

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 23-0467.01 Brita Darling x2241

HOUSE BILL 23-1030

HOUSE SPONSORSHIP

Sirota,

SENATE SPONSORSHIP

Hinrichsen,

House Committees
Health & Insurance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A PROHIBITION AGAINST REQUIRING COMPENSATION TO**
102 **A HEALTH-CARE STAFFING AGENCY IF A CONTRACTED**
103 **HEALTH-CARE FACILITY HIRES THE HEALTH-CARE STAFFING**
104 **AGENCY'S EMPLOYEE AS A PERMANENT EMPLOYEE OF THE**
105 **HEALTH-CARE FACILITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill prohibits a supplemental health-care staffing agency (staffing agency) from including in a contract or agreement with a

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

health-care worker, nursing care facility, or assisted living residence a provision for liquidated damages, employment fees, or other compensation to be paid to the staffing agency if the nursing care facility or assisted living residence hires the health-care worker as a permanent employee either prior to or after the termination of the contract or agreement.

A staffing agency that violates the prohibition commits a civil infraction and is subject to a monetary penalty. Further, for repeated or willful violations, the executive director of the department of labor and employment may impose monetary or administrative penalties against the staffing agency.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-4-125, **amend**
3 (1)(a); and **add** (1)(a.5), (1)(d.5), and (2.5) as follows:

4 **8-4-125. Supplemental health-care staffing agencies - annual**
5 **certification - contract restrictions - penalty - reporting - definitions.**

6 (1) As used in this section, unless the context otherwise requires:

7 (a) ~~"Department" means the department of labor and employment~~
8 "ASSISTED LIVING RESIDENCE" MEANS AN ASSISTED LIVING RESIDENCE
9 LICENSED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
10 PURSUANT TO SECTION 25-1.5-103 (1)(a).

11 (a.5) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR AND
12 EMPLOYMENT.

13 (d.5) "NURSING CARE FACILITY" MEANS A NURSING CARE FACILITY
14 LICENSED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
15 PURSUANT TO SECTION 25-1.5-103 (1)(a).

16 (2.5) (a) IN ANY CONTRACT OR AGREEMENT BETWEEN A
17 SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY AND A HEALTH-CARE
18 WORKER, NURSING CARE FACILITY, OR ASSISTED LIVING RESIDENCE, IT IS
19 UNLAWFUL FOR THE SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY TO

1 REQUIRE THE PAYMENT OF LIQUIDATED DAMAGES, EMPLOYMENT FEES, OR
2 OTHER COMPENSATION TO THE SUPPLEMENTAL HEALTH-CARE STAFFING
3 AGENCY IF THE NURSING CARE FACILITY OR ASSISTED LIVING RESIDENCE
4 HIRES THE HEALTH-CARE WORKER AS A PERMANENT EMPLOYEE EITHER
5 PRIOR TO OR AFTER THE TERMINATION OF THE CONTRACT OR AGREEMENT
6 WITH THE SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY.

7 (b) (I) ANY PERSON WHO VIOLATES SUBSECTION (2.5)(a) OF THIS
8 SECTION COMMITS A CIVIL INFRACTION AND, UPON CONVICTION, IS
9 SUBJECT TO A FINE OF UP TO FIVE HUNDRED DOLLARS AS DETERMINED BY
10 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT.

11 (II) UPON FINDING, AFTER NOTICE AND OPPORTUNITY FOR HEARING
12 UNDER PROCEDURES ESTABLISHED BY THE EXECUTIVE DIRECTOR OF THE
13 DEPARTMENT, THAT A SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY
14 HAS REPEATEDLY OR WILLFULLY VIOLATED SUBSECTION (2.5)(a) OF THIS
15 SECTION, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT MAY:

16 (A) PLACE THE SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY
17 ON PROBATION FOR A PERIOD AND IMPOSE CONDITIONS ON THE
18 SUPPLEMENTAL HEALTH-CARE STAFFING AGENCY, AS SPECIFIED BY THE
19 EXECUTIVE DIRECTOR OF THE DEPARTMENT;

20 (B) IMPOSE AN ADMINISTRATIVE PENALTY IN AN AMOUNT NOT TO
21 EXCEED ONE THOUSAND DOLLARS FOR EACH VIOLATION; AND

22 (C) REFUSE TO ACCEPT THE CERTIFICATION ISSUED PURSUANT TO
23 SECTION 8-70-114 AND RESCIND THE SUPPLEMENTAL HEALTH-CARE
24 STAFFING AGENCY'S ABILITY TO MAKE UNEMPLOYMENT INSURANCE
25 CONTRIBUTIONS FOR HEALTH-CARE WORKERS.

26 **SECTION 2. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.