

General Assembly payment card legislation will slam Colorado's tourism industry, cost tens of thousands of jobs

The General Assembly is considering payment card legislation that, if enacted, would damage the state's tourism industry and overall economic growth while hurting tipped workers. **House Bill 25-1282** would create new regulations on electronic transactions and prohibit businesses from charging taxes and tips the same as the customer's purchase.



This change jeopardizes credit card rewards programs that fuel travel and tourism dollars spent in Colorado. A recent study found that if credit card rewards programs are eliminated, Aspen, Breckenridge and Vail alone would lose \$226 million from tourism over four years. Lawmakers should not gamble with the state's tourism economy, which **generated more than \$28 billion** in 2023 and supports more than 187,000 jobs, according to the Colorado Tourism Office.



The legislation would **hurt workers that rely on tips** for their income. Besides piling on compliance costs to businesses, HB25-1282 will effectively reduce pay of all hourly workers – whether they work at restaurants, support the ski industry or provide another kind of service. Tips make up more than **one fourth of the income** for Colorado's restaurant workers.



HB25-1282 would **force Colorado to spend more to wage a legal battle**. A **federal court recently ruled** that a similar bill passed in Illinois was illegal and could only be enforced on businesses based in that state – discriminating against local businesses by forcing burdensome regulations on them while leaving businesses based outside the state exempt.

“After a drop in tourism during the pandemic, our state has come back stronger than ever. Just last year, more than 37 million visitors to Denver generated \$10.3 billion in revenue, a record number. If we expect to land major tourism events like the Sundance Film Festival and continue to draw millions of visitors, we cannot afford legislation that would force many visitors to consider staying home.”

Chris Renner,
CEO, Pinnacle Companies

“The American travel and tourism industry supports more than 16 million domestic jobs and contributes more than \$2 trillion to the U.S. economy each year, including more than \$27 billion in Colorado. We should do everything we can to not only protect this industry but support and expand it.”

Chris Romer,
CEO, Vail Valley Partnership

Electronic Transactions Power the Economy

Electronic transactions power small businesses, protect consumers and support millions of jobs. Whether you tap to pay, shop online or use person-to-person payments to send money to friends and family, electronic transactions are safe, secure and reliable – and help grow our economy.

Electronic transactions help small businesses thrive by giving them the tools they need to make a sale, manage their operations, and compete against larger companies. They also save businesses time and money – at least \$2.35 trillion since 2006 – compared to the equivalent in all-cash transactions.