



Northwest Chamber

A L L I A N C E

January 25, 2022

Members of the Joint Budget Committee
Members of the Colorado House Appropriations
Members of the Senate Appropriations Committee
Boulder & Broomfield Counties Delegations

On behalf of the membership of the Northwest Chamber Alliance (NWCA), we are reaching out to share our concern with the ongoing challenges that businesses face as we move toward economic stabilization and recovery. We look forward to working with you and stand ready to partner with you.

The pandemic continues to strain Colorado's economy, impacting businesses of all sizes and altering the fabric of our local communities. For nearly two years, our state's job creators have endured extreme financial uncertainty, an ongoing worker shortage, supply chain issues, inflation and public health shutdowns. Additionally, they are now facing uncertainty surrounding the Unemployment Insurance Trust Fund (UITF) and increases to premiums that employers are facing through no fault of their own.

The state legislature, during the 2022 session, has the opportunity to provide real relief to businesses and their employees across Colorado, setting us on the road to recovery for years to come. This may be accomplished by replenishing the UITF, which is funded solely by employer premiums to compensate workers for unemployment claims.

The Fund was fully depleted in the height of the pandemic when health officials forced businesses to close for months to combat the spread of COVID-19, ultimately triggering thousands of unemployment insurance claims. This, combined with fraudulent claims, significant rate schedule changes and future surcharges, are reasons why businesses are in dire need of economic relief.

Unless legislators take action now, every business in Colorado will face significant premium increases in the coming years – especially those that had to lay off workers through no fault of their own. These premium increases are anticipated to range from .07% to 13.1%. It would be unrealistic to put that burden on the backs of businesses in these already difficult economic times without creating an extremely negative impact, for their own sustainability and our state's economic vitality.

Governor Polis is proposing to offer relief for businesses from the potential blow of increased UITF premiums in the form of a \$600 million infusion of federal stimulus and General Fund dollars to backfill the current Fund shortfall. Nearly 30 other states have already taken similar action to help businesses with these premium increases. We look to Colorado to play a leading role in our state and national recovery by addressing this issue, and the Governor's proposal is an excellent step forward.

The Northwest Chamber Alliance was formed in 2016 as a coalition focused on regional issues that impact economic vitality and quality of life. It is currently comprised of the Boulder Chamber, Boulder County LGBTQ Chamber, Broomfield Chamber of Commerce, Lafayette Chamber of Commerce, Latino Chamber of Boulder County, Louisville Chamber of Commerce, Longmont Area Chamber of Commerce, and Superior Chamber of Commerce, representing approximately 3,700 businesses and 380,000 employees. These businesses range from large international corporations to small businesses, startups, nonprofits and public institutions.

The Northwest Chamber Alliance stands united in support of the Governor’s proposal for addressing the UTIF shortfall and protecting our businesses from crippling premium increases. We need to give our employers the opportunity to recover from the pandemic impacts, secure their badly needed workforce, and avoid costly price increases for consumers.

Thank you for your consideration of this issue. We are here to partner with you moving forward.

