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FISCAL NOTE

Drafting Number: LLS 18-1047 Date: March 26, 2018
Prime Sponsors: Rep. Kraft-Tharp; Becker J. Bill Status: House Business
Sen. Hill; Kagan Fiscal Analyst: Erin Reynolds | 303-866-4146
Erin.Reynolds@state.co.us

Bill Topic: WORKERS' COMP OUT-OF-STATE WORKERS TEMP IN COLORADO

- Summary of Fiscal Impact: State Revenue, State Expenditure (minimal), State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill establishes an exemption from the state's Workers' Compensation Act for out-of-state employers who have employees working in Colorado temporarily. It will create a potential minimal workload impact.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

This bill establishes an exemption from the state's Workers' Compensation Act for out-of-state employers that have employees temporarily working in Colorado and who meet specified criteria. These criteria include: that the employer has workers' compensation insurance in its home state; that this coverage applies to the employee while working temporarily in Colorado; and that the employer's home state is contiguous to Colorado and provides a reciprocal exemption for Colorado employers that have staff working temporarily in the reciprocal state.

The home state's workers' compensation laws are the sole remedy for an out-of-state worker who is injured while working temporarily in Colorado. The Division of Workers' Compensation in the Colorado Department of Labor and Employment (CDLE) is authorized to enter into an agreement with a contiguous state to carry out the extraterritorial application of the workers' compensation or similar law of the other state.

State Expenditures

The Division of Workers' Compensation in CDLE will have a minimal workload increase to perform rulemaking to implement the bill and to enter into agreements with contiguous states, where applicable. The fiscal note assumes that the reciprocal state will provide means of verifying workers' compensation coverage and that the division will not need to take any enforcement action or change any processes. As a result, no change in appropriations is required.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Economic Development  
Law

Information Technology  
Revenue

Labor