AXIOM Politics
Tel: 303-860-1616
Fax: 303-850-0175

# Legislative Newsletter

THE CHAMBER
AURORA • COLORADO
14305 E. Alameda Ave., Ste. 300
Aurora CO 80012
Tel: 303-344-1500
Fax: 303-344-1564
www.aurorachamber.org

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*An up-to-date review of Colorado government and politics especially for the Aurora Chamber of Commerce.*
*Compiled and edited by Axiom Strategies, Inc.*

**"The best vision is insight."**
**— Malcolm S. Forbes**

**The First Regular Session of the Seventy-second General Assembly convened on Jan. 4, 2019. As of today, there have been 216 bills in the House and 172 bills in the Senate introduced. This is significantly under the amount we usually see at this time, so expect many more to be introduced. Expect weekly newsletters from Axiom during the legislative session, and your Capitol Watch bill tracker URL will be sent every Friday.**

**-Team Axiom-**

**Polis, legislative leaders unveil framework of oil and gas regulatory upgrade**
*Denver Business Journal*

Gov. Jared Polis and Democratic legislative leaders rolled out the long-awaited framework Thursday of a bill to increase regulations around oil and gas wells, confirming previous statements about their plans to change the mission and guiding principles of the Colorado Oil and Gas Conservation Commission and offering further details about the wide scope of regulatory authority they hope to grant to local governments.

The bill, which is expected to be introduced in the coming days, would allow city and county governments to have land-use authority over wells and drilling rigs in order to protect public health, safety, welfare, air and water. It also would allow them to regulate land use, surface impacts, sitings of the wells and nuisances such as noise and lighting issues caused by the drilling.

Also, the bill, as previously suggested by House Speaker K.C. Becker and Senate Majority Leader Steve Fenberg, will seek to change the mission of the COGCC to eliminate its goal to foster the industry, instead requiring it to consider public health and safety above all other factors when considering drilling applications. It also will add a commissioner with expertise in public health, will require location disclosure and enhanced monitoring of pipelines and will provide more finances to the state to help with the process of capping orphaned wells, Polis explained at an afternoon news conference in the Capitol.

Immediate reaction from both industry and business leaders and from anti-fracking activists was muted, as officials from a number of groups expressed surprise in the lead-up to the news conference that they had not been able to see the bill or its details yet. Colorado Rising, which sponsored the unsuccessful 2018 initiative to create 2,500-foot setbacks from wells and has talked about bringing another measure to the 2020 ballot, issued a statement from communications director Anne Lee Foster saying it will diligently review the bill to see if it eliminates the industry's ability to "thrive on seemingly innocuous loophole that allows them to skirt the full effect of the law and regulations."

Fenberg, who with Becker took the lead in months-long negotiations, said the goal was to put forward a bill that addressed the concerns of residents who are coming into increasingly close contact with oil and gas wells and ensure protection for them in their homes without destroying the oil and gas industry, which provides 230,000 jobs in this state and generates $31 billion in annual economic impact.

“The legislation we will be introducing in the coming days is not window dressing. But it is not an attack on an industry,” Fenberg said. “We wrote the bill. The industry did not write the bill. Activists did not write the bill.”

However, the bill is written in a way that will give a lot of leeway to local governments on how to interpret what could be its newfound ability to regulate an industry whose operations currently are solely the purview of the COGCC. Polis acknowledged that while local governments have siting and land-use power over almost any other business wanting to locate within their borders, oil and gas operates in a “gray” legal area.

The bill does not include any minimum or maximum setbacks that local governments would be allowed to impose, allowing those governments to make those decisions on their own based on health, safety and welfare, Becker said. She and Fenberg both have rejected the idea of a future ballot initiative that would place one-size-fits-all setbacks across the state — though neither said Thursday whether they believed this bill would prevent Colorado Rising from bringing forward such a ballot initiative nor whether they have written the bill to stave off such future ballot initiatives.

Colorado Municipal League Deputy Director Kevin Bommer said in an interview during negotiations over the bill that even his organization of city governments doesn’t believe that municipalities should be allowed to ban drilling within their borders. He said that allowance of more local authority is key to letting each government settle issues around drilling the way that is most appropriate to them, however.

Sen. Mike Foote, a Longmont Democrat who has been the most aggressive advocate of increasing regulations and local authority in recent years, called the coming legislation “a good bill” that seems to address the concerns of local residents who have become worried about the proximity of drilling. But he too declined to predict whether the measure would be enough to stave off future ballot fights that have caused the oil and gas industry to operate for years under a cloud of uncertainty.

“They may have additional issues that aren’t addressed in the bill,” he said of the most fervent anti-fracking activists, many of whom reside in his Boulder County district. “I just don’t know what will happen. But if this bill passes, it will be a major step forward to protecting our families and our communities.”

Business and industry leaders also will take time to scour the details once the measure is introduced, likely early next week. But groups such as the Colorado Oil and Gas Association have warned that if the definition of “local control” remains too ambiguous, that could cause problems both for energy companies and for cities and counties that might look to push too far and cut off economic activity.

Before Thursday’s news conference, a group of 30 business, labor and civic groups sent a letter to Polis asking the new governor, who financed an aborted 2014 ballot initiative to create 2,000-foot setbacks across the state, asking him to respect the will of the voters who rejected setbacks in November and to remember that oil and gas development generates more than $1 billion in taxes annually, including some $600 million for K-12 schools.

“Besides economic impact, Colorado’s energy professionals contribute so much to our communities: They are our friends, family members, neighbors, and community volunteers who give countless hours and resources to our communities and charities,” the letter read. “We ask that you defend the jobs of oil and natural gas professionals just as you defend the jobs of working men and women in other sectors of our economy.”

Erin Martinez, whose home was destroyed and whose husband and brother were killed in a 2017 explosion in Firestone caused by natural gas leaking from a nearby well, said she understood both the activist and industry standpoints — but added there is room to act in a way that is responsible to all sectors.

"I understand that no one ever intended this to happen. I have no desired to destroy an industry. Lots of good people rely on this industry," she said at Thursday's news conference. "However, with great tragedy should come great change ... With the proper checks, balances and safety protocols, we can prevent this type of tragedy from ever happening again."

**A trio of significant health-care bills up for debate**
*Denver Business Journal*

Colorado legislators, as well as Gov. Jared Polis, have spent much of the early legislative session on bills designed to bring down health-care costs. And this week, a wide range of those bills will take center stage in committee and floor debate.

Arguably the most controversial of them is House Bill 1168 from Democratic Rep. Julie McCluskie of Dillon and Republican Rep. Janice Rich of Grand Junction, which would create a reinsurance program that would cover a portion of the costs of the largest medical claims and, in doing so, allow insurers to reduce the premiums of individual health plans, which are particularly pricey because of the risks associated with them.

The controversy this year stems from the source of funding for the program — a limitation on what hospitals can charge privately insured patients on individual plans in some instances.

At the same 1:30 p.m. hearing Wednesday in which the House Health and Insurance Committee will debate that, the members also will debate HB 1176 from Democratic Reps. Emily Sirota of Denver and Sonya Jaquez Lewis of Longmont, which would create a task force to analyze various health-care financing methods in Colorado and then provide the findings to the General Assembly. As part of the national movement toward government-funded, single-payer health care, some of the options the task force must examine include a publicly financed and privately delivered health-care system, as well as a system in which insurers compete for business but receive all payments from a public financing authority.

While single-payer health care, often called Medicare for All on a national level, is a hot topic for some voters, the bill doesn’t appear to be a priority piece of legislation for Democrats. It has just four co-sponsors in the House and one in the Senate, and Senate Majority Leader Steve Fenberg of Boulder said that it’s not generating a lot of conversation in his caucus.

“It’s a House bill, so it’s not a No. 1 priority for the Senate,” Fenberg said. “That doesn’t mean we’re not interested in it. I just don’t think that anybody but [sponsoring] Senator [Mike] Foote has seen it yet.”

Plus, the Senate Health and Human Services Committee will get a crack at 1:30 p.m. Thursday at HB 1001, a hospital transparency measure from Democratic Rep. Chris Kennedy of Lakewood that passed the House on a largely partisan vote despite the Colorado Hospital Association announcing its support for opening many of its facilities’ financial records to public scrutiny.

**Colorado House committee approves 'reinsurance' bill intended to lower health premiums**
*Colorado Politics*

A Democratic state lawmaker hopes a bill heard by the House Health and Insurance Committee on Wednesday will lower the cost of health insurance premiums for Coloradans "who just can't take it anymore."

But the measure is opposed by hospitals — particularly in rural Colorado — that don’t want to see their provider rates cut.

House Bill 1168 would set up a "reinsurance" program that could lower health insurance premiums for individuals on the Western Slope and in rural Colorado by as much as 35 percent, and for urban Coloradans by 20 percent, Rep. Julie McCluskie of Dillon said at a Wednesday press conference.

Between Medicaid, Medicare, private employer-paid insurance and the individual market, the state is down to an uninsured rate of around 6.5 percent, although it's much higher in places like Summit County, at around 14 percent. But it's that individual market, where people buy their own health insurance, that is the most price sensitive, McCluskie said.

McCluskie was joined at the press conference by a bevy of lawmakers, as well as Gov. Jared Polis and Lt. Gov. Dianne Primavera, whom Polis has put in charge of the newly created Office of Saving People Money on Health Care.

McCluskie and others claim that a reinsurance program — basically, an insurance program to cover high-cost claims for insurance companies — would drive down health-care costs and, eventually, health insurance premiums.

It works like this: Insurance companies set their rates based on claims paid. Those claims are based on rates negotiated by health insurance companies with the health care providers.

The reinsurance program works by paying a lower rate to providers that will be decided based on the Medicare payment rate. The amount paid will be higher than what Medicare pays. Because provider rates will be lower for a portion of some claims, insurance companies won't have to charge as much for premiums. That means consumers pay less for their insurance.

Colorado's reinsurance program would tap into federal funds available for innovation through the Affordable Care Act. Seven states have already obtained federal waivers for their reinsurance programs — notably, Minnesota, where health insurance costs decreased by 11.3 percent, and Alaska, which saw a decline of 26 percent.

The program contained within House Bill 1168, however, is unlike programs approved by the federal government for those other states, which have tapped their general funds or levied fees on the business community. That's not going to happen here, Polis indicated Wednesday.

"This can be done without fees or taxes," he said.

Colorado's program would lower costs by capping what will be paid to providers such as hospitals and doctors. Supporters believe only a small percentage of claims would hit the level that would trigger a reinsurance provision. For example, for a $100,000 claim, the insurance company would pay $25,000, and the reinsurance pool would cover 50 percent of the rest.

According to Commissioner of Insurance Michael Conway, who testified during Wednesday's hearing, costs would be based on a "Medicare referenced-pricing system."

That system, which is managed by the federal Centers for Medicare and Medicaid Services, sets rates based on physician recommendations. It takes into account variables such as geographical location, the complexity of a treatment or procedure, and a factor for hospitals that treat a disproportionate share of uninsured patients or those on Medicaid. Under House Bill 1168, the commissioner of insurance would use that information to set provider rates.

Health care providers have complained for years that Colorado doesn't cover enough of their costs for Medicare and Medicaid patients. According to Conway, provider rates could be set at 150 percent to 200 percent of Medicare rates and still save the state millions of dollars that, in turn, could be used to fund the reinsurance pool.

**Former Colorado House Speaker Duran to challenge DeGette for Congress**
*Colorado Politics*

Former Colorado House Speaker Crisanta Duran said Sunday she will run in 2020 for U.S. Rep. Diana DeGette's seat in Congress.

Duran, 38, had been widely expected to try to ride her rising political star to Washington. But the betting money was on the possibility that she would run next year against incumbent Republican U.S. Sen. Cory Gardner.

Instead, with Democrats lining up to challenge Gardner, Duran announced that instead she'll run for the U.S. House in Denver's 1st Congressional District in the Democratic primary.

Fellow Democrat DeGette has held the seat since 1997. A chief deputy whip, DeGette breezed to victory in her party primary last year.

”The time is now to bring change,” Duran said in a Sunday night statement. “These challenging times demand political courage from our elected leaders. That is what I have done throughout my entire career, and I want to continue to bring people together to make change in Washington.”

Her announcement said voters are "eager and hungry for a new chapter in Colorado politics and U.S. history." It did not mention DeGette.

Two years ago, Duran became the first Latina speaker of the House in the nation. Representing a northwest Denver district, she was prevented by term limits from running again for the state House last year.

Duran spoke of her heritage at the 2016 Democratic National Convention, and she has been heralded by several Democratic and women's groups as a rising political star.

A DeGette campaign spokeswoman on Sunday night shrugged off news of a primary challenger — but her campaign also sent out a fundraising email within hours of Duran's announcement.

"Whether it’s fighting to make health care more affordable or protecting a women’s right to choose, Rep. DeGette spends every day working hard for the people she represents," Lisa B. Cohen, DeGette's long-time chief of staff, told Colorado Politics in an emailed statement.

"In fact, as the chair of a powerful House oversight committee, she’s leading two important Congressional hearings this week - one on the ongoing outbreak of measles here in the U.S and another on the EPA’s lax enforcement of our nation’s environmental laws. So, right now, she’s focused on doing her job — and will let the politics take care of itself."

In an email from the DeGette campaign to supporters, the 12-term congresswoman sounded the alarm and gave a preview of the case she'll make for re-election:

"I already have a primary challenge in my 2020 race," DeGette wrote. "I know that 2020 may seem far off — and that you worked your hearts out to take the House back for Democrats in 2018. But my race to continue serving you starts today. ...
"Rest assured, I will remain laser-focused on my #1 priority: using my leadership position to hold the Trump administration accountable and fighting for all of you."

**Bill setting limits on plastic straws dies in Colorado House committee**
*Colorado Politics*

Restaurants and bars would have no longer been able to automatically dispense plastic straws under a proposed law that died Monday afternoon in a Colorado House committee.

The bill died at the request of the very representative who proposed it: Rep. Susan Lontine, D-Denver. That request came after the House Committee on Energy and Environment unanimously approved an amendment that would have allowed cities and counties to enforce their own regulations on the topic.

House Bill 1143 would have asked businesses not to offer patrons plastic straws unless specifically asked. Hospitals and drive through restaurants, among others, would have been exempt under the bill.

No enforcement language was included in the bill. Lontine said the measure was a way of encouraging businesses to act more conscientiously with non-recyclable straws, which often end up in oceans, harming natural habitats and wildlife.

“We’re simply asking for people to ask for a straw. ‘Upon request’ is what it means,” Lontine said. “It’s not a ban.”

Lontine estimated that 80 percent of waste in the world’s oceans originated in landlocked areas like Colorado. The bill was meant to encourage standardized behavior across the state and wouldn’t have stopped anyone from buying straws for themselves at stores.

Several spoke in favor of Lontine’s bill including Nick Hoover, manager of government affairs for the Colorado Restaurant Association.

“This is a reasoned and moderate approach that will reduce the amount of single-use straws used in the state of Colorado without putting undue burden on Colorado’s restaurants and bars,” Hoover said.

But others complained that the bill didn’t go far enough and should have banned the straws outright or backed up the law with an enforcement mechanism. Some on the committee asked why the bill was necessary at all and questioned why an organization like Hoover’s couldn’t ask its members to change their existing policies.

The most substantial criticism, however, was that the measure would remove local control over the matter. Under the bill’s proposed language, a single city would not have been permitted to ban straws outright.

So Rep. Lori Saine, R-Dacono, proposed an amendment that would have handed that power back to cities and counties, allowing them to enact regulations or bans of their own. The committee approved that amendment unanimously.

Saine’s amendment would have made it difficult for the measure to be implemented across the state, Lontine said, so she asked the committee to postpone the bill indefinitely, effectively killing the proposal.

Rep. Larry Liston, R-Colorado Springs, lamented Lontine’s request and commended her for proposing a bill that would have allowed restaurants and consumers to make their own decisions. He said he would have supported her measure if she hadn’t asked for it to be postponed.

“Your heart and mind were in the right place,” he said.

**Colorado Retailers Face New Competition From Supermarkets After Change In State Law**
*Shanken News Daily*

Colorado’s retail market is facing a new reality this year, as supermarkets and convenience stores gained the right to sell full-strength beer on January 1. Some retailers say sales are already being impacted, while others caution that it’s too early for a full assessment. But there’s widespread consensus that the ranks of Colorado’s package store industry will diminish in the coming years.

“We expect that 20%-30% of the beer market will shift to the chain channel,” says Steve Findley, executive director of the Colorado Beer Distributors Association.

The new law allows grocers and c-stores to sell full-strength beer, instead of the 3.2% abv beer previously allowed. Just one week after the measure became law, beer sales at Cheers Liquor Mart in Colorado Springs were down about 10%, notes co-owner Jack Backman, who adds that a Safeway near his store has installed a 30-door cooler. Mat Dinsmore, owner of Wilbur's Total Beverage in Fort Collins, says his store was seeing a slowdown in both customer count and beer sales early in 2019. But Dinsmore adds that it's too soon to tell whether the new law will result in an overall sales decline.

Colorado's 1,600 independent liquor stores have never faced such competition, and many are taking steps to soften the blow. Liquor Mart in Boulder is putting greater focus on wine and spirits, particularly on local Colorado distilleries, while refining the store's beer product mix.

Dinsmore at Wilbur's Total Beverage—where wine and spirits comprise 80% of sales—says that when it comes to mainstream beer, "it will be a race to the bottom for prices, and we won't be able to beat the chains." As a result, "we're focusing on customer service and managing selection," he says.

Still, Colorado retailers are already concerned about the impact the change could have on their wine and spirits sales if some beer shoppers—who in the past would also pick up a bottle of wine or Bourbon—no longer patronize their stores. "That's a high risk," says Bruce Dierking, co-founder of Hazel's Beverage World in Boulder.

Dierking and his fellow Colorado retailers are particularly worried about prospects for small operators who rely heavily on beer sales and those located near chain stores. Package store closures are a certainty, they predict.

"We'll see 100-200 small liquor stores go out of business within the next two years," says Backman. And Dierking adds, "When you double the number of outlets in the state that can sell beer, they won't all survive. People aren't going to drink more."

**Building answers to Colorado's mountain housing crisis**
*Colorado Politics*

Colorado ski towns are amazing places to unwind from the stress of life in the city. They're also great places to live and maybe raise a family — if you can afford it.

For the most part, only the very wealthy can afford it these days. And that's forced mountain-town workers farther away and has priced out even relatively well-paid professionals.

It's an issue that is on the minds of local and state officials representing Colorado mountain towns — but answers are complex and slow in coming.

The lack of both adequate workforce and middle-income housing has reached crisis levels in ski towns, forcing governments to make tough choices about intervening in a sector typically dominated by market forces.

"Everybody's got a housing story, whether it's the struggles they went through [to find a home] or the fact that they got kicked out of their lease because the property sold and the new owner put it in short-term rental [units] or they left the valley because of the cost of housing or they can't grow their business because they can't find good, quality employees," said George Ruther, housing director for the town of Vail, during the U.S. Mountain Community Summit, held last month in Vail.

In Vail, where the most recent U.S. Census data show more than two-thirds of the owned units are second homes, Coldwell Banker Real Estate says the current median asking price for 311 listed homes is $2.995 million, rents have skyrocketed to San Francisco rates, and Airbnb and VRBO have turned family ski condos into short-term cash cows.

There’s a shrinking pool of private land to build on in most ski towns because they’re for the most part located in narrow mountain valleys surrounded by federally-owned public lands. So relatively low-paid service-sector workers from baristas to bartenders are increasingly required to live farther and farther “down valley,” which creates its own set of infrastructure headaches around transportation, parking and ski-burban sprawl.

“There is a unique pressure there, specific to undevelopable boundaries. They're all geo-fenced by nature, these resort communities,” said Natalie Spencer, organizer of the Mountain Community Summit, which attracted investors, policymakers, developers and business owners to Vail from 26 ski towns around the West.

Spencer is the founder of APX1, a company that combines development in mountain areas with an impact-investment network and says its goal is creating "livable mountain communities." Spencer, who holds a master's degree in architecture, also founded several nonprofits working on infrastructure and refugee issues in Asia and Africa.

“I’ve done a ton of infrastructure development overseas. [APX1] is a culmination of that, but in my own backyard. Now that I have a 3-year-old and a domestic life, I can't be hauling her to these refugee camps in the middle of South Sudan, so it's a very practical project,” added Spencer, who found that when she returned to her native Idaho and tried to find affordable and family-functional housing in Sun Valley, it simply didn’t exist.

Adam Ducker, who directs the urban real estate group at RCLCO Real Estate Advisors, said government intervention in the form of subsidies, regulation and intervention may be the only way to create affordable workforce rental housing in ski towns.

Beyond workforce housing, developers also want to better understand how to build ski-town homes in the $500,000 to $1 million price point that executives, telecommuters and retirees can afford, he said.

**Coal-fired power plants are closing early, and Colorado lawmakers want to ease towns’ tough transition**
*Colorado Sun*

Word that the local coal mine and power plant it served were closing went off like a bomb in Nucla — they were the community’s main employers and taxpayers in the tiny town southwest of Montrose

“It’s a big blow,” said Deana Sherriff, executive director of the West End Economic Development Corp., which is helping to develop an economic recovery plan for the town of about 700 people.

The school and fire districts are looking at a 56 percent reduction in their budgets. The mine and coal-fired power plant, which at their peak employed 170 people, are now down to 24, Sherriff said. The mine is already closed, and the plant will be shuttered in 2022.

Tri-State Generation and Transmission Association, which operated the mine and plant, set up a $50,000 block grant to aid businesses, but the town was pretty much left to fend for itself.

“We’ve had to scramble,” Sherriff said. “But this put us in a position to qualify for everything, every grant out there … These communities need funds to move forward.”

The Colorado Energy Impact Assistance Act — a bill working its way through legislature under the title of House Bill 1037 — would provide those funds and at the same time lower the financial impact of power-plant closures on utility customers, its sponsor says. The bill is awaiting a vote by the full House.

“Nucla is going to suffer tremendously from that closure,” said Rep. Chris Hansen, D-Denver, the bill’s main sponsor. “The status quo is unacceptable. It is a lose-lose situation.”

The bill’s other lead sponsors are Rep. Daneya Esgar, D-Pueblo, and Sen. Kerry Donovan, D-Vail.

A similar Hansen-sponsored bill was passed by the House in 2017, only to die in the Senate, which was then controlled by Republicans.

Plants in Craig, Pueblo also headed for closure

Nucla isn't the only plant on the block. Tri-State, which serves 43 rural electric cooperatives including 18 in Colorado, also plans to close one of three coal units at the Craig Station by 2025.
Xcel Energy, the state's largest electricity provider, is set to close the Comanche 1 and 2 units in Pueblo — 660 megawatts or about one-third of the utility's remaining coal fleet — by 2026.

Six Xcel coal plants were closed or retrofitted to natural gas by 2017, under the Clean Air-Clean Jobs Act. Households are paying about $2 a month on their bills to cover the costs.

Across the U.S., coal plants continue to close under pressure of cheaper renewable and natural-gas generation. In 2018, a near-record year, 16 gigawatts (GW) of coal-fired capacity closed — the generating equivalent of almost 50 Comanche 1 units.

**Colorado Democrats bring back twice-killed bill to allow cities, counties to raise minimum wage**
*Denver Business Journal*

Colorado legislative Democrats are bringing back a twice-killed bill that would allow city and county governments to raise the minimum wage for local workers above the state's level — and this time they expect the measure, which is largely unchanged from past years, to become law.

Colorado requires employers to pay non-tipped workers at least $11.10 an hour — a total that will rise to $12 on Jan. 1 and then increase by inflation annually. However, the law precludes local governments from mandating any higher levels of pay from businesses operating within their borders, as state legislators previously have determined it is a matter of statewide importance to have equal salary mandates on companies across all jurisdictions.

A new bill that is expected to be introduced this afternoon would change that, however, allowing local governments to increase that minimum wage via ordinances, election questions or, in the case of municipalities, citizen-initiated petitions. Similar bills failed in both 2015 and 2018 in what was then the Republican-controlled Senate, as businesses argued this could create a confusing mishmash of rules, even as proponents said such a move would help lower-paid workers come closer to earning livable wages in high-cost cities such as Denver, Boulder and mountain towns.

This year, however, Democrats control the House, Senate and governor's mansion, leaving backers such as co-sponsoring Sen. Jessie Danielson of Wheat Ridge confident that it will become law, despite the continuing objections of many business groups.

"This bill is a measure to lift the heavy hand of the state government and allow local communities to lift the minimum wage if they see fit," Danielson said at a Monday news conference at the Capitol introducing the proposal. "This is a measure that will allow local communities to take care of workers the way that they see fit."

Business leaders long have noted that companies that want to raise their wages above the state's floor level not only have the ability to do so but can gain a competitive advantage in doing so when it comes to hiring and worker retention.

Organizations such as the National Federation of Independent Business, Colorado Competitive Council and South Metro Denver Chamber have argued too in recent years that disparate minimum-wage laws could lead to worker migration away from already-labor-starved rural areas, and they would cause particular problems for businesses with locations in multiple cities, particularly if they must shuttle workers between locations to fill shortages.

Co-sponsoring Rep. Jovan Melton, D-Aurora, brushed away that last concern Monday, saying that businesses with locations over state borders know how to comply with what can be very different sets of regulations between the states. And he noted major cities from New York to Los Angeles to Chicago have increased their pay floors above state standards already.

The legislative effort comes as Denver is considering raising its minimum wage to $15 an hour for city workers and city contractors, with a few exemptions for small businesses with contracts under $500,000, for contracts of 30 days or fewer and for all supplier and goods providers other than catering companies. That measure, which is likely to come up for a City Council vote in early March, could raise the salaries of 1,868 employees — 13 percent of all city workers, with the vast amount of them concentrated in the parks and recreation department — and cost the city about $5.7 million to implement, said Brendan Hanlon, the city CFO.

While Denver is adjusting what it pays its workers — and while 47 local officials have signed on to support the local-option minimum-wage hike bill — no cities or counties have come out yet and said they want to move their required pay levels above the state level. Adams County Commissioner Eva Henry, for instance, said at the news conference that a higher minimum wage could help to fight the rising trend of suburban poverty in areas like hers; when asked afterward about whether the county would move ahead with such a regulation, however, she said commissioners neither have discussed that nor have heard calls for such a move from local residents.

Melton said he expects the legislative proposal to move quickly, with an initial committee hearing coming possibly as soon as next week.

**Cannabis advocates wary as Colorado considers e-cig limits**
*Colorado Politics*

Cannabis advocates are watching closely as Colorado lawmakers consider limits on where e-cigarettes can be used in an effort to combat rising teen use of nicotine-containing vaping devices.

A bipartisan bill getting its first hearing Wednesday would add electronic cigarettes and other vaping devices to the Colorado Clean Indoor Air Act, which restricts tobacco use at the workplace and in many public spaces. E-cigarettes heat a nicotine solution into a vapor that's inhaled.

Medical marijuana advocates are concerned expanding the law would unintentionally impact patients who are vaping prescription cannabis — for example, in apartments where potential vaping bans could be adopted.

Other states, including Vermont, have slapped taxes on e-cigarettes to deter teens from vaping. U.S. health officials consider the growth in youth using e-cigarettes an epidemic, and a recent Colorado government study suggests 27 percent of minors regularly use the devices.

The Colorado bill would ban the use of electronic smoking devices in many public spaces and workplaces. It would eliminate designated hotel smoking rooms and smoking areas at retirement homes, public housing and assisted living facilities. It also would ban outdoor smoking within 25 feet of entryways, as opposed to the current 15 feet.

The thinking, according to bill sponsors: Making it more difficult for adults to vape will induce youth to cut their own consumption. Research suggests youth nicotine vaping can lead to lifelong tobacco use.

"We want to stop e-cigs and vaping as a narrative experience for teens," said Democratic Rep. Dafna Michaelson Jenet. "They see it out there: If it happens inside the restaurant, if it happens inside the airport, the subliminal message to teens is that vaping must be safe."

Youth tobacco use has risen even though federal law bans the sale of e-cigarettes and tobacco products to those under 18.

U.S. health officials consider the growth in young people using e-cigarettes an epidemic, and a recent Colorado government study suggests 27 percent of minors regularly use the devices.
Some marijuana activists want cannabis exempted from the list of vaping substances that are included in any new restrictions. They argue it would discriminate against medical marijuana users who are treating chronic pain, PTSD and other conditions.

**Equal Pay Need Not Treat Employers Like the Enemy**
*Colorado Civil Justice League*

Equal pay for equal work isn't just a laudable goal. It's basic fairness, so Colorado law can certainly require it of employers.
On the other hand, Senate Bill 85, as originally introduced by Sen. Jessie Danielson, D-Wheat Ridge, and Brittany Pettersen, D-Lakewood, didn't focus on basic fairness. Instead, it contained rigid rules and "gotcha" litigation traps that doom Colorado employers to failure, then punish them with costly lawsuits for violations that have nothing to do with discrimination.
For example, each of the following would have constituted unlawful discrimination under the introduced bill:

- A male hotel clerk in Aspen is paid more than a female hotel clerk in Akron - not because one is male and the other female, but due to differences in the cost-of-living.
- A female nurse is paid more to work the graveyard shift than a male nurse who works days. That's because one is paid more to work undesirable hours.
- A company has a hard time recruiting employees to work in remote parts of the state, so they pay a male sales representative more to work in Springfield than a female doing the same job in Greeley. Employers sometimes pay more for hard-to-fill positions.

These are all legitimate reasons for paying different salaries and have nothing to do with whether the employee is male or female.
At the bill's first hearing in Senate Judiciary Committee, some practical concerns raised by Colorado employers were addressed. For example, amendments to the bill clarified that liquidated damages could not be imposed if an employer acts in good faith. Also, pay differentials based on geography would be allowed. But much work remains.
Senate Bill 85 still allows an employee to bring a lawsuit without ever filing a formal complaint with a neutral party, such as the Department of Labor (which typically handles wage disputes) or the Civil Rights Commission (which hears claims of unlawful discrimination).
An employer's first notice of an employee's complaint could be when served with a lawsuit. That's not fair or reasonable.
Other bills (HB 1025, limiting job applicant criminal history inquiries) have accomplished their sponsors' goals without creating new lawsuits.
Forcing both sides to "lawyer up" right out of the gate is unnecessarily adversarial, particularly since it's common for disgruntled employees to file dubious complaints against former employers. The Colorado Civil Rights Division's annual report shows that some 95 percent of employment discrimination claims filed with CCRD are found to have "no probable cause." The administrative procedure provides for a "cooling off" period while a neutral third-party investigates the complaint.
As Senate Bill 85 moves forward, CCJL is counting on sensible legislators of both parties to recognize that Colorado can require basic fairness toward workers without putting employers in a no-win predicament.

**Colorado Petroleum Council leader leaving to be CEO of Permian Basin industry group**
*Denver Business Journal*

The head of the Colorado Petroleum Council is leaving to become the top executive of a new oil and gas organization connecting oil companies and communities around Texas' booming Permian Basin.

Tracee Bentley, executive director and founding leader of the CPC, is stepping down after three years in the post. On March 18, she becomes CEO of the Permian Strategic Partnership, a collaboration started last year by 20 domestic oil producers working in the giant oil field of West Texas to improve the area's quality of life.

Bentley in a statement, called the partnership's mission a noble one.

“The Permian is poised to provide energy the world needs, create tens of thousands of local jobs and generate billions in state and local tax revenues," she said. "But industry recognizes the need to also address significant infrastructure challenges and to preserve the quality of life that makes so many want to live and work here. I can think of no better purpose, and I look forward to the challenging and rewarding work ahead.”

West Texas' Permian Basin is a giant oil and gas deposit, expected to become one of the largest sources of oil in the world. The area has long been home to oil and gas development, but the scale of the unconventional oil and gas resources there has prompted billions of industry investment.

Leaders from Cimarex Energy Co., Anadarko Petroleum Corp., Apache Corp., BPX Energy LLC, Chevron, ConocoPhillips, EOG Resources Inc., Halliburton Co., Occidental Petroleum Corp., Schlumberger Ltd., XTO Energy and Shell Oil last year announced the formation of the $100 million partnership.

The companies normally compete, but “a once-in-a-generation opportunity has brought us together for a common purpose — to strengthen the communities where we live and work,” they said in a letter published in the Midland, Texas Reporter-Telegram newspaper.

Bentley has deep experience in public policy and outreach around energy and rural affairs. She served as one of the leading voices for the oil and gas industry as head of the Colorado Petroleum Council.

In 2018, she helped lead the industry's response to the Proposition 112 ballot initiative that industry believed to be a threat to its existence in Colorado, and which state voters rejected after a nearly $50 million political campaign.

Bentley's appointment to head PSP comes at a pivotal point in the creation of the organization, said Don Evans, the organization's chairman and former U.S. Secretary of Commerce, in a written statement.

“Tracee is a dynamic leader with a great deal of energy experience and a track record of successful coalition building, and I have no doubt that she will bring both the experience and passion to represent our organization and partner with our community leaders," he said.

Bentley became the first executive director of the Colorado Petroleum Council in 2015, the new local branch of the Washington D.C.-based advocacy group the American Petroleum Institute.
She had previously led the Colorado Energy Office, appointed by Gov. John Hickenlooper to the post as a promotion following her experience heading its policy and legislative affairs work as the office's deputy director and as an advisor to the administration on rural affairs and energy. She previously served as director of national affairs with the Colorado Farm Bureau.

She also previously worked in Washington D.C. for U.S. Sen. Ben Nighthorse Campbell, a Colorado politician.

Bentley has graduate and undergraduate degrees from Colorado State University in Fort Collins.
API is organizing a transition related to Bentley's departure, including looking for new executive director.

**Colorado bill extending electric-vehicle tax credits charging through Capitol**
*Denver Post*

A bill that would extend Colorado's tax credits for electric vehicles is intended to help accelerate the goal of increasing the number of zero-emission vehicles on the state's roads.

The bill by Rep. Sonya Jaquez Lewis, D-Longmont, and Rep. Matt Gray, D-Broomfield, would extend the credits, currently set to end in 2021. The tax credits for cars and medium- and heavy-duty trucks would run through 2025 at decreasing amounts.

The House Energy and Environment Committee voted 7-4 Monday to send HB19-1159 to the House Finance Committee.

Under the bill, the tax credit for a passenger electric or plug-in hybrid vehicle would drop from the current $5,000 after the first year to $4,000 and end at $2,500. The goal is to encourage people to buy electric vehicles sooner rather than later, Jaquez Lewis said.

Tax credits for light- to heavy-duty trucks run from $7,000 to $20,000. The bill retains the $2,500 tax credit for leased vehicles.

The state credits would be on top of the federal tax credit of $2,500 to $7,500, based on the vehicle's size and battery capacity.

Extending the tax credits is in line with the state's emphasis on getting more electric vehicles on the road to help cut pollution that causes health problems, fouls the air and contributes to climate change. The high-end projection in the Colorado Electric Vehicle Plan says there could be nearly 1 million electric vehicles in the state by 2030, which could reduce smog-forming pollutants by several hundreds of tons and greenhouse gases by up to 3 million tons.

"We need to usher these vehicles at a time where they are the rule, not the exception," Gray said in a statement. "We need to make sure we are supporting these vehicles, getting more of them on the road, and making a cleaner future for our state."

Shortly after taking office in January, Gov. Jared Polis signed an executive order reaffirming the goals in the state electric vehicle plan and directing the Colorado Department of Public Health and Environment to write a zero-emission vehicle standard to increase use of electric vehicles.

At the end of August, there were a total of 15,866 electric vehicles, including plug-in hybrids, in Colorado, according to the Alliance of Automobile Manufacturers. That was a 50-percent increase from the same time in 2017.

As part of state electric vehicle plan, some of the nearly $70 million Colorado was awarded in the national settlement with Volkswagen is being used to build electric charging stations across the state. Colorado ranks seventh in the nation in the number of electric-vehicle charging stations — 710 — according to the National Renewable Energy Laboratory. Of those, 650 are open to the public.

Jaquez Lewis said she believes the bill's chances of making it through the legislature to Polis' desk are "excellent." She said people speaking Monday in favor of extending the tax credits included representatives of communities interested in offering their own incentives and businesses that want to convert their fleets.

**House committee advances Colorado 'red flag' gun bill after 1st hearing**
*Colorado Politics*

Legislation allowing the seizure of guns from people deemed to pose a threat to themselves or others cleared a Colorado House committee just before midnight Thursday.

Colorado Democrats see a big opportunity this year to pass the legislation after its defeat in last year's divided legislature.

This year's "red flag" bill — formally known as an "Extreme Risk Protective Order" (ERPO) — got its first hearing on Thursday before the state's House Judiciary Committee.

House Bill 1177 cleared the committee just after 11:30 p.m. on a party-line 7-4 vote and was sent to the House Appropriations Committee for its next review.

The bill is named for Douglas County Deputy Zack Parrish, III, who was killed in an ambush on New Year's Eve in 2017 by a veteran known to suffer from PTSD. Thursday would have been Parrish's 31st birthday.

Under HB 1177, a family member, household member or law enforcement officer can petition the court for a temporary ERPO when they can demonstrate that a person poses a significant risk to themselves or others by having a firearm in his or her custody.

A second hearing, to be held within 14 days, would require either law enforcement officials or the family to show by “clear and convincing evidence” that the respondent is still a danger. At that time the weapons can be held for up to 364 days while that person seeks treatment.

Once the temporary order is issued, the respondent must turn over all weapons to law enforcement or a federally licensed firearm dealer. To get those weapons back, the respondent must prove they are no longer a danger, using a “beyond a reasonable doubt” standard.

Colorado's Democratic attorney general, Phil Weiser, urged lawmakers to support the measure. In a letter sent Thursday to the committee, Weiser said that the bill is designed to save lives.

"According to one study that evaluated ERPOs in other states, researchers estimated that one life was saved for every 10 to 20 ERPOs issued by the court," Weiser wrote.
"For this reason above all others, I strongly support HB19-1177."

Weiser also said he believes the bill is constitutional and does not violate the Second Amendment. Democrats on the committee pointed out that even groups like the National Rifle Association didn't claim a Second Amendment violation.

Nevertheless, opponents say the legislation infringes on citizens' Second Amendment rights and could deter people from seeking care for mental health issues.

**Gov. Polis joins legislators to highlight bipartisan reinsurance proposal**

**FOR IMMEDIATE RELEASE**
Wednesday, Feb. 27, 2019

DENVER — Gov. Jared Polis today joined a bipartisan group of legislators to highlight a reinsurance bill to help lower health care costs. HB19-1168 will reduce insurance premiums for individuals and families.

“We must address the high cost of health care, especially in our rural and mountain communities,” Governor Jared Polis said. “We have heard from Coloradans across the state about their struggles to afford insurance. This reinsurance program is a strategy that will help provide immediate relief by lowering costs for Colorado families.”

Sponsors include Rep. Janice Rich, Rep. Julie McCluskie, Sen. Kerry Donovan, and Sen. Bob Rankin. The bill would require Colorado to request a waiver from the federal government to implement and fund the program. Eight other states have stood up similar programs.

Rural and mountain communities are significantly impacted by the rising cost of health care. Many individuals and families are forgoing health insurance and health care. The bill will help Coloradans by lowering costs so that people can afford to buy insurance in the individual market.

Reinsurance works by protecting insurance companies against some of their high costs claims. Premium costs go down for everyone when that happens. Once premium costs go down, Coloradans will be able to afford health insurance.

This bill divides the state into three cost reduction regions or tiers. The first tier will be those counties facing the highest insurance costs. Under the reinsurance program, those counties will see premium reductions of between 30 and 35 percent. The second tier of counties will see premium reductions of between 20 and 25 percent. Finally, the third tier, those regions with the lowest costs today, will experience premium reductions of between 15 and 20 percent.

**Gov. Polis announces boards and commissions appointments**

DENVER — Gov. Jared Polis today announced appointments to the following boards and commissions:

State Board of Stock Inspectors
Underground Damage Prevention Safety Commission
Wine Industry Development Board
Uninsured Employer Board
Special Funds Board for Workers' Compensation Self Insurers
Workers' Compensation Cost Containment Board
Rocky Mountain Low Level Radioactive Waste Compact
Solid and Hazardous Waste Commission
Water Quality Control Commission
Colorado Banking Board
State Electrical Board
Board of Mortgage Loan Originators
State Plumbing Board
Board of Real Estate Appraisers
Securities Board
Hospital Provider Fee Oversight and Advisory Board
Private Occupational School Board
Board of Directors of the State Historical Society
Colorado Student Leaders Institute Executive Board
Colorado Commission on the Aging
Colorado Traumatic Brain Injury Board
Board of Assessment Appeals
Energy Impact Assistance Advisory Committee
Colorado Board of Veterans Affairs
Board of Commissioners of Veterans Community Living Centers
Coal Mine Board of Examiners
Ground Water Commission
Fire and Police Pension Association Board of Directors
Public Employees Retirement Benefit Plans Pension Review Subcommittee
Statewide Internet Portal Authority
Colorado Water Resources and Power Development Authority
State Board of Parole
Colorado Aeronautical Board
Colorado Tourism Office Board of Directors
State Housing Board
Colorado Educational and Cultural Facilities Authority Board of Directors
CollegeInvest Board of Directors

Colorado Civil Rights Commission
Air Quality Control Commission
Sickle-Cell Anemia Advisory Board
Urban Drainage and Flood Control District Board of Directors
Minority Business Advisory Council
eHealth Commission
Public Trustees
Colorado Coordinating Council for the Interstate Compact on Educational Opportunity for Military Children
Stroke Advisory Board
Board of Trustees for the Colorado School for the Dead and the Blind
Colorado Water Conservation Board