

## **2025 End of Session Report**

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**May 27, 2025**

**For: Plumbing-Heating-Cooling Contractors of Colorado (PHCC-CO)**

### **Introduction.**

*Thank you for the opportunity to represent PHCC-CO before the General Assembly during the 2025 legislative session. This session was challenging and we are proud that we successfully navigated some difficult political landscapes on several issues. We continue to elevate PHCC's voice at the Capitol and influence important legislation. This report provides a snapshot of the session, our efforts and achievements, though it is not an exhaustive account of everything that took place or all that we accomplished as a team.*

*Sincerely,  
Alan and Elisabeth*

### **Session Narrative.**

The 2025 Colorado legislative session ended on May 7 after 120 days with a total of 650 bills introduced with roughly two-thirds passing both chambers. The session was shaped by an ambitious progressive agenda, tempered by looming fiscal constraints and a shifting political landscape.

Democrats continued to hold majorities in both chambers after the November 2024 election. In the House, Democrats lost two seats holding a majority of 43-22, one vote shy of a supermajority. In the Senate, the balance of power remained the same with Democrats having the edge 23-12, also one vote shy of a supermajority.

This year, Democratic lawmakers focused on consumer protections, healthcare access, education, and social justice. Underlying these policy efforts was the deepening fiscal reality in Colorado that saw a projected \$1.2 billion budget shortfall. With a structural budget deficit, worsened by TABOR-restraints and increased costs in Medicaid, lawmakers had to make difficult decisions to cut programs and rework their policy ideas without creating new spending obligations.

From the outset, Democrats signaled their intent to counteract policies from the incoming Trump administration. This led to the introduction of dozens of bills aimed at safeguarding state autonomy on issues like reproductive rights, immigration, and

LGBTQ+ rights. House Speaker Julie McCluskie of and Senate President James Coleman emphasized the urgency of these measures during their opening day remarks. However, Republican lawmakers criticized this approach as unnecessarily confrontational, arguing it fostered conflict rather than collaboration.

Progressives in the legislature also often clashed with their more moderate cohorts over the policy agenda, which has come to be expected. The legislature experienced notable tension with Governor Jared Polis, whose hands-on approach to his legislative agenda has become the norm. The Governor vetoed several bills during session including a bill that would have required social media companies to police illegal content and a bill that would have given governments more time to comply with Colorado Open Records Act (CORA) requests. Both of these vetoes led to rare override attempts, which were ultimately unsuccessful. The Governor has also signaled vetoes of several other bills including bills prioritized by labor unions and other progressive groups, highlighting their ongoing struggle with the libertarian, centrist Governor.

The session ended with many progressive policy wins, while some policies were watered down or tabled altogether. It is clear that many choices were made by lawmakers with eyes already set on the 2026 mid-term election.

### **State Budget.**

The Colorado General Assembly passed a \$43.9 billion state budget for fiscal year 2025–2026, navigating a \$1.2 billion shortfall without implementing major cuts to core services like K–12 education, higher education and Medicaid. The budget reflects an extraordinary effort on behalf of the six-member Joint Budget Committee that began writing the budget in September 2024. The state budget bill or “Long Bill” signed by Governor Jared Polis, reflects a 3.8% reduction in discretionary spending compared to the previous year. This marks the first budget in five years not bolstered by federal pandemic relief dollars, necessitating fiscal restraint and tough decisions across various programs.

Despite the budget shortfall, there were several new investments the Joint Budget Committee made, particularly in education and Medicaid:

#### Education:

- \$115 million increase in K–12 education funding for per-pupil funding and to avoid reinstating the Budget Stabilization Factor.

- \$13.5 million in categorical funding for special education, English language learners, and at-risk populations.
- \$3.4 million allocated to support early literacy interventions for K-3 students.
- Continued investment in the Universal Preschool Program and early intervention services for children with developmental delays.
- \$39.8 million for higher education institutions.

#### Health & Human Services:

- \$208 million for Medicaid premiums to keep up with caseload, Medical inflation.
- 1.6% increase in rates for Medicaid providers.
- \$33 million for county administration of Medicaid and SNAP benefits and updates to the Colorado Benefits Management System (CBMS).

#### Public Safety & Mental Health:

- \$350 million for law enforcement training, recruitment and retention approved by voters in Proposition 130.
- \$15 million to enhance the state's emergency and operational communications dispatching system.
- \$7.6 million to expand capacity at the Colorado Mental Hospital in Fort Logan and \$6.1 million for community alternatives to incarceration.

The Joint Budget Committee did make dozens of cost-saving moves, mostly one-time funding cuts to transportation, education grants, marijuana tax cash fund and decreases in the state's TABOR refund obligation:

#### Transportation:

- \$64 million from the State Highway Fund for FY 2025–26 and an additional \$50 million for the following fiscal year. The cuts are planned to be repaid by 2033.

- \$71 million in unspent grant money for multimodal transit projects were clawed back from local governments.
- \$40 million from the Electric School bus Fund.
- \$7 million from the Revitalizing Main Streets grant program.

#### Education:

- \$150 million cap on the Building Excellent Schools Today (BEST) program.
- Elimination of dozens of school grant programs, including the high-impact tutoring program, bullying prevention and career pathways.

#### Other:

- 1% cut to all departments' personal services operating expenses.
- Delay in state contribution to district attorney salaries.
- Vacancy savings across state departments.
- Sweeping of cash funds and interest earnings on those funds.
- Several programs cut or reduced for behavioral health or community-based services financed with Marijuana Tax Cash Fund.

The budget was mostly balanced using one-time savings options. The structural deficit Colorado faces will be just as challenging next year as ongoing savings were largely not seen.

#### [HB25-1001 – Enforcement Wage Hour Laws](#) – Signed by Governor

Sponsors: Reps. Duran, Froelich; Sen. Danielson

Position: Oppose

Currently, wage theft claims are capped at \$7,500. The bill would increase the cap to \$13,000 starting July 1, 2026, with that claim amount adjusting for inflation beginning in 2028. Wage theft can include paying below minimum wage, non-payment of wages, misclassifying workers to not pay overtime or tips.

CDLE would be required to publish wage theft determinations and update a list of wage theft violators on the division's website. They will also be able to report wage theft violations to licensing and permitting bodies and publicize consequences.

The bill would expedite the process of receiving owed wages by allowing the Colorado Department of Labor and Employment (CDLE) to pay victims directly. The bill also allows third parties to bring complaints on a worker's behalf.

[HB25-1077 – Backflow Prevention Devices Requirements](#) – Signed by Governor

Sponsors: Reps. Lieder, Ricks; Sen. Roberts

Position: Support (previously amend)

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.

This bill came from the issue that arose in the interim with language that was added to the Plumbing Practice Act that would have required testing or repair of a backflow system to be done by a licensed plumber. Though we were in favor of the change, other forces including pressure from the Governor's Office, made a reversal necessary. PHCC worked with Local 3 to add the amendment to require tagging for both back flow technicians and plumbers to better track the work being done in the field.

[HB25-1120 – Septic-System Replacement Enterprise](#) – Failed

Sponsors: Rep. Smith, Sen. Roberts

Position: Oppose

This bill would have created an enterprise to make loans for replacing outdated septic systems. A fee would have been assessed on permits issued by local governments for new septic systems.

PHCC was concerned with the fee being passed on to companies seeking these permits and opposed the bill. The bill died after not being scheduled a hearing in the House Appropriations Committee.

[HB25-1272 – Construction Defect & Middle Market Housing](#) – Signed by Governor

Sponsors: Reps. Bird, Boesenecker; Sen. Coleman

Position: Monitor

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.

This bill represents the most significant change that Colorado has made to construction defect law over the past couple of decades. This will hopefully lead to more construction of middle housing and condominiums in the state.

[HB25-1284 – Regulating Apprentices in Licensed Trades](#) – Sent to Governor

(amended)

Sponsors: Rep. Duran; Sen. Sullivan

Position: Amend

The bill prohibits employers from registering employees who participate in an apprenticeship program as a plumbing or electrical apprentice with DORA unless the apprenticeship program is for an electrical or plumbing occupation recognized by the U.S. Department of Labor. This prohibition only applies to employees participating in an apprenticeship program registered with the CDLE.

The bill also requires the CDLE and DORA to establish a data-sharing agreement to ensure electrical and plumbing apprentices are registered properly with DORA. This will be paid for by gifts, grants and donations.

The bill was amended significantly based off feedback that PHCC-CO provided. The original bill would have applied to employer-led apprentice programs and other programs not under USDOL/SAA. The bill would have also required employers to verify their apprentices with DORA annually, which would have been an administrative burden.

[HB25-1300 – Workers' Compensation Benefits Proof of Entitlement](#) – Sent to Governor

(Veto under consideration)

Sponsors: Rep. Willford, Sen. Kipp

Position: Oppose

The bill repeals the requirement that an employer provide a list of health care providers from which an injured worker may select to attend to an injury, and repeals the related provisions with respect to geographic location of providers and requirements when the

employer is a health care provider that could treat the injury “in house.” Instead, this bill requires that an employer or insurer notify the injured employee of the right to designate a treating physician and where to access the list of Level I and Level II accredited physicians maintained by the CDLE.

Governor Polis has signaled he may veto this legislation.

[SB25-005 – Worker Protection Collective Bargaining](#) – Vetoed by Governor

Sponsors: Sens. Rodriguez, Danielson; Rep. Mabrey

Position: Oppose

The bill eliminates the requirement for employees to conduct a second election to negotiate a union security agreement clause in the collective bargaining process making it much easier to force union dues on all employees.

Governor Polis vetoed the legislation as he promised he would during session.

### **Other Noteworthy Legislation.**

#### Business:

**HB25-1010:** This measure would revise the state’s price gouging laws as they pertain to natural or human-made disasters. If the governor declares a disaster emergency, companies would not be able to increase the cost of an item by more than 10% of its price before the disaster began.

**HB25-1090:** Standardizes transparent pricing practice upfront and in many cases prohibiting “junk fees”. The law prohibits the misrepresentation of pricing information, requires the purpose of a fee that is not part of the total price to be disclosed, and restricts the fees landlords can charge for utilities and other services to ensure tenants are not charged additional fees.

**HB25-1208:** Local governments in parts of the state where the minimum wage is higher than the state’s base would have the option starting next year of increasing their tipped-wage credit effectively allowing employers to offer a lower base pay rate.

**SB25-005:** This bill would abolish a requirement in the Colorado Labor Peace Act that 75% of workers at a company sign off before unions can negotiate with businesses eliminating the required second vote to unionize. Polis has said he will veto the bill.

#### Health Care:

**HB25-1002:** The bill prohibits health insurers from denying care based on a patient's current or future behavioral health or substance use disorder.

**HB25-1088:** The bill is Intended to prevent surprise charges for ambulance rides. It would limit how much ambulance services can charge for transporting patients and would require health insurance companies to cover the cost, minus deductibles or copays.

**SB25-071:** Pharmaceutical companies would be prohibited from restricting hospitals' use of the federal 340B prescription drug discount program. Also, the bill would require that hospitals report to the state how they are using their savings from the program. A rival bill, SB25-124, which would have restricted how hospitals could use their 340B proceeds, was rejected.

**SB25-130:** This bill protects abortion access and would define going into labor and certain pregnancy complications as "emergency medical conditions" and mandate that emergency departments and other medical facilities treat patients with such conditions

#### Housing:

**HB25-1272:** Reformed construction defect laws to encourage middle-market housing development, particularly townhomes and condos, by streamlining litigation processes and promoting repairs over lawsuits.

**HB25-1273:** Modernized residential building codes to support the construction of more affordable homes.

**SB25-002:** Facilitates the use of modular and factory-built homes by reducing regulatory barriers, aiming to increase affordable housing options.

**HB25-1093:** Expands the state's prohibition on anti-growth laws in urban areas. Starting July 1, affected local governments will be barred from adopting land use codes that reduce how much residential density is allowed in their community overall.

**HB25-1108:** This measure would prevent landlords from imposing early lease-termination penalties or other fees when a tenant dies.



**SB25-020:** The Colorado Attorney General would be given the power to enforce tenant protection laws and sue landlords over violations of certain state housing laws under this measure

Guns:

**HB25-1062:** Makes Stealing a firearm in Colorado would be a Class 6 felony, punishable by up to 18 months in prison.

**HB25-1133:** Starting July 1, 2026, the minimum age to buy firearm ammunition in Colorado will be 21.

**HB25-1250:** Under this measure, starting in the fall of 2025, schools would have to provide gun violence prevention materials to parents at the beginning of each academic year and also post them on their website.

**SB25-003:** Starting in August 2026, the manufacture, sale and purchase of certain semiautomatic firearms that can accept detachable ammunition magazines will be outlawed in Colorado

Trump Policy Responses:

**HB25-1312:** This measure would expand how the Colorado Anti-discrimination Act applies to transgender people, to clarify that their gender identity and chosen name fall under the law.

**HB25-1321:** This measure sets aside \$4 million for the governor's office to cover the legal costs of defending the state against any Trump administration efforts to withhold funding.

**SB25-001:** the Colorado Voting Rights Act, would enshrine protections for voting into Colorado law and modify election-related statutes to ensure access to voting at state and local levels.

**SB25-129:** This measure is meant to shield abortion providers and patients, as well as transgender people and their doctors, from out-of-state investigations. Colorado governments, hospitals and insurers don't have to comply with investigations into abortion and transgender care initiated in other states.

**SB25-276:** This bill, would expand limitations in Colorado on who can share data about immigration status so that it applies to cities and counties, public schools, public health clinics and public day cares. Another provision would require public buildings, including schools, libraries and health care clinics, to develop policies around when immigration agents can access the facilities.

### **Looking ahead.**

The legislature has canceled all interim activity for 2025 as a cost-saving measure. No interim committees will meet this summer or fall.

The Joint Budget Committee will continue to meet. They will receive their next economic forecast in mid-June. They will begin to meet to craft the FY 2026-27 budget in September.

There are growing rumors of a special session due to potential Medicaid cuts from the federal government. If these cuts are implemented, the legislature will need to reconvene to balance the state budget. Additionally, the legislature has indicated that a special session may be called to update and refine the state's Artificial Intelligence regulatory framework, which is set to expire early next year.

The 2026 legislative session is starting a week later next year beginning on January 14, 2026.