



Fiscal Summary

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Measure: Initiative 43 – JUST CAUSE FOR EMPLOYEE DISCHARGE OR SUSPENSION

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Fiscal Summary of Initiative 43

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 Revenue and Expenditures

The measure will increase state revenue and expenditures in the Judicial Department if additional civil cases are filed regarding discharges or suspensions by employees. It is assumed that most employers will follow the law to avoid potential litigation and the initiative will result in a minimal number of new civil cases. If 100 additional civil cases were filed, it would increase state expenditures by about \$170,000, and state revenue by about \$80,000.

Additionally, the measure will increase workload and costs in the Department of Labor and Employment (CDLE) to update rules, regulations, and processes to reflect the measure. It may also increase workload and costs to investigate complaints and to respond to inquiries from employees and employers.

Economic Impacts

The measure has an indeterminate impact on the level of employment, labor productivity, and employer costs. The initiative is expected to decrease employment terminations, and may make employment in Colorado more attractive to job seekers. Alternatively, it could deter business investment or raise costs for employers, which would be passed through to consumers. The net impact on the state economy will depend on future decisions by employers and workers if the measure is enacted by voters.