**CHAPTER 378** 

## LABOR AND INDUSTRY

HOUSE BILL 24-1095

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## AN ACT

CONCERNING PROTECTION FOR MINOR WORKERS IN THE "COLORADO YOUTH EMPLOYMENT OPPORTUNITY ACT OF 1971", AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** In Colorado Revised Statutes, 8-12-115, **amend** (3) and (4); and **add** (4.5), (5.5), and (8) as follows:

- **8-12-115.** Director of division of labor standards and statistics powers and duties public records filing final orders rules definition. (3) (a) The director shall receive and investigate complaints and may from time to time visit employers at reasonable times and inspect pertinent records to determine compliance with this article ARTICLE 12.
- (b) For the purpose of investigating a violation of this article 12, the director may apply the information-gathering authorizations described in article 1 of this title 8 to an employer, an employee, or other person.
- (4) (a) If investigation of any place of employment or complaint discloses a violation of this article, except section 8-12-105 (3) ARTICLE 12, the director shall give the employer A written notice of VIOLATION describing the violation, ORDERING MONETARY OR OTHER RELIEF AS APPROPRIATE, and specifying the provisions of this article ARTICLE 12 that such the employer is allegedly violating VIOLATED. Within ten thirty-five days of AFTER receipt of such the notice of violation, the employer may file a written request for a AN APPEAL hearing, on the issue of whether the violation exists, which hearing shall be conducted in

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

accordance with section 24-4-105, C.R.S. After a hearing concerning a violation of this article, or after the expiration of twenty days after the issuance of a notice of violation during which the employer has neither requested a hearing nor ceased the conduct that constitutes the alleged violation, the director may issue a final order requiring the employer to cease and desist the conduct found to be in violation SECTION 8-4-111.5.

- (b) At any time thereafter AFTER ISSUANCE OF A FINAL ORDER, the director may order the violating employer to pay a penalty of twenty dollars PENALTIES PURSUANT TO SECTION 8-1-140 (2) FOR EACH OFFENSE. Each day that the conduct constituting the violation is continued after the order is made final, and each minor employed in violation of this article ARTICLE 12, constitutes a separate offense. The order imposing the penalty shall become is final upon issuance, and the penalty shall be is due and payable thirty THIRTY-FIVE days after the order assessing the penalty is entered, unless prior to that time the order has been modified or a hearing on the penalty has been requested as provided by section 24-4-105, C.R.S. SECTION 8-4-111.5.
- (c) All penalties imposed by this section shall be collected as provided in section 8-1-142 The division shall collect all penalties imposed by this section as provided in section 8-1-142 and transmit the collected penalties to the state treasurer. The state treasurer shall deposit the money into the wage theft enforcement fund created in section 8-4-113 (3).
- (b) (I) If investigation of any place of employment or complaint discloses a violation of section 8-12-105 (3), the director shall give the employer written notice describing the violation and specifying the provisions of this article that such employer is allegedly violating. Within ten days after receipt of such notice of violation, the employer may file a written request for a hearing on the issue of whether the violation exists, which hearing shall be conducted in accordance with section 24-4-105, C.R.S. After a hearing concerning a violation of section 8-12-105 (3), or after the expiration of twenty days after the issuance of a notice of violation during which the employer has neither requested a hearing nor ceased the conduct which constitutes the alleged violation, the director may issue a final order requiring the employer to cease and desist the conduct found to be in violation. At any time thereafter, the director may order the violating employer to pay a penalty pursuant to subparagraph (II) of this paragraph (b). The order imposing the penalty shall become final upon issuance, and the penalty shall be due and payable thirty days after the order assessing the penalty is entered, unless prior to that time the order has been modified or a hearing on the penalty has been requested as provided by section 24-4-105, C.R.S. All penalties imposed by this section shall be collected as provided in section 8-1-142.
- (II) Failure to comply with the provisions of this paragraph (b) shall make the offender liable for administrative fines pursuant to the following penalty schedule:
- (A) For a first offense, by a fine of not less than two hundred dollars nor more than five hundred dollars;
- (B) For a second offense within six months after the first offense, by a fine of not less than five hundred dollars nor more than one thousand dollars;

- (C) For a third or subsequent offense within six months after the first offense, by a fine of not less than one thousand dollars nor more than ten thousand dollars.
- (4.5) (a) After twenty days elapse to allow an employer to notify the director of a potential trade secret pursuant to subsection (4.5)(a)(II) of this section, the division shall treat any final order issued for a violation of this article 12 as a public record and shall release the information related to the violation to the public upon request pursuant to the "Colorado Open Records Act", part 2 of article 72 of title 24; except that:
- (I) THE DIVISION SHALL REDACT ANY IDENTIFYING INFORMATION PERTAINING TO A MINOR WORKER; AND
- (II) The division shall not release information related to a violation of this article 12 if the director makes a determination that the information is a trade secret. Upon issuing a final order, the director shall notify the employer of the potential release of the information. The employer may, within twenty days after the notification, provide the director with any documentation demonstrating that the information, or specific matters included in the information, is a trade secret. If the director, in the director's discretion, determines that the information, or any portion of the information, is a trade secret, the director shall treat the information as confidential.
- (b) As used in this subsection (4.5), "trade secret" has the meaning set forth in section 7-74-102 (4).
- (5.5) (a) The director may, or, at the request of any individual aggrieved by a violation of this article 12, shall, file a certified copy of a final order issued pursuant to this article 12 with the clerk of any court having jurisdiction over the parties at any time after the entry of the order. The director may file one certified copy of the final order for all amounts owed to, or for other relief for, all individuals aggrieved.
- (b) THE CLERK OF THE COURT SHALL RECORD THE FINAL ORDER IN THE JUDGMENT BOOK OF THE COURT AND MAKE AN ENTRY IN THE JUDGMENT DOCKET. UPON RECORDING, THE FINAL ORDER HAS THE EFFECT OF AND MAY BE EXECUTED AS A JUDGMENT OF THE COURT.
- (c) (I) Upon recording pursuant to subsection (5.5)(b) of this section, the judgment is sufficient to support the issuance of writs of garnishment in the manner provided by law in the case of a judgment that is wholly or partially unsatisfied.
- (II) The court shall mail a copy of the judgment to all parties to the matter within three days after the director has filed the order with the clerk of the court.
- (8) The director may adopt rules as necessary to implement and administer this article 12.

## **SECTION 2.** In Colorado Revised Statutes, **amend** 8-12-116 as follows:

- **8-12-116.** Penalty and damages for violations. (1) Any person, having legal responsibility for a minor under the age of eighteen years, who knowingly permits such minor to be employed in violation of this article, is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than twenty dollars nor more than one hundred dollars for each offense. Including any firm OR Corporation, or any agent, manager, superintendent, or foreperson of any firm or corporation, that, individually or through an agent, subagent, manager, superintendent, or foreperson, violates or fails to comply with this article 12 is subject to the following penalties:
- (a) Except as described in subsections (1)(c) and (5) of this section, a person who commits a violation of section 8-12-110 or rules promulgated under that section shall be required to pay a fine of not less than two thousand dollars but not more than four thousand dollars;
- (b) Except as described in subsections (1)(d) and (5) of this section, a person who commits a violation of any provision of this article 12 other than section 8-12-110 shall be required to pay a fine of not less than two hundred fifty dollars but not more than one thousand dollars;
- (c) A person who commits a willful violation of section 8-12-110 or rules promulgated under that section or a second or subsequent violation of section 8-12-110 or rules promulgated under that section within five years after the person's most recent violation of this article 12 shall be required to pay a fine of not less than five thousand dollars but not more than ten thousand dollars; and
- (d) A person who commits a willful violation of any provision of this article 12 other than section 8-12-110 or a second or subsequent violation of any provision of this article 12 other than section 8-12-110 within five years after the person's most recent violation of this article 12 shall be required to pay a fine of not less than five hundred dollars but not more than four thousand dollars.
- (2) The division shall collect all penalties imposed by subsection (1) of this section as provided in section 8-1-142 and transmit the collected penalties to the state treasurer. The state treasurer shall deposit the money into the wage theft enforcement fund created in section 8-4-113 (3).
- (3) In addition to any penalties to which a person may be subject pursuant to subsection (1) of this section, any person, including any firm or corporation, or any agent, manager, superintendent, or foreperson of any firm or corporation, that, individually or through an agent, subagent, foreperson, superintendent, or manager, violates or fails to comply with this article 12 is liable for damages in the following amounts payable to any individual aggrieved:
  - (a) EXCEPT AS DESCRIBED IN SUBSECTIONS (3)(c) AND (5) OF THIS SECTION, NOT

Less than seven thousand dollars but not more than twenty-seven thousand dollars for the first violation of section 8-12-110 or rules promulgated under that section;

- (b) Except as described in subsections (3)(d) and (5) of this section, not less than five hundred dollars but not more than two thousand dollars for the first violation of any provision of this article 12 other than section 8-12-110;
- (c) Not less than fifteen thousand dollars but not more than sixty-five thousand dollars for a willful violation of section 8-12-110 or rules promulgated under that section or a second or subsequent violation of section 8-12-110 or rules promulgated under that section within five years after the person's most recent violation of this article 12; or
- (d) Not less than two thousand dollars but not more than six thousand dollars for a willful violation of any provision of this article 12 other than section 8-12-110 or a second or subsequent violation of any provision of this article 12 other than section 8-12-110 within five years after the person's most recent violation of this article 12.
- (4) ALL DAMAGES THAT A PERSON IS ORDERED TO PAY PURSUANT TO SUBSECTION (3) OF THIS SECTION MUST BE PAID TO THE PERSON AGGRIEVED UNLESS THAT PERSON, AFTER REASONABLE AND DILIGENT EFFORT BY THE DIRECTOR, CANNOT BE FOUND, IN WHICH CASE THE DAMAGES MUST BE PAID TO THE STATE TREASURER, WHO SHALL DEPOSIT THE MONEY INTO THE WAGE THEFT ENFORCEMENT FUND CREATED IN SECTION 8-4-113 (3).
- (5) (a) The division may reduce or decline to impose penalties or damages pursuant to subsection (1) or (3) of this section if:
- (I) The minor worker intentionally misled the employer with regard to the minor's age; and
- (II) The employer engaged in outreach to a reliable third party to verify the minor worker's age if any reasonable employer could have believed that the minor worker might be under eighteen years of age at the time of hiring. The receipt of an age certificate, as described in section 8-12-111, constitutes outreach to a reliable third party.
- (b) In determining whether to reduce or decline to impose damages as described in subsection (5)(a) of this section, the division shall consider the following factors:
- (I) THE REASONABLENESS OF EFFORTS TAKEN BY THE EMPLOYER TO VERIFY THE AGE OF THE MINOR WORKER:
- (II) THE EMPLOYER'S HISTORY OF COMPLIANCE OR NONCOMPLIANCE WITH THIS ARTICLE 12;
  - (III) CORRECTIVE ACTION TAKEN BY THE EMPLOYER; AND

- (IV) HARM TO THE MINOR WORKER.
- (2) (6) IN ADDITION TO ANY PENALTIES OR DAMAGES TO WHICH A PERSON MAY BE SUBJECT PURSUANT TO SUBSECTION (1) OR (3) OF THIS SECTION, any person, firm, or corporation, or any agent, manager, superintendent, or foreman of any firm or corporation, who, by himself or herself oneself on through an agent, subagent, foreman, superintendent, or manager, knowingly violates or knowingly fails to comply with any of the provisions of this article 12 is guilty of COMMITS a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than twenty TWO HUNDRED dollars nor more than one FIVE hundred dollars for each offense. Upon conviction of a second or subsequent offense, such person shall be punished by a fine of not less than one FIVE hundred dollars nor more than five hundred TWO THOUSAND dollars.
- (7) On January 1, 2026, and on January 1 of each year thereafter, the division shall increase the penalty and damage amounts described in this section for inflation, if any. The division may round the adjusted amount upward to the nearest dollar. Inflation is measured by the annual percentage change in the United States department of labor's bureau of labor statistics consumer price index, or a successor index, for Denver-Aurora-Lakewood for all items paid by urban consumers. The director shall publish updated penalty and damage amounts annually.

## **SECTION 3.** In Colorado Revised Statutes, add 8-12-118 as follows:

- **8-12-118. Protection from retaliation rebuttable presumption of retaliation.** (1) The retaliation protections described in Section 8-4-120 protect an individual attempting to exercise any right protected under this article
- (2) If a person, including any firm or corporation, or any agent, manager, superintendent, or foreperson of any firm or corporation, individually or through an agent, subagent, manager, superintendent, or foreperson, takes a disciplinary or adverse action against an individual aggrieved by a violation of this article 12 within ninety calendar days after the individual aggrieved exercises a right protected under this article 12, there is a rebuttable presumption that the action was retaliatory.
- **SECTION 4.** In Colorado Revised Statutes, 8-4-113, **amend** (3)(a), (4)(a) introductory portion, and (5)(a) as follows:
- 8-4-113. Fines pursuant to enforcement wage theft enforcement fund created administrative lien and levy of employer assets wage claim payments from the fund definition rules. (3) (a) The division shall transmit all fines collected for the state pursuant to this section or section 8-1-114 (2), 8-1-116 (2), 8-1-117 (2), or 8-1-140 (2), 8-12-115 (4)(c), OR 8-12-116 (2) OR (4) to the state treasurer, who shall credit the money to the wage theft enforcement fund, which fund is created and referred to in this section as the "fund". The money in the fund may be used by the division to make payments to employees for unpaid liabilities

for wage law violations pursuant to subsection (5) of this section and for the division's direct and indirect costs associated with implementing this article 4.

- (4) (a) On or after January 1, 2023, if an employer fails to pay wages determined to be due to the employer's employees or fines or penalties determined to be due pursuant to this article 4 or article 6 or 12 of this title 8 or other articles authorizing investigation of alleged violations of employee protections, within sixty days after receiving a written employee request or upon its own initiative, the division may issue a notice of administrative lien and levy to the employer or any other person that has possession, custody, or control of the employer's assets. The division may issue the notice of administrative lien and levy when an employer is past due on paying wages determined to be due to its employees and any fines or penalties determined to be due pursuant to this article 4 or article 6 or 12 of this title 8 without an order staying or reversing the applicable deadline for payment. The notice must include the following statements and information:
- (5) (a) On and after April 1, 2024, if an employer fails to pay an employee an amount of wages, or compensation, OR OTHER MONETARY RELIEF owed the employee, as determined by the division pursuant to section 8-4-111 (2)(c) THIS ARTICLE 4 OR ARTICLE 6 OR 12 OF THIS TITLE 8 or as decided by a hearing officer pursuant to section 8-4-111.5, within six months after the division's determination, the hearing officer's decision, or the expiration of any order from the division, the hearing officer, or a court staying or postponing the employer's payment obligation, whichever is later, the division may disburse the amount of wages, or compensation, OR OTHER MONETARY RELIEF determined to be owed the employee, subject to available resources in the fund and the division's prioritization, from the fund to the employee.

**SECTION 5.** In Colorado Revised Statutes, 8-4-120, **amend** (1)(a) as follows:

- **8-4-120.** Discrimination and retaliation prohibited employee protections criminal penalties civil remedies. (1) An employer shall not intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate or retaliate against any employee who has:
- (a) Filed any complaint or instituted or caused to be instituted any proceeding under this article 4 or any other law or rule related to wages, or hours, or EMPLOYMENT OF MINORS; or

**SECTION 6.** In Colorado Revised Statutes, 8-6-111, **amend** (2) as follows:

**8-6-111.** Director to review report. (2) After publication of notice and the meeting, the director if so desired, may make and render such ISSUE an order as may be proper or necessary to adopt the recommendations and carry the same THEM into effect and TO require all employees in the occupation directly affected thereby BY THE RECOMMENDATIONS to preserve and comply with such THE recommendations and order. Such THE order is BECOMES effective thirty days after it is made. and rendered and shall be in full force and effect on and after that day. After the order is effective, it is unlawful for any employer to violate or disregard any of the terms of the order or to employ any worker in any occupation covered by the order at

lower wages or under other conditions than authorized or permitted by the order. The director shall, as far as is practicable, mail a copy of any such order to every employer affected thereby; BY THE ORDER, and every employer affected by the order shall keep a copy thereof of the order posted in a conspicuous place in such the employer's establishment. Such THE order shall MUST include a notice of the contents of sections 8-12-105 (3), 8-12-115 (4)(b)(II), and 8-12-116 (2) 8-12-116, AND 8-12-118.

**SECTION 7. Appropriation.** For the 2024-25 state fiscal year, \$125,255 is appropriated to the department of labor and employment for use by the division of labor standards and statistics. This appropriation is from the general fund and is based on an assumption that the division will require an additional 1.2 FTE. To implement this act, the division may use this appropriation for program costs related to labor standards.

**SECTION 8. Effective date - applicability.** This act takes effect January 1, 2025, and applies to conduct occurring on or after said date.

**SECTION 9. Safety clause.** The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 4, 2024