



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 26-091: EXCLUSION OF NEWSPAPER DELIVERERS AS EMPLOYEES

Prime Sponsors:

Sen. Snyder; Cutter
Rep. Soper

Fiscal Analyst:

Clayton Mayfield, 303-866-5851
clayton.mayfield@coleg.gov

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill excludes newspaper deliverers from the definition of “employee” for certain labor laws when certain conditions are met.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis starting in FY 2026-27:

- Minimal State Revenue
- State Expenditures

Appropriations. For FY 2026-27, the bill requires an appropriation of \$32,536 to the Department of Labor and Employment.

**Table 1
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$39,912	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.3 FTE	0.0 FTE

Fund sources for these impacts are shown in the tables below.

**Table 1A
State Expenditures**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$32,536	\$0
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$7,376	\$0
Total Expenditures	\$39,912	\$0
Total FTE	0.3 FTE	0.0 FTE

Summary of Legislation

The bill excludes newspaper deliverers from the definition of “employee” for the purposes of state law related to wages, the Paid Family and Medical Leave Insurance Act, and the Workers’ Compensation Act of Colorado. The exclusion applies only if a deliverer’s remuneration, whether or not paid in cash, is directly related to sales or other output instead of the number of hours worked, and the deliverer renders services pursuant to a written contract that provides that the deliverer is not an employee for federal tax purposes.

State Revenue

Starting in FY 2026-27, the bill may minimally increase state revenue in the Judicial Department from filing fees if deliverers choose to file a civil case for contract disputes, since other administrative dispute resolution processes available under current law would no longer apply. Given the narrow set of individuals to which the bill applies, and an assumption that most businesses will follow the law, any increase in state revenue is expected to be minimal. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill increases state expenditures in the Department of Labor and Employment (CDLE) by about \$40,000 in FY 2026-27 only. These costs, paid from the General Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Judicial Department.

**Table 2
State Expenditures
Department of Labor and Employment**

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$32,536	\$0
Centrally Appropriated Costs	\$7,376	\$0
Total Costs	\$39,912	\$0
Total FTE	0.3 FTE	0.0 FTE

Department of Labor and Employment

The department requires 0.4 FTE Policy Advisor VI in FY 2026-27 only to implement the bill. The CDLE will need to make one-time updates to two sets of rules to reflect the changes to the definition of employee, namely the [Colorado Overtime and Minimum Pay Standards Order \(COMPS Order\)](#) and the [Wage Protection Rules](#). CDLE will also update various sets of published guidance related to labor laws and regulations, and handle increased inquiries from affected parties. The work is estimated to require 625 hours. Additionally, staff will update training materials for investigative staff, at an estimated 200 staff hours. Personal services costs are prorated for a September 1, 2026 start date.

Judicial Department

Similar to the State Revenue impact, workload in the trial courts of the Judicial Department may minimally increase starting in FY 2026-27 if deliverers choose to pursue a civil case for grievances, since other administrative dispute resolution processes available to them under current law would no longer apply. No change in appropriations is required.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, and applies to services provided on or after this date.

State Appropriations

For FY 2026-27, the bill requires a General Fund appropriation of \$32,536 to the Department of Labor and Employment, and 0.3 FTE.

State and Local Government Contacts

Judicial

Labor

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).