

# JCBL Legislative Update | February 2022

## By Jeff Weist, Jefferson County Business Lobby

The Jefferson County Business Lobby (JCBL) — the united voice of JeffCo businesses at the Colorado State Capitol — has been busy analyzing and lobbying on several legislative proposals that may impact our county. Below is an update on some of the most important bills the JCBL is lobbying in the first two months of the legislative session.

A positive bill for business (SB22-124), referred to as the SALT Parity Act, allows pass-through entities, such as limited liability companies and S-corporations, to pay personal state income tax at the entity level. With this bill, small business owners have the ability to bypass the \$10,000 cap on deductions of state income tax. The bill would not impact state tax income, only federal, and is expected to pass.

JCBL and the business community also supports a bi-partisan bill (HB22-1026) presented as an alternative to last year's mandatory and controversial ETRP rulemaking. In 2021, the Department of Health drafted a rule to require employers to reduce the single-occupancy vehicle commutes of their workers. The Governor's office pulled the plug on this bill based on the opposition from the business community. This new bipartisan bill creates a refundable income tax credit for businesses that provide alternative transportation options to employees, such as ridesharing. Administration for this bill is relatively easy.

On the contrary, another bill (HB22-1138) proposes an ETRP option with much more paperwork, even for employers not claiming the similar tax credit. Despite hinting that this bill's plan would be mandatory for the state and optional for private industries, that language is not built into the bill.

JCBL is also opposed to a bill (SB22-097) that would make permanent a workplace health and safety whistleblower regime created by the legislature in 2020. Labor advocates incorrectly assumed businesses would not allow employees to wear masks or have the proper PPE. This bill set up a very extensive regime allowing employees to sue employers. We opposed this at the time as it was duplicative of existing OSHA and state laws. This bill would make the prior bill permanent beyond the public health emergency. Currently, the regime has hardly been used because existing remedies are effective and passing this bill will cost the state \$1 million to enforce.

Another bill JCBL opposes (HB22-1152) would prohibit an employer from taking adverse action against an employee or applicant for using marijuana at work. For various reasons, a number of employers need to enforce a drug free work environment. We expect this bill won't pass in the introduced form but could pass as a study.

We are tracking several bills on the environmental front that the business community opposes. Regarding the state's fight against climate change, HB22-1218 is designed to counter the emissions impact of construction and new buildings. This bill would require large commercial and apartments to set aside pre-wiring for electric vehicle parking stations. While the business community opposes this legislation, an upcoming bill will enforce building codes that are much more extensive than this. Another bill (HB22-1244) will establish a new air toxins regime requiring businesses to monitor their own emissions. Oil and gas, utilities and many other industries are concerned about the breadth and ultimate unpredictability of this bill.

Looking ahead, the second half of session is when the tough bills typically are introduced. We anticipate hearing more soon on the Unemployment Insurance Trust Fund. Universally, there's a desire to use federal recovery funding to backfill part of the Trust Fund. Gov. Jared Polis proposed providing a \$600 million backfill to assist small businesses in paying down this debt. There is good support among legislators for using a combination of federal and state fund to backfill the UITF, a burden that would otherwise fall on businesses.

The latest bill positions can be found at [arvadachamber.org/billtracker](http://arvadachamber.org/billtracker).

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**The Jefferson County Business Lobby advocates as the unified voice of 3,000 Jefferson County businesses for public policies that strengthen our business climate. The JCBL is a partnership comprised of the Arvada, Evergreen, Golden, West Metro, Westminster and Wheat Ridge Chambers of Commerce, the Jefferson County Economic Development Corporation, the Applewood and Wheat Ridge Business Associations, and the Alameda Connects BID. The JCBL meets for an update call on the fourth Thursday of each month during session.**