



Fiscal Note
Legislative Council Staff
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SB 25-005: WORKER PROTECTION COLLECTIVE BARGAINING

Prime Sponsors:

Sen. Rodriguez; Danielson
Rep. Mabrey; Bacon

Fiscal Analyst:

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Bill Outcome: Vetoed by Governor
Drafting number: LLS 25-0290

Version: Final Fiscal Note
Date: September 3, 2025

Fiscal note status: The final fiscal note reflects the enrolled bill. This bill was vetoed by the Governor on May 16, 2025; therefore, the impacts identified in this analysis do not take effect.

Summary Information

Overview. The bill would have eliminated the requirement for employees to conduct a second election to negotiate a union security agreement clause in the collective bargaining process.

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

- State Expenditures

Appropriations. For FY 2025-26, the bill would have required and included a reduction in appropriations of \$20,246 from the Colorado Department of Labor and Employment.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	-\$24,614	-\$36,920
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	-0.2 FTE	-0.3 FTE

¹ Fund sources for this impact are shown in Table 1A below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	-\$20,246	-\$30,369
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	-\$4,368	-\$6,551
Total Expenditures	-\$24,614	-\$36,920
Total FTE	-0.2 FTE	-0.3 FTE

Summary of Legislation

Under current law, employees may unionize with a simple majority vote but must conduct a second vote with 75 percent approval to negotiate a union security agreement clause in the collective bargaining process. The bill eliminates the requirement for a second election.

Background

A union security agreement is a contractual provision between an employer and a collective bargaining unit. It allows a labor union to require that union fees be paid by all covered workers, even those that choose not to join the union, and may require the automatic withdrawal of union dues from an employee's wages as a condition of employment.

The Division of Labor Standards and Statistics in the Colorado Department of Labor and Employment (CDLE) currently administers and certifies elections regarding union security agreement clauses at no cost to the collective bargaining unit or the employer.

State Expenditures

The bill reduces General Fund costs in the CDLE by about \$25,000 in FY 2025-26 and \$37,000 in FY 2026-27 and ongoing years. These impacts are summarized in Table 2 and discussed below.

Table 2
State Expenditures
Department of Labor and Employment

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services	-\$20,246	-\$30,359
Centrally Appropriated Costs	-\$4,368	-\$6,551
Total Costs	-\$24,614	-\$36,920
Total FTE	-0.2 FTE	-0.3 FTE

Staff

The bill reduces staff in the CDLE by 0.2 FTE in FY 2025-26 and 0.3 FTE in FY 2026-27 and ongoing years. This reduction is a result of approximately 600 hours less work (0.3 FTE) for policy advisor staff in the Division of Labor Standards and Statistics to administer and certify second union elections. The CDLE also requires an increase of 0.1 FTE in FY 2025-26 only to update existing public guidance and field public inquiries about the new law.

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. These costs, which may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table above.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2025-26, the bill requires a reduction in appropriations of \$20,246 from the Department of Labor and Employment, and 0.2 FTE.

State and Local Government Contacts

Education

Local Affairs

Labor

Personnel

Law

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](#).