

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 construction and general business.

Business practices was part of many pieces of legislation this year.

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 addition 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 of under federal guidance since the mid 1980's. The bill made it through the process with only democratic support. As we see the push from unions on the federal level it has also become a large push in Colorado, even though unionized workers make up less than 10% of the Colorado's workforce. Merit Shop will have to continue to be on the defensive and educate the legislature on the benefits of them.

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 raise increase. 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 with organized labor as they are teaming up with the environmentalist. Many parts of this bill will be beneficial to the industry but is something that organized labor hopes will benefit them more. This is a trend will continue to see if future legislation.

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.

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 IECRM 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, and other top of mind policies impacting the electrical industry.

IECRM tracked over 30 bills throughout the session and took positions on 9 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. Below is a list of bills that IECRM tracked throughout the session.

IECRM Bill Position Report

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's Actions
HB21-1007*	State Apprenticeship Agency	Oppose	Governor Signed 6/23	Worked with ABCRM in opposition to the bill. Met with sponsors and proponents to raise all of our concerns. Provided extensive committee testimony. Were able to get a few amendments adopted.
HB21-1050	Workers' Compensation	Monitor	Governor Signed 6/30	IECRM closely monitored as this bill went through the process. Worked with Pinnacol to lend any support they needed.
HB21-1056	Cost Thresholds for Public Project Bidding Requirements	Monitor	Governor Signed 5/24	IECRM closely monitored this bill.
HB21-1074	Immunity For Entities During COVID-19	Monitor	Postponed Indefinitely	IECRM monitored this legislation as it would have help business with liability with the pandemic.

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB21-1124	Expand Ability Conduct Business Electronically	Monitor	Governor Signed 4/19	With the pandemic shifting how business is conducted IECRM monitored the legislation to see what impacts it could have.
HB21-1163	Allow Retailers To Absorb Sales Or Use Tax	Monitor	Postponed Indefinitely	Closely monitored as IECRM is involved in Sales and Use Tax legislation
HB21-1167*	Private Construction Contract Payments	Support	Governo Signed 5/17	IECRM 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.
HB21-1177	Add Use Tax Exemption To Some Sales Tax Exemption	Monitor	Governor Signed 4/22	
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	
HB21-1264	Funds Workforce Development Increase Worker Skills	Monitor	Governor Signed 6/23	IECRM closely monitored the bill as workforce development is an issue that IECRM continues to be a part of.
HB21-1284	Limit Fee Install Active Solar Energy System	Monitor	Governor Signed 6/24	IECRM closely monitored this bill. We lent support to the proponents and sponsors as we worked on similar legislation a few years ago.
HB21-1286*	Energy Performance For Buildings	Oppose	Governor Signed 6/24	Even though this bill could be good for IECRM and the industry the undue consequences still posed many issues. IECRM 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	IECRM worked with large coalition on this bill the last two years. The effects are minimal and it will be implemented over time.
HB21-1306*	Accreditation Of Postsecondary Institutions	Support	Governor Signed 6/23	IECRM worked with sponsors and larger coalition to lobby this bill through the process.
HB21-1311	Income Tax	Monitor	Governor Signed 6/23	
HB21-1312	Insurance Premium Property Sales Severance Tax	Monitor	Governor Signed 6/23	

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
HB21-1319	Temporary Modifications To Prevailing Wage Requirements	Monitor	Governor Signed 6/23	IECRM closely monitored this bill as it was modifying the effective date from SB19-196, due to the pandemic.
SB21-020	Energy Equipment And Facility Property Tax Valuation	Monitor	Governor Signed 4/22	IECRM closely monitored the bill as it pertains to the storage of energy.
SB21-072	Public Utilities Commission Modernize Electric Transmission Infrastructure	Monitor	Governor Signed 6/24	
SB21-080	Protections For Entities During COVID-19	Monitor	Postponed Indefinitely	
SB21-119	Increasing Access To High-Quality Credentials	Monitor	Governor Signed 6/30	IECRM closely monitored as it looks to help with access to 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 bill that weren't addressed.
SB21-197*	Workers' Compensation Physician	Oppose	Postponed Indefinitely	IECRM worked with large coalition in opposition to the bill. Met with sponsors and expressed our concerns with this bill which included driving up costs.
SB21-200	Reduce Greenhouse Gases Increase Environmental Justice	Monitor	Died on the Calendar	
SB21-246*	Electric Utility Promote Beneficial Electrification	Oppose	Governor Signed 6/21	IECRM expressed concerns with sponsors and proponents of this legislation even though there are some benefits to this legislation.
SB21-257	Special Mobile Machinery Registration Exemption	Monitor	Governor Signed 7/7	Closely monitored as some heavy machinery is used throughout the industry. Met with sponsors to discuss legislation.
SB21-260	Sustainability Of The Transportation System	Monitor	Governor Signed 6/17	IECRM closely monitored as we have been advocating for years for some type of long-term funding source for transportation.

Bill Number	Short Title	IECRM Position	Outcome	IECRM Actions
SB21-261	Public Utilities Commission Encourage Renewable Energy Generation	Monitor	Governor Signed 6/21	
SB21-262*	Special District Transparency	Support	Governor Signed 6/28	IECRM worked with sponsors and a large coalition supported this bill through the process as we always support more transparency.

***indicates priority bill**

Link to IECRM 2021 Bill Tracker: