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CACI's 2007 Legislative Agenda: A Post-Session Review & Status Report

OVERVIEW

During the session, under the policy guidance of the CACI Board of Directors, the CACI lobbying team actively lobbied a number of bills, supporting those deemed beneficial to the state's business climate and opposing those that CACI viewed as harmful.

Below, you will find these bills detailed as well as the ones on which CACI took a neutral position, usually after having lobbied the sponsors and supporters to significantly amend the bills to make them acceptable to the business community.

In addition, the CACI lobbying team also worked a number of bills that are less directly tied to the CACI's Board's primary focus on bills that directly affect the broad business climate but that are, nonetheless, important to certain parts of the business community for various reasons.

It's also important to point out that the CACI lobbying team monitors many more bills that are not on the CACI Legislative Agenda as they are introduced and progress through the legislative process to insure that they do not harm the state's business climate.

Seven bills on the CACI Legislative Agenda are awaiting action by Governor Bill Ritter. CACI supports three of these bills, is neutral on three and opposes one.

The Governor vetoed one notable bill on CACI's Legislative Agenda that CACI strongly opposed: HB-1072, the union-backed bill that would have wrecked the Colorado Labor Peace Act.

The Governor has signed into law three bills supported by CACI, most importantly, SB-97, which will reallocate \$17 million of tobacco-litigation settlement funds from the state's general fund to the University of Colorado at Denver and the CU-Denver Health



Sciences Center. He has signed into law two bills opposed by CACI and two bills on which CACI was neutral.

In addition, eight bills on the CACI Legislative Agenda died in the legislature. Of this number, CACI supported one, was neutral on one and opposed six.

BILLS PASSED BY THE LEGISLATURE, AWAITING ACTION BY GOVERNOR RITTER

HB-1277 Includes “Clean Room” Equipment in Definition of Manufacturing Equipment Exempt from State Sales Tax

Support Clarifies an existing exemption for purchases of machinery in excess of a specified amount to be used in Colorado “clean-room” operations from sales- and use-taxes. The CACI Tax Council reviewed the bill to ensure that it doesn’t affect existing manufacturing tax exemptions. The bill is supported by the Economic Developers Council of Colorado.

HB-1297 Increases workers’ comp awards for the disfigurement of an injured worker, adjusts awards annually based on the state average weekly wage

Support HB-1297 would increase workers’ comp awards for the disfigurement of an injured worker. The bill would adjust the awards annually based on the state average weekly wage. CACI member Pinnacol Assurance supported the bill, and expert from Pinnacol testified that the bill would not affect premiums paid by employers.

HB-1329 Increases water-discharge permit fees to adequately fund Colorado Department of Public Health and Environment (CDPHE) water-quality programs

Support Provides for 5 additional staff (FTE)--3.5 FTE for drinking water and 1.5 FTE for clean water. Eliminates the use of revenue from storm-water fees to fund waste-water programs; re-establishes a drinking-water system fee to fund four new FTEs; nineteen percent reduction in current storm-water permit fees; about a 40 percent increase in current waste-water permit fees; and decreases drinking-water system fees to about 68 percent of what they were prior to the sunset of SB-276.



HB-1341 Colorado Oil & Gas Commission to foster Development Consistent with the Protection of the Environment, Wildlife Resources and Public Health, Safety and Welfare

Neutral Changes the composition of the Colorado Oil and Gas Commission adding the executive directors of the Departments of Public Health and Environment and Natural Resources as ex-officio members and provides that oil and gas development occur in conjunction with protecting the environment, wildlife resources, and public health, safety and welfare. CACI supported significant amendments to the original bill.

HB-1355 Eliminating Claims Experience and Health Status from Case Characteristics for Health Insurance

Oppose HB-1355 would eliminate claims experiences and health status from case characteristics that can be considered by a health-insurance carrier in determining premium rates for employers with 50 or fewer workers. The bill would ban insurers from offering discounts to healthy workers and would thus increase insurance rates for about two-thirds of small companies.

SB-36 Mandatory Coverage of Mental Disorders

Oppose, as introduced but **Neutral** after it was significantly amended to narrow the scope. The bill would expand mandatory mental health coverage beyond those that are biologically based by including six narrowly defined “mental disorders.” CACI has historically opposed bills that would mandate additional coverage on employer-provided health-care benefits because it drives up the cost of the insurance premiums for both companies and workers.

SB-258 Workers’ Compensation Changes

Neutral Clarifies that the workers’ compensation fee schedule applies to all services provided by a medical professional. In addition to other changes to workers’ comp laws, it also requires that (a) a list of accredited and non-accredited doctors be given to all parties involved in a worker’s comp claim; and (b) scheduled awards be calculated the same as lump-sum awards. CACI supported significant amendments to the original bill.



VETOED BY THE GOVERNOR

HB-1072 Modifications to Labor Peace Act

Oppose Repeals the requirement that employees in a workplace with a union must vote to ratify an all-union agreement by 75 percent of those voting or 50 percent plus one of those eligible to vote. Takes away employee rights to determine their own terms and conditions of employment and interferes with an employer's ability to negotiate on key terms and conditions of employment and restricts employers' ability to recruit workers who choose not to support a union. **Vetoed Feb. 9th**

SIGNED INTO LAW BY THE GOVERNOR

HB-1008 Allows firefighters to file workers' comp claims that they contracted cancer from exposure to fumes while fighting fires without proving that the cancer was caused by their work

Oppose CACI has requested a veto. The bill creates a rebuttable presumption that cancer contracted by a firefighter is deemed to have been an on-the-job disease covered by workers' compensation. The Colorado Municipal League and CACI-member Pinnacle Assurance also oppose the bill. Although CACI members and the business community are not directly affected by this bill should it become law, it would set a dangerous precedent that could greatly increase workers' compensation costs if the legislature decides to extend it to the private sector.

HB-1073 Federal Basic Pilot Program for Public Contracts for Services

Support Clarifies that an employer who contracts with the state for services is required to use or apply to use the Federal Basic Pilot Program to confirm employment eligibility of all newly hired employees. Clarifies existing statute as being applicable only to newly hired employees.

HB-1176 Choice of Worker's Comp Doctors

Neutral Requires every insurance company and self-insured employer to provide a list of at least two un-affiliated physicians or one or more networks from which an employee must choose a doctor for work-related illness or injury. It also allows the injured worker to change doctors (request cannot be denied) up to 90 days following the injury. CACI supported significant amendments to the original bill.



SB-97 Allocate Tobacco Settlement Funds

Support Reallocates \$17 million of tobacco litigation settlement funds from the state’s general fund, primarily to the University of Colorado Health Sciences Center and for health-care programs.

SB-117 A plaintiff who wins a civil action to remedy “certain unfair labor practices” will be awarded “court costs and a reasonable attorney fee”

Oppose Specifies that, if the prevailing party in a civil action to remedy certain unfair employment practices (termination for legal, off-duty activities) is the plaintiff, then the court is required to award the plaintiff court costs and a reasonable attorney fee. Amended to exempt businesses of fewer than 50 employees.

BILLS KILLED IN THE LEGISLATURE

HB-1112 Required Health-Care Coverage for Mental Health

Oppose Requires group health-benefit plans to provide coverage for mental illness comparable to coverage for physical illnesses. Applies to small-group basic health-benefit plans.

HB-1210 MEWA Renewal

Oppose Concerns extension of Multiple Employer Welfare Arrangements (MEWA) that requires insurance carriers of small-employer plans to offer health-benefit plans to MEWAs and to continue the MEWA Pilot Program.

HB-1223 Restructure Colorado Oil & Gas Commission

Oppose Requires the Colorado Oil and Gas Conservation Commission (COGCC), in consultation with the Colorado Department of Public Health and Environment (CDPHE), to promulgate rules to protect public health in the conduct of oil and gas operations, and provide for ongoing consultation on oil and gas permit applications. The bill prohibits issuance of a permit to drill until such consultation has occurred.



HB-1303 Creates “Do-Not-Mail” Registry

Oppose Creates “junk mail” registry that would allow individuals to opt out of receiving commercial mailings.

HB-1325 Increase exemption for business personal property tax to \$4,000 for 2007, up to \$7,000 by 2011-2012 and afterwards by increases in inflation rate

Neutral, because it would not relieve the tax burden for even small companies. The current property tax exemption for personal property is \$2,500. If a company has personal property valued at, say, \$2,505, it does not qualify for the exemption. The exemption is only for personal property valued at \$2,500 or less.

SB-10 Requires hospitals to develop and implement nurse-staffing plans

Oppose Requires hospitals to develop and implement and publish a staffing plan that sets forth the minimum number of registered nurses, licensed practical nurses and other personnel providing direct patient care required in each patient-care unit.

SB-29 Requiring Private Employers to Participate in the Extended Federal Basic Employment Verification Pilot Program to Determine Work Eligibility Status

Oppose Requires private employers to apply to participate in the federal Basic Employment Verification Pilot Program. Fines employers for failing to apply.

SB-44 Repayment of Moneys in Certain Cash Funds

Support Considers funds transferred or diverted from specified cash funds to the state general fund to be considered loans that must be repaid.

SB-248 Concerns review of premium rates for insurers who issue medical malpractice insurance and allows for a “qualified person” to request a public hearing on an increase in premiums

Oppose As introduced, the bill would have required CACI-member COPIC, the only medical-liability insurance company based in Colorado, to seek prior approval from regulators before making any change in rates. COPIC is a Trust created by Colorado doctors and run by Colorado doctors for Colorado physicians and hospitals. Increases regulatory costs borne by doctors and makes it harder to respond to changing markets or offer innovative new products to doctors. Amended to include all medical-malpractice insurance providers. Opens the door to litigation and increases costs.



OTHER BILLS LOBBIED BY CACI . . .

Below are additional bills that, although not directly tied to the broad business climate that is CACI's main focus, were lobbied by CACI because they were important to certain parts of the business community for various reasons.

HB-1144 False Claims Act

Position: Ensure bill does not exceed federal civil False Claims Act. Worked with bill sponsors to secure amendments. Authorizes civil actions against a person who submits false claims to the state and establishes penalties for false claims. Prohibits an employer from preventing an employee from disclosing information related to a claim (whistleblower) and prohibits an employer from retaliating against an employee for making a claim and establishes damages for retaliation. **Status: Killed**

HB-1202 Reporting Requirements for Recipients of Moneys from the Colorado Economic Development Fund

Position: Reviewed by CACI Tax Council reviewed; worked with Colorado Office of Economic Development and International Trade on amendments to narrow scope. Establishes reporting requirements for recipients of moneys from the Colorado Economic Development Fund and specifies criteria by which grants or loans shall be awarded.

Status: Signed into Law

HB-1208 Changes to the Unfair Practices Act

Support Eliminates price controls unless the intent is to monopolize the relevant market for the product or service trade. Amended to exclude rural counties, even large ones.

Status: Signed into Law



HB-1219 Special Districts to Provide Health Care Services With Authority to Levy Taxes

Position: CACI Tax Council suggested amendments to specify contiguous boundaries and prohibit the collection of use taxes within such districts. Prohibits boards of county commissioners from exempting property from proposed health-assurance special districts. Requires courts to place the formation of a special district on the ballot if the petition satisfies all legal requirements. Allows health-assurance districts to be formed anywhere in the state, not just in rural areas. Authorizes a health service or assurance district to seek voter approval to levy a sales tax and authorizes any county to impose an additional sales tax to provide health-care services in the county. Exempts any additional sales tax for this purpose from the total cap on total county sales tax. **Status: Awaiting Action by Governor**

HB-1247 Recover Wages-Due Attorney Fees

Position: Support Mountain States Employers Council's suggested amendments. Increases the penalties for failure to timely pay wages for a terminated employee from 50 percent to three times the amount owed and prohibits employers from being able to recover legal fees unless suit determined to be frivolous. **Status: Awaiting Action by Governor**

HB-1288 Tipping-Fee Increase and Industrial-Waste Recycling

Position: Support CDPHE fee increase; work to clarify CAFR language. Creates the Recycling Resources opportunity Fund to provide incentives for recycling and increases solid-waste user fees and waste-tire recycling fees to fund the newly created program. Expands the responsibility of the Colorado Department of Public Health and Environment over solid-waste management programs and expands responsibilities of the Pollution Prevention Advisory Board and requires collection of recycling data. **Status: Awaiting Action by Governor**

SB-98 Exemption from Statutory Limitation on Total Sales and Use Tax that may be Imposed for a County Tax to Fund Open Space and Park Land

Position: CACI worked with the House sponsor to amend the bill to include a prohibition of shifting existing park funds for other purposes. Allows counties to seek voter approval to exceed the cap on sales and use tax for funding of open space and parks. **Status: Signed into Law**



SB-145 Local Government Incentives for Use of Renewable-Energy Fixtures in Residential Property

Position: At the direction of the CACI Tax Council, CACI worked with the Senate sponsor to amend the bill to include businesses in any local government rebate program. Gives counties and municipalities the authority to grant incentives to homeowners for installation of renewable energy fixtures on residential property. Amended to extend the credit to commercial property as well. **Status: Signed into Law**

SB-243 Prohibition on Revocation of Frequent Flyer Mileage Award

Oppose Prohibits a commercial airline from deeming expired or revoked any frequent flyer miles that have been awarded or accumulated in connection with the issuance of a credit card or by utilizing an on-line travel agency. Makes a violation of the prohibition a deceptive trade practice. **Status: Killed**