

COLORADO CREDIT UNIONS

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To: Members of the Colorado Governmental Affairs Committee

From: Katie March, VP, Legislative Affairs—Colorado

CC: Troy Stang, President & CEO, GoWest
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The Colorado Legislature is in full swing and on day 58 out of the allowable 120 days. The legislature has introduced over 400 bills, and only 125 of those bills have passed out of their first legislative chamber. You can see the [House](#) and [Senate](#) status sheets here, if you would like to track the progress of any bills you're interested in. With large Democratic majorities in both chambers, lawmakers have focused this session on issues like housing affordability, gun violence prevention, healthcare access, and the environment. At this point in the session, bills are slowly beginning to move through the legislative process as committee hearings are beginning to go late into the night hearing contentious bills, and new bills are being introduced every day.

GoWest is currently tracking multiple bills that could directly impact credit unions. One bill, which presented both policy and operational concerns, has died in committee.

1. Seeking changes to a bill addressing GAP (Guaranteed Asset Protection) Agreements, [HB 23-1181](#)

Why it matters: The bill codifies the current rule that oversees the administration of GAP Agreements. We are working with stakeholders to improve the bill's language for credit unions. And thanks to our great relationships (built through grassroots advocacy) we have supporters throughout the Capitol that we can call on. If we are successful, it will improve the current policy and reduce operating impacts in the state.

Background/history: Colorado's relatively unique rules around GAP refunds have presented challenges for creditors and administrators in the past and have been a significant focus of the state's Attorney General.

What's new:

1. The Guaranteed Asset Protection Association and Colorado's Attorney General have introduced legislation to address some issues with GAP as well as a few modernizations in line with an agreement with the state.
2. HB 1181 has been introduced and for the most part, does not change the administration of GAP agreements.
3. We've been actively engaged with stakeholders to at a base level address our concerns with codifying in state law problematic language, as well as exploring adding language that would address this issue in the future for Colorado credit unions by providing the credit union with a better ability to recoup funding from or direct a consumer entirely to the entity that received the GAP waiver premium.
4. We are still working with stakeholders to negotiate a positive outcome for credit unions.

What's next: We will continue working with the Attorney General's office, sponsors, and stakeholders to address concerns and potentially improve the legislation before the bill is heard in its first committee.

2. Financial Institution Discrimination Environmental Criteria, [SB23-026](#) - *Died in committee*

Why it matters: The bill prohibits financial institutions that do business in the state from discriminating against any person based on environmental criteria. The bill states that a financial institution's violation of this prohibition is an unfair or deceptive trade practice.

Background/history: These bills are being introduced in many states and are often referred to as "Anti-ESG" and aim to penalize financial institutions for choosing not to do business with a person or company based on environmental criteria. Anti-ESG bills are being introduced across the country and aim to restrict the autonomy of financial institutions and businesses.

What's new: This bill died in committee after a coalition of impacted stakeholders worked with the bill sponsor to explain the negative impacts the bill would cause businesses in Colorado.

3. Sunset on Notarial Acts, [SB23-153](#)

Why it matters: The bill allows the Secretary of State to establish caps on fees through rulemaking instead of being spelled out in statute. Requires the Secretary of State to adopt rules that establish minimum requirements for the use of interpreters and translators in the performance of notarial acts.

What's next: GoWest will continue monitoring the bill, and if it passes, will monitor the rulemaking process.

4. New bill on Consumer Lending Laws

What's new: This bill was just introduced. The GoWest team has just begun to work to assess the impacts and coordinate with the sponsors. Check out the bill [here](#).

Proposals with the potential to impact operations

There are many bills in the legislature that could impact employment and operations in credit unions. GoWest is working with coalition groups to ensure potential issues or unintended consequences in proposed legislation can be addressed should they potentially pass.

- [Job Application Fairness Act](#) - Prohibits employers from asking a prospective employee's age, date of birth, or dates of attendance or graduation on an employment application.
- [Additional Uses Paid Sick Leave](#) - Allows for sick time to be used when caring for a school age child when schools are closed due to weather or taking time off for a funeral.
- [Employer Notice of Income Tax Credits](#) - The bill requires an employer to provide written notice of the availability of the federal and state earned income tax credits and the federal and state child tax credits. An amendment allows these notices to be sent electronically by email or text.
- [Average Weekly Wage Paid Leave Benefits](#) - Current law specifies that a covered individual's weekly paid family and medical leave benefit is determined based on the individual's average weekly wage earned during the covered individual's base period or alternative base period from the job or jobs from which the covered individual is taking paid family and medical leave, which excludes from the calculation recent wages from previous jobs. The bill eliminates the limit on calculating the benefit based on the average weekly wage earned only from the job or jobs from which the individual is taking paid family and medical leave.
- [Ensure Equal Pay for Equal Work](#) - Current law allows the department of labor and employment to mediate complaints and provide legal resources

concerning alleged wage inequity. The bill changes these authorizations to requirements and requires the department to investigate complaints and order compliance and relief when warranted. The bill also requires an employer to: follow specific guidelines for posting job and promotional opportunities; provide specific information to employees regarding the candidate selected for job and promotional opportunities; and for all objectively defined career progressions, disclose the requirements for career progression and the terms of compensation, benefits, status, duties, and access to further advancement.

- [Fair Workweek Employment Standard](#) - **Died in committee** The bill would have imposed requirements for certain types of employers with regard to employee work schedules; employee requests for changes to work schedules; and notices and posting of employee work schedules.
 - This bill did not apply to credit union employee scheduling, but GoWest and business coalitions still worked to monitor this bill.

The next Colorado Governmental Affairs Committee meeting is on May 11th, from 10 am to 2 pm and will be hosted at Ent Credit Union headquarters in Colorado Springs. Please always feel free to reach out to me directly with any questions and thank you for your participation and engagement in the important work of this committee.

Also, thank you for participating and/or bringing team members to the 2023 Credit Union Day at the Capitol on February 2nd. It was great to see 100+ credit union advocates connecting with each other and state legislators -- including many first-time attendees in Denver. Read more about the day [here](#).

Regards-

Katie March

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