



Fiscal Summary

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Measure: Initiative 39 – LABOR ORGANIZATION AFFILIATION AND DUES

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Fiscal Summary of Initiative 39

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State Expenditures

The measure impacts costs in the Department of Labor and Employment regarding enforcement of labor laws and in state agencies with labor agreements, as outlined below.

Department of Labor and Employment

The Department of Labor and Employment will have an increase in workload and costs to inform unions and employers of the measure's changes, update rules and procedures, and to ensure that unions comply with the prohibitions for all agreements entered into or amended after the effective date. These costs will be offset by fewer union elections overseen by the department and by less work regarding other union functions and bargaining from reduced union activity overall.

State Agency Labor Agreements

Some state employees are members of Colorado WINS, a labor organization that collectively bargains on behalf of covered employees. The Department of Personnel and Administration will have an increase in workload to make payroll deduction changes for employees paying dues on an individual employee basis, rather than uniformly for all covered employees. Assuming fewer employees participate in Colorado WINS and pay dues, state agencies may have decreased negotiation and legal services costs. To the extent reduced dues and membership affects collective bargaining for state employees, state expenditures for salary increases may decrease relative to current law.

Initiative 39

Local Government and School Districts

Similar to the state, local governments and school districts that have entered into union agreements will have shifting workloads to process payroll deductions and reduced costs if union negotiations result in lower employee salaries or benefits relative to current law.

Economic Impacts

To the extent the initiative results in a reduction in wages and benefits, it may reduce consumer spending in some areas of the economy. Conversely, to the extent the initiative reduces labor costs for businesses and government, it may increase business investment and spending elsewhere in the economy and may reduce or redirect public sector spending.