CHAPTER 138

GOVERNMENT - STATE

SENATE BILL 23-180

BY SENATOR(S) Cutter and Baisley, Priola; also REPRESENTATIVE(S) Titone and Weinberg, Parenti, Bacon, Bird, Bockenfeld, English, Jodeh, Lindsay, Snyder, Valdez, Young, McCluskie.

AN ACT

CONCERNING CHANGES TO THE STATE'S PAYROLL SYSTEM TO CODIFY CURRENT PAY PERIODS FOR STATE EMPLOYEES.

Be it enacted by the General Assembly of the State of Colorado:

- **SECTION 1.** In Colorado Revised Statutes, 24-50-104, **amend** (8)(a) introductory portion, (8)(a.5), (8)(a.6) introductory portion, and (8)(a.6)(III); and **repeal** (8)(b), (8)(c), and (8)(g) as follows:
- **24-50-104.** Job evaluation and compensation state employee reserve fund created study report definitions repeal. (8) Payroll. (a) For pay periods beginning before July 1, 2017, Salaries for positions in the state personnel system paid on a monthly basis shall be paid as of the last working day of the month; except that:
- (a.5) For pay periods beginning before July 1, 2017, for state employment positions that are not in the state personnel system and that are not otherwise covered by paragraph (a) of this subsection (8), Salaries paid on a monthly basis for the month of June shall be paid on the first working day of July. This subsection (8)(a.5) DOES NOT APPLY TO INSTITUTIONS OF HIGHER EDUCATION.
- (a.6) For pay periods beginning before July 1, 2017, For state employment positions that are not otherwise covered by paragraph (a) or (a.5) of this subsection (8) SUBSECTION (8)(a) OF THIS SECTION, whether or not the positions are in the state personnel system:
 - (III) Effective July 1, 2012, and for pay periods beginning before July 1, 2017,

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

Salaries paid on a biweekly basis shall be paid fourteen days after the last day of the fourteen-day pay period.

- (b) For pay periods beginning on or after July 1, 2017, salaries for employees paid through the state's payroll system shall be paid twice a month as follows:
- (I) For work performed from July 1, 2017, to July 15, 2017, employees shall be paid on July 31, 2017. For work performed from July 16, 2017, to July 31, 2017, employees shall be paid on August 15, 2017.
- (II) Except as otherwise specified in subparagraph (III) of this paragraph (b), for all pay periods after the pay periods specified in subparagraph (l) of this paragraph (b), for work performed from the first day of the month to the fifteenth day of the same month, employees shall be paid on the last day of that month. For work performed from the sixteenth day of the month to the end of the same month, employees shall be paid on the fifteenth day of the following month.
- (III) For work performed from June 1, 2018, to June 15, 2018, employees shall be paid on July 1, 2018, and for work performed from June 1 to June 15 each year thereafter, employees shall be paid on July 1 of the applicable year.
- (c) (I) Any state employee may apply to the department of personnel for a one-time loan to assist the employee in covering expenses in July 2017. The amount of the loan shall not be more than an amount equal to the employee's net pay for a one-half month pay period.
- (II) An employee who receives a loan from the state pursuant to this paragraph (e) shall repay the loan as specified in this subparagraph (II). An employee may repay the loan early with no prepayment penalty. If an employee separates from state employment prior to the full loan repayment, the balance of the loan shall be deducted from the employee's last paycheck. An employee shall repay the loan over a three-year period with an after-tax deduction in each paycheck equal to one seventy-second of the loan amount plus simple interest at the state treasury's incremental borrowing rate.
- (g) Notwithstanding the provisions of this subsection (8), if the state personnel director determines that, due to circumstances in connection with the implementation of the human resources information system, it will not be possible on July 1, 2017, to begin paying salaries twice monthly for employees paid through the state's payroll system as otherwise required in this subsection (8), the director shall, on or before June 1, 2017, notify employers that pay employees through the state's payroll system, employees who are paid through the state's payroll system, and the general assembly that the department will not meet the July 1, 2017, deadline and include in the notice the new date on which the implementation of the twice monthly payroll system will begin. In addition, if the implementation of the twice monthly payroll system is delayed, the director shall allow any state employee to apply to the department of personnel for a one-time loan to assist the employee in covering expenses in the first month in which employees will be paid twice monthly, rather than for the month of July 2017, as provided in paragraph (c) of this subsection (8).

SECTION 2. In Colorado Revised Statutes, 24-75-201, **amend** (2)(a)(III)(A); and **repeal** (2)(a)(III)(B) as follows:

- **24-75-201.** General fund general fund surplus custodial money. (2) (a) The general fund surplus shall be determined based upon the accrual system of accounting, as enunciated by the governmental accounting standards board; except that:
- (III) (A) General fund revenues shall be restricted only upon actual payment on the first and fifteenth working day of July of MONTHLY salaries of state employees for the month of June from general fund revenues.
- (B) General fund revenues shall be restricted only upon actual payment in July of any bimonthly salaries of state employees for which all or a portion thereof is for work performed during the month of June from general fund revenues.
- **SECTION 3.** Act subject to petition effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 1, 2023