

2018 Final Report

2018 Session Summary

The Colorado General Assembly has concluded their work for 2018 closing out their 120 day session on May 9th. Hicks & Associates pleased to present this report on the activities of the legislature in 2018. The year proved to be a very diverse year but continued the time honored tradition at the legislature of waiting to the last minute to resolve major policy issues.

Session Facts:
There were a total of 721 bills introduced during the session, 121 bills over the legislator limit of five bill titles per legislator. These additional bills usually come later in the session and often deal with the critical issues facing the state. The Senate introduced 280 bills while the House introduced 441. As of May 9th, 221 bills have been signed with many more on the way as the Governor has the chance to catch up with Legislature's final decisions. 277 bills were defeated in the session and so far there has been no vetoes by the Governor. The 721 total bills represent a fair increase in the number of bills as a normal session has about 650 bills total

- 721 bills introduced
- 277 bills killed
- 444 bills passed or awaiting final signature

Big Ticket Items:
Budget was and is the biggest ticket item every session. Based on the money available, policy decisions are made as to what to fund and what not to support. The projected additional revenues for the Colorado's General Fund coming into the session were over $800 million above last year's spending allocations. This surplus set off a flurry of both demands and expectations for this additional money. Transportation funding came in as a heavy favorite for additional revenues as did educational funding. Opioid crisis called not only for action but critical funding to address the problem. Statewide broad band deployment was another major topic that many rural areas of Colorado need to grow economically. Of course, there would a fair number of business bills that sought to license, regulate, non-regulate, tax or no tax and create new employee programs such as FAMLI, Work Comp. and pay issues. Also, on the table was a critical debate on sexual harassment within the capital itself.

Budget Choices:
The general fund budget was projected to exceed by $800 million the levels of expenditures from fiscal year 17/18.

By March, that projected of surplus was upgraded to over $1.2 billion, due to continued robust economy and the impacts of the new federal tax laws recently enacted. The state's budget writers use the March revenue projections to create a balanced budget for the next fiscal year and craft a funding bill, known as the Long Bill, for approval. Of course with over a billion dollar surplus, there were many ideas on how to spend or not spend the money.

2018/19 Budget: HB-1322 Highlights

- State budget for 18/19 is $30.405 billion. 17/18 budget was $28.723 billion - and increase in spending of 5.9% overall.
- General Fund allocation for 18/19 is $11.413 billion compared to 17/18 allocation of $10.612 billion- increase of 7.5% spending.
- Education received an increase of $421 million or an increase of 7.7%
- State general fund reserve received an additional $120 million.
- Transportation funding received $495 million to be split by $346 million to Highways Users Tax Fund, $74 million to HUTF fund for distribution and $74 million to multimodal expenses.
- Higher Education received $264.8 million in additional funding or a 6.2% increase.
- Statewide broad band deployment received $8 million in funding.

Hicks & Associates Legislative Client Issues:

Hicks & Associates (HA), was fully engaged in a number of policy issues this session from transportation, human trafficking, Nursery Act, Snow Removal Indemnification, Work Comp. issues, home energy policy changes, skill trade development, tax issues and water. Here are some the aspects of this session's work accomplished.

- HA reviewed 87 bills for client content and impact during the session.
- HA clients took positions on 25 bills with 17 bills supported, 6 opposed bills and 2 bills to be amended.
- HA offered 12 different amendments to legislative bills to support client policy decisions.
- There were 7 client bills offered in 2018 session with all 7 bills being passed that is 100% passage rate.
- HA reviewed 12% of all bills introduced for in-depth client impact but all 721 bills were scanned for client policy content.

Business Issues:

2018 session was the prelude for the 2018 elections. There were a number of party signature bills offered in both the Senate and the House and the majority of these bills died in the other chamber. What these bills offer is window to what each party may offer in future legislative sessions depending on which party is in the majority, elections do matter. Hicks & Associates focuses on business related policy issues and to that end, we offer a short list of partisan bills offered by both parties for your review. Given election results, we may see these policy issues return in 2019 session.

- HB-1001- Extended FAMLI Medical Leave Insurance Program- costs and further employee benefits that must be provided.
- HB-1022- Sales Tax RFI project. Simplify sales tax terms and operation. Passed but future bills will be needed.
- HB-1036- Reduce Business Personal Property taxes.
- HB-1069 & 1093- Reclaimed water use. Water use and applications will continue to show up for review.
- HB-1107- Residence power storage and electrical vehicle wiring. Utilization of home energy and electrical vehicle use will continue to be debated.
- HB-1113- Regulatory Reform. Streamlining regulatory process is a must in the future.
- HB-1200- Cyber Crimes and data breaches- future issues for business.
- HB-1230- Work status for immigrants- both legal and workforce issue.
- HB1261 & 1262- Revise Colorado Arbitration Act
- HB-1278- Apprentice Utilization- work force regulation.
- HB-1341- Apprentice and Vocational Technical training in Colorado to fill skill trade jobs.
- HB-1368- Local control minimum wage- wage issues will continue to make the roster in future sessions.

- SB-047- Tax credits for innovative vehicles- electric and alternative fueled vehicle credits will be reviewed again.
- SB-128- Legislative approval of agency fees will be discussed again- major cost factor in business- fees and licenses.
- SB-171- Market place workers Work Comp requirements- new jobs and employer models will be on the block again.
- SB-193- Limit State Agency Occupational Regulations- reevaluates and adjust current occupationally licensed programs

Session Recap:
Due to the split nature of the general assembly, radical ideas or partisan bills did not make through the process and the rule of the day was collaboration. A large number of bills were passed this year, as is the case every year, with bi-partisan sponsorship. Problem solving, common sense approaches and Colorado overall needs drive good legislation.
There were major compromises again this year.

- Transportation funding in SB-01 was accomplished very late in the session with a commitment of general fund money over the next 20 or so years if a voter approved ballot measure passes in 2019.
- PERA reform- SB-200 was passed to address the retirement fund for state/ local government employees. Again, funding the solution was a compromise and we will see if this bill does the trick of solvency for the fund.
- Education received an additional 7.7% increase in funding to include a pay down on the so call negative factor.
- State wide broadband was funded and passed so that all Colorado can enjoy broad band service.

IECRM Report:
IECRM was very productive and engaged this session having bi-weekly meetings for the Governmental Relations Committee, where we presented bill status's and legislative issues. We also had a great presence at the Capitol by testifying on multiple bills as well as being a resource for legislators. IECRM tracked 31 bills this session, we took positions on 14, all opposed bills were postponed and 6 bills we supported and have either been signed or sent to the Governor.

IECRM Board and Legislative Committee are commended for their commitment to the IEC policy goals and their continued support of proactive policy development. The Legislative Committee will be called on to engage political candidates in the 2018 election and IECRM will be called on to formulate an election strategy this spring and early summer. Continued success at the capital is due to member involvement and an active political posture to protect the merit shop members of IECRM.

BJ4C will be conducting candidate interviews that we are going to participate in. We will be looking for additional meetings with candidates outside of BJ4C's interview process. We will also be actively working on any ballot measures that are coming up in November such as Initiative 66, on limiting Local Housing Growth.

Below you will find the full list of bills we tracked with details.

IECRM Priority Bill Outcomes

Engagement, Lobbying, Testimony, & Monitoring

IECRM 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 IECRM'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	IECRM Position	Outcome	IECRM Actions
HB18-1001*	FAMLI Family Medical Leave Insurance Program	Monitor	Postponed	Monitored its progress and stayed in communication with other business groups.
HB18-1013*	Income Tax Credit For Endowment Contributions	Support	Postponed	
HB18-1022	DOR Department Of Revenue Issue Sales Tax Request For Information	Support	Governor Signed	Worked with large stakeholder group to lobby committee members and the General Assembly as to the benefits for IECRM and its members.
HB18-1033	Employee Leave To Participate In Elections	Monitor	Postponed	
HB18-1034*	Career And Technical Education Capital Grant Program	Support	Postponed	Worked with sponsor, committee members, and stakeholders as directed by the House sponsor to help pass and educate other members as to the benefits to this program.
HB18-1036	Reduce Business Personal Property Taxes	Monitor	Postponed	
HB18-1070	Additional Public School Capital Construction Funding	Support	Sent to Governor	
HB18-1107*	Prewire Residence For Electric Vehicle Charging Port	Strongly Support	Postponed	Worked with sponsor on the bill and IECRM also testified on the bill.
HB18-1113*	Small Business Regulatory Reform	Support	Postponed	HA testified on behalf of IECRM on the benefits that this could have for small businesses in Colorado.
HB18-1119*	Highway Building & Maintenance Funding	Monitor	Postponed	HA testified on the behalf of IECRM due to the positive impact it would have on the infrastructure needs in Colorado.
HB18-1190	Modify Job Creation Main Street Revitalization Act	Monitor	Sent to Governor	
HB18-1217*	Income Tax Credit For Employer 529 Contributions	Monitor	Sent to Governor	Talked with sponsors and committee members on the positive impact this will have on organizations such as IECRM.

HB18-1230*	Creation Of Work Status For Immigrants	Monitor	Postponed	Talked with departments and sponsors about the impacts of this bill and the needs it was trying to fulfill. We closely monitored this bill due to the possible impact it could out have on IECRM members.
HB18-1261*	Colorado Arbitration Fairness Act	Oppose	Postponed	Worked with business groups and stakeholders as to the concerns related to construction defects and the possible changes to the arbitration process.
HB18-1262*	Arbitration Services Provider Transparency Act	Oppose	Postponed	Worked with business groups and stakeholders as to the concerns related to construction defects and the possible changes to the arbitration process.
HB18-1270*	Public Utilities Commission Evaluation Of Energy Storage Systems	Monitor	Sent to Governor	We closely monitored due to the possibilities for IECRM members.
HB18-1278*	Apprentice Utilization In Public Projects	Oppose	Postponed	Talked with stakeholders, department, and committee members as to the possible negative impacts it would have on the industry
HB18-1308*	Workers' Compensation Out-of-state Workers Temporarily In Colorado	Support	Governor Signed	We worked closely with all stakeholders and IECRM members to make sure all issues and potential impacts were addressed. Lobbied committees on the passage of the bill.
HB18-1316*	Extend Colorado Department Of Labor And Employment Skilled Worker, Outreach, Recruitment, and Key Training Grant Program	Monitor	Sent to Governor	Worked with sponsors as a resource and monitored closely through the process.
HB18-1341*	Apprenticeship And Vocational Technical Training	Amend	Postponed	Worked with sponsors and stakeholders. We had it amended to broaden the directory for the inclusion of all apprenticeship programs.
HB18-1347	Biennial Registration Motor Vehicles Department Revenue	Monitor	Postponed	
HB18-1383*	Bonding Requirements For Public Projects Using Private Financing	Monitor	Postponed	Collaborated with BJ4C and ASA to lobby committee members in both the House and the Senate.
SB18-001*	Transportation Infrastructure Funding	Support	Sent to Governor	Worked with sponsors in both chambers and committee members as to the long-term benefit to IECRM members and all of Colorado.
SB18-002*	Financing Rural Broadband Deployment	Support	Governor Signed	Worked with stakeholders and sponsors to convey our support for the bill and how its overall benefit IECRM as well as the rural areas of the state.

SB18-009*	Allow Electric Utility Customers Install Energy Storage Equipment	Strongly Support	Governor Signed	Worked with sponsors and stakeholders closely through the process as well as testified on the bill in committee.
SB18-123*	Asbestos Trust Claims Transparency Act	Monitor	Postponed	Closely monitored the bill as we were asked by sponsors and stake holders to testify on the bill.
SB18-128	Legislative Approval For State Agency Fee Increase	Monitor	Postponed	
SB18-171*	Marketplace Contractor Workers' Compensation Unemployment	Monitor	Laid over	Closely monitored the bill and stayed in close contact with the sponsors and stakeholders.
SB18-193*	Limit State Agency Occupational Regulations	Monitor	Postponed	Worked with sponsors and stakeholders on the bill to convey our concerns with the bill. Lobbied committees on the issues we had with the bill and testified in all committee hearings.
SB18-236*	Least Restrictive Regulation Professions And Occupations	Monitor	Postponed	
SB18-260*	Sunrise Review New Private Occupational Schools	Monitor	Postponed	

*indicates priority bill

Link to bill tracker: http://www.coloradocapitolwatch.com/bill-tracker-votes/0/1557/2018/0/