

AURORA CHAMBER OF COMMERCE 2024 SESSION WRAP-UP

On May 8th, 2024 the Second Regular Session of the 74th General Assembly adjourned.

Within the 120-day session, the legislature considered 705 pieces of legislation, 81 more than were considered last year, along with 9 memorials and 64 resolutions. The breadth of the legislation that was considered this year spanned Colorado's business community, controversial social issues, resident affordability, and much more. The business community, which is no-stranger to working from a disadvantage, had to mobilize quickly on several bills, and while there were many successes that stemmed from these efforts, there will be lasting consequences on Colorado's economic vitality following this legislative session.

HBS Colorado's team worked diligently to ensure our clients were kept up to speed as legislation was introduced and evolved through the process. This report will detail the work that was done directly on behalf of the Aurora Chamber.

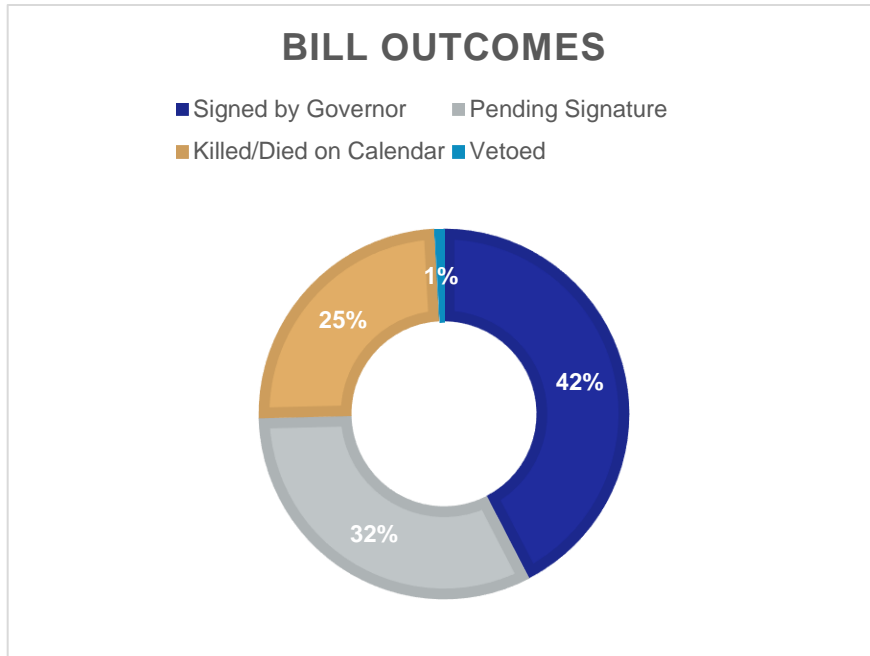
This session, more so than others, brought a great deal of controversy along the way: leadership elections in the Senate, surprise rule changes, House minority leadership shake-ups, conflict in the middle east infiltrating the day to day work of the legislature, and much more. After the November 2023 election, then-Senate Majority Leader Dominick Moreno announced he would be leaving the legislature for a role in new Denver Mayor Mike Johnston's cabinet. As a result, there was very early-session competition between

the Democrat caucus's more progressive contingency and the moderates to determine who would be elected to fill Moreno's role. Ultimately, Senator Robert Rodriguez was elected. In the other chamber, House Minority Leader Mike Lynch stepped down and was replaced by Representative Rose Pugliese. Last year's tension between the Democratic Socialist caucus and other Democrat members of both chambers continued to build this year, with law enforcement matters, middle eastern conflict, and censorship driving disagreements.

As the 2024 legislative session comes to a close, and things quiet down momentarily, HBS Colorado will use this time to reflect on the work that was done, celebrate the victories of the session, and learn from the downfalls. It won't be long, though, before things pick up again and your HBS team will regroup focuses on the interim and upcoming election season.

The November 2024 election will be a pivotal point for the state of Colorado – with much at stake - including the potential for a super majority for the Democrats in the Senate, which already exists in the House. There are also key races that HBS Colorado will be watching closely – races that will determine whether Colorado is positioning itself to follow in the steps of states like California, or if voters will take a stand and work to maintain Colorado as a more moderate, business-friendly state.

705 bills were introduced this session, 81 more than were considered in 2023. As of May 9th, about a third of the bills are awaiting the Governor’s signature. 173 bills were killed by a vote, or died on the calendar.



Budget Highlights

The General Assembly started the year crafting a budget for FY 2024-25 against the backdrop of expiring COVID-19 funding and a long list of expensive legislative priorities. The Joint Budget Committee proceeded to introduce a balanced package in late March that allocated over \$16 billion of discretionary funds. Subsequently, the General Assembly approved, and the Governor signed into law, the budget bills that included the following highlights:

- An increase of 2.0 percent for community providers (e.g. medical providers).
- Elimination of the K12 funding shortfall.
- \$132 million to cap higher education tuition increases at 3.0 percent for Colorado residents and 4.0 percent for out-of-state students.
- A 3.0 percent across-the-board raise for all state employees.

Balancing the budget next year for FY 2025-26 will prove challenging for the legislature’s budget writers. While the Joint Budget Committee was able to balance the budget for FY 2024-25 while funding new priorities, it did so by relying on \$459 million of one-time revenue to pay for an estimated \$400 million of ongoing programs. The legislature will have to dig out of this hole before turning its attention to new investments.

Priority Legislation

Overview of the Aurora Chamber of Commerce's Legislative Focus

HBS Colorado is so glad to once again represent the Aurora Chamber! We entered this session with the goal of making the Chamber known at the Capitol, through engaging on business-relevant bills, and meeting with state legislators. With 41 positions taken on bills, this session marked a successful foundation for amplifying the Chamber's voice at the Capitol. Looking ahead, the Chamber will continue to meet with members, work with business-focused coalitions, and participate in stakeholdering on significant legislation.

Priority Bills:

HB24-1008 Wage Claims Construction Industry Contractors

Position: Oppose

Status: VETOED

Effective Date: N/A

Summary: This bill expands liability for general contractors in situations where their subcontractors' employees have a wage dispute.

If a subcontractor receives written demand for payment, they must forward the demand to their general contractor within three days. Failure to do this makes a subcontractor subject to a fine of \$2,000, paid to the general contractor.

Aside from this requirement, the bill makes a general contractor liable for all payments owed to the employee of a subcontractor, including amounts owed by a subcontractor.

The bill allows a general contractor to require the following information from each subcontractor acting under, by, or for the general contractor:

- Pay data;
- Contact information; and
- An affidavit attesting to whether the subcontractor has participated in a civil or administrative proceeding within the last 5 years and, if so, the outcome of the proceeding.

HB24-1014 Deceptive Trade Practice Significant Impact Standard

Position: Oppose

Status: Killed in Senate Judiciary

Effective Date: N/A

Summary: Under current Colorado case law, a claim of an unfair or deceptive trade practice under the Colorado Consumer Protection Act must have a significant impact to

the public to prevail. The bill would have lowered the threshold so that a claim would not have to indicate significant impact to the public; this bill would have been very problematic for business.

HB24-1015 Workplace Suicide Prevention Education

Position: Support

Status: Died on House Appropriations calendar

Effective Date: N/A

Summary: This bill would have instructed the Office of Suicide Prevention to develop suicide prevention education materials, which employers are required to display in their workplaces. The cost was a barrier to the passage of this bill.

HB24-1076 Purple Star School Program

Position: Support

Status: Signed by Governor

Effective Date: August 7th, 2024

Summary: The bill creates an application-based program to designate and recognize public schools that provide special services and support to military connected students and their families to help mitigate the academic and social-emotional challenges they may face as a result of frequent moves, new schools, parental deployments, and different social circles and experiences.

HB24-1098 Cause Required for Eviction of Residential Tenant

Position: Oppose

Status: Signed by Governor

Effective Date: April 19th, 2024

Summary: With certain exceptions, the bill requires a landlord to offer a lease renewal, and prohibits a landlord from evicting a residential tenant, unless the landlord has cause for eviction. This section does not apply to short term rentals, unit or premise that the landlord lives in, if it is not a multifamily property of four or more units, a mobile home, employer provided housing, a residential tenant that hasn't been a tenant for at least 12 months, or an unlawful tenant. Cause exists only when:

- A lessee fails to pay rent;
- A substantial violation occurs, such as an act that endangers the property or a person living on the property, an act that would constitute a drug felony, or an act that would constitute a public nuisance;
- A material violation of the lease or rental agreement occurs;
- A lessee is a repeat violator;

A landlord may choose to not renew a lease (at the end of the lease period), if:

- A lessee fails to vacate the property after it's been sold, or if they have previously been served a no-fault eviction;
- If a landlord decides that the property is to be demolished, converted to a nonresidential property, or converted to a short term rental, the landlord may choose to not renew the lease, so long as they provide the tenant with notice, and 90 days to vacate upon receiving notice.

- Similar provisions apply if substantial repairs or renovations are to take place, unless the repairs are to fix a breach of the warranty of habitability, or are taken place in retaliation against the tenant.
- A landlord or their family plans to move into the property within three months, if no substantially equivalent unit is available, and the landlord does not list the property as a short or long term rental within 90 days;
- A landlord decides to sell the single family home, townhome, duplex, triplex, or individual condo unit;
- A tenant refuses to sign a contract with reasonable terms;
- A tenant has a history of nonpayment of rent;

HB24-1152 Accessory Dwelling Units

Position: Amend

Status: Signed by Governor

Effective Date: May 13, 2024

Summary: As introduced, this bill required that certain local jurisdictions allow accessory dwelling units (ADU), laid out requirements and restrictions for these jurisdictions related to the administrative process for approving ADUs, and created a certification and grant program in the Division of Housing in the DOLA to encourage the construction, conversion and use of ADUs. It required that a subject jurisdiction allow one ADU as an accessory use wherever the jurisdiction also allows single-unit detached homes. It also prohibited subject jurisdictions from imposing new parking requirements or requiring that the ADU be owner occupied. The bill was amended in the Senate to establish that a local government's existing ADU code can remain in place, parking may be required under certain circumstances, and to provide greater flexibility for new ADU codes.

HB24-1156 Chamber of Commerce Alcohol Special Event Permit

Position: Support

Status: Passed

Effective Date: August 7th, 2024

Summary: This bill originated with the town of Parker and its Chamber's "wine walk". The bill authorizes a chamber of commerce to obtain a special event permit, which allows alcohol to be served. Certain chamber of commerce members, such as those who sell cars, marijuana, gas, or firearms; teacher or childcare providers; other liquor licensees; and convenience store owners may not participate in the special event. The chamber and participants must make food available during the event. The bill also creates a similar permit for tobacco festivals.

HB24-1157 Employee-Owned Business Office & Income Tax Credit

Position: Support

Status: Sent to the Governor

Effective Date: August 7th, 2024

Summary: This bill enacts several changes to support a business as it transitions to an employee-owned status. It statutorily creates the Employee Ownership Office within the

Office of Economic Development and International Trade, which is to provide technical support to small businesses looking to move to an employee ownership model. The bill also creates an income tax credit for new employee owned businesses.

HB24-1175 Local Governments Rights to Property for Affordable Housing

Position: Oppose

Status: Passed

Effective Date: August 7, 2024

Summary: This bill gives a local government a right of first offer and a right of first refusal to obtain residential properties for long-term affordable housing. Long-term affordable housing means that the annual rent for any unit will not exceed the rent for households of a given size at the applicable area median income for a minimum of 100 years, and the local government agrees not to raise rent for any unit by more than the bill's specified rent increase cap. Under the bill, the right of first refusal exists for multifamily residential or mixed-use rental property that is existing affordable housing, excluding mobile home parks. Local governments are given the right to purchase a qualifying property for an economically or substantially identical offer to another offer that a seller receives. Any purchase or sale agreement for a qualifying property by a seller is contingent on the first refusal of the local government where the property is located. The right of first offer exists for multifamily residential or mixed-use rental property consisting of not more than 100 units and not less than five units in urban counties, and not less than three units in rural or rural resort counties, as those classifications are determined by the Division of Housing in the Department of Local Affairs. For qualifying properties, the bill gives a local government the right to make an offer to purchase the property before it is listed for sale to third parties. The right of first offer repeals on December 31, 2029.

For either of these new rights, a local government may partner with a nonprofit entity to co-finance, lease, or manage qualifying property as long-term affordable housing. At any time, the local government may assign its rights to the state, another political subdivision, or a housing authority so long as the property is used to preserve or be converted for long-term affordable housing. The bill details the obligations of residential sellers of qualifying properties to provide notice to local governments when an owner intends to sell the property, or when a property's existing affordability restrictions will expire, and the obligations of local governments to notify residential sellers of any intent to exercise the right of first offer or first refusal on qualifying properties.

HB24-1176 Behavioral Health Grant for Capital Project

Position: Support

Status: Sent to Governor

Effective Date: Upon signature of Governor

Summary: The bill expands the scope of the Behavioral Health-Care Continuum Gap Grant Program to include awarding a community investment grant for a new capital construction project and transfers \$4 million from the General Fund to the Behavioral and Mental Health Cash Fund for that purpose. This was brought to the Chamber by Aurora Mental Health Center.

HB24-1230 Protections for Real Property Owners

Position: Oppose

Status: Died on Senate calendar

Effective Date: N/A

Summary: This was a one of two competing bills regarding construction defects reform. This would have made it easier to bring a construction defect suit by:

- increasing the statutory limitation period for construction defect actions from six years to ten years;
- allowing a claim for relief to arise at the time that either the physical occurrence of the defect or the cause of the defect is discovered;
- voiding any contractual provision that limits a property owner's right to bring or join a legal action against a construction professional;
- voiding any homeowner association (HOA) governing document that conflicts with the bill's provisions; and
- requiring a residential property owner to include specific disclosures related to protections and claims in a contract for the sale of property.

HB24-1236 Women Veterans Appreciation Day

Position: Support

Status: Sent to the Governor

Effective Date: August 7th, 2024

Summary: The bill establishes June 12 as "Women Veterans Appreciation Day," an observed state holiday.

HB24-1237 Programs for the Development of Child Care Facilities

Position: Support

Status: Sent to the Governor

Effective Date: August 7th, 2024

Summary: The bill creates three for the development of child care facilities:

- Child Care Facility Development Toolkit and Technical Assistance Program: DOLA must develop a toolkit for the development of child care facilities and provide technical assistance to child care providers, developers, employers, local governments, public schools, and higher education institutions to help in understanding the technical aspects of developing child care facilities. The program repeals July 1, 2028.
- Child Care Facility Development Planning Grant Program: This grant program will provide grants to local governments to make regulatory updates or improvements in processes that will support the development of child care facilities. The program repeals July 1, 2028.
- Child Care Facility Development Capital Grant Program: This grant program will provide grants to local governments, public-private partnerships, public schools, and higher education institutions to construct, remodel, renovate, or retrofit a child care facility to meet a demonstrated need for child care in a local government's community. Grant recipients are required to provide financial matches towards projects. The program repeals July 1, 2029.

HB24-1260 Prohibition Against Employee Discipline

Position: Oppose

Status: VETOED

Effective Date: N/A

Summary: Prohibits an employer from taking adverse action against an employee who opts not to participate in an employer-sponsored meeting concerning religious or political matters, or for declining to listen speech or view religious or political communications from the employer.

HB24-1304, Minimum Parking Requirements

Position: Oppose

Status: Signed by Governor

Effective Date: August 7, 2024

Summary: As introduced, this bill prohibited local governments from adopting or enforcing parking minimums. The bill passed the Senate late in the session after a series of amendments were added to significantly narrow its scope. Under the bill as adopted, a local government may not enforce minimum parking requirements for multifamily residential development, adaptive reuse for residential purposes, or adaptive reuse mixed use purposes that include at least 50% of use of residential purposes. However, local governments are still eligible for funding for affordable housing that requires a certain number of parking spaces. Local governments may also impose and enforce a parking requirement in connection with a housing development project intended to have 20 units or more of regulated affordable housing.

HB24-1313 Housing in Transit-oriented Communities

Position: Oppose

Status: Signed by Governor

Effective Date: Upon signature of Governor

Summary: As introduced, this bill identifies local governments that must create, report, and implement a housing opportunity goal to increase housing inventory, or forfeit allocations of Highway Users Tax Fund (HUTF) revenue from the state. DOLA in collaboration with the CEO and the CDOT must provide broad technical assistance to affected local governments, and administer a grant program to assist with planning, compliance, and infrastructure projects. The bill also increases the amount of affordable housing tax credits that can be issued by CHFA and creates a new state income tax credit for taxpayers that invest in qualified low-income housing project located in a transit-oriented community. The bill was amended to take out the HUTF forfeiture provisions.

HB24-1316 Middle-Income Housing Tax Credit

Position: Support

Status: Signed by Governor

Effective Date: May 30, 2024

Summary: This bill creates a pilot program for an income tax credit for owners of housing developments focused on rental housing for middle-income households. The

credit is allocated by the Colorado Housing and Finance Authority (CHFA) during tax years 2025 through 2029, and is awarded in amounts up to \$5 million per year in 2025 and 2026, and up to \$10 million per year in 2027 through 2029, for a credit period of 5 years. A total of \$200 million in credits may be allocated by CHFA over nine years. Table 2 shows the allocation of the middle-income housing income tax credit under the bill.

HB24-1325 Tax Credits for Quantum Industry Support

Position: Support

Status: Passed

Effective Date: Sent to Governor

Summary: Creates two tax credits to support the development of the quantum technology ecosystem in the state; [this page](#) explains Elevate Quantum being designated as a “Technology Innovation Hub Designee” under the federal program and corresponding “TechHubNow!” program in Colorado. The credits would support investment in fixed capital assets, and qualified lenders that provide loans for quantum.

HB24-1330 Air Quality Permitting

Position: Oppose

Status: Failed

Effective Date: N/A

Summary: This bill would have required CDPHE, when determining if an oil and gas operation is a major or minor source, to consider aggregate emissions across the system and to include emissions from exploration and preproduction activities. CDPHE may not approve a construction permit application for new or modified oil and gas systems in the ozone nonattainment area unless:

- the system will not contribute to pollution that exceeds a National Ambient Air Quality Standard (NAAQS);
- in any NAAQS nonattainment area, the system offsets its emissions of any noncompliant pollutant; and
- the system is not located in a disproportionately impacted community.

The bill also would have required the department to base any permitting determinations on air quality modeling. If it approves a construction permit, any assumptions used in the air quality modeling would be an enforceable condition of the permit. It also required a construction permit before an operator may receive any permit from the Energy and Carbon Management Commission in DNR.

As part of a grand compromise between environmental groups, the Governor’s office and the oil and gas industry, HB-1330 did not move forward.

HB 24-1339 Disproportionately Impact Community Air Pollution

Position: Oppose

Status: Failed

Effective Date: N/A

Summary: This bill would have expanded the Air Quality Control Commission in CDPHE from nine members to eleven to include representation from a

disproportionately impacted community and a climate scientist. It also required that the commission adopt rules that prohibit greenhouse gas emissions from the industrial and manufacturing sector from increasing in the short-term, limit the sector's emissions through 2030, and require direct emissions reductions from sources that have adversely impacted a disproportionately impacted community. Beginning January 1, 2025, emissions sources could no longer meet compliance targets by making a payment other than for a greenhouse gas credit through a trading program. As part of the Compromise, this bill did not go forward.

HB24-1340 Incentives for Post-Secondary Education

Position: Support

Status: Passed

Effective Date: August 7th, 2024

Summary: The bill creates a refundable state income tax credit to encourage Colorado high school graduates to enroll in Colorado higher education institutions. For income tax years 2025 through 2032, the bill provides a refundable income tax credit to a student enrolled in at a public state institution of higher education, community college, area technical school, or occupational education school. For each tax year the student is claiming the credit, the student must:

- have matriculated within two years after having graduated from a Colorado high school or equivalent program;
- have a household adjusted gross income (AGI) of \$90,000 or less, as reported on their application for federal student aid (FAFSA) state financial aid (CASFA);
- qualify for in-state tuition;
- have enrolled in at least six credit hours or equivalent for the semester or term for which they are claiming the credit; and
- have a grade point average of 2.5 or higher for the semester or term for which they are claiming the credit.

The credit is equal to the tuition and fees paid by the eligible student to the institution minus any scholarships or grants. The student can only claim up to 65 credit hours total across all years for which they claim the credit. Credits earned through concurrent enrollment, advanced placement, the international baccalaureate program, military credits, or any other credits earned prior to enrolling at a state higher education institution are not qualified to be used for the income tax credit.

HB24-1373 Alcohol Beverage Retail Licenses

Position: Oppose

Status: Killed in Senate Finance

Effective Date: N/A

Summary: The bill would have prohibited any new liquor-licensed drugstore licenses (LLDS) from being issued after January 1, 2025. LLDSs could not be renewed unless the licensee is also an independent pharmacy. All other LLDS licensees would have converted to a Fermented Malt Beverage and Wine (FMBW) retailer license. The bill would have prohibited FMBW licensees from placing temporary displays of alcoholic beverages next to non-alcoholic beverages, candy, toys, or near an entry or exit of the premises. These licensees would have been prohibited from selling beer above 17%

ABV or wine above 21% ABV. Wholesalers would have been prohibited from offering more favorable treatment to retailers that are not also available to retail liquor store licenses, and could not have aggregated the purchases of multiple locations owned by the same entity over single location retailers.

HB24-1384 Certified Community Behavioral Health Clinics

Position: Support

Status: Sent to the Governor

Effective Date: Upon signature of Governor

Summary: The bill requires the Department of Health Care Policy and Financing (HCPF) to seek a federal grant for certified community behavioral health clinics. The bill specifies that HCPF must collaborate with the Behavioral Health Administration (BHA) and the Joint Budget Committee. If the grant is received, HCPF must promulgate rules to certify the clinics.

HB24-1472 Raise Damage Limit Tort Actions

Position: *Introduced after our May meeting – no position taken*

Status: Sent to the Governor

Effective Date: January 1, 2025

Summary: This bill is a compromise between the groups that battled the medical malpractice issue this session. SB24-130 did not move forward, and the ballot measures will not move forward. The bill increases the total amount of damages for noneconomic loss or injury in non-medial malpractice cases to \$1.5 million, with the cap to be adjusted for inflation every two years. The bill also sets a wrongful death cap for damages at \$2.125 million, and the cap for noneconomic loss and injury in wrongful death medical malpractice cases; this cap will begin in 2025 at \$550,000, and increase by a set amount until 2029, after which it will be adjusted for inflation in 2030 and every two years after.

SB24-020 Alcohol Beverage Delivery & Takeout

Position: Support

Status: Signed by Governor

Effective Date: August 7th, 2024

Summary: The bill continues indefinitely the alcoholic beverage takeout and delivery permit, which is set to expire July 1, 2025.

SB24-023 Hold Harmless for Error in GIS Database Data

Position: Support

Status: Signed by Governor

Effective Date: April 19th, 2024

Summary: The bill holds harmless any vendor for an underpayment of a tax, charge, or fee liability that results solely from an error or omission in the Colorado Department of Revenue's GIS database. To be held harmless, vendors must collect and produce certain documentation to demonstrate proper system use.

SB24-051 Adult Education

Position: Support

Status: Became law without Governor's signature

Effective Date: March 6th, 2024

Summary: Under current law, a community college or local district college may establish graduation requirements for high school diplomas granted by the college. The bill clarifies that the State Board of Community Colleges and Occupational Education and the board of trustees for a local district college may define the graduation requirements

SB24-074 Jurisdiction over United States Military Property

Position: Support

Status: Signed by Governor

Effective Date: April 4th, 2024

Summary: The bill establishes a process for concurrent legislative jurisdiction between Colorado and the federal government on military installation properties in the state. Subject to a request by the federal government, concurrent legislative jurisdiction is effective if the Governor receives a request that clearly establishes the scope of shared jurisdiction, and the Governor can only accept if certain requirements are met.

SB24-081 Perfluoroalkyl & Polyfluoroalkyl Chemicals

Position: Amend

Status: Signed by Governor

Effective Date: May 1st, 2024

Summary: The bill updates the Perfluoroalkyl and Polyfluoroalkyl (PFAs) Chemicals Consumer Protection Act and other requirements enacted by House Bill 22-1345. Current law establishes a phase-out timeline for the sale of products that include added PFAS. The bill moves some phase-out deadlines forward and adds additional products to the phase-out, including certain outdoor wear, cookware, and artificial turf.

SB24-085 Sales & Use Tax Rebate for Digital Asset Purchases

Position: Support

Status: Killed in Senate Business, Labor, & Technology

Effective Date: N/A

Summary: The bill would have allowed taxpayers to claim a refund of state sales and use tax for purchases of construction materials or equipment in eligible data centers for FY 2026-27 through FY 2033-34.

SB24-094 Safe Housing for Residential Tenants

Position: Oppose

Status: Sent to the Governor

Effective Date: Upon signature of Governor

Summary: The bill modifies existing warranty of habitability laws by clarifying actions that constitute a breach of the warranty of habitability and procedures for both landlords and tenants when a warranty of habitability claim is alleged by the tenant. Updates to existing warranty of habitability laws include:

- Establishing time frames for when a landlord must communicate with the tenant and commence remedial action after having notice of a condition related to the habitability of a residential premises;
- Requiring a landlord to perform conduct to address an uninhabitable condition until such condition is completely remedied or repaired;
- Establishing a rebuttable presumption that a landlord has failed the landlord's duty to remedy or repair a condition if the condition continues to exist either 7 or 14 days after the landlord has notice of the condition, depending on the condition at issue in the tenant's claim;
- Determining when a landlord is presumed to have notice of a condition;
- Requiring a landlord to provide a tenant with a comparable dwelling unit or hotel room *for up to sixty days* while the landlord addresses any uninhabitable conditions that materially interfere with the tenant's life, health, or safety;
- Establishing procedures for when a landlord may enter the dwelling unit of a tenant to address an uninhabitable condition and identifying circumstances when a tenant may deny a landlord entry to the dwelling unit;
- Clarifying certain conditions or characteristics of residential premises that are considered uninhabitable;
- Establishing that there is a rebuttable presumption that certain conditions and characteristics of a residential premises materially interfere with a tenant's life, health, or safety.

SB24-104 Career & Technical Education & Apprenticeships

Position: Support

Status: Sent to the Governor

Effective Date: August 7, 2024

Summary: The bill requires that the Colorado Department of Labor and Employment (CDLE), in coordination with the Career and Technical Education Division of the Colorado Community College System (CCCS), align the high school career and technical education (CTE) system and the registered apprenticeship system for programs related to infrastructure, advanced manufacturing, education, or health care.

SB 24-106, Right to Remedy Construction Defects

Position: Support

Status: Failed

Effective Date: N/A

Summary: This bill attempted to modify requirements for claimants and homeowner associations (HOA) to initiate a construction defect action under the Construction Defect Action Reform Act. Current law permits a claimant to bring a construction defect action if the failure causes a risk of bodily injury or death, or a threat to the life, health or safety of the occupants of the residential property. The bill modified the cause to be a verifiable danger to the occupants. Additionally, the bill added that an action may be brought if the failure causes an actual failure or lack of capacity to perform the intended function or purpose of the building component. Current law allows a construction defect action to be initiated by a majority vote of HOA unit owners. The bill increased a simple majority to 60 percent and requires an HOA to obtain written consent from each unit owner voting to proceed that they received certain disclosures and acknowledge that they must disclose known defects upon sale of the property. Additionally, when an HOA

partakes in construction defect litigation on behalf of two or more unit owners, the bill stipulated that each claimant is subject to legal proceedings and resolution. SB 106 passed through the House but was ultimately postponed indefinitely by the Senate Local Government committee at the request of the sponsor. Unfortunately the opponents of the bill had a number of amendments that would have gutted the bill, and those amendments would have passed on the House floor. To save time and energy in the final days of the session, the sponsor opted to let it die, with a promise to continue working on this important issue.

HB24-109 Continue Colorado Veterans' Service-to-Career Program

Position: Support

Status: Sent to the Governor

Effective Date: Upon signature of Governor

Summary: Continues the Veterans' Service-to-Career Program to September 1, 2025. This program allows nonprofits to collaborate with workforce centers to provide veterans with internships, work placements, mentorship, career counseling, and other support services.

The Airman and Family Readiness Center at Buckley AFB, the State Veteran Employment Staff, and Arapahoe/Douglas Works! Workforce Center services veterans and transitioning service members at Buckley.

SB24-127 Regulate Dredged & Fill Material State Waters

Position: Support

Status: Killed on Senate Appropriations calendar

Effective Date: N/A

Summary: This bill would have created the Stream and Wetlands Protection Commission in the Department of Public Health & Environment to create a dredge-and-fill permit program, filling the regulatory gap created by the recent U.S. Supreme Court decision, *Sackett v. Environmental Protection Agency*. Examples of projects that involve the discharge of dredged or fill material include flood control; stream restoration; water development; and construction of roads, transit, rail, and housing.

SB24-130 Noneconomic Damages Cap Medical Malpractice Actions

Position: Support

Status: Killed on Senate Calendar

Effective Date: N/A

Summary: Currently, the maximum amount of damages that can be awarded for to a plaintiff in a medical malpractice case for a noneconomic loss or injury is \$300,000. The bill would have raised this maximum by \$40,000 each year from January 1, 2025, through January 1, 2029. By 2029, the maximum would have been \$500,000.

A compromise was formed between the groups battling this issue; this bill was to be killed, and another bill, HB24-1472 (above), was passed.

SB24-165 Air Quality Improvements

Position: Oppose

Status: Killed in Senate Finance

Effective Date: N/A

Summary: This bill would have broadly defined an indirect source as new or existing real property (ex. Warehouses, offices, malls, etc.) that generates, attracts, or may attract mobile source activity that results in emissions of air pollutants; would have allowed the commission to levy an indirect sources fee to cover the cost of rules to be established and implemented by Dec., 1, 2025. The bill would have required the AQCC to establish rules to control emissions from indirect sources, and would have banned oil and gas preproduction activity in the nonattainment area from May 1 to September 30 every year.

SB24-166 Air Quality Enforcement

Position: **Oppose**

Status: Killed in Senate Finance

Effective Date: N/A

Summary: This bill attempted to address the issue of pollution repeat offenders. The bill defined a repeat violator as an entity that violates pollution regulations at least five times in a three year period. The bill took away warning letters in these instances. The repeat violator would be required to submit a root-cause analysis of the reasons for the violations. The legislation required a civil penalty. Even more, the bill allowed individuals to initiate civil suits within five years against an alleged violator. As part of the Compromise, SB 166 was postponed indefinitely by the Senate Finance committee.

Monitored Bills:

A complete list of the bills monitored by the Chamber can be found [here](#).