



**Colorado
Legislative
Council
Staff**

HB16-1167

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 16-0988	Date: May 31, 2016
Prime Sponsor(s): Rep. Winter; Pettersen Sen. Todd; Donovan	Bill Status: Postponed Indefinitely
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BILL TOPIC: COLORADO FAMILY FIRST EMPLOYER ACT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>at least \$19,628</u>	<u>at least \$13,128</u>
General Fund	15,865	10,577
Centrally Appropriated Costs	3,763	2,551
FTE Position Change	0.3 FTE	0.2 FTE
Appropriation Required: \$15,865 - Department of Labor and Employment (FY 2016-17).		
Future Year Impacts: Ongoing increase in state expenditures.		

NOTE: This bill was not enacted; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill creates the "Colorado Family First Employer Program" in the Colorado Department of Labor and Employment (CDLE), which seeks to recognize and certify employers that meet specific criteria related to full-time employees, including:

- demonstrating that all of its employees have equal opportunities for advancement to leadership positions in the workplace and that the employer provides access to or leave to participate in mentorship training or other leadership opportunities;
- demonstrating that it does not pay some of its employees less for the same work performed by its other employees, except when the wage difference is based on certain factors such as seniority, merit, production quotas, or other legitimate reasons;
- providing child care stipends, or child care facilities or services to employees as demonstrated by the receipt of certain tax incentives;
- providing at least two weeks of paid leave for the birth or adoption of a child, for the medical care of the employee, and, if possible, for medical care of a family member;
- providing health insurance options for or contributing to the health insurance costs of its employees and their dependents;

- contributing to the employee's retirement benefit plan at a level equal to or greater than the minimum contribution required for participation; and
- providing flexible work arrangements to accommodate important family obligations for all employees.

An employer who meets all seven criteria is to be awarded a platinum award. If an employer meets four criteria, it is to be awarded a gold award. CDLE is required to establish procedures for applications and issuing awards. Awards are valid for three years. The Office of the Governor is required to create a program logo to deliver, along with the award, to each employer that is certified by the CDLE, which the employer may use for promotional purposes. CDLE is also directed to publish and update, at least three times per year, a list of award recipients on its website.

State Expenditures

This bill increases state General Fund expenditures by at least \$19,628 and 0.3 FTE in FY 2016-17 and by at least \$13,128 and 0.2 FTE in FY 2017-18 and future fiscal years within the CDLE. Table 1 and the discussion that follows describe the costs of the bill.

Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$15,865	\$10,577
FTE	0.3 FTE	0.2 FTE
Centrally Appropriated Costs*	3,763	2,551
TOTAL	\$19,628	\$13,128

* Centrally appropriated costs are not included in the bill's appropriation.

CDLE. For purposes of assessing costs, the fiscal note assumes workload will begin after July 1, 2016. The CDLE requires staff to develop the program rules and an application, as well as to review applications each year. The fiscal note assumes that at least 100 applications will be submitted each year and that the CDLE may restrict application review and awards to specific periods of time over the calendar year. These increases in workload require 0.3 FTE in the first year and 0.2 FTE in future years. If the volume of applications exceeds this estimate, particularly in out years as awareness of the program grows, this analysis assumes that the CDLE may request additional appropriations through the annual budget process.

Office of the Governor. The Office of the Governor is required to develop a program logo and to deliver awards. The Governor may also revoke an award if an employer provides false information on his or her application. These increases in workload can be accomplished within existing appropriations.

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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB16-1167		
Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,405	\$1,603
Supplemental Employee Retirement Payments	1,358	948
TOTAL	\$3,763	\$2,551

Effective Date

The bill was postponed indefinitely by the Senate State, Veterans, and Military Affairs Committee on May 2, 2016.

State Appropriations

For FY 2016-17, the bill requires and includes an appropriation of \$15,865 General Fund and an allocation of 0.3 FTE to the Department of Labor and Employment.

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