



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**SB 20-097**

# FINAL FISCAL NOTE

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<b>Drafting Number:</b>	LLS 20-0855	<b>Date:</b>	July 30, 2020
<b>Prime Sponsors:</b>	Sen. Holbert Rep. Van Winkle	<b>Bill Status:</b>	Postponed Indefinitely
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**Bill Topic:** **UNEMPLOYMENT INSURANCE MARIJUANA-LICENSED BUSINESS**

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**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have created an exception for certain marijuana licensee-owned businesses to be considered an employing unit rather than a common paymaster for the purposes of the Colorado Employment Security Act. It would have potentially increased state revenue and workload on an ongoing basis.

**Appropriation Summary:** No appropriation was required.

**Fiscal Note Status:** This fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

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## Summary of Legislation

The bill creates an exception for an employee leasing company, or other employing entity, to be considered an employing unit rather than a common paymaster for purposes of the Colorado Employment Security Act, if they meet certain criteria. The employee leasing company must be owned by one or more persons who have a medical or retail marijuana license and who own 50 percent of an entity that shares the employee leasing company's services.

## State Revenue

The bill may increase revenue to the Unemployment Insurance Trust Fund for certification fees for firms that choose to restructure as employee leasing companies. Because the Unemployment Insurance Fund is an enterprise, any increase in revenue is not subject to TABOR.

## State Expenditures

This bill may increase workload for the Unemployment Insurance Division in the Department of Labor and Employment to respond to inquiries about the law change and to process new employee leasing company certifications. This workload increase can be accomplished within existing appropriations.

**Effective Date**

The bill was postponed indefinitely by the House Business Affairs and Labor Committee on May 27, 2020.

**State and Local Government Contacts**

Information Technology  
Personnel

Labor  
Revenue