General Assembly and the Governor's office have been controlled by one party over the past few years, the business community continues to find themselves on the defensive.

Yes, there were bills to address aiding businesses affected by the pandemic, especially as it came to the Federal funding the state received, but there were many issues that business had to fight over the entire session.

Once again, bills were introduced to address employee rights, workers compensation, workforce development, transportation funding, tax policy, and climate change just to name a few of the high-level issues.

Hicks & Assoc. reviewed every bill that was introduced to determine the possible affects it could have on our clients. We tracked over 90 bills throughout the session on behalf of our clients and were able to kill and amend many of those bills as we closely monitored them all. We were a resource to many business groups and legislators as it

pertained to GreenCO's priorities that were established prior to the session.

Business practices is an area that sees new legislation passed every year and this year wasn't any different as there were many pieces of legislation passed. Below is legislation that was of importance to GreenCO for the 2021 session.

HB21-1167 Private Construction Contract Payments, was a bill that has been worked on for the past few years. The bill was watered down compared to prior years to just deal with retainage in construction contracts. The bill prohibits withholdings from a contractor of more than 5%, which aligns with the public sector in Colorado. With this bill being signed into law, it is just a small piece of the issue, and it is anticipated that additional legislation will come back next year to address additional issues in this area, possibly including prompt pay.

HB21-1007 State Apprenticeship Agency was a bill the unions have been working on over the past two years. This bill establishes a State Apprenticeship Agency in Colorado, as the state has been under federal guidance since the mid 1980's when the state abandoned their own program due to cost. The bill made it through the process with only democratic support. As we see the push from unions on the federal level for more control, it has also become a large push in Colorado, even though unionized workers make up less than 10% of Colorado's workforce. In the creation of the State Apprenticeship Agency there will be a State Apprenticeship Council (SAC) and in some other states we have seen the oversight and approval of these apprenticeship programs become partisan, which hasn't been the case in Colorado and should never be.

SB21-087 Agricultural Workers' Rights allows agricultural workers the right to organize as well as made many other changes to the industry as it pertains to workers' rights. This bill caught the

agricultural industry by surprise when it was introduced, because there was no prior knowledge or stakeholder meetings over the 2020 interim. Even though it was one of the first 100 bills introduced in the Senate the bill didn't pass until the final day of the session. The Ag. Industry worked with the proponents of the bill and made significant changes to the legislation and sent many of the issues to rulemaking.

Workers Compensation issues have always been an issue that kept coming back but was made even larger with the pandemic.

HB21-1050 Workers' Compensation, was the least controversial of the work comp bills this year, as it was a bill that has been negotiated with all parties and was set to pass last year but was postponed indefinitely due to the pandemic. This year it passed the legislature with ease and large bi-partisan support.

HB21-1207 Overpayment of Workers' Compensation Benefits, as introduced has many issues and concerns. Even though the bill addresses a small amount of people, it came apparent that it was going to pass and in working with a large coalition the bill was amended to tighten the language and make it more bearable.

SB21-197 Workers' Compensation Physician was the most contentious of the work comp bills. This would give the injured workers control of choosing their own physician. This bill had multiple issues for employers but the largest was the increased costs. With the many issues along with minimal stakeholder input the bill was postponed indefinitely but is anticipated to be worked on with all stakeholders over the interim and be back next year.

Since the Democrats took control of the General Assembly and the Governor's office, we continue to see multiple bills passed and signed into law to address climate change, with more regulation and putting more funding for renewable energy.

HB21-1286 Energy Performance For Buildings, is a bill that has been worked on for the past few years to establish standards for energy efficiencies in buildings. The business and construction community agree with making buildings more energy efficient, because at the end of the day it saves money. The bill that passed was much different than the bill that was introduced. The business and construction community were able to amend the bill heavily and send many of the large issues to be addressed by a task force made up of all parties.

SB21-246 Electric Utility Promote Beneficial Electrification, is a bill that encourages beneficial electrification. The bill also directs the Public Utility Commission (PUC) to promote compliance with not just environmental standards but with labor standards as well. This bill showed a new trend that is anticipated to continue in the future with organized labor teaming up with the environmentalist.

HB21-1266 Environmental Justice Disproportionate Impacted Community, was another bill in the realm of climate action as it pertains to the effects of environmental injustice. The issues with the bill were just as much about process as the intent of the bill. Similar to legislation passed a few years ago, HB19-1261 Climate Action Plan to Reduce Pollution, the bill was combined with another bill SB21-200 Reduce Greenhouse Gases Increase Environmental Justice. The Governor came out publicly and said he would veto SB21-200, so the sponsors decided to take pieces of that bill and put it into SB21-1266 in the 11th hour and there was a 25-page amendment adopted in the Senate Finance Committee the day before the session ended, leaving all stakeholders no time to review the amendment or give any input. Then once the Senate sent it back to the House for concurrence, basically as a completely new bill, the Senate adjourned for the session leaving no opportunity for the House to make any changes let alone truly debate the new bill. It seemed that the changes were

made with the Colorado Energy Office at the table but no other opponents of the bill. This bill and the way it passed will leave a bad taste in the mouth of all Republicans in the General Assembly, especially the House as they had no true opportunity to understand or debate the bill.

*Funding Colorado's transportation system has been an issue for decades now. Over the past few years we have seen legislation and ballot measures continue to fail. This year they General Assembly took a different approach and brought all sides of the issue to the table to work on **SB21-260**.*

SB21-260 Sustainability of the Transportation System, which creates new sources of dedicated funding and new state enterprises to improve and expand existing transportation infrastructure. This bill has something for all groups. It doesn't fully fund the \$9 billion in backlog projects but it does give much needed funding to transportation while also help build electric vehicle infrastructure and mitigate environmental impacts. Groups on both sides wanted more but the sponsors stuck to the bill that they introduced, and everyone got something. Much of the business community supported this because the state needed to get something done, but in the General Assembly the bill only got support from one Republican. Even though this bill is signed into law, it is anticipated to be challenged in the courts.

GreenCO has many areas that are legislative priority but one of the biggest is water issues. GreenCO closely monitored many of the pieces of legislation that pertained to water, including:

- **HB21-1242 Create Agricultural Drought and Climate Resilience Office.** Funding the State

Water Plan has been another top priority for leadership

- **HB21-1260 General Fund Transfer Implement State Water Plan**, will allocate \$20 million from the general to the state water plan.

As Colorado continues to work on its water issues including addressing the possible drought for the state, GreenCO will have to stay engaged and partner with the General Assembly to work through these issues and be a resource as we have in the past.

The common theme over the last few years of business groups being on the defensive continues, and we don't see that changing next year. The call for constant engagement and action will continue to be needed going into the 2022 session.

With the interim being shorter, we will get right back to work as interim committees start meeting, stakeholder groups are convened, and taskforces are being formed. It is critical that GreenCO and its members and partners continue the relationship development with local legislators by inviting them to companies and jobsites and talking with them about business impacts, economic and workforce shortage solutions, pesticides and other top of mind policies impacting the industry.

Hicks & Assoc. scanned every bill that was introduced to determine the possible affects it could have on GreenCO. GreenCO tracked over 35 bills throughout the session and took positions on 8 bills while we closely monitored or amended the rest. We were a resource to many business groups and legislators as it pertained to construction and general business.

GreenCO Bill Position Report

Engagement, Lobbying, Testimony, & Monitoring

GreenCO was heavily involved in multiple pieces of legislation this legislative session. The following bills include 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. Also included are the bills we were asked to engage in by other key stakeholders and bills that we were monitoring

Bill Number	Short Title	GreenCO Position	Outcome	GreenCO's Actions
HB21-1007*	State Apprenticeship Agency	Oppose	Governor Signed 6/23	Worked with opponents to lobby the legislature to express our opposition to the bill.
HB21-1042	Water Storage Tanks Grant Program	Monitor	Postponed Indefinitely	Based on the review by GreenCO this bill was requested to just monitor based on the impacts.
HB21-1043	Study Underground Water Storage Maximum Beneficial Use	Monitor	Died on Calendar	GreenCO closely monitored due to the possible impact to water.
HB21-1045*	Invasive Pest Control Administration	Monitor	Governor Signed 5/20	Closely monitored legislation. Attended stakeholder meetings and worked with sponsors as bill was going through the process.
HB21-1046	Water Share Right Mutual Ditch Corporation	Monitor	Governor Signed 5/20	GreenCO closely monitored due to the possible impact to water.
HB21-1050	Workers' Compensation	Monitor	Governor Signed 6/30	GreenCO closely monitored as this bill went through the process. Worked with Pinnacol to lend any support they needed.
HB21-1074	Immunity For Entities During COVID-19	Monitor	Postponed Indefinitely	GreenCO monitored this legislation as it would have helped business with liability with the pandemic.
HB21-1095*	811 Locate Exemption For County Road Maintenance	Support	Governor Signed 5/21	GreenCO worked with coalition members and the sponsors to make sure this legislation passed.
HB21-1145	Support Pollinator Special License Plate	Monitor	Governor Signed 6/22	Closely monitored as the bill went through the process and worked with CRPA to amend the bill.
HB21-1158	Special Fuel Farm Equipment Sales Use Tax	Monitor	Governor Signed 5/07	Closely monitored this bill as all sales tax related bills get reviewed for impacts.
HB21-1162	Management Of Plastic Products	Monitor	Governor Signed 7/6	Closely monitored to make sure that GreenCO wasn't affected by this legislation.
HB21-1163	Allow Retailers To Absorb Sales Or Use Tax	Monitor	Postponed Indefinitely	Closely monitored as GreenCO is involved in Sales and Use Tax legislation.

Bill Number	Short Title	GreenCO Position	Outcome	GreenCO Actions
HB21-1167*	Private Construction Contract Payments	Support	Governo Signed 5/17	GreenCO collaborated with stakeholders and sponsors over the interim while the bill was being drafted. Provided testimony and lobbied the entire legislature on this bill. The bill only addressed some of the issues and expect to see similar legislation next year.
HB21-1181	Agricultural Soil Health Program	Monitor	Governor Signed 6/21	Closely monitored as GreenCO works in partnership with the Ag. Community.
HB21-1199	Consumer Digital Repair Bill Of Rights	Monitor	Postponed Indefinitely	Spoke with sponsors and the committee on the legislation to discuss some of the issues this bill would has.
HB21-1207*	Overpayment Of Workers' Compensation Benefits	Oppose	Governor Signed 5/17	Worked with larger coalition and Pinnacol in opposition to the bill. We were able to amend the bill to minimize the effects.
HB21-1213	Conversion Of Pinnacol Assurance	Monitor	Postponed Indefinitely	GreenCO attended stakeholder meetings to discuss the impact this bill would have on the state and industry.
HB21-1242	Create Agricultural Drought And Climate Resilience Office	Monitor	Governor Signed 6/24	GreenCO monitored this legislation based on the recommendation of the Legislative Committee.
HB21-1260	General Fund Transfer Implement State Water Plan	Monitor	Governor Signed 6/24	GreenCO closely monitored due to the impact to water.
HB21-1268	Study Emerging Technologies For Water Management	Monitor	Governor Signed 6/18	GreenCO closely monitored due to the possible impact to water.
HB21-1286*	Energy Performance For Buildings	Oppose	Governor Signed 6/24	Attended multiple stakeholder meetings and worked with large coalition in opposition to the bill. We were able to amend the bill heavily before its passage.
HB21-1303	Global Warming Potential For Public Project Materials	Monitor	Governor Signed 7/6	GreenCO worked with large coalition on this bill the last two years. The effects are minimal, and it will be implemented over time.
HB21-1311	Income Tax	Monitor	Governor Signed 6/23	Closely monitored to make sure the impact was kept to a minimum.
HB21-1312	Insurance Premium Property Sales Severance Tax	Monitor	Governor Signed 6/23	GreenCO reviewed the bill and monitored due to possible impacts.
SB21-005	Business Exempt From Public Health Order To Close	Monitor	Postponed Indefinitely	GreenCO monitored this legislation as it looked to help business during the pandemic and future health orders.
SB21-080	Protections For Entities During COVID-19	Monitor	Postponed Indefinitely	GreenCO monitored this legislation as it would have helped businesses with the pandemic.

Bill Number	Short Title	GreenCO Position	Outcome	GreenCO Actions
SB21-087*	Agricultural Workers' Rights	Oppose	Governor Signed 6/25	Worked with large coalition of the Ag. Community in opposition to this bill. The bill was heavily amended before its passage and much of it will be sent to rulemaking.
SB21-119	Increasing Access to High-Quality Credentials	Monitor	Governor Signed 6/30	Closely monitored and attended stakeholder meetings as GreenCO supports funding of post-secondary education.
SB21-130	Local Authority for Business Personal Property Tax Exemption	Monitor	Governor Signed 4/29	
SB21-176*	Protecting Opportunities and Workers' Rights Act	Oppose	Postponed Indefinitely	Attended multiple stakeholder meetings and worked with large business coalition in opposition to the bill expressing many of the concerns/issues with the bill. Was able to get IC removed from the bill but there were still many concerns with the legislation that weren't addressed.
SB21-197*	Workers' Compensation Physician	Oppose	Postponed Indefinitely	GreenCO worked with large coalition in opposition to the bill. Met with sponsors and expressed our concerns which included driving up costs.
SB21-234	General Fund Transfer Agriculture and Drought Resiliency	Monitor	Governor Signed 6/15	GreenCO closely monitored as we are a resource when it comes to drought.
SB21-246	Electric Utility Promote Beneficial Electrification	Monitor	Governor Signed 6/21	
SB21-248	Loan Program for Colorado Agriculture	Monitor	Governor Signed 6/29	Closely monitored as this bill looks to lend support to the Ag. Industry due to the pandemic.
SB21-260*	Sustainability Of The Transportation System	Monitor	Governor Signed 6/17	GreenCO closely monitored as we have been advocating for years for some type of long-term funding source for transportation.
SB21-262	Special District Transparency	Monitor	Governor Signed 6/28	GreenCO closely monitored as we always support more transparency.

*indicates priority bill

Link to GreenCO 2021 bill tracker: <https://coloradocapitolwatch.com/bill-tracker-votes/0/1550/2021/0/>