



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 26-121: OVERTIME THRESHOLD FOR AGRICULTURAL EMPLOYEES

Prime Sponsors:

Sen. Rodriguez; Simpson
Rep. Martinez; Winter T.

Fiscal Analyst:

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Fiscal note status: This revised fiscal note reflects the reengrossed bill.

Summary Information

Overview. This bill requires an agricultural employer to pay an agricultural employee an overtime rate for time worked in excess of 56 hours per work week, with certain exceptions.

Types of impacts. The bill is projected to affect the following areas on a one-time basis:

- Minimal State Workload

Appropriations. No appropriation is required.

**Table 1
State Fiscal Impacts**

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

Summary of Legislation

Beginning January 1, 2027, this bill requires an agricultural employer to pay an agricultural employee an overtime rate for time worked in excess of 56 hours per work week, except for an agricultural employee who is:

- principally engaged in the range production of livestock on the open range;
- a decision-making manager employed by an agricultural employer; or
- a family member of a family owner of an agricultural employer.

The bill adds definitions for “decision-making manager” and “family member” to the statute regarding overtime wages for agricultural employees. Finally, the bill repeals obsolete requirements related to previous rulemaking completed by the Director of the Division of Labor Standards and Statistics in the Department of Labor and Employment (CDLE) concerning overtime and maximum hours protections to agricultural employees.

Background

[Senate Bill 21-087](#) established overtime pay for agricultural workers. As of January 1, 2025, overtime for agricultural workers begins after 48 hours per week, or after 56 hours for up to 22 peak weeks for highly seasonal employers.

State Expenditures

The CDLE will have an increase in workload to update the Colorado Overtime and Minimum Pay Standards (COMPS) Order to reflect the changes in the bill, which will require review, consideration, and incorporation of stakeholder feedback, and to amend existing public guidance and outreach materials to reflect the bill changes. CDLE staff will also be required to respond to queries from employers, workers and workers’ advocates. This workload can be accomplished within existing appropriations.

Effective Date

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

State and Local Government Contacts

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.