



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1018: VOCATIONAL REHABILITATION SERVICES

Prime Sponsors:

Rep. Rydin; Gilchrist
Sen. Danielson

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Published for: Senate Business, Labor & Tech.**Drafting number:** LLS 25-0651**Version:** First Revised Note**Date:** February 24, 2025**Fiscal note status:** The fiscal note reflects the reengrossed bill.

Summary Information

Overview. The bill modifies the eligibility requirements for receipt of vocational rehabilitation services from the Colorado Department of Labor and Employment.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

The Division of Vocational Rehabilitation (DVR) in the Colorado Department of Labor and Employment (CDLE) provides vocational rehabilitation services to eligible individuals, including those with a disability. This bill removes the requirement that an applicant for services:

- be present in the state at the time of the application;
- can satisfactorily achieve rehabilitation based on an investigation and determination by the department; and,
- can contribute to the cost of the services based on an assessment of financial ability conducted by the department.

The bill allows CDLE to provide services to a person with a disability without consideration of the applicant's financial need. The department may consider financial need during periods of cost containment in order to manage a waitlist for services due to insufficient financial resources; however, the department must engage persons with disabilities, community partners, and members of the public prior to implementing any financial need assessment.

Beginning in 2026, CDLE must submit available data on the number of individuals served and their state of residence; the number of state employees providing services; and the actual expenditures of the DVR from all revenue sources. The department must present the report during its annual SMART Act hearing to the Business Committees of the General Assembly.

Background

Under current law, the DVR completes a financial need assessment on all applicants that are eligible to receive services prior to approving their individualized plan. However, certain individuals who are eligible for services due to their disability, such as individuals who are eligible for Supplemental Security Income or Social Security Disability Insurance, are exempted from financial contribution by federal law. Additionally, individuals seeking services must use their medical insurance, available need-based financial aid, employer benefits, and other public programs before receiving vocational services from the division. In practice, only a small percentage of financial need assessments identify an available monthly contribution from the applicant.

State Expenditures

By removing the requirement that the DVR assess applicants' financial need, workload and costs are decreased. Any caseload growth based on the bill's modified requirements is expected to be minimal. The bill also minimally increases workload for DVR to submit the required data to the General Assembly. No change in appropriations is required.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

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](#).