

**JCBL Legislative Update:**

**2019 Legislature Brings New Leaders and a Focus on Business Issues**

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Last November’s election brought major changes to Colorado’s state government, changes that are starting to play out with the start of the 2019 session of the Colorado General Assembly. With a new Governor and new legislative leadership, JeffCo’s business community is closely watching to how the new majorities handle business issues this year.

One of the Democratic leadership’s top priorities is finally passing legislation, after many attempts, to provide paid medical and family leave for employees of businesses of all sizes. While that legislation has yet to be introduced, it will likely require employers to pay into a new state fund that will provide paid time off for employees and also require employers to restore employees to their job after taking leave.

Other employment-related legislation likely to pass this year include requirements for employers to provide employees with access to a retirement savings vehicle, prohibit employers from inquiring about the criminal or salary histories of prospective employees, and new civil liability for pay discrimination based on sex.

Another major area of business interest will be the Democrats’ plans for tax reform. Governor Jared Polis has announced his desire to limit or eliminate a number of tax credits – such as the sales tax vendor fee – in order to reduce the overall income tax rate, at least for middle-class and low-income taxpayers. But there are few details at this point regarding what tax credits may be cut and how this plan may conflict with the state Constitution’s limits on tax changes.

On a related tax note, the legislature is turning bi-partisan attention to mitigating the impact of the recent emergency sales tax sourcing rules implemented by the state. Those new rules require sales tax to be collected for the jurisdictions where a product is shipped or delivered, whereas current practice is to charge sales tax based on the locality where the sale took place. This change – prompted by a US Supreme Court decision permitting states to collect sales tax on online sales – has created confusion in the business community. One partial solution will be implementing an online database that permits businesses collecting sales tax to accurately look up sales tax rates by address. SB19-006, authored by Representative Tracy Kraft-Tharp (D-Arvada) represents the next step in the process of acquiring such a system.

JeffCo businesses will also be closely following a number of bills aimed at reducing the cost of health care insurance, through more transparency and state-run programs.

Transportation funding – still at the top of the business community’s wish list after voters rejected two opposing ballot measures last November – will likely see some additional dollars this year given the budget surplus the state is currently enjoying. But decisions about how to divide up the surplus among transportation, education and other needs won’t be made until much later in the session.

Just a reminder that you can find the status of all of the bills on which the JCBL has taken a position at jeffcobusinesslobby.org. While you are there, sign up for regular updates under the “Take Action” icon.

*The Jefferson County Business Lobby is the united voice of JeffCo businesses at the Colorado State Capitol. The JCBL is a partnership comprised of the Arvada, Evergreen, Golden, West Metro, Westminster and Wheat Ridge Chambers of Commerce, the Jefferson County Economic Development Corporation, the Applewood and Wheat Ridge Business Associations and the Alameda Connects BID.*