



**Colorado  
Legislative  
Council  
Staff**

**SB17-041**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0528 **Date:** June 22, 2017  
**Prime Sponsor(s):** Sen. Priola **Bill Status:** Signed into Law  
 Rep. Hooton; Willett **Fiscal Analyst:** Anna Gerstle (303-866-4375)

**BILL TOPIC:** HIGHER EDUCATION EMPLOYMENT CONTRACT TERMS

<b>Fiscal Impact Summary</b>	<b>FY 2017-2018</b>	<b>FY 2018-2019</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	See State Expenditures Section.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> See State Expenditures Section.		

**Summary of Legislation**

Under current law, institutions of higher education must follow certain requirements related to employment contracts, including that:

- each campus of each institution may not have more than six employees with contracts up to five years, if necessary due to market conditions and competitive employment practices in other states, and other conditions; and
- the terms of government-supported employment contracts generally must be available for public inspection.

The bill exempts from these requirements any employee at an institution of higher education whose position is funded by revenue from auxiliary activities. Auxiliary activities are defined as institutional activities that are self-supporting activities, such as an institution's athletic department, bookstore, or other self-supporting entity.

**State Expenditures**

Assuming state-supported institutions of higher education add additional employment contracts as a result of the bill, expenditures will increase for those institutions. Auxiliary activities fund these new positions, not state aide or tuition revenue. State expenditures should not be impacted by the bill.

**Effective Date**

The bill was signed into law by the Governor on March 20, 2017 and takes effect on August 9, 2017, assuming no referendum petition is filed.

**State and Local Government Contacts**

Higher Education      PERA      Personnel