

HOUSE BILL 13-1136

BY REPRESENTATIVE(S) Levy and Salazar, Buckner, Court, Duran, Exum, Fields, Fischer, Garcia, Ginal, Hullinghorst, Kagan, Labuda, Lebsock, McCann, Melton, Mitsch Bush, Moreno, Peniston, Pettersen, Primavera, Ryden, Schafer, Singer, Tyler, Vigil, Williams, Ferrandino, Foote, Pabon, Rosenthal, Hamner;

also SENATOR(S) Carroll and Guzman, Aguilar, Giron, Hodge, Hudak, Jones, Kefalas, Morse, Newell, Nicholson, Steadman, Tochtrop, Todd, Ulibarri, Heath, Johnston, Schwartz.

CONCERNING THE CREATION OF REMEDIES IN EMPLOYMENT DISCRIMINATION CASES BROUGHT UNDER STATE LAW.

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

SECTION 1. In Colorado Revised Statutes, **repeal and reenact**, with amendments, 24-34-405 as follows:

- **24-34-405.** Relief authorized short title. (1) This section shall be known and may be cited as the "Job Protection and Civil Rights Enforcement act of 2013".
- (2) (a) In addition to the relief authorized by section 24-34-306 (9), the commission or the court may order affirmative

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

RELIEF THAT THE COMMISSION OR COURT DETERMINES TO BE APPROPRIATE, INCLUDING THE FOLLOWING RELIEF, AGAINST A RESPONDENT WHO IS FOUND TO HAVE ENGAGED IN AN UNFAIR OR DISCRIMINATORY EMPLOYMENT PRACTICE:

(I) REINSTATEMENT OR HIRING OF EMPLOYEES, WITH OR WITHOUT BACK PAY. IF THE COMMISSION OR COURT ORDERS BACK PAY, THE EMPLOYER, EMPLOYMENT AGENCY, OR LABOR ORGANIZATION RESPONSIBLE FOR THE DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE SHALL PAY THE BACK PAY TO THE PERSON WHO WAS THE VICTIM OF THE PRACTICE.

(II) FRONT PAY; OR

- (III) ANY OTHER EQUITABLE RELIEF THE COMMISSION OR COURT DEEMS APPROPRIATE.
- (b) If the commission or court orders back pay, the liability for back pay accrues from a date not more than two years prior to the filing of a charge with the division. The commission or court shall reduce an award of back pay by any amount of actual earnings of, or amounts that could have been earned with reasonable diligence by, the person who was the victim of the discriminatory or unfair employment practice.
- (3) (a) In addition to the relief available pursuant to subsection (2) of this section, and except as provided in paragraph (g) of this subsection (3), in a civil action brought by a plaintiff under this part 4 against a defendant who is found to have engaged in an intentional discriminatory or unfair employment practice, the plaintiff may recover compensatory and punitive damages as specified in this subsection (3). The court shall not award a plaintiff compensatory or punitive damages when the defendant is found to have engaged in an employment practice that is unlawful solely because of its disparate impact.
- (b) (I) EXCEPT AS LIMITED BY THE "COLORADO GOVERNMENTAL IMMUNITY ACT", ARTICLE 10 OF THIS TITLE, AND EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), A PLAINTIFF MAY RECOVER PUNITIVE DAMAGES AGAINST A DEFENDANT, OTHER THAN THE STATE OR ANY POLITICAL SUBDIVISION, COMMISSION, DEPARTMENT, INSTITUTION, OR

SCHOOL DISTRICT OF THE STATE, IF THE PLAINTIFF DEMONSTRATES BY CLEAR AND CONVINCING EVIDENCE THAT THE DEFENDANT ENGAGED IN A DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE WITH MALICE OR RECKLESS INDIFFERENCE TO THE RIGHTS OF THE PLAINTIFF. HOWEVER, IF THE DEFENDANT DEMONSTRATES GOOD-FAITH EFFORTS TO COMPLY WITH THIS PART 4 AND TO PREVENT DISCRIMINATORY AND UNFAIR EMPLOYMENT PRACTICES IN THE WORKPLACE, THE COURT SHALL NOT AWARD PUNITIVE DAMAGES AGAINST THE DEFENDANT.

- (II) THE COURT SHALL NOT AWARD PUNITIVE DAMAGES IN A CIVIL ACTION INVOLVING A CLAIM OF FAILURE TO MAKE A REASONABLE ACCOMMODATION FOR A PERSON WITH A DISABILITY IF THE DEFENDANT DEMONSTRATES GOOD-FAITH EFFORTS TO IDENTIFY AND MAKE A REASONABLE ACCOMMODATION THAT WOULD PROVIDE THE PERSON WITH A DISABILITY AN EQUALLY EFFECTIVE OPPORTUNITY AND WOULD NOT CAUSE AN UNDUE HARDSHIP ON THE OPERATION OF THE DEFENDANT'S BUSINESS.
- (c) A PLAINTIFF MAY RECOVER COMPENSATORY DAMAGES AGAINST A DEFENDANT FOR OTHER PECUNIARY LOSSES, EMOTIONAL PAIN AND SUFFERING, INCONVENIENCE, MENTAL ANGUISH, LOSS OF ENJOYMENT OF LIFE, AND OTHER NONPECUNIARY LOSSES.
- (d) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (d), THE TOTAL AMOUNT OF COMPENSATORY AND PUNITIVE DAMAGES AWARDED PURSUANT TO THIS SUBSECTION (3) SHALL NOT EXCEED THE AMOUNTS SPECIFIED IN 42 U.S.C. SEC. 1981a (b) (3).
- (II) FOR EMPLOYERS WHO EMPLOY FEWER THAN FIFTEEN EMPLOYEES, THE TOTAL AMOUNT OF COMPENSATORY AND PUNITIVE DAMAGES AWARDED PURSUANT TO THIS SUBSECTION (3) SHALL NOT EXCEED THE FOLLOWING AMOUNTS:
- (A) If the defendant has one or more employees but fewer than five employees in each of twenty or more calendar weeks in either the current or preceding calendar year, ten thousand dollars; or
- (B) IF THE DEFENDANT HAS FIVE OR MORE EMPLOYEES BUT FOURTEEN OR FEWER EMPLOYEES IN EACH OF TWENTY OR MORE CALENDAR WEEKS IN EITHER THE CURRENT OR PRECEDING CALENDAR YEAR,

- (III) IN DETERMINING THE APPROPRIATE LEVEL OF DAMAGES TO AWARD A PLAINTIFF WHO HAS BEEN THE VICTIM OF AN INTENTIONAL DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE, THE COURT SHALL CONSIDER THE SIZE AND ASSETS OF THE DEFENDANT AND THE EGREGIOUSNESS OF THE INTENTIONAL DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE.
- (IV) IF A PLAINTIFF ASSERTS CLAIMS OF INTENTIONAL DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICES UNDER THIS ARTICLE AND UNDER APPLICABLE FEDERAL ANTI-DISCRIMINATION LAWS, THE PLAINTIFF MAY RECOVER RELIEF UNDER THIS SECTION ONLY ONCE FOR THE SAME INJURIES, DAMAGES, OR LOSSES.
- (e) COMPENSATORY OR PUNITIVE DAMAGES AWARDED PURSUANT TO THIS SUBSECTION (3) ARE IN ADDITION TO, AND DO NOT INCLUDE, FRONT PAY, BACK PAY, INTEREST ON BACK PAY, OR ANY OTHER TYPE OF RELIEF AWARDED PURSUANT TO SUBSECTION (2) OF THIS SECTION.
- (f) The remedies specified in this subsection (3) apply to causes of action alleging discriminatory or unfair employment practices accruing on or after January 1, 2015.
- (g) In a civil action involving a claim of discrimination based on age, the plaintiff is entitled only to the relief authorized in subsection (2) of this section and in 29 U.S.C. sec. 626 (b) and 29 U.S.C. sec. 216 (b) if the court finds that the defendant engaged in a discriminatory or unfair employment practice based on age. If, in addition to alleging discrimination based on age, the plaintiff alleges discrimination based on any other factor specified in section 24-34-402 (1), this paragraph (g) does not preclude a plaintiff from recovering the relief authorized by this section for that discrimination claim.
- (4) IF A PLAINTIFF IN A CIVIL ACTION FILED UNDER THIS PART 4 SEEKS COMPENSATORY OR PUNITIVE DAMAGES PURSUANT TO SUBSECTION (3) OF THIS SECTION, ANY PARTY TO THE CIVIL ACTION MAY DEMAND A TRIAL BY JURY.

- (5) IN ANY CIVIL ACTION UNDER THIS PART 4, THE COURT MAY AWARD REASONABLE ATTORNEY FEES AND COSTS TO THE PREVAILING PLAINTIFF. IF THE COURT FINDS THAT AN ACTION OR DEFENSE BROUGHT PURSUANT TO THIS PART 4 WAS FRIVOLOUS, GROUNDLESS, OR VEXATIOUS AS PROVIDED IN ARTICLE 17 OF TITLE 13, C.R.S., THE COURT MAY AWARD COSTS AND ATTORNEY FEES TO THE DEFENDANT IN THE ACTION.
- (6) EXCEPT WHEN FEDERAL LAW IS SILENT ON THE ISSUE, THIS SECTION SHALL BE CONSTRUED, INTERPRETED, AND APPLIED IN A MANNER THAT IS CONSISTENT WITH STANDARDS ESTABLISHED THROUGH JUDICIAL INTERPRETATION OF TITLE VII OF THE FEDERAL "CIVIL RIGHTS ACT OF 1964", AS AMENDED, 42 U.S.C. SEC. 2000e ET SEQ.; THE FEDERAL "AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967", AS AMENDED, 29 U.S.C. SEC. 621 ET SEQ.; TITLES I AND V OF THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", AS AMENDED, 42 U.S.C. SEC. 12111 ET SEQ.; AND THE FEDERAL "CIVIL RIGHTS ACT OF 1991", 42 U.S.C. SEC. 1981a.
- (7) NOTHING IN THIS SECTION PRECLUDES A PARTY FROM ASSERTING ANY OTHER AVAILABLE STATUTORY OR COMMON LAW CLAIMS.
- (8) (a) AS USED IN THIS SUBSECTION (8), "AGGRIEVED PARTY" MEANS A PERSON WHO HAS FILED A COMPLAINT ALLEGING AN INTENTIONAL DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE, INCLUDING AN APPLICANT FOR A POSITION IN THE STATE PERSONNEL SYSTEM OR AN EMPLOYEE IN THE STATE PERSONNEL SYSTEM.
- (b) The commission, a commissioner, an administrative law judge appointed pursuant to part 10 of article 30 of this title, or, in cases involving applicants for positions in or employees in the state personnel system, the state personnel board established pursuant to section 14 of article XII of the state constitution shall not award damages to an aggrieved party alleging an intentional discriminatory or unfair employment practice. An aggrieved party who is seeking damages as authorized in subsection (3) of this section must file a civil action in a court of competent jurisdiction to recover those damages; except that punitive damages are not recoverable against the state or any political subdivision, commission, department, institution, or school district of the state.

- (c) (I) Upon issuance of an order by the commission pursuant to section 24-34-306 (9) and subsection (2) of this section or of a written decision by the state personnel board pursuant to section 24-50-125.4 in which the commission or state personnel board makes a finding of an intentional discriminatory or unfair employment practice, an aggrieved party may file a civil action in a district court in this state seeking damages as authorized in subsection (3) of this section.
- (II) FOR COMPLAINTS FILED WITH THE COMMISSION, THE AGGRIEVED PARTY MUST FILE THE ACTION FOR DAMAGES WITHIN THIRTY DAYS AFTER THE DATE THE COMMISSION MAILS NOTICE OF THE ORDER ISSUED PURSUANT TO SECTION 24-34-306 (9) AND SUBSECTION (2) OF THIS SECTION. IF THE AGGRIEVED PARTY FAILS TO FILE AN ACTION FOR DAMAGES WITHIN THIRTY DAYS AFTER THE DATE THE NOTICE OF THE ORDER IS MAILED, THE ACTION IS BARRED, NO DISTRICT COURT HAS JURISDICTION TO HEAR THE ACTION, AND THE COMMISSION'S ORDER BECOMES FINAL AND IS SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTION 24-34-307.
- (III) (A) FOR COMPLAINTS FILED WITH THE STATE PERSONNEL BOARD, IF AN ADMINISTRATIVE LAW JUDGE ISSUES THE INITIAL WRITTEN DECISION ON BEHALF OF THE STATE PERSONNEL BOARD, THE AGGRIEVED PARTY MAY NOT FILE A CIVIL ACTION UNTIL AFTER THE EXPIRATION OF THE THIRTY-DAY PERIOD SPECIFIED IN SECTION 24-50-125.4 (4) FOR FILING AN APPEAL. IF A PARTY DOES NOT FILE AN APPEAL OF THE ADMINISTRATIVE LAW JUDGE'S INITIAL DECISION WITH THE STATE PERSONNEL BOARD IN ACCORDANCE WITH SECTION 24-50-125.4 (4), THE AGGRIEVED PARTY MUST FILE THE CIVIL ACTION FOR COMPENSATORY DAMAGES WITHIN THIRTY DAYS AFTER THE EXPIRATION OF THE APPEAL PERIOD SPECIFIED IN SECTION 24-50-125.4 (4). If A PARTY FILES AN APPEAL WITH THE STATE PERSONNEL BOARD IN ACCORDANCE WITH SECTION 24-50-125.4 (4), THE AGGRIEVED PARTY MUST FILE THE CIVIL ACTION FOR COMPENSATORY DAMAGES WITHIN THIRTY DAYS AFTER THE DATE THE STATE PERSONNEL BOARD TRANSMITS THE NOTICE OF ITS DECISION ON THE APPEAL IN ACCORDANCE WITH SECTION 24-50-125.4 (6).
- (B) IF THE AGGRIEVED PARTY FAILS TO FILE AN ACTION FOR COMPENSATORY DAMAGES WITHIN THIRTY DAYS AFTER THE APPEAL PERIOD EXPIRES OR THE DATE THE STATE PERSONNEL BOARD'S NOTICE OF DECISION IS TRANSMITTED, WHICHEVER IS APPLICABLE PURSUANT TO

SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III), THE ACTION FOR COMPENSATORY DAMAGES IS BARRED, NO DISTRICT COURT HAS JURISDICTION TO HEAR THE ACTION, AND THE STATE PERSONNEL BOARD'S DECISION BECOMES FINAL AND IS SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTIONS 24-50-125.4 (3) AND 24-4-106 (11).

- (d) (I) If the aggrieved party initially filed a complaint with the commission, the aggrieved party and the district court shall serve a copy of the civil action complaint on the commission, and upon receipt of the civil action complaint, the commission's order is automatically stayed pending the outcome of the civil action, in which case the commission's decision is not a final order subject to judicial review pursuant to section 24-34-307 until the district court issues a final judgment in the civil action for damages.
- (II) IF THE AGGRIEVED PARTY IS AN APPLICANT FOR A POSITION IN OR AN EMPLOYEE IN THE STATE PERSONNEL SYSTEM, THE AGGRIEVED PARTY AND THE DISTRICT COURT SHALL SERVE A COPY OF THE CIVIL ACTION COMPLAINT ON THE STATE PERSONNEL BOARD, AND UPON RECEIPT OF THE COMPLAINT, THE STATE PERSONNEL BOARD'S DECISION IS AUTOMATICALLY STAYED PENDING THE OUTCOME OF THE CIVIL ACTION, IN WHICH CASE THE STATE PERSONNEL BOARD'S DECISION IS NOT A FINAL ORDER SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTIONS 24-50-125.4 (3) AND 24-4-106 (11) UNTIL THE DISTRICT COURT ISSUES A FINAL JUDGMENT IN THE CIVIL ACTION FOR COMPENSATORY DAMAGES.
- (e) (I) IN A CIVIL ACTION BROUGHT PURSUANT TO THIS SUBSECTION (8) FOR DAMAGES AFTER THE COMMISSION OR STATE PERSONNEL BOARD MAKES A FINDING OF AN INTENTIONAL DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICE, THE DISTRICT COURT SHALL CONSIDER THE ISSUE OF WHETHER THE AGGRIEVED PARTY IS ENTITLED TO DAMAGES AND THE AMOUNT OF DAMAGES, IF AWARDED.
- (II) THE DISTRICT COURT MAY AWARD ATTORNEY FEES AND COSTS IN CONNECTION WITH THE ACTION FOR DAMAGES CONSISTENT WITH SUBSECTION (5) OF THIS SECTION.
- (III) THE DISTRICT COURT SHALL EXPEDITE THE ACTION FOR DAMAGES AND SET THE MATTER FOR TRIAL AT THE EARLIEST PRACTICAL TIME.

- (f) Upon entering a final judgment in a civil action brought pursuant to this subsection (8), the district court shall serve notice of the judgment on the parties and the commission or state personnel board, as appropriate. Once the commission or state personnel board receives a final judgment from the district court, the commission or state personnel board shall incorporate the district court judgment in its order or decision, which becomes a final order subject to judicial review in accordance with section 24-34-307 or sections 24-50-125.4(3) and 24-4-106(11), as applicable.
- (g) A CLAIM FILED PURSUANT TO THIS SUBSECTION (8) BY AN AGGRIEVED PARTY AGAINST THE STATE FOR COMPENSATORY DAMAGES FOR AN INTENTIONAL UNFAIR OR DISCRIMINATORY EMPLOYMENT PRACTICE IS NOT SUBJECT TO THE "COLORADO GOVERNMENTAL IMMUNITY ACT", ARTICLE $10\,$ of this title.

SECTION 2. In Colorado Revised Statutes, 24-30-1510, **amend** (3) (a) as follows:

- **24-30-1510. Risk management fund creation authorized and unauthorized payments.** (3) Expenditures shall be made out of the risk management fund in accordance with subsection (1) of this section only for the following purposes:
- (a) To pay liability claims and expenses related thereto, brought against the state, its officials, or its employees pursuant to the "Colorado Governmental Immunity Act", article 10 of this title; and claims against the state, its officials, or its employees arising under federal law, which the state is legally obligated to pay and which are compromised or settled pursuant to section 24-30-1515 or in which a final money judgment against the state has been entered; OR CLAIMS FOR COMPENSATORY DAMAGES AGAINST THE STATE, ITS OFFICIALS, OR ITS EMPLOYEES PURSUANT TO SECTION 24-34-405;

SECTION 3. In Colorado Revised Statutes, 24-34-301, **amend** (1) as follows:

- **24-34-301. Definitions.** As used in parts 3 to 7 of this article, unless the context otherwise requires:
 - (1) "Age" means a chronological age of at least forty years. but less

than seventy years.

SECTION 4. In Colorado Revised Statutes, 24-34-305, **amend** (1) (c) as follows:

- **24-34-305. Powers and duties of commission.** (1) The commission has the following powers and duties:
- (c) (I) To investigate and study the existence, character, causes, and extent of unfair or discriminatory practices as defined in parts 4 to 7 of this article and to formulate plans for the elimination thereof OF THOSE PRACTICES by educational or other means.
- (II) (A) IN FURTHERANCE OF ITS EDUCATIONAL EFFORTS TO REDUCE INSTANCES OF DISCRIMINATORY OR UNFAIR EMPLOYMENT PRACTICES, THE COMMISSION SHALL CREATE A VOLUNTEER WORKING GROUP REPRESENTING BOTH EMPLOYER AND EMPLOYEE INTERESTS, INCLUDING HUMAN RESOURCE PROFESSIONALS, TO ASSIST IN EDUCATION AND OUTREACH EFFORTS TO FOSTER UNDERSTANDING OF AND COMPLIANCE WITH PART 4 OF THIS ARTICLE. THE COMMISSION MAY ACCEPT AND EXPEND GIFTS, GRANTS, AND DONATIONS TO ASSIST IN ITS DUTIES PURSUANT TO THIS SUBPARAGRAPH (II).
- (B) THE COMMISSION SHALL CREATE THE VOLUNTEER WORKING GROUP BY SEPTEMBER 1, 2013. THE WORKING GROUP SHALL DEVELOP AND SUBMIT TO THE COMMISSION, BY JANUARY 1, 2014, AN EDUCATION AND OUTREACH PLAN FOR THE COMMISSION TO IMPLEMENT FOR PURPOSES OF EDUCATING EMPLOYERS AND PROVIDING OUTREACH REGARDING PART 4 OF THE ARTICLE.
- (C) IN ADDITION TO THE OUTREACH PLAN REQUIRED BY SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II), THE WORKING GROUP SHALL COMPILE AND PROVIDE TO THE COMMISSION INFORMATION ON EDUCATIONAL RESOURCES AVAILABLE TO EMPLOYERS REGARDING THE REQUIREMENTS OF AND COMPLIANCE WITH PART 4 OF THIS ARTICLE, INCLUDING RESOURCES FOR EMPLOYERS ON PREVENTION OF DISCRIMINATORY EMPLOYMENT PRACTICES. THE COMMISSION SHALL POST THE INFORMATION ON ITS WEB SITE AND SHALL MAKE THE INFORMATION AVAILABLE IN AN ELECTRONIC FORMAT TO ALL STATE DEPARTMENTS AND AGENCIES THAT INTERACT WITH PRIVATE BUSINESSES IN THE STATE, INCLUDING THE DEPARTMENTS OF LABOR AND EMPLOYMENT, REGULATORY

AGENCIES, REVENUE, AND STATE AND THE GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT. THOSE DEPARTMENTS AND AGENCIES, WITHIN EXISTING RESOURCES, SHALL POST THE INFORMATION PROVIDED BY THE COMMISSION, OR LINKS TO THAT INFORMATION, ON THEIR WEB SITES.

SECTION 5. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to causes of action alleging discriminatory of unfair employment practices accruing on or after January 1, 2015.	
Mark Ferrandino SPEAKER OF THE HOUSE OF REPRESENTATIVES	John P. Morse PRESIDENT OF THE SENATE
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APPROVED	
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