



NOTICE OF PUBLIC HEARING CONCERNING PROPOSED RULES

Notice is hereby given of a public hearing to afford all interested persons an opportunity to be heard prior to adoption of the below **four sets of proposed rules**, under authority granted to the Division of Labor Standards and Statistics by the Administrative Procedure Act, C.R.S. § 24-4-103; provisions of C.R.S. Title 24, Article 92, 201, et. seq.; C.R.S. Title 8, Articles 1-6, 12, 13.5, and 17; and § 15 of Art. XVIII of the Colorado Constitution.

For the details of each proposed rule, see the text of the accompanying proposed draft rules (which are published in redlined and non-redlined form to make all amendments clear), as well as the proposed statement of basis and purpose that accompanies each set of rules.

(1) The Equal Pay Transparency Rules (EPT Rules), 7 CCR 1103-13. Conforming the rules to **recent legislation amending the pay, promotion, and job opportunity transparency requirements** of the Equal Pay for Equal Work Act ([SB 23-105](#)), and other possible technical amendments. **We strongly encourage [reading the new first page of INFO #9](#)** (our published guidance on the Act), which explains the recent legislation as well as the scope of this rulemaking.

(2) The Colorado Overtime and Minimum Pay Standards Order (COMPS Order), 7 CCR 1103-1. Amending wage and hour rules: (A) to add specificity to the scope of the one-minute minimum for certain time worked to qualify as compensable time; (B) to update tips rules by clarifying that tips are not a part of regular pay rates and thus do not increase overtime rates, and by adding specificity to who qualifies as tipped employees for whom tip credits and tip pools can apply; (C) to create a new, narrow overtime exemption for employees of interstate air carriers when overtime hours derive from voluntary shift-trading among employees; and (D) to implement other non-substantive, technical amendments.

(3) The Publication And Yearly Calculation of Adjusted Labor Compensation (PAY CALC) Order, 7 CCR 1103-14. Implementing the **annual adjustment of the minimum wage**, as mandated by the Colorado Constitution, and other related minimum wage and salary figures adjusted annually, and other non-substantive, technical amendments.

(4) The Prevailing Wage and Residency Rules (PWR), 7 CCR 1103-6. Conforming the rules to **recent legislation applying prevailing wage standards to additional types of energy projects** (energy sector construction and thermal energy projects under [SB 23-292](#) and [HB 23-1252](#)), and other non-substantive, technical amendments.

Public Hearing Information:

Date and Time of Hearing: **Monday, October 30, 2023, starting at 3:00 pm.** Division will stay until everyone has an opportunity to speak. You need not arrive by a particular time or stay the entire meeting.

Written Comment Deadline for the above rules: **Thursday, November 2, 2023, at 5:00 pm**

The Division is administering this public hearing, and all interested persons are free to offer oral testimony and to listen to part or all of the hearing. **Participation will be by remote means only.** A recording of the public hearing will be publicly posted afterwards on our [rulemaking page](#).

Written comments may be submitted by: 1) our online [rulemaking comment form](#); 2) mail to the below address; 3) fax to 303-318-8400; or 4) email to michael.primo@state.co.us. Because **written comments become part of the same record as oral testimony**, and are reviewed by the same officials, **you may submit written comments in lieu of oral testimony**, but are free to participate by both means.

Instructions for Hearing Participation: Either of the below options will work to participate, but for orderly administration of participation, and to avoid possible audio feedback, please do not use both simultaneously.

(You do not need to have a Google account to access any of the below means.)

- (A) **To Participate by Internet, Including Testifying:**
visit this “Meet” webpage: meet.google.com/vmz-edgt-qvu
- (B) **To Participate by Phone, Whether to Listen or to Testify:**
call (US) +1 252-424-0155, and then enter this pin: 144 439 123#

Please contact michael.primo@state.co.us with any questions about how to access either the public hearing or its recording, or **if you need accommodations or translation services** to attend or participate. This public hearing is held in accordance with the Colorado Administrative Procedure Act, C.R.S. § 24-4-101 et seq., and Colorado Open Meetings Law, C.R.S. § 24-6-401 (2023), to receive any testimony, written, views, or arguments that interested parties wish to submit regarding the proposed rules.

Copies of proposed rules, including redlined copies showing changes from prior versions, and statements of basis and purpose further detailing the proposed rules, are available at www.ColoradoLaborLaw.gov or by request to: **Division of Labor Standards and Statistics, 633 17th Street, Denver, Colorado 80202.**

STATEMENT OF BASIS, PURPOSE, SPECIFIC STATUTORY AUTHORITY, AND FINDINGS

**2024 Publication And Yearly Calculation of Adjusted Labor Compensation (“2024 PAY CALC”) Order,
7 CCR 1103-14 (2024), as proposed September 29, 2023; to be followed and replaced
by a final Statement at the conclusion of the rulemaking process.**

I. BASIS: The Director (“Director”) of the Division of Labor Standards and Statistics (“Division”) has authority to adopt rules and regulations on wage-and-hour and workplace conditions, under the authority listed in Part II, which is incorporated into Part I as well.

II. SPECIFIC STATUTORY AUTHORITY: These Rules are issued under the authority, and as enforcement, of Section 15 of Article XVIII of the Colorado Constitution and Articles 1, 2, 4, 6, and 12 of C.R.S. Title 8 (2023), and are intended to be consistent with the State Administrative Procedure Act, C.R.S. § 24-4-101, et seq.

III. FINDINGS, JUSTIFICATIONS, AND REASONS FOR ADOPTION. Pursuant to C.R.S. § 24-4-103(4)(b), the Director finds as follows: **(A)** demonstrated need exists for these rules, as detailed in the findings in Part IV, which are incorporated into this finding as well; **(B)** proper statutory authority exists for the rules, as detailed in the list of statutory authority in Part II, which is incorporated into this finding as well; **(C)** to the extent practicable, the rules are clearly stated so that their meaning will be understood by any party required to comply; **(D)** the rules do not conflict with other provisions of law; and **(E)** any duplicating or overlapping has been minimized and is explained by the Division.

IV. SPECIFIC FINDINGS FOR ADOPTION. Pursuant to C.R.S. § 24-4-103(6), the Director finds as follows.

The PAY CALC Order publishes the inflation-adjusted and other annually updating values applied in the Colorado Overtime and Minimum Pay Standards (“COMPS”) Order, 7 CCR 1103-1.

Section 15 of Article XVIII of the Colorado Constitution requires that the minimum wage be “adjusted annually for cost of living increases, as measured by the Consumer Price Index [(‘CPI’)] used for Colorado[,]” since the 2020 minimum wage of \$12.00 per hour. CPI values are calculated and published by the federal Bureau of Labor Statistics. Applying the mid-year 2023 to 2024 rise in the Denver-Aurora-Lakewood CPI (with the appropriate rounding of the 5.6% CPI increase and the minimum wage) yields a 2024 Colorado minimum wage of \$14.42. (COMPS Order Rule 8.9, 7 CCR 1103-1).

The PAY CALC Order updates not only minimum wage rates, but other values derived from those rates (Rules 1.2(A)-(C),(H),(I)). All inflation-based rates (Rules 1.2(D),(F)) are also updated based on the above inflation rate. The salary basis for exemption in Rule 1.2(E), applicable to certain COMPS Order exemptions, is updated to the value for 2024 first set forth in COMPS Order #36 (2020), which provided for phased-in exemption salary amounts. The highly compensated employee exemption salary, set at 2.25 times the exemption salary, is updated accordingly (Rule 1.2(G)).

V. EFFECTIVE DATE. If adopted, these rules take effect January 1, 2024, or as soon after as rulemaking completes.



Scott Moss
Director
Division of Labor Standards and Statistics
Colorado Department of Labor and Employment

September 29, 2023

Date