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2025 End of Session Report

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Summary

The First Regular Session of the 75th General Assembly began Wednesday, January 8th. In a moment of déjà vu, this session followed on the heels of a special session on property taxes. Like the special session from 2023, this special session occurred in August and focused on additional relief from the expected increase in property tax obligations that taxpayers will experience due to increased property values. Thirteen bills were introduced, and two bills were passed that attempted to give relief to Colorado property owners.

The November election changed the make-up of the Legislature. About a third of the legislators are new and have not served in the General Assembly before. While the nation experienced support for Republicans, including the election of President Donald Trump, Colorado held solidly blue. The House Democrats have perhaps experienced their high-water mark and lost three seats to Republican challengers, taking away the super majority from the Democrats by one seat. The Senate balance did not change, with the Republicans holding onto their twelve seats, also denying the Democrats a super majority by one seat.

Multiple vacancy elections occurred right after the election and during the beginning of the session. Senator Chris Hansen (D-Denver) resigned shortly after his re-election to take a position with the La Plata Electric Association. He was replaced by Matt Ball. Senator Janet Buckner (D-Aurora) also resigned shortly after her re-election to focus on her health and family and was replaced by sitting Representative Iman Jodeh. This triggered a vacancy election in her House seat which was filled by Jamie Jackson. Senator Kevin Van Winkle (R-Highlands Ranch) resigned after being appointed as Douglas County Commissioner and was replaced by John Carson. And finally, Senator Jacquez Lewis (D-Louisville) resigned while being investigated by a Senate Ethics Committee regarding her treatment of her aides and was replaced by Katie Wallace.

The tenor of the session was guided by the dire constraints of the state budget, which has a structural deficit, requiring broad cuts and constrained spending. In addition, federal action uncertainty contributed to the budget discussions and drove various policy conversations. Other themes of the session included housing, firearm regulation, health care, labor issues, and education.

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State Budget

During and after COVID, Colorado received millions of dollars from the federal government in stimulus dollars. The legislature created multiple new programs with these dollars. Over time, in combination with the TABOR cap, this developed into a structural deficit for the state budget, requiring the Joint Budget Committee (JBC) to fill a $1.2 billion budget hole. In addition to the structural deficit, overspending in the Medicaid department was a massive contributor to the shortfall. The Department overspent their budget to the tune of $150 million due to increased utilization of care combined with more expensive care.

The JBC made cuts to higher education, transportation, Medicaid provider rates, and various human services programs. The JBC also focused significant attention on grant programs and eliminated dozens of grant programs entirely. Finally, various cash funds were swept, as often happens when the budget is tight.

The Long Bill (which is the budget bill) was introduced a week later than anticipated, with over sixty orbital bills. Orbital bills are bills that contain policy changes that must pass for the Long Bill to balance. This is an exceptionally and unusually high number of orbital bills. In addition to the orbital bills that traveled through the process in tandem with the Long Bill, the JBC shepherded through a second package of bills that were needed to balance the Long Bill after its passage. In total, the JBC had 84 bills this session.

As painful as this budget year felt, next year is likely to be just as bad, if not worse. The JBC took some actions to address the structural deficit of the state budget, but not enough. They balanced some of this year's budget on one-time actions and one-time dollars, leaving more to do next year. The budget outlook for the next two, and potentially three fiscal years, continues to look bleak.

There is also great uncertainty on what actions will be taken at the federal level that will impact dollars coming to the State. Many at the state level fear that Colorado will be targeted for federal cuts because of the progressive lean of the state and progressive policies that have been enacted. Whispers of a special session sometime this summer or fall are being heard to address any shortfall in funding that may happen that cannot wait until January when the Legislature convenes again.

Finally, worth mentioning is HJR25-1023, a joint resolution that directs the General Assembly to file a lawsuit challenging the constitutionality of the TABOR Amendment. This resolution, sponsored by Representatives Sean Camacho (D-Denver) and Lorena Garcia (D-Denver) and Senators Lindsey Daugherty (D-Arvada) and Iman Jodeh (D-Aurora), argues that it is solely the authority of the General Assembly to set taxes and authorize appropriations. In addition, the sponsors argue that the main reason for the state's fiscal situation is because TABOR places such a constraint on the state budget that the functions of the General Assembly are impeded. The resolution gained a lot of public attention but languished on the House floor through the remainder of the session, dying on the calendar.

Federal Action Uncertainty

As noted above, federal uncertainty had an influence on the state budget. That uncertainty also drove several bills on policy. President Trump ran his campaign on addressing illegal immigration and he is already fulfilling his campaign promises to act. Legislators brought forward several bills in an attempt to guard against potential federal actions. One of those was SB 276, which modifies existing state immigration laws to apply to political subdivisions of the state to protect against the deliberate disclosure of personal identifying information, allow for civil liability, and repeal written record retention requirements. In addition, the bill prohibits childcare centers, schools, public libraries, healthcare facilities, and higher education institutions from collecting certain personal identifying information and imposes a civil liability of $50,000 for those who violate the provisions. This bill was highly controversial and opposed by the Republicans and some Democrats. The bill is awaiting Governor's action.

HB 1321, Support Against Adverse Federal Action, is also awaiting Governor's action. The bill appropriates $4 million from the Infrastructure Investment and Jobs Act Cash Fund to the Governor's Office in FY 2025-26, for use through FY 2026-27. The funds are to be used to respond to federal actions that impact the state, including hiring personnel or contractors for federal actions that impact federal funding to the state, purchasing legal services from the Department of Law to represent state officers or employees in federal legal proceedings, and other related costs that protect state sovereignty and federal funding streams.

Finally, there were several healthcare bills whose aim was to ensure coverage of healthcare services. SB 129 strengthens protections for legally protected health care activity, including gender affirming and reproductive healthcare relative to telehealth, prescription labeling, subpoena restrictions, and protections against out-of-state investigations and lawsuits. The bill allows the Attorney General to enforce the provisions of the bill. This bill has been signed into law.

SB 130 adds requirements for emergency facilities into state law that are similar to those under the federal Emergency Medical Treatment and Labor Act (EMTALA) in order to ensure that individuals in need of emergency medical services receive them without discrimination, delay, or concern about their ability to pay. It sets standards for when and how patients can be transferred or discharged by emergency facilities, which include hospitals, free-standing emergency departments, and community clinics. This bill is awaiting Governor's Action.

Finally, one of the Governor's priority bills was HB 1297, Health Insurance Affordability Enterprise Update. This bill attempted to protect the reinsurance program and the OmniSalud insurance program for undocumented individuals by imposing a fee on health insurance premiums. The current fee is 1.15 percent of premiums for nonprofit carriers and 2.1 percent for for-profit carriers. The bill increases the carrier fee cap by up to 1.0 percent and changes the funding allocations. This increase is conditional on federal action to reduce or eliminate enhanced subsidies under the federal Affordable Care Act, which has already occurred. Additionally, the bill allowed the Commissioner of Insurance to allocate funds to additional programs for gender affirming care purposes. HB 1297 received significant pushback from insurance carriers, even after amendments, and it was postponed indefinitely in committee.

Firearms

A key platform of the Democratic party is gun control and regulation. Since the Democrats hold strong majorities in both chambers, it is not surprising that this session saw a fair amount of gun bills.

SB 003, Semiautomatic Firearms and Rapid-Fire Devices, was one of the more controversial bills, even causing concern for the Governor's Office. The bill was heavily amended in order to address Governor Polis' concerns. The bill has been signed by the Governor and prohibits the manufacture, distribution, transfer, sale, or purchase of semiautomatic rifles or shotguns with detachable magazines—not including tubular magazines located under the barrel of a firearm—and gas-operated semiautomatic handguns. Rifles that use .22 caliber, or lower, rim-fire ammunition are not prohibited, unless the rifle

has separate upper and lower receivers. Specific models of firearms identified in the bill are also not prohibited. Other exceptions are provided in the bill for certain persons, including law enforcement and individuals who have completed qualifying firearm-related education courses. The Firearms Dealer Division (FDD) in the Department of Revenue (DOR) must provide guidance and clarification regarding implementation of the bill, including publishing and making publicly available guidance about specific models of firearms prohibited by the bill. The FDD may consult with firearms experts and convene working groups to assist in creating this guidance. Consumers will be able to get around the purchasing prohibition by getting vetted by their county's sheriff, completing up to a dozen hours of training and passing a test.

HB 1133 places requirements on the retail sale of ammunition. Sellers cannot sell or display ammunition in a manner that allows the ammunition to be accessed by a buyer without the assistance of a seller or employee. Sellers cannot sell ammunition to a person under 21 years old, with certain exceptions, including for parties identified in a protection order. Sellers must verify a buyer's age with a valid government-issued photo identification. Violating these prohibitions is punishable by a civil infraction, or as a class 1 misdemeanor for a second or subsequent offense. The bill also places requirements on the retail delivery of ammunition. Sellers must provide notice to delivery providers that packages contain ammunition, and cannot label or otherwise indicate that the package itself contains ammunition. Violating these prohibitions is punishable as a class 1 misdemeanor. Additionally, when delivering ammunition, a delivery provider must verify the age of the recipient in the same way as if the transaction were in a store. Violations of these prohibitions are punishable as a class 1 misdemeanor. The requirements of the bill concerning retail ammunition delivery do not prohibit a seller from complying with federal requirements regarding ammunition package labeling. Finally, the requirements and penalties do not apply to wholesale ammunition sales or deliveries. This bill has been signed into law.

A rare bipartisan gun bill, HB 1062, has been signed into law. Under current law, the crime of theft carries penalties ranging from a petty offense to a class 2 felony depending on the value of the item stolen. The bill makes theft of a firearm a class 6 felony regardless of the value of the stolen firearm.

SB 034, Voluntary Do-Not-Sell Firearms Waiver, is awaiting the Governor's signature. The bill establishes a process to allow a person to voluntarily waive their right to purchase a firearm. Waivers must be submitted to the Colorado Bureau of Investigation in the Department of Public Safety (CDPS). The CDPS must develop an online portal for waiver submission and verify the identity of persons submitting waivers. The CDPS must also update any state or federal computer-based systems used to identify prohibited purchasers of firearms to reflect the status of the waiver, such that when waivers are in effect, firearm transfers to a person with a waiver are denied. It is a civil infraction punishable by a fine of up to $25 for a person with a waiver in effect to attempt to purchase a firearm. During waiver submission, a person may designate one or more contact persons. The CDPS must notify contact persons when a person with a waiver attempts to purchase a firearm, and if the person with a waiver revokes the waiver. Waivers may be revoked after filing with the CDPS. A waiver remains in effect for

30 days after the CDPS receives a revocation request, after which the CDPS must update relevant computer-based systems and destroy all records of the waiver. Finally, implementation of the bill is dependent on receipt of sufficient gifts, grants, and donations.

Healthcare

Healthcare is always a hot topic in every session. This year, there were several bills introduced that attempted to reign in healthcare costs. According to the sponsors of HB 1174, this bill would lower the cost of healthcare and was a priority bill for the Governor's Office. The bill limits the rates at which insurance carriers must reimburse health care providers in the state employee plan and small group market. Health facilities may not bill individuals for an outstanding balance not paid by the carrier other than applicable in-network coinsurance. The Commissioner of Insurance in the Department of Regulatory Agencies (DORA) may require a health facility to participate in a small group health benefit plan offered in the small group market. A facility that refuses is subject to warning, and then a fine. In addition, the bill requires a report specifying any cost savings that result from reduced provider reimbursements and the department's cost to determine the amount saved. Finally, it requires the Department of Health Care Policy and Financing to study the feasibility of establishing specifications for health plan reimbursements, similar to those the bill requires of the state employee group benefit plan. The bill faced intense opposition from hospitals, insurance companies, business groups, and other providers. The bill never received a hearing on the House floor and died on the calendar.

SB 290 was a counterbalance to HB 1174, which aimed to provide support to critical safety net providers. Introduced later in the session, the bill creates the Provider Stabilization Fund (cash fund) within the Department of Health Care Policy and Financing (HCPF) to distribute provider stabilization payments to safety net providers who provide services to low-income, uninsured individuals on a sliding-fee schedule or at no cost. These payments are distributed to eligible safety net providers based on the proportion of low-income, uninsured individuals that the provider serves in comparison to the total number of low-income, uninsured individuals served by all eligible safety net providers. The bill's introduction helped ensure the demise of HB 1174 and it passed on the last day of session.

Two bills that sucked much of the oxygen out of the room were related to the federal 340B prescription drug discount program. Hospitals that participate in the program are able to access discounted prescription drugs, with the savings used to offset uncompensated care and provide support for safety net services. Hospitals have utilized contracted pharmacies to expand the reach of the program. In recent years, pharmaceutical manufacturers have begun prohibiting the use of contracted pharmacies in the program. In response, the Colorado Hospital Association, with the support of individual hospitals, brought forward SB 71, which prohibits pharmaceutical manufacturers and other related entities from imposing limitations or restrictions on covered hospitals, contract pharmacies, federally qualified health centers, or other facilities participating in the federal 340B Drug Pricing Program. Manufacturers may not require covered entities or pharmacies to submit health information unless it is directly related to a claim under a federal health care program. Additionally, covered hospitals are required to report

information to the Department of Health Care Policy Financing. The bill also prohibits the use of 340B savings for certain expenses, including administrative compensation, penalties and fines, advertising, and lobbying, among others. Noncompliance with these provisions is a deceptive trade practice. Individuals regulated by the State Board of Pharmacy who violate these provisions may also face disciplinary action. This bill passed in the final days of the session and is awaiting the Governor's signature.

In response to SB 71, pharmaceutical manufacturers and PhRMA introduced SB 124. The bill placed requirements on entities participating in the federal 340B Drug Pricing Program and added new reporting requirements and enforcement measures. The bill prohibited certain nonprofit hospitals from using 340B profits for certain expenses, including certain administrative compensation, penalties and fines, advertising, and lobbying. Manufacturers or providers of 340B drugs must not limit the provision of 340B drugs to sole community hospitals and critical access hospitals. Finally, the bill required a variety of reporting to HCPF. The bill was heavily amended in the House Health and Human Services committee, with one of the prime sponsors eventually voting no on her own bill. The bill died on the final day of session as the Senate voted to adhere to their position and the House did not vote to recede from their position, resulting in a stalemate.

Finally, SB 045 is a similar measure from last year regarding a single payer healthcare system. Specifically, the bill requires the School of Public Health at the University of Colorado (CU) to acquire model legislation developed by a nonprofit to enact a universal single-payer health care system. By December 31, 2026, the school must produce a report on the model legislation that analyzes costs; identifies potential revenue sources to cover the costs; analyzes connections to federal law; evaluates the feasibility of other models; and confirms that the legislation will have desired results. The bill creates the Statewide Health Care Analysis Collaborative under the Department of Health Care Policy and Financing (HCPF) to assist the university in its report, and requires it to meet at least twice virtually before October 1, 2026. The task force consists of representatives from various sectors related to health care, labor, and advocacy. The bill's implementation is dependent on receipt of sufficient gifts, grants, and donations. The bill was signed into law.

Housing

Colorado's lack of housing and increasing housing costs remains a priority for the General Assembly. Like last year, there was a focus again on construction litigation reform. Representatives Shannon Bird (D-Westminster) and Andrew Boesenecker (D-Fort Collins) and President James Coleman (D-Denver) and Senator Dylan Roberts (D-Frisco) introduced HB 1272. Driven by the Colorado Association of Realtors, the bill creates the Multifamily Construction Incentive Program to limit the grounds for which a construction defect can be claimed against participating builders. It specifies additional criteria that must be satisfied to file a construction defect on applicable middle market housing and requires a claimant to mitigate damage before filing a claim. When a participating construction professional receives a claim, they must provide documentation to the claimant related to building plans, soil

reports, maintenance recommendations, and insurance. Builders of multifamily, attached housing of at least two units may participate in the program by providing warranties against defects meeting certain standards and providing a third-party inspection. Under current law, an HOA board may initiate a construction defect action with a majority vote. The bill increases this threshold to 65 percent. The bill passed and is awaiting the Governor's signature.

Also related to construction defects, HB 1261 was brought forward by Representative Jennifer Bacon (D-Denver) and supported by the Build Our Homes Right coalition and the trial bar. The bill modifies disclosure requirements, claim timelines, court awards, contract provisions, and department reporting for construction defect claims. Specifically, the bill requires construction professionals to provide claimants with certain information after receiving a notice of a claim. If the construction professional fails to disclose the identifying details of other construction professionals that performed work on the claimant's property, they may not be listed as nonparties at fault. Additionally, the bill extends the time that a claim for relief arises to both the discovery of the property improvement's physical defect and its cause. The bill also directs courts to award 8 percent prejudgment interest to prevailing claimants on damages for construction defect claims, compounded annually to the date of the first notice. The bill voids any contract to sell real estate that limits a property owner's right to bring or join an action against a construction professional. Finally, it requires reporting of certain information to the General Assembly regarding construction liability insurance availability, costs, and terms during the annual SMART Act hearing. The bill faced intense opposition from a large coalition of construction professionals, businesses, and affordable housing advocates. It was postponed indefinitely in its first committee.

HB 1030, brought by Disability Law Colorado, requires that local governments update their building codes to ensure they meet or exceed the accessibility standards set by the International Code Council. The bill passed and was signed. Disability Law Colorado views this policy is the first step to ensure there is compliance and enforcement of the codes.

HB 1093 expands the state's prohibition on anti-growth laws in urban areas. This bill expands the definition of anti-growth laws to include any law that, in census urban areas, explicitly decreases the permitted residential density or uses of land to less density or fewer uses than were allowed under its previous usage, without ensuring a corresponding increase of residential density or uses elsewhere in the jurisdiction. The bill passed and was signed.

Another Governor-led initiative was SB 002. The bill, which passed, directs the State Housing Board in the Department of Local Affairs (DOLA) to develop regional building codes for factory-built structures. The department's advisory committee on factory-built structures must present recommendations on the development of regional building codes and coordination between state and local permitting to the General Assembly during the 2026 legislative session, and recommend regional building codes and implementation requirements to the housing board by July 1, 2026. The new regional building codes supersede local codes and other state code regulations when they apply to factory-built structures. This includes the current regulation and inspection of factory-built structures by the State Plumbing Board

and the State Electrical Board in the Department of Regulatory Agencies (DORA), and the Division of Fire Prevention and Control in the Department of Public Safety (CDPS).

Finally, a bill that did not make it over the finish line, was HB 1169, referred to as the YIGBY (Yes in God's Backyard) bill. Beginning December 31, 2026, local governments must allow the construction of residential developments on properties owned by faith-based organizations, school districts, or state colleges or universities. The bill does not prevent a local government from enforcing local infrastructure standards, codes, or requirements. The bill prevents a local government from disallowing construction of a residential development on a qualifying property if the height of the development's tallest structure is less than three stories or 45 feet tall and complies with height-related standards for the zoning district; disallowing construction based on the number of dwelling units the development will contain; and applying standards that are more restrictive than those applied to similar housing constructed in the local government's jurisdiction. Local governments must allow residential developments on qualifying property to be used for childcare and recreational, social, or educational services provided by community organizations for use by local residents. Local governments may require these uses to be on the ground floor (or no more 15 percent of the ground floor area) of structures in a residential development. When a local government allows the construction of a residential development on a qualifying property, the faith-based organization, school district, or state college or university that owns the property must notify the county of the development's construction. The bill died on the Senate floor calendar.

Labor and Business

The headline bill that tells the story best about the tensions between business and labor this session is SB 005. Labor organizations made clear prior to session that they intended to bring changes to the long-standing Labor-Peace Act. SB 005 was introduced early in the session, with intentions to have it land on the Governor's desk in February. Under current law, employees may unionize with a simple majority vote but must conduct a second vote with 75 percent approval to negotiate a union security agreement clause in the collective bargaining process. The bill eliminates the requirement for a second election. The Governor attempted to mediate discussions between business and labor for the duration of the session, hoping to come to an agreement. In the end, discussions broke down and the bill passed in it's introduced form. SB 005 is awaiting Governor's action, and he has publicly stated he intends to veto the bill.

Representatives Yara Zokaie (D-Fort Collins) and Kyle Brown (D-Louisville) and Senator Mike Weissman introduced HB 1010 early in the session, Prohibiting Price Gouging in Sales of Necessities. The bill allows the Governor to declare a disaster emergency due to a market disruption, including a trade disruption, and clarifies what may constitute price gouging during such a declared disaster emergency. Price gouging is an unfair or unconscionable act under Colorado's consumer protection laws. The goal was to lower prices for consumers, but the bill and definitions were so broadly written that it garnered

broad opposition from businesses and the Governor's Office. After negotiations, the bill was narrowed, passed, and was signed into law.

HB 1208 was a bill brought forward by the Colorado Restaurant Association that split members of the Democratic caucus. Sponsored by Representatives Steven Woodrow (D-Denver) and Alex Valdez (D-Denver) and Senators Judy Amabile (D-Boulder) and Lindsey Daugherty (D-Arvada), the bill was opposed by many members of the Democratic caucus because they believed it was anti-worker. Beginning on January 1, 2026, the bill allows local governments that have an enacted a minimum wage that exceeds the state minimum wage to increase their tip offset amount, as long as the increase does not cause the local tipped minimum wage to fall below the state tipped minimum wage. The bill passed and is awaiting the Governor's signature.

HB 1286, Protecting Workers from Extreme Temperatures, was a bill that opponents say would have shut down entire industries and was completely unworkable. The bill created requirements for employers when temperatures are at or above a high heat trigger (90 degrees Fahrenheit) or at or below an extreme cold temperature trigger (30 degrees Fahrenheit), including that employers must monitor temperature and humidity conditions and develop and implement a monitoring plan for all work areas; for indoor work areas where workers may be exposed to heat above the initial heat trigger, provide increased air movement, air conditioning, or barriers to radiant heat sources; provide access to a nearby shaded or air-conditioned area for the worker to use to cool down or during breaks when temperatures are high, and provide access to a heated indoor area for low temperatures; provide each worker with sufficient water; allow workers a 15-minute paid rest break at least every two hours when temperatures are high; maintain an effective means of two-way communication with the worker and make contact with the worker at least every two hours; develop and implement a worksite temperature-related injury and illness prevention plan; provide workers with adequate training on temperature illness prevention before work in extreme temperatures; and, implement the bill's requirements at no cost to workers. The bill also authorizes courts to order relief for any violations of the bill's requirements. The bill was postponed indefinitely in its first committee.

Education

Given the state budget constraints, no department was safe from budget cuts. And while that was also true for education, the overwhelming agreement from legislators was that K-12 education was a place they wanted to cut the least. In November, the Governor submitted his budget proposal for the next year. Part of that submission was a cut to education in the form of elimination of student averaging and limits on the BEST program. The elimination of student averaging would have forced deep cuts to staff and would have crippled smaller school districts. There was overwhelming opposition to the proposal from school districts, the Colorado Education Association, and legislators. The Speaker and the Governor's Office began holding meetings to discuss ways to address declining enrollment across districts as a way to address the state's budget constraints. The General Assembly also began discussing ways to ease the implementation of the new school finance formula (HB 1448 formula),

realizing that it put the State Education Fund at risk of insolvency. These conversations continued through the session, with the School Finance Act (HB 1320) being introduced near the end of session. The final version of the bill spread the implementation of the HB 1448 formula over a period of seven years, instead of six years. It also retained four-year averaging for the first year and implemented HB 1448 formula at 15%, instead of 18%. In the next year, if the state can afford the amount, the formula will be implemented at 30%, and drop the 4-year student averaging to 3-year student averaging. If the state cannot afford the additional infusion of dollars, then the formula implementation will remain at 15% implementation and four-year averaging. Additionally, the bill calls for chief financial officers and superintendents to convene and suggest solutions for a "smoothing factor", which is not defined in the bill, but is intended to help districts avoid funding cliffs due to declining enrollment or other factors. An amendment adopted in the Senate also creates the Kids First Fund, which directs .6% of state income tax to this fund for additional funding for education programs. Finally, the bill caps cash grants to the BEST program, but allows the JBC to determine if additional funds can be appropriated to the program. The bill passed on the final day of session and awaits the Governor's signature.

The JBC also repealed multiple grant programs and education programs, including education grants such as the Computer Science Education Grant program, Colorado Career Advisor Training program, Accelerated College Opportunity Exam Fee Grant program, and the School Mental Health Screening Act.

Accountability for school districts was laid out in HB 1278. This bill implemented the recommendations from the HB23-1241 Task Force Report. It is a large and lengthy bill that balances the inputs of the education reform stakeholders and school districts. The bill makes a variety of changes to the state accountability laws including requiring the Colorado Department of Education (CDE) collaborate with local education providers (LEPs) to divide state tests into shorter sections with age-appropriate time frames for students with disabilities, and must provide guidance to LEPs on encouraging all students to participate in state tests; requires CDE to convene a 17-member accountability work group to provide feedback on state and federal accountability policies and make recommendations to the State Board of Education; modifies the way certain performance indicators are measured; requires CDE to gather stakeholder input on the specific data elements and visual reporting format for a statewide education accountability dashboard; and requires various studies. The bill passed and is awaiting the Governor's signature.

SB 315 was a bill that was anticipated the entire session on postsecondary workforce readiness, but did not get introduced until near the end of session as a JBC bill. The bill creates a postsecondary workforce readiness funding distribution mechanism in the Colorado Department of Education (CDE). The State Board of Education (SBE) may adopt rules implementing the mechanism, CDE may receive gifts, grants, and donations for it, and CDE must report to the General Assembly the effectiveness of the new, consolidated program. There are three funds that will be available for distribution: the start-up fund; the innovation grant program; and the sustain fund. The bill also specifies that CDE and the Workforce Development Council in the Department of Labor and Employment, in collaboration with the

Department of Higher Education (CDHE), the Community College System, and the Office of Economic Development and International Trade (OEDIT), must jointly develop a list of qualified industry credentials for the next school year. The bill requires that LEPs regularly communicate with middle and high school students and their families about the availability of concurrent enrollment, industry credentials, and work-based learning programs. In order to fund these programs, the bill repeals the Concurrent Enrollment Expansion and Innovation Grant Program and the John Buckner Automatic Enrollment in Advanced Course Grant Program beginning in FY 2025-26. It also reduces funding for the Career Development Success Program (also referred to as the Career Development Incentive Program, or CDIP) from $9.5 million to $5.0 million in FY 2025-26, and then repeals the program beginning in FY 2026-27. A portion of the $5.0 million may be used for PWR administrative costs. The bill passed and is awaiting the Governor's signature.

Bills of Interest to the Colorado Association of Home Builders

In addition to the bills listed in various sections of this report, the CAHB engaged proactively on multiple bills.

SB 185 is an unusual situation where we found ourselves on the same side as the trial bar. The bill clarifies that, under the Construction Defect Action Reform Act, construction professionals owe an independent tort duty of care to the original or subsequent residential homeowners if the construction was defective or unreasonable. This attempts to clarify the Colorado Court of Appeals case, Appleby v. Dossey Sudik Structural Engineers and ensure that first homeowners have access to tort claims just like subsequent homeowners. Additionally, for home builders, we believe this will protect against the risk that insurance companies may potentially stop covering contract claims for first time home buyers, forcing builders to carry that liability on their own, and raising the purchase price of a home. Unfortunately, the bill garnered significant opposition from the architects and engineers, who eventually peeled off enough votes, forcing the bill to be laid over until after session ends.

The CAHB supported HB 1077, Backflow Prevention Devices Requirements, which passed and was signed into law. The bill specifies that inspection, testing, or repair of backflow prevention devices does not require plumbing occupational licensure from the Department of Regulatory Agencies (DORA). Occupational licensure is required for installation or replacement of backflow prevention devices, except when the work is on a stand-alone fire suppression system. Additionally, the bill requires that persons servicing backflow prevention devices affix a tag on the device that includes certain information at the time services are performed. Backflow prevention devices are designed to protect clean water lines from wastewater contamination. House Bill 24-1344 continued plumbing industry regulation and made several changes to plumbing occupational licensure. One change was to require plumbing licensure for all work on backflow prevention devices, including inspection, testing and repair. Prior to this change, licensure was only required for the installation or removal of backflow prevention devices.

We also worked to successfully amend HB 1113, Limit Turf on New Residential Development. Under current law, a local government is prohibited from using nonfunctional turf or invasive plants in any new or redeveloped government property beginning January 1, 2026. This bill expands the prohibition to include residential property used for apartment or condominium housing. No later than January 1, 2028, local governments must enact or amend ordinances to limit the installation of nonfunctional turf in for all residential real property. CAHB achieved amendments that put guardrails around the fines and extended the timelines in the bill. The bill passed and was signed into law.

HB 1211 was a bill that CAHB supported. The bill places some additional limitations on tap fees charged by the board of a sanitation district, water and sanitation district, or water district. In determining the amount of the fee, the bill requires that a board ensure the amount of the tap fee is reasonably related to the cost of providing water service, including the cost of infrastructure construction, water rights planning, and the acquisition and development of water rights; and consider expected long-term indoor and outdoor use, square footage of the unit or the number of bedrooms, the presence of low water use appliances, pre-unit fixture counts in bathrooms, kitchens, and other spaces, and the presence of graywater treatment works as supporting a reduced or proportional tap fee. Colorado Water Congress had concerns on the bill that were addressed and the CAHB assisted in lobbying efforts to ensure this bill passed in a meaningful way.

For the second year in a row, CAHB supported a bill on single stairways in residential buildings. HB 1273 requires a municipality with a population of 100,000 or more that is served by an accredited fire protection district or fire department to adopt or amend a building code to allow up to five stories of a multifamily residential building to be served by a single exit, provided certain safety conditions are satisfied. The bill clarifies that these building code requirements do not impact existing energy code requirements or zoning codes. The bill passed and is awaiting the Governor's signature.

Senator Mike Weissman (D-Aurora) introduced a bill early regarding Tenant and Landlord Law Enforcement, with a section on receivership. Specifically, SB 020 establishes a process under which residential housing may be placed into receivership. Receivership is a legal process where a court appoints an entity to take control of a company's assets to manage operations and repay debts. The DOL may apply to a district court for the appointment of a receiver to operate multifamily residential property if owners violate state laws regarding maintenance of residential premises. A city or county may do the same for violations of applicable local government ordinances concerning multifamily residential property. CAHB worked collaboratively with Senator Weissman to achieve amendments to place guardrails on the receivership portion of the bill. The amendments were accepted and the bill passed in a reasonable form.

Senator Weissman also brought forward SB 157, which is another attempt he has made in the past to change the significant impact standard. Under current law, deceptive trade practices must significantly affect the public in order to be violations of the Colorado Consumer Protection Act. The bill establishes standards for what kinds of activity constitute a significant impact and what does not. The CAHB took

an Amend position on the bill, believing there is a path forward to amending the policy in an acceptable way. However, the larger coalition opposed to the bill did not agree and the bill died in its first chamber.

Discussed in greater length in the Housing section of this report, it should be noted that the CAHB worked extensively on HB 1272, Construction Defects & Middle Market Housing. CAHB had multiple meetings with the sponsors and Colorado Realtors Association (CRA) and submitted multiple rounds of feedback on the bill. The bill was amended somewhat to address our concerns. Specifically, the bill was changed to become a voluntary pilot program. Due to budget constraints, the CAHB was not able to achieve an amendment that would have required a report at the state level to gauge the success of the program and evaluate where any changes in the law should be made. CAHB will work to achieve the report in legislation next year, along with other changes that have been identified after passage.

Looking Ahead

As noted earlier in this report, a special session is very possible later this year because of anticipated federal actions that will have an impact on the state budget. A special session would also likely include a fix to last year's artificial intelligence bill, SB24-205. Many stakeholders, including the Governor's Office, advocated for a delay in the law to allow for additional discussions to craft the right policy. That delay did not occur this session and will continue to be an active conversation going forward. If a special session occurs, it will likely occur in September or October.

The interim will be much quieter than in past years because interim committees were eliminated and scaled back because of budget cuts. SB25-199 suspended some interim committees and limited the scope and scale of others. Specifically, the bill directs the Legislative Council not to prioritize any interim committee or task forces for the 2025 interim. Further, for any interim committee that does meet, the bill limits them to requesting that no more than five bills to be drafted and recommending no more than three bills for introduction in the 2026 regular session. The bill also suspends all meetings, trips, bill recommendations, and reporting requirements during the 2025 interim for the following committees:

- Colorado Health Insurance Exchange Oversight Committee;
- Legislative Emergency Preparedness, Response, and Recovery Committee;
- Legislative Oversight Committee Concerning Colorado Jail Standards;
- Legislative Oversight Committee Concerning Tax Policy and Task Force;
- Opioid and Other Substance Use Disorders Study Committee;
- Pension Review Committee and Subcommittee;
- Sales and Use Tax Simplification Task Force; and
- Statewide Healthcare Review Committee.

In addition, the bill removes the ability of the Colorado Youth Advisory Council (COYAC) Review Committee to request legislation. The COYAC Review Committee, the Capital Development Committee, and the Legislative Oversight Committee Concerning the Treatment of Persons with

Behavioral Health Disorders in the Criminal and Juvenile Justice Systems are limited in their travel and member reimbursements.

The following committees will meet in the 2025 interim:

- Artificial Intelligence Impact Task Force
- Black Coloradan Racial Equity Study
- Capital Development Committee
- Capitol Building Advisory Committee
- Colorado Commission on Uniform State Laws
- Colorado Youth Advisory Council and Review Committee
- Committee on Legal Services
- Executive Committee of the Legislative Council
- Joint Budget Committee
- Joint Technology Committee
- Legislative Audit Committee
- Legislative Council
- Legislative Oversight Committee
- Concerning the Treatment of Persons with Behavioral Health Disorders in the
- Criminal and Juvenile Justice Systems
- Statutory Revision Committee
- Transportation Legislation Review Committee
- Water Resources and Agriculture Review Committee
- Wildfire Matters Review Committee

This report notes many bills that are waiting their final action from the Governor. He has until June 6th to act on all bills on his desk. If he chooses not to, any bills without his signature or veto will become law without his signature.

Finally, in March, the Legislative Audit Committee voted to conduct research to determine the potential scope of an audit of metropolitan districts. The research will be presented at a future meeting where the committee will vote on whether to move forward with an audit. Our team will continue to update the membership on the status of this potential audit.