

BUSINESS

General Business

HB 13-1138 (Enacted)
Authorize Benefit Corporations

HB 13-1167 (Enacted)
Secretary of State Collect Business
Information

Labor and Employment

SB 13-018 (Enacted)
Permissible Use of Credit Information
by Employers

SB 13-024 (Postponed Indefinitely)
Prohibit Discrimination Labor Union
Participation

SB 13-025 (Enacted)
Collective Bargaining Firefighters

HB 13-1004 (Enacted)
Colorado Careers Act of 2013

HB 13-1046 (Enacted)
Employee User Name Password
Privacy Protection

HB 13-1098 (Postponed Indefinitely)
Colorado Mandatory E-verify Act

HB 13-1106 (Postponed Indefinitely)
Prohibit Discrimination Labor Union
Participation

HB 13-1107 (Postponed Indefinitely)
Prohibit Collective Bargaining Public
Employees

HB 13-1222 (Enacted)
Family Care Act Family Medical Leave
Eligibility

HB 13-1227 (Postponed Indefinitely)
Income Protection Act

HB 13-1304 (Deemed Lost)
Unemployment Compensation Benefits
Due to Lockout

Consumer Protection

SB 13-182 (Enacted)
Resale Time Shares Deceptive Trade
Practices

SB 13-228 (Enacted)
Deceptive Trade Practices Hearing Aid
Dispensers

HB 13-1061 (Enacted)
Responsible Medical Marijuana Vendor
Standards

Licensing and Professional Occupations

SB 13-151 (Enacted)
Sunset Review Massage Therapists

SB 13-154 (Enacted)
Sunset Continue Division of Banking

SB 13-155 (Enacted)
Sunset Board of Real Estate
Appraisers

SB 13-156 (Enacted)
Sunset Board of Mortgage Loan
Originators

SB 13-157 (Enacted)
Sunset Continue Colorado Work Share
Program

SB 13-158 (Enacted)
Sunset Cost-benefit Analysis of State
Rules

SB 13-159 (Enacted)
Sunset Division of Financial Services
2024

SB 13-161 (Enacted)
Sunset Licensing Architects Engineers
Surveyors

SB 13-162 (Enacted)
Sunset Examining Board of Plumbers

SB 13-171 (Enacted)
Sunset Continue Licensing of Money
Transmitters

SB 13-172 (Enacted)
Sunset Continue Acupuncture
Regulation

SB 13-180 (Enacted)
Sunset Review Occupational Therapy
Practice Act

SB 13-186 (Enacted)
Updating Requirements New Building
Technologies

SB 13-238 (Enacted)
Regulation Hearing Aid Providers
Sellers

SB 13-259 (Postponed Indefinitely)
Mandatory Regulation of Private
Investigators & Apprentices

SB 13-262 (Enacted)
Exempt Enrolled Agents from Debt-
Management Services

HB 13-1090 (Postponed Indefinitely)
Construction Contractor Subcontractor
Prompt Pay

BUSINESS (Cont.)

Liquor

SB 13-043 (*Enacted*)

On-premises Alcohol Consumption
Prohibit Removal

SB 13-054 (*Postponed Indefinitely*)

Underage Person Alcohol
Consumption

SB 13-059 (*Enacted*)

Peace Officers Obtain Liquor License

SB 13-084 (*Postponed Indefinitely*)

Authorize Alcohol Beverage
Cumulative Discount

HB 13-1178 (*Postponed Indefinitely*)

Reform Laws Alcohol Beverage Sales

Procurement

HB 13-1285 (*Postponed Indefinitely*)

Study Disparities in State Procurement

HB 13-1301 (*Enacted*)

Procurement Technical Assistance
Centers

HB 13-1321 (*Postponed Indefinitely*)

Procurement Improvement Task Force

Telecommunications and Technology

SB 13-194 (*Enacted*)

Repeal Low-income Telephone
Assistance Program

HB 13-1059 (*Postponed Indefinitely*)

Telecom Services Equipment Sales
Tax Exemption

HB 13-1079 (*Enacted*)

Creation of the Joint Technology
Committee

HB 13-1255 (*Postponed Indefinitely*)

Internet Protocol Emerging Tech &
Telecom Incentives

HB 13-1324 (*Enacted*)

Add General Assembly Members SIPA
Board

In 2013, the General Assembly considered legislation on a variety of business-related topics in categories such as labor and employment, consumer protection, licensing and professional occupations, liquor law, procurement, and telecommunications and technology.

General Business

The General Assembly passed two bills concerning general business regulations.

House Bill 13-1138, enacted, establishes the requirements for a for-profit corporation to be created as, or elect to become, a public benefit corporation. Public benefit corporations must identify the public benefits to be promoted in their articles of incorporation. Public benefits may include positive effects or the reduction of negative effects on categories of people, entities, communities, or interests other than the shareholders of the public benefit corporation. A public benefit corporation must use the words "Public Benefit Corporation" or the abbreviation "PBC" in its name and is required to prepare an annual report that discusses its specified public benefits and overall performance against a third-party standard.

House Bill 13-1167, enacted, requires the Secretary of State (SOS) to request information from business owners filing documents with the SOS' office regarding the following information about the reporting entity: gender, race, veteran status, whether he or she is a person with a disability, and the business' National American Industry Classification system (NAICS) code. Submission of this information by business owners is voluntary. The SOS is required to make this information available to the public in a searchable manner on its website.

Labor & Employment

During the 2013 session, the General Assembly considered a number of bills that addressed labor and employment issues, specifically about employee protection, collective bargaining, job training, legal work status documentation, and family leave.

Employee protection. The General Assembly considered three bills related to protections for employees. Two bills passed: one precludes most employers from using consumer credit information as a part of a job application, and the other prohibits an employer from requiring an employee to disclose his or her user name or password for online accounts. A bill which sought to place wage theft in a new category of crime was postponed indefinitely.

Under current law, employers may use a prospective or current employee's credit information to evaluate the employee. **Senate Bill 13-018**, enacted, restricts the use of consumer credit information by employers. Employers may not request a prospective or current employee's credit information or use such consumer credit information to evaluate the employee unless the person being evaluated is currently, or will be, in a management position related to financial information or a contract involving national security. In addition, an employer using consumer credit information to evaluate a prospective or current employee must offer the employee an opportunity to explain adverse credit information, and the employer that takes adverse action on the basis of such information must disclose this use. The bill assigns enforcement duties for its provisions to the Division of Labor, Colorado Department of Labor and Employment (CDLE). The CDLE must investigate complaints, hold a hearing on each complaint, and issue findings within 30 days of the hearing. Civil penalties up to \$2,500 may be awarded to aggrieved employees.

An employer is now prohibited from requesting or requiring an employee or applicant to disclose any user name, password, or other means for accessing his or her personal account or service through the employee's or applicant's electronic communication device under **House Bill 13-1046**. State and local law enforcement agencies are excluded from the bill. The bill also establishes a complaint and review function within CDLE; the department is tasked with investigating complaints and issuing findings within 30 days after a hearing, and is authorized to promulgate rules regarding penalties. Penalties may include a fine of up to \$1,000 for the first violation and up to \$5,000 for each subsequent violation.

Wage theft is not currently a crime under the Colorado Criminal Code. **House Bill 13-1227**, postponed indefinitely, would have amended the code to add the crime of wage theft. Under the bill, a person would have committed one offense of wage theft for each calendar month and each employee that the person is under a duty to pay wages or compensation and fails to pay those wages or compensation, or falsely deny the amount of wages owed. This also applies to entities under the person's control. An employer would have been presumed to have committed wage theft if the amount of wages was available to the employer at the time of the offense.

Collective bargaining. Five bills related to labor unions were considered by the 2013 General Assembly. One of these bills was enacted, a bill that allows professional firefighters the right to participate in collective bargaining. Three bills were postponed indefinitely: two right-to-work bills, and a bill which would prohibit public employees from collective bargaining. Another bill that would have allowed employees subject to an employer-initiated lockout to receive unemployment benefits was deemed lost.

Under current law, professional firefighters can only engage in collective bargaining if the laws of their political subdivision have a mechanism allowing for it. The "Colorado Firefighter Safety Act," **Senate Bill 13-025**, grants professional firefighters the ability to collectively bargain upon approval by

the voters of a political subdivision. The bill applies to public employers, including municipalities, counties, and special districts, but not to volunteer firefighters. Firefighters have the right to form or join a collective bargaining unit, if there is majority approval, and to elect their representatives. Public employers are obligated to meet and confer, when requested by the firefighters or their organization, to discuss issues related to employment policies, safety, and equipment. If a public employer and firefighters are unable to reach an agreement concerning the terms of an employment contract, the parties must share the cost to hire a fact finder and permit fact finder hearings. If either party rejects the fact finder's recommendations, unresolved issues will be decided by a special election. The bill prohibits firefighters from striking, and sets out procedures and timing for negotiations and resolving conflicts.

An employer would have been prohibited from requiring employees to become members in a labor organization or to pay dues, fees, or other assessments to a labor organization under **Senate Bill 13-024** and **House Bill 13-1106**, both postponed indefinitely. Any agreement that violated these prohibitions or the rights of employees would have been made void. The bill defined all-union agreements as unfair labor practices. Violations would have been subject to civil and criminal penalties, and the attorney general or district attorney of each judicial district would have been responsible for enforcement of the bill. Federal employers would have been exempted from the bill.

Collective bargaining by public employees would have been prohibited under **House Bill 13 1107**, postponed indefinitely. The bill would have terminated existing employee partnership agreements and prohibited new agreements by preventing the CDLE from accepting petitions designating an employee representative, certifying employee representation, or acting as the agent of an employee organization. The bill would have also prohibited political subdivisions, such as municipalities and school districts, from engaging in collective bargaining. Finally, the bill would have terminated all existing state and political subdivision labor contracts.

Employees who are subject to an employer-initiated lockout would have received unemployment benefits under **House Bill 13-1304**, deemed lost. The bill would have also removed the existing definitions of an offensive lockout, defensive lockout, and multiemployer bargaining unit.

Job training. The 2013 General Assembly passed one bill that provided experiential job training to underemployed and unemployed adults.

Under **House Bill 13-1004**, enacted, the Department of Human Services (DHS) is required to administer a transitional jobs program from July 1, 2013, through December 30, 2014. The jobs program is to provide unemployed and underemployed adults an opportunity to experientially learn, model, and practice successful workplace behaviors that help them to obtain long-term unsubsidized employment. The bill re-authorizes and appropriate \$2.4 million from the General Fund for the Temporary Assistance for Needy Families Emergency Fund-supported Subsidized Employment Program (Colorado HIRE) for FY 2013-14. The DHS must use the money to reimburse the employer of record for wage-related costs, for administrative costs in the DHS, and for payments to local agency contractors. The program is repealed on July 1, 2017.

Legal work status. A bill that would have required employers to utilize an internet-based service to check an applicant's legal working status was postponed indefinitely.

The current documentation requirements for employers to verify the legal work status of new employees would have been repealed under **House Bill 13-1098**. The bill was postponed indefinitely and would have created the Colorado Mandatory E-Verify Act. The act would have required all

Colorado employers to participate in the federal E-Verify program to verify the work eligibility status of newly hired employees on or after January 1, 2014. Employers who did not participate in the E-Verify program would have been subject to a fine of not more than \$5,000 for the first offense, and not more than \$25,000 for the second offense. Subsequent offenses would have been subject to a fine of not more than \$25,000 and up to a six-month suspension of all the employer's business licenses. The bill included a safe harbor provision for employers that comply in good faith with the act but unintentionally employed an authorized alien or wrongfully terminate an employee after receiving a final notice of nonconfirmation of work eligibility through the E-Verify program. The CDLE and the SOS would have had notification requirements to inform employers of the bill requirements.

Family and Medical Leave Act. A bill that created a Colorado-specific expansion of leave available to employees under the Family and Medical Leave Act (FMLA) was enacted.

Under current law, an employee is not allowed to use expanded FMLA leave to care for a person with a serious health condition if the person is the employee's partner in a civil union or domestic partnership. **House Bill 13-1222**, enacted, allows an employee to use this leave to care for a partner. An employer can require an employee seeking to take expanded FMLA leave to provide the same certification as the employer can require under the federal FMLA. An employee who uses 12 weeks of leave under the federal FMLA cannot also take expanded leave within the same 12-month period. Employees may recover damages and equitable relief in court should an employer deny leave to care for the employee's partner in a civil union or domestic partnership.

Consumer Protection

Three bills were enacted during the 2013 session regarding consumer protection for trade practices and vendor standards.

Senate Bill 13-182, enacted, adds disclosure requirements to real estate transactions involving the resale of time share properties. Agreements to transfer time share resale interests must include a description of any residual interests retained by the seller, a list of costs for time share resale services, a statement regarding any other person who may use the time share after the interest has been transferred, and various other disclosures. Time share contracts and time share resale services covered by the bill do not include professionals (e.g., attorneys, escrow agents, real estate brokers) providing certain transactional services or the developer or association managing a time share community according to an existing plan. The bill creates a new cause of action under the Colorado Consumer Protection Act for deceptive trade practices. Deceptive trade practices occur when time share resale entities fail to obtain a written contract for their services or to provide disclosures as required by the bill. These time share resale entities may rely upon information provided by the owner, developer, or association managing the time share.

Senate Bill 13-228, enacted, creates a new cause of action under the Colorado Consumer Protection Act for deceptive trade practices related to the provision of hearing aids. Deceptive trade practices occur when hearing aid dispensers fail to provide proper service and requirements as outlined in the bill. Persons convicted of a deceptive trade practice related to dispensing hearing aids commit a class 1 misdemeanor, and, upon a second or subsequent conviction, are guilty of a class 6 felony.

House Bill 13-1061, enacted, creates the Responsible Medical Marijuana Vendor Server and Seller Designation for licensed medical marijuana businesses, and sets standards for a training program for achieving the designation. A person offering a training program must first apply to the Medical

Marijuana Enforcement Division, Department of Revenue for approval. Designation is valid for two years and requires that all employees, managers, and resident on-site owners, who sell and handle marijuana, to successfully complete an approved training program.

Licensing and Professions Occupations

Sunset review of regulated and licensed occupations. Twelve sunset bills were enacted during the 2013 session regarding the continuation of regulatory oversight of specific professional occupations.

Senate Bill 13-151, enacted, continues the regulation of massage therapists until September 1, 2022, and implements the recommendations of the sunset review on the "Massage Therapy Practice Act." The bill repeals registration requirements and implements licensing requirements for massage therapists. Licensing allows for increased grounds for disciplinary action by the Director of Professions and Occupations, Department of Regulatory Agencies (DORA), such as failure to report an adverse action taken by another jurisdiction, failure to meet standards of care, and conviction of a crime related to the practice of massage therapy.

Senate Bill 13-154, enacted, continues the Division of Banking in DORA through September 1, 2024, and implements the recommendations of the 2012 sunset review concerning modifications to banking regulation in the state. The bill repeals regulation of industrial banks and private family trust companies and allows interstate banks to establish a branch in Colorado by either the creation of a new financial institution or through the acquisition of an existing financial institution.

Senate Bill 13-155, enacted, continues the regulation of real estate appraisers by the Board of Real Estate Appraisers in DORA until September 1, 2022, and implements the recommendations in the department's 2012 sunset review of the board concerning modifications to the oversight of real estate appraisers. Previously, if an appraiser was convicted of a crime, there was no mechanism to regulate their license. The bill added new regulation requirements for licensed persons convicted of a felony.

Senate Bill 13-156, enacted, continues the regulation of mortgage loan originators by the Division of Real Estate in DORA until September 1, 2018, and implements the recommendations in the department's 2012 sunset review of the licensing of mortgage loan originators. The bill allows the board to deny, refuse to renew, revoke the licenses of, or to discipline persons who commit specified offenses and clarifies that a mortgage company may act only through individuals who are licensed or in the process of becoming licensed.

Senate Bill 13-157, enacted, extends the Colorado Work Share Program in the Colorado Department of Labor and Employment (CDLE), and implements the recommendations in the department's 2012 sunset review of the work share program. The bill allows eligible employees to participate in certain job training programs and increases the cap on the number of weeks employees may be paid benefits from 18 to 26 weeks.

Senate Bill 13-158, enacted, continues the cost benefit provisions of the State Administrative Procedures Act and implements the recommendations of the 2012 sunset review on the preparation of a cost benefit analysis of proposed rules at state agencies. This bill requires the agency implementing the rule to conduct a cost-benefit analysis if it determines that the rule may have a significant impact on state economic conditions and does not apply to rules required by state legislation or federal mandates.

Senate Bill 13-159, enacted, continues the Division of Financial Services until September 1, 2024 and implements the recommendation of the department's 2012 sunset review. The division regulates credit unions, savings and loans, and financial aspects of continuing care retirement communities and oversees state charters for credit unions and savings and loans, and conducts examinations and supervision to ensure that regulated entities are compliant with applicable law.

Senate Bill 13-161, enacted, continues the activities of the State Board of Licensure for Architects, Professional Engineers, and Professional Land Surveyors in the Division of Professions and Occupations in DORA until September 1, 2024, and implements the recommendations in the 2012 sunset review. An amendment in the House Business, Labor, Economic, and Workforce Development Committee that would have required continuing education for architects, engineers, and land surveyors did not pass.

Senate Bill 13-162, enacted, continues the regulation of plumbers until September 1, 2024, and implements the recommendations of the 2012 sunset review on the plumbers licensing program. The bill establishes new registration and inspection requirements for licensed plumbers. The Examining Board of Plumbers is given the right to inspect plumbing installations in local jurisdictions. The bill also requires all plumbers to register with the board.

Senate Bill 13-171, enacted, implements recommendations of the 2012 sunset review of the Colorado Money Transmitters Act until September 1, 2024. The bill allows the board to deny a license application without a hearing, which the applicant has the right to appeal in writing with a subsequent hearing.

Senate Bill 13-172, enacted, continues the regulation of acupuncturists until September 1, 2022, and implements the recommendations of the sunset review on the acupuncturist licensing program, including revising the language regarding the practice of acupuncture as it relates to other healing arts to allow for the overlap of scopes of practice.

Senate Bill 13-180, enacted, continues the regulation of occupational therapists in the Division of Professions and Occupations in DORA until September 1, 2018. The bill extends title protection to licensed occupational therapists and licensed assistants and specifies educational background, supervised fieldwork experience, competency examination requirements, patient records management, and continuing professional competency courses as requirements for licensure.

Regulation of industry standards. Three bills were introduced during the 2013 session concerning changes to the regulation of industry standards. Two bills were enacted, and one bill was postponed indefinitely by the General Assembly.

Because photovoltaic technologies (solar conversion products that produce usable energy) are integrated into building materials, they are designed to be installed by roofing contractors and subsequently wired by electricians. Current law requires that a practitioner certified by the North American Board of Certified Energy Practitioners supervise installation of all photovoltaic technologies. **Senate Bill 13-186**, enacted, specifies that a licensed master electrician, licensed journeyman electrician, or licensed residential wireman may also supervise photovoltaic installation generally. The bill specifies conditions when the installation may be supervised by certified practitioners and when it must be supervised by a licensed electrician. The bill authorizes the State Electrical Board to regulate a licensed master electrician, licensed journeyman electrician, or licensed residential wireman that supervises a solar photovoltaic installation.

Hearing aid providers have been regulated by Colorado law since 1995. Regulation and licensing of hearing aid providers was scheduled to end on July 1, 2013. **Senate Bill 13-238**, enacted,

reauthorizes DORA to require licensing of hearing aid providers by the Division of Professions and Occupations. Hearing aid providers are persons who engage in the practice of dispensing, fitting, and/or dealing in hearing aids. The bill establishes new requirements for the practice and licensure of hearing aid providers. The licensing program is repealed September 1, 2020, following a sunset review.

Under current law, private investigators may seek a voluntary license from the state, but are not required to do so. **Senate Bill 13-259**, postponed indefinitely, would have created a mandatory licensing program for private investigators, and a mandatory registration program for private investigator apprentices. Only those persons who met certain requirements and had been issued a state license could have used the term "licensed private investigator" or "licensed private detective." Similar title protection would have been given to persons who registered with the division as an apprentice under the direct supervision of a licensed professional. The director of the Division of Professions and Occupations in DORA would have been authorized to adopt rules, establish fees, and take disciplinary actions.

Regulated occupations of money services. Two bills were introduced in the 2013 General Assembly concerning the regulation of occupations of financial and payment services. One bill, regarding enrolled agents, was enacted, and one bill, regarding construction contracts, was postponed indefinitely.

Current law defines "debt-management services" as intermediary services between an individual and one or more creditors of the individual for the purpose of obtaining concessions. Current law exempts legal and accounting services from this definition. **Senate Bill 13-262**, enacted, creates an additional exemption for representative services provided before the Internal Revenue Service and DOR by an enrolled agent who is authorized by, and in good standing with, the United States Treasury Department.

House Bill 13-1090, postponed indefinitely, would have established standards to govern construction agreements valued at \$100,000 or more between contractors, subcontractors, and project owners, including both private parties and public entities. In particular, the bill concerned payment terms. The bill would have established requirements for the payment of documented work, standards for invoicing, and payment of additional work that had not been documented in a written change order.

Liquor

During the 2013 session, the General Assembly considered five bills that addressed liquor policies. A bill that moved the monetary fine burden to the consumer who removes an alcoholic beverage from the licensed premises from the owner of the licensed premises and a bill that allowed some peace officers to hold liquor licenses passed. Three bills were postponed indefinitely: a bill which would have permitted on-premises underage drinking with parent guardian present; one that would have allowed liquor distributors to offer cumulative discount programs; and one that would have reformed the laws related to the retail sale of alcoholic beverages.

Under current law, retail gaming taverns that post signs or personnel by each exit prohibiting the removal of alcoholic beverages are exempt from prosecution under the Colorado Liquor Code when an alcoholic beverage is removed from the premises. In this situation, the customer who removes the beverage is subject to a \$250 fine. **Senate Bill 13-043**, enacted, extends this prosecutorial exemption to all establishments licensed to sell alcoholic beverages for on-premises consumption provided they post a sign at each exit warning customers that it is illegal to leave the premises with an alcoholic

beverage and that they are subject to a \$250 fine. In addition to posting a warning sign, an establishment may also station personnel at each exit to prevent removal of an alcoholic beverage.

Under current law, a peace officer is prohibited from holding a Colorado liquor license. **Senate Bill 13-059**, enacted, removes that prohibition in many cases. Peace officers that continue to be excluded from holding a liquor license include any position involved with the state licensing department, specifically: the Executive Director of the Department of Revenue; an auto industry investigator; the Director of the Division of Gaming; a state lottery investigator; a director of gaming events; the state Attorney General or his or her deputies; and an attorney general criminal investigator. Additionally, the following peace officers may not hold a liquor license in the same jurisdiction where they are employed: sheriffs, undersheriffs, and deputy sheriffs; police officers; town marshals or deputy town marshals; district attorneys and their deputies; or city attorneys and their deputies.

Senate Bill 13-054, postponed indefinitely, would have allowed a restaurant or other establishment licensed for on-premises consumption of alcohol to serve an alcoholic beverage to a person between the ages of 18 and 21 if the beverage is purchased by a parent or legal guardian and that parent or legal guardian is present while the underage person consumes the beverage. The licensee would have been allowed to request proof of the relationship when the difference between the underage person and the parent or legal guardian is less than 16 years. Under the bill, if the person purchasing the beverage was not the parent or legal guardian but the licensee relied on the proof or representation of the relationship, the licensee serving the underage person would not be subject to revocation or suspension of his or her license for reliance on the customer's documentary proof.

With certain restrictions, **Senate Bill 13-084**, postponed indefinitely, would have allowed a licensed liquor supplier to offer cumulative discount programs that provide incentives to retailers for meeting previously specified purchase goals. The total amount paid by the retailer less any reward or compensation would have had to exceed the supplier's cost. Under the bill, the program could not have been conditioned on the retailer's commitment to prominently display the supplier's products.

Under current law, persons licensed under the Colorado Beer Code may manufacture or sell only fermented malt beverages, while persons licensed under the Colorado Liquor Code may manufacture or only sell full-strength beer, wine, and spirits. In addition, current law limits a retail liquor store or liquor-licensed drugstore licensee to owning an interest in only one retail liquor store or liquor-licensed drugstore, respectively. **House Bill 13-1178**, postponed indefinitely, would have allowed grocery and convenience stores and other retailers that have fermented malt beverage licenses to sell craft beer. The bill would have also expanded the limits on liquor store ownership to allow licensees to hold an interest in up to five retail liquor stores or liquor-licensed drugstore licenses. The bill also would have prohibited the importation, production, manufacture, distribution, sale, or serving of caffeinated alcohol beverages.

Procurement

During the 2013 legislative session, the General Assembly considered three bills related to procurement. One bill, which created a Procurement Technical Assistance Task Force, passed. A bill that would have required a disparity study into state procurement and another that created a Procurement Improvement Task Force were postponed indefinitely.

House Bill 13-1301, enacted, creates the Procurement Technical Assistance Task Force to address ways to improve the state's procurement technical assistance centers, particularly in terms of management and funding strategies. Procurement technical assistance centers, of which there are currently 15, offer education, counseling, and technical assistance to entrepreneurs to compete for government contracts. The task force will consist of eight uncompensated members; four members of

the General Assembly; two from the Office of Economic Development and International Trade (OEDIT); and two from non-profit organizations. OEDIT is to provide administrative support to the task force. OEDIT must also assist one of its FY 2012-13 grant recipients, not identified in the bill, that offers procurement technical assistance in satisfying its financial obligations to receive matching moneys from the federal government, for the purpose of providing procurement technical assistance. The task force is dissolved on January 1, 2014.

House Bill 13-1285, postponed indefinitely, would have required the Department of Personnel (DPA) to commission an independent study involving state contracting and underutilized businesses within the state. An underutilized business is at least 51 percent owned and managed by one or more individuals that are women, veterans, disabled, or members of a racial minority. The bill would have required an independent entity selected through a request for proposals (RFP) process to conduct the study. The focus of the study would have been a number of industries, including construction, architecture, professional services, brokerages and non-professional good and services.

House Bill 13-1321, postponed indefinitely, would have created the Procurement Improvement Task Force within the DPA to study and make recommendations on the state's public procurement system during the 2013 legislative interim. The bill directed a 17-member task force — selected from the General Assembly, DPA, other state agencies, and the public — to consider and make recommendations on Colorado's procurement code and industry best practices.

Telecommunications and Technology

There were three bills introduced during the 2013 session regarding changes in telecommunications regulation and two bills regarding oversight of state technology.

Changes in telecom regulation. A bill that repealed the Low-income Telephone Assistance Program was enacted, while another two bills were postponed indefinitely; one would have exempted telecommunications equipment that provided broadband internet services from state sales and use tax, and one would have exempted internet protocol-enabled and voice-over internet protocol services from Public Utilities Commission (PUC) regulation.

The Low-income Telephone Assistance Program (LITAP) subsidizes telephone access for low-income customers, reducing their phone bill based on allocation of funds collected by both the PUC and the telephone carrier. The combined benefit provided up to \$15.75 per month (\$6.50 state and \$9.25 federal) for eligible customers. Statewide surcharges of seven cents per month on each telephone subscriber line have been deposited into the Low-income Telephone Assistance Fund (LITAF) to support continued operation of LITAP. **Senate Bill 13-194**, enacted, repeals LITAP and makes conforming amendments to statutes that reference the program. The federal Lifeline program continues to be in effect, providing low-cost phone service for customers with income 135 percent below the federal poverty guidelines.

House Bill 13-1059, postponed indefinitely, would have exempted from state sales and use taxes any equipment used by a telecommunications company to provide broadband internet services in Colorado. Sales taxes would have been charged on goods purchased in Colorado and use taxes charged on goods purchased elsewhere.

Under current law, some, but not all, telecommunications providers with internet protocol and VoIP services operate according to certificates of public convenience and necessity granted by the PUC, have tariffs and rates set by the PUC, and make contributions to various telecommunications funds governed by the PUC. **House Bill 13-1255**, postponed indefinitely, would have exempted from

regulation by the PUC, with certain limitations, internet protocol-enabled services and voice-over internet protocol service, basic telephone service, and any additional service not currently regulated. The PUC would have regulated basic telephone service to designated providers of last resort and to control maximum prices. Specific areas targeted would have been areas of the state that benefit from the High Cost Support Mechanism, a program to subsidize telecommunications providers in high cost areas based on an assessment on all telecommunications providers. Services would have remained subject to PUC regulation, but would not have been subject to certain telecommunications surcharges.

Oversight of state technology. Two bills were enacted by the General Assembly regarding the oversight of technology.

House Bill 13-1079, enacted, creates the Joint Technology Committee to oversee state agencies, projects, and issues related to information technology. The committee will oversee the Governor's Office of Information Technology (OIT) and any information technology purchased or implemented by a state agency that is not managed by, or does not follow, the standards of OIT. The committee is authorized to meet year-round, submit recommendations about information technology requests to other committees for consideration, and review legislation pertaining to information technology. The committee consists of six members, three House members and three Senate members. Each house is represented by two members of the majority party and one member of the minority party for a total of six members. The bill directs that members of the committee should have experience in business analysis, business process, or information technology.

House Bill 13-1324, enacted, adds two members of the General Assembly to the State Internet Portal Authority Board of Directors, which expands the board membership from 13 to 15 members. SIPA is a quasi-government corporation, formed in 2004 to create the statewide internet portal, which allows individuals to electronically access state government information, as well as to provide electronic services to government entities. Currently, the President of the Senate and the Speaker of the House each appoint a member. Other appointments are made by the Governor and various state agencies. The new board members will be one Senator and one Representative, appointed by the minority leaders in each chamber. The bill also specifies the terms of the new members.