

**FINAL
FISCAL NOTE**

Drafting Number: LLS 13-0049	Date: May 30, 2013
Prime Sponsor(s): Rep. Williams Sen. Ulibarri	Bill Status: Signed into Law
	Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING EMPLOYER ACCESS TO PERSONAL INFORMATION THROUGH ELECTRONIC COMMUNICATION DEVICES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue General Fund	<\$5,000	<\$5,000
State Expenditures Cash Funds Employment Support Fund	\$23,064	\$23,064
FTE Position Change	0.3 FTE	0.3 FTE
Effective Date: The bill was signed into law by the Governor and took effect on May 11, 2013.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

This bill prohibits an employer from requesting or requiring an employee or applicant to disclose any user name, password, or other means for accessing his or her personal account or service through the employee's or applicant's personal electronic communication device. An employer may not discharge, discipline, or fail to hire a person for refusing to provide such information.

The bill also establishes a complaint and review function within the Colorado Department of Labor and Employment (CDLE). CDLE is tasked with investigating complaints and issuing findings within 30 days after a hearing, and is authorized to promulgate rules regarding penalties. Penalties may include a fine of up to \$1,000 for the first violation and up to \$5,000 for each subsequent violation. State and local law enforcement agencies are excluded from the bill.

State Revenue

Beginning in FY 2013-14, state revenue may increase by up to \$5,000 per year as a result of fines levied for violations. The bill authorizes CDLE to promulgate rules and to impose fines of either \$1,000 or \$5,000 per incident. Because the bill is silent on where any fines are to be deposited, this analysis assumes the revenue will be credited to the General Fund.

State Expenditures

Beginning in FY 2013-14, this bill increase states expenditures by \$23,064 and 0.3 FTE per year. Costs, which will be paid with the Employment Support Fund, are described in Table 1 and the discussion that follows.

Table 1. Expenditures Under HB13-1046		
Cost Components	FY 2013-14	FY 2014-15
Personal Services	\$15,648	\$15,648
FTE	0.3	0.3
Legal Services	7,416	7,416
TOTAL	\$23,064	\$23,064

Personal services. Costs for a 0.3 FTE Compliance Officer are required to investigate complaints under the bill. Based on existing workload within the wage and hour section of CDLE, this analysis assumes that, on average, 125 new complaints will be filed each year. Personal services costs are \$15,648 per year. While the bill may also require some hearings, CDLE anticipates having enough resources to address this cost within existing appropriations. However, should the volume of complaints or required hearings exceed available resources, the fiscal note assumes that additional appropriations will be requested through the annual budget process.

Legal services. Costs for initial rule making and ongoing consultation are estimated as requiring eight hours of legal services per month, paid at the blended rate of \$77.25 per hour.

Expenditures Not Included

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. The centrally appropriated costs subject to this policy are summarized in Table 2.

Table 2. Expenditures Not Included Under HB13-1046*		
Cost Components	FY 2013-14	FY 2014-15
Employee Insurance	\$2,014	\$2,014
Supplemental Employee Retirement Payments	961	1,087
TOTAL	\$2,975	\$3,101

*More information is available at: <http://colorado.gov/fiscalnotes>

State Appropriations

For FY 2013-14, the Department of Labor and Employment is appropriated \$23,064 from the Employment Support Fund and 0.3 FTE.

Departments Contacted

All Departments