

JBC Staff Fiscal Analysis

House Appropriations Committee

Concerning the enforcement of wage and hour laws.

Prime Sponsors:

Representatives Duran; Froelich
Senators Danielson; Kolker

Date Prepared:

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JBC Analyst:

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Fiscal Impacts

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Significant Appropriation Increase in Second and Third Year

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/03/2025.

Non-Concurrence: JBC staff disagrees with the fiscal impact as listed in the Revised Fiscal Note, which represents the Department's requested funding for this bill. JBC staff conducted an independent analysis of the fiscal impact of this bill. The results of that analysis are detailed below, and are reflected in amendment **J.001** of this package; centrally appropriated costs are excluded in accordance with Joint Budget Committee policy.

Cost Component	Budget Year FY 2025-26	Out Year 1 FY 2026-27	Out Year 2 FY 2027-28
Personal Services	\$158,734	\$534,377	\$534,377
Operating Expenses	\$2,304	\$8,320	\$8,320
Capital Outlay Costs	\$20,010	\$26,680	\$0
Non-Standard Costs	\$27,931	\$71,509	\$71,509
Centrally Appropriated Costs	\$37,123	\$130,444	\$130,444
Total Costs	\$246,102	\$771,330	\$744,650
Total FTE	1.8 FTE	6.5 FTE	6.5 FTE

Cost Component	Budget Year FY 2025-26	Out Year 1 FY 2026-27	Out Year 2 FY 2027-28
<i>Additional Costs</i>			
Wage Theft Enforcement Fund Payments*	\$0	\$50,000	\$100,000

*This fund is continuously appropriated for the purpose of paying workers for unpaid liabilities for wage law violations, and is included for informational purposes only.

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) appropriates a total of \$208,979 General Fund to the Department of Labor and Employment for FY 2025-26. The appropriation reflects 1.8 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) is developing a budget packet for FY 2025-26. This bill requires a General Fund appropriation of \$208,979 for FY 2025-26, reducing the General Fund available for other FY 2025-26 appropriations by this amount.

Future Fiscal Impact

This bill would require a \$208,979 General Fund appropriation for FY 2025-26, and is projected under the JBC staff analysis to require General Fund appropriations of \$771,330 in FY 2026-27 and \$744,650 in FY 2027-28. Under the Revised Fiscal Note, the future fiscal impact is projected to require General Fund appropriations of up to \$1,296,240 in FY 2026-27 and \$1,286,210 in FY 2027-28.