



## 2025 Colorado Legislative Session Summary

### CRA Priority Legislation

#### **HB25-1208: Local Governments Tip Offsets for Tipped Employees**

**Sponsors:** Reps. Woodrow (D), A. Valdez (D) and Sen. Amabile (D)

**CRA Position:** Support

**Bill Result:** Signed into law

- Also known as the Restaurant Relief Act, this bill was significantly amended from its original draft, which would have effectively set all tipped minimum wages in Colorado to the state's tipped minimum wage.
- The bill as signed into law protects the state's existing \$3.02 tip credit and gives local governments the authority to increase their local tip credit if they pass a higher local minimum wage than the state's.
- The CRA will work with local governments to advocate for tip-credit increases as minimum wage policies are brought forward at the local level and in locations where a higher local minimum wage is in effect.

#### **CDLE Budget: Elimination of the Hospitality Workforce Grant**

**Result:** Budget signed into law with funding preserved at 2023-2024 levels

- This grant funds the Colorado Restaurant Foundation's high school hospitality-education program, Colorado ProStart®. While the Governor's office originally recommended eliminating this grant from the state's budget, **the Joint Budget Committee and the Legislature voted to preserve this funding for FY25–26**, after extensive outreach from the CRA, the CRF, and Colorado ProStart® stakeholders. The funding was backdated to FY 23-24 levels at **\$362,000**.
- In 2024, the CRF received \$425K from a \$500K state grant supporting workforce development via the Colorado ProStart® program, which serves more than 2,300 high school students across the state.

#### **HB25-1282: Payment Card Network Practices & Fees (Swipe Fees Prohibition)**

**Sponsors:** Reps. Lindstedt (D), Brooks (R) and Sens. Daugherty (D), Kirkmeyer (R)

**CRA Position:** Support

**Bill Result:** Postponed indefinitely (bill died)

- This bill aimed to prohibit credit card interchange fees (swipe fees) on the sales tax and tip portion of transactions and would have banned price fixing of interchange fees between card issuers and banks. It also would have capped fees that can be charged on charitable contributions.



- This bill passed the House of Representatives but failed in the Senate. The bill was unfortunately caught in the crosshairs of political infighting between members of the Senate Judiciary Committee and bill sponsors.
- The CRA will be working over the summer to determine the likelihood of bringing this bill back in 2026 or at another time.

#### **SB25-005: Worker Protection Collective Bargaining**

**Sponsors:** Senate Majority Leader Rodriguez (D), Sen. Danielson (D), and Rep. Mabrey (D)

**CRA Position:** Oppose

**Bill Result:** Vetoed by Governor

- The bill would have overhauled Colorado’s existing Labor Peace Act by removing the second vote in the unionization process — a procedural requirement unique to Colorado — making it easier for workplaces to unionize and requiring union dues from all employees.
- The CRA worked with the Colorado Chamber of Commerce and the greater business community to amend this bill. The coalition was successful in convincing the Governor to veto the bill by continuously coming to the negotiating table, despite the proponents of the legislation walking away from negotiations.

#### **HB25-1001: Enforcement Wage Hour Laws**

**Sponsors:** Reps. Duran (D), Froelich (D), Sens. Danielson (D), Kolker (D)

**CRA Position:** Oppose

**Bill Result:** Signed into law

- The bill expands personal liability to investors, publicly posts a list of all violators, shares a list of all violators to any other government body with the authority to deny, withdraw or otherwise limit or impose remedial conditions on the employer’s license, permit, registration or other credential, removes legal-fee protections against frivolous lawsuits, includes anti-retaliation language so broad it penalizes legitimate personnel actions, and assumes employer guilt in routine staffing decisions if they occur within 90 days of a wage complaint.
- This bill was heavily amended throughout the legislative process, including an adopted amendment that caps compensatory damages.

#### **HB25-1090: Protections Against Deceptive Pricing Practices**

**Sponsors:** Reps. Sirota (D), Ricks (D) and Sens. Weissman (D), Cutter (D)

**CRA Position:** Neutral with amendments

**Bill Result:** Signed into law

- This bill as introduced would have prohibited all service fees at restaurants and all other businesses unless rolled up into the “total price” of the goods and services.



- The CRA (along with CH&LA) successfully secured amendments to allow service fees to continue at all food and beverage establishments without impacting menu prices.
- Service fees must be clearly disclosed with an accurate description of their purpose (e.g., “This establishment adds a 20% service charge to all checks, which supports our front-of-house and back-of-house staff, fluctuations in food costs, and administration.”).
- The bill was also stripped of language that would have created a new private right of action, allowing consumers to sue restaurants if they felt they weren’t properly notified of the use of service fees.
- CDLE will provide a more specific interpretation of the law this fall. The CRA will update you as we learn more.

### **HB25-1239: Modification of Colorado Anti-Discrimination Act**

**Sponsors:** Reps. Zokaie (D) and Boesenecker (D), Sens Daugherty (D) and Weissman (D)

**CRA Position:** Oppose

**Bill Result:** Signed into law

- This bill increases fines and penalties for discrimination against people with disabilities, i.e. ADA violations. Increases fines from \$3,500 for each violation to \$5,000 for each defendant for each violation.
- The award of damages for non-economic loss is capped at \$50K but is reduced to \$25K for small businesses (fewer than 25 employees and \$3.5M in revenue) if they remedy within 30 days.
- The bill, as introduced, featured no cap on damages for violations and removed the statute of limitations for ADA claims. A cap on damages was added and the statute of limitations was preserved via amendments.

### **HB25-1286: Protecting Workers from Extreme Temperatures**

**Sponsors:** Reps. Velasco (D), Froelich (D) and Sens. Weissman (D), Cutter (D)

**CRA Position:** Oppose

**Bill Result:** Postponed indefinitely (bill died)

- The bill would have required employers to implement protections for workers who are exposed to “extreme hot and cold temperatures” (above 80 degrees and below 30 degrees) at the worksite, including temperature and humidity mitigation measures (32oz of water per hour/per employee at below 60 degrees, monitoring equipment), more frequent rest breaks, and temperature-related injury and illness prevention plans.
- The requirements in the bill went above and beyond existing federal OSHA-proposed standards which exist to ensure safe work environments. CRA was concerned with the impacts this bill would have from a cost, administration, and labor perspective.



### **HB25-1300: Workers' Compensation Benefits Proof of Entitlement**

**Sponsors:** Rep. Willford (D) and Sen. Kipp (D)

**CRA Position:** Opposed

**Bill Result:** Signed into law

- This bill brings significant changes to the state's workers' compensation system. The bill allows injured workers to select their primary treating physician from an accredited provider listed by the Division of Workers' Compensation, rather than being limited to four employer-designated options.
- Additionally, the bill shifts the burden of proof in disputes over medical treatment necessity from the worker to the employer or insurer, requiring them to demonstrate that recommended treatments are not reasonable, necessary, or related to the injury.
- This bill could lead to increased workers' compensation costs. By granting employees greater autonomy in choosing healthcare providers and easing their path to claim medical benefits, the bill may result in higher claim expenses and longer recovery periods. This potential rise in costs could affect insurance premiums and operational budgets, particularly for small and medium-sized establishments.
- The CRA signed onto a letter to ask the Governor to veto this legislation.

### **SB25-132: Spirituous Liquor Manufacturer Tastings Conducted**

**Sponsors:** Sens. Marchman (D), Gonzales J. (D) and Reps. Soper (R), Titone (D)

**CRA Position:** Oppose

**Bill Result:** Postponed indefinitely (bill died)

- This bill would have allowed licensed distilleries to sell other producers' wine, beer, and spirits (up to 50% of total sales) and expand their number of tasting rooms from one to two at no additional cost. It also would have created unfair competition by allowing distillers to operate like bars—without adhering to the same licensure and regulatory requirements that restaurants and bars face.

### **SB25-285: Updating Food Establishment Inspection Fees**

**Sponsors:** Sen. Roberts (D) and Rep. Lukens (D)

**CRA Position:** Support

**Bill Result:** Signed into law

- This bill increases retail food establishment license fees over a three-year period (25% in 2026, 20% in 2027, and 20% in 2028). The CRA was supportive of this measure as the Triennial Review process assures statewide uniformity around food safety inspections, fees, and reporting of inspection results.
- After much negotiating, the most recent triennial review concluded in November 2024 with unanimous support from stakeholders to increase food safety inspection fees over the course of three years. The result was a smaller and more gradual increase than originally requested by the counties.



## **CRA Tier-2 Legislation**

### **HB25-1005: Tax Incentive for Film**

**Sponsors:** House Speaker McCluskie (D), Rep. Titone (D), Sens. Amabile (D), Baisley (R)

**CRA Position:** Support

**Bill Result:** Signed into law

- The bill created a new refundable tax credit to relocate the Sundance film festival to Colorado.
- At the request of the Governor's office, the CRA testified in support of this bill numerous times throughout the legislative process.

### **HB25-1295: Food Truck Operations**

**Sponsors:** Reps. Rutinel (D) and Lindsay (D), Sen. Roberts (D)

**CRA Position:** Support with amendments

**Bill Result:** Signed into law

- This bill establishes reciprocity amongst the state and individual local governments for food truck licensing and permitting. Under this bill, food truck businesses are required to hold a valid fire safety permit and food safety license, and local governments retain their authority to enforce their laws, regulations, and codes.
- The CRA worked with the bill sponsors to amend the setback requirements from a retail food establishment from 50 ft to 300ft, protecting brick and mortar establishments.

### **SB25-169: Restaurant Meals Program**

**Sponsors:** Sens. R. Pelton (R), Jodeh (D), Rep. Zokaie (D)

**CRA Position:** Support

**Bill Result:** Signed into law

- This bill establishes a Restaurant Meals Program (RMP) within the state's Supplemental Nutrition Assistance Program (SNAP). This initiative would allow eligible SNAP recipients—such as elderly, disabled, or homeless individuals—to use their benefits to purchase hot or prepared meals at participating restaurants.
- Restaurants must opt in to the program. Implementation is contingent upon approval from the U.S. Department of Agriculture, and the Colorado Department of Human Services is required to submit the necessary application by January 1, 2026.
- For restaurants, participation would necessitate compliance with specific program requirements, including adherence to nutritional guidelines and administrative procedures.



## **CRA Tier-3 Legislation**

### **HB25-1010: Prohibiting Price Gouging in Sales of Necessities**

**CRA Position:** Monitor

**Sponsors:** Reps. Zokaie (D), Sen. Weissman (D)

**Bill Result:** Signed into law

- This bill aims to strengthen consumer protections by prohibiting price gouging during declared disaster emergencies. The bill defines price gouging as increasing the price of essential goods or services by 10% or more above the average price during the 90 days preceding the emergency. "Necessities" are defined as goods or services necessary for the health, safety, and welfare of consumers or the general public.
- For restaurants, this bill means that during declared disaster emergencies, they must avoid significant price increases on essential items, such as food and beverages (unless they can show that their costs have increased), to remain compliant with consumer protection laws.

### **HB25-1021: Tax Incentives for Employee-Owned Businesses**

**Sponsors:** Rep. Lindstedt (D), Taggart (R), Sen. Bridges (D)

**CRA Position:** Monitor

**Bill Result:** Signed into law

- This bill aims to promote employee ownership by introducing tax incentives for businesses transitioning to employee-owned models. Starting in 2027, the bill allows:
  - A capital gains tax subtraction for taxpayers converting at least 20% of a qualified business to employee ownership
  - Worker-owned cooperatives to subtract up to \$1 million of their federal taxable income from their state taxable income
- For restaurants, this legislation provides a financial incentive to adopt employee ownership models, such as worker cooperatives or employee stock ownership plans (ESOPs). By reducing the tax burden associated with transitioning to employee ownership, restaurants can potentially improve employee retention, foster a more engaged workforce, and enhance long-term business sustainability.