



**Colorado
Legislative
Council
Staff**

HB16-1114

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0360
Prime Sponsor(s): Rep. DelGrosso
Sen. Ulibarri

Date: July 25, 2016
Bill Status: Signed into Law
Fiscal Analyst: Kerry White (303-866-3469)

BILL TOPIC: REPEAL DUPLICATE REPORTING REQUIREMENTS

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue	(\$32,900)	(\$39,500)
Cash Funds	(32,900)	(39,500)
State Expenditures	Minimal workload reduction.	
TABOR Impact	(32,900)	(39,500)
Appropriation Required: None.		
Future Year Impacts: Ongoing reduction in state revenue and workload.		

Summary of Legislation

This bill eliminates current employment verification standards that:

- require each employer in Colorado to attest within 20 days that it has verified the legal work status of each employee, has not altered or falsified employee identification documents, and has not knowingly hired an unauthorized alien;
- require each employer in Colorado to submit documentation to the director of the Division of Labor in the Colorado Department of Labor and Employment (CDLE) that demonstrates that the employer is in compliance with federal employment verification requirements; and
- fine an employer for failing to provide required documentation or for providing fraudulent documentation.

Assumptions

Most of the requirements repealed under this bill will remain federal requirements under the purview of the Department of Homeland Security, United States Citizenship and Immigration Services. Currently this information is captured on form I-9. As such, workload will not change for employers except with respect to submitting secondary information to the CDLE.

State Revenue

Overall, this bill reduces fines from employers for failing to provide required documentation or for providing fraudulent documentation. Over the past seven fiscal years, a total of \$277,082 was credited to the Employment Verification Cash Fund in the CDLE. This represents an average of \$39,500 per year which will no longer be collected beginning in FY 2016-17. The amount is prorated in the first year to account for the bill's effective date.

TABOR Impact

This bill reduces state cash fund revenue from fines, which will reduce the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund.

State Expenditures

Beginning in FY 2016-17, this bill reduces workload in the CDLE by a minimal amount as a result of no longer assessing fines. No reduction in appropriations is required.

Effective Date

The bill was signed into law by the Governor on June 8, 2016, and takes effect August 10, 2016, assuming no referendum petition is filed.

State and Local Government Contacts

All Departments