



2022 End of Session Report

**Prepared for:
Plumbing-Heating-Cooling Contractors of Colorado**

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Introduction

Thank you for the opportunity to represent PHCC-CO before the Colorado General Assembly once again during the 2022 legislative session. This session was yet again to be historic and challenging. It was a significant year for K-12 issues. We believe we were once again able to boost PHCC-CO's profile, gain key advocates with members of the General Assembly and influence important policy discussions. Please find below summaries of the legislative session, the budget and PHCC-CO's legislative priorities.

Sincerely,

Elisabeth and Alan

Session Narrative

The Second Regular Session of the 73rd General Assembly officially began on January 11, 2022 and finished on May 11, 2022. For the first time in two years, the legislature started and ended on time meeting for exactly 120 days.

The Democratic majorities in both chambers passed a number of high priority bills for the party this session, while suffering a few disappointments. Those disappointments largely were largely due to intraparty struggles between the more progressive legislative caucuses and the libertarian-leaning Governor and Republicans who proved to be a worthy minority flexing their power of filibuster in the final days of session.

Of the 650 pieces of legislation introduced at the Capitol this year, roughly 400 of them were successful. Here are the highlights of policy that passed:

Abortion Access.

[House Bill 1279](#) codifies access to abortion and contraception in Colorado law. This bill was probably the most controversial of the session, prompting almost 24 hours of debate on the floor in each chamber. The legislation was brought amid fears the U.S. Supreme Court may overturn *Roe v. Wade* this summer. Those fears seem to be well-founded after leaked documents show the Court is preparing to do just that. This bill ensures the right to abortion in Colorado despite this decision and prevents local governments from banning or limiting the procedure at the municipal or county level.

TABOR and Property Tax.

Two bills were passed that will be welcomed news to taxpayers in the state. [Senate Bill 233](#) restructures how TABOR refunds will be returned this year. Due to historic surpluses, everyone

who filed taxes in Colorado this year will receive a \$400 (\$800 for joint-filers) check in late August or early September. Senate Bill 238 reduces property taxes by \$700 million for 2023 and 2024. The bill is the result of intense negotiations between Democrats and business groups that planned to submit a ballot measure that would have cut property taxes even more drastically, which would have devastated the state budget.

New State Departments.

Polis claimed victory on his highest priority this session— creating two new state-level departments. [House Bill 1295](#) creates the new Department of Early Childhood (DEC) which will be a single clearinghouse for family services offered by the state. The bill also established 10 hours of universal preschool per week at no cost to parents, which the new department will oversee. [House Bill 1278](#) creates the new Behavioral Health Administration (BHA) which will house all behavioral health services in the state which were previously scattered among several agencies. The new BHA first task is implementing nearly half a billion dollars worth of new programs funded by the federal American Rescue Plan Act (ARPA).

Combating the Fentanyl Crisis.

Colorado and the nation as a whole are dealing with a devastating crisis with fentanyl, a powerful synthetic opiate hundreds of times stronger than heroin. [House Bill 1326](#) is lawmakers' response to the rising overdose deaths due to fentanyl in recent years. The bill would make possessing between one and four grams of fentanyl a felony. Punishment is increased for higher amounts. Controversially, those who are unknowingly in possession of fentanyl can still be charged with a felony, but will have the opportunity to argue before a jury to have their charge reduced to a misdemeanor. The bill also includes provisions for substance use treatment and harm reduction strategies.

Climate Change and Recycling.

Addressing Colorado's worsening air quality was a top priority this session. [Senate Bill 193](#) creates several new programs totaling \$110 million aimed at reducing air pollution. [House Bill 1244](#) sets up new monitoring sites for toxic industrial emissions and creates a study for researching which toxins should have stricter limits. [Senate Bill 180](#) will attempt to encourage people to try out public transit by offering free bus and train rides in the summer of 2022 and 2023. One of the most impactful bills of the session, [House Bill 1355](#), will charge dues on producers of recyclable materials in order to fund statewide recycling by 2026.

Hospital and Health Care Costs.

[House Bill 1285](#) will bar hospitals from taking debt collection actions against patients if the hospital is not in compliance with federal transparency rules and [House Bill 1284](#) will prevent hospitals from surprise billing. [House Bill 1370](#) aims to reduce costs of prescription drugs by

passing through manufacturer rebates to consumers and also prevents health care plans from changing their prescription coverage formula mid-year.

Collective Bargaining and Workers' Rights.

Scaled back from the original bill, [Senate Bill 230](#) will allow employees of most Colorado counties to collectively bargain, though they will not be allowed to strike. [House Bill 1367](#) updates the Colorado Anti-discrimination Act to include protections for domestic workers and increases damages for age discrimination cases. In an attempt to combat workforce shortages, a new minimum wage is set for certain workers, including those in home care and nursing homes, which will now be \$15 an hour. The state will use federal and state funds to help industry increase these wages.

Affordable housing and Behavioral health care bills located under the ARPA State Funds section on page 5.

State Budget

Governor Jared Polis signed Colorado's \$36.4 billion state budget into law, representing a 12% increase in discretionary spending compared to last fiscal year. The state saw a large surplus in revenue as the state bounced back from the coronavirus pandemic and saw an influx in federal stimulus dollars. Despite historic growth, the budget was constrained by TABOR, which limits how much the government can grow year-over-year. So much so that Colorado taxpayers can expect \$400-\$800 refund checks this summer.

Highlights from the budget:

- 3% increase for state employee salaries
- 2% increase for community provider rates
- \$157 million in fee relief for residents and businesses
- \$250 million buydown of the K-12 budget stabilization factor
- \$223 million to cap tuition hikes at 2% at higher education institutions.
- \$43 million for air quality control
- \$29 million for rural emergency services
- Increasing the state's reserve from 7.5% to 15%

You can find more on the FY 2021-22 Budget package and Long Bill Narrative [here](#).

American Rescue Plan Act (ARPA) State Funds

Last session, the legislature spent nearly half the federal stimulus dollars allocated to the state as part of the American Rescue Plan Act (ARPA) that was passed at the federal level in 2021. The General Assembly set up two task forces to decide how to spend the rest: the Affordable Housing Transformational Task Force and the Behavioral Health Care Transformational Task Force. These task forces met several times over the interim and submitted recommendations to the entire legislature on how to invest the one-time dollars.

By in large, the General Assembly followed the recommendations of the task forces resulting in the following bills:

Affordable Housing.

[Senate Bill 159](#) allocates \$150 million to create a revolving loan fund to provide flexible, low-interest and below-market-rate loans for investments in affordable housing. The program is set up to be self-funding in the long-term.

[Senate Bill 160](#) allocates \$35 million to help mobile home residents, through loans and grants, buy their land under their homes and create resident-owned communities.

[House Bill 1282](#) allocates \$40 million to encourage construction of “innovative forms” of affordable housing in Colorado, including modular, prefabricated and manufactured homes.

[House Bill 1304](#) allocates \$163 million for grants to certain governmental entities or nonprofit organizations for affordable housing initiatives, including developing housing infrastructure, providing gap financing, maintaining existing and building new affordable housing stock, and land banking.

[House Bill 1377](#) allocates \$105 million to help communities address homelessness including by funding grant programs for local governments.

Behavioral Health.

[Senate Bill 147](#) allocates \$11.2 million for behavioral health programs for children, including bolstering services in schools.

[Senate Bill 148](#) allocates \$5 million to grant Native American tribes development a behavioral health facility.

[Senate Bill 181](#) allocates \$72 million to help stabilize the state's behavioral health care workforce, including creating a training curriculum for the Colorado Community College system.

[House Bill 1281](#) allocates \$90 million for a grant program for local governments and nonprofits to use for existing community-based behavioral health programs.

[House Bill 1283](#) allocates \$54 million for intensive residential and outpatient treatment for young people and their families.

[House bill 1303](#) allocates \$65 million to expand inpatient and residential treatment options in Colorado, including supporting the addition of 16 beds at the Colorado Mental Health Institute and 125 other residential treatment beds across the state.

PHCC-CO's Legislative Priorities

[HB22-1346 Electrician Plumber Licensing Apprentice Ratio - Amend - Passed \(Amended\)](#)

The bill as passed requires DORA to appoint or employ four individuals, two for electricians and two for plumbers, to conduct compliance checks on licensing and the limits on the number of apprentices. In addition, a licensed master electrician or plumber who is not a registered electrical or plumbing contractor is prohibited from applying for an electrical or plumbing permit. The entity issuing a permit is required to verify the qualifications of the applicant prior to issuance. Applicants who are not qualified to apply for a permit are subject to disciplinary action by their respective licensing board.

The introduced version of the bill had a provision that would have reduced the current supervisor to apprentice ratio from 3:1 to 1:1. PHCC-CO and other groups successfully lobbied to have this section of the bill removed. With that change, PHCC-CO went neutral on the bill.

[HB22-1367 Updates To Employment Discrimination Laws - No Position - Passed](#)

This bill amends the Colorado Anti-Discrimination Act to: include individuals in domestic service in the definition of employee, but it is not a discriminatory or an unfair employment practice with respect to gender for a person to consider gender when hiring an employee engaged in child-care-related domestic services; extend the time to file a charge with the Civil Rights Commission from six months to 300 days after the occurrence and the time in which the commission has jurisdiction over complaints if written notice that a formal hearing will be held, from 270 to 450 days; and repeal the prohibition against the relief and recovery of certain damages in age discrimination cases.

This bill is the result of negotiations between the proponents and the business community.

Looking Ahead

With session in the rear-view, most legislators will now turn their attention to the November 2022 election. All 65 House members, one-third of Senate members and the Governor are all up for reelection. The Democrats will be fighting to maintain their current majorities, with Republicans focusing on retaking the Senate.

The Joint Budget Committee will hear the June 2022 Economic Forecast on June 21, 2022.

The 2023 legislative session begins on Monday, January 9, 2023.