



**Colorado
Legislative
Council
Staff**

SB16-077

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 15, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0561

Date: March 30, 2016

Prime Sponsor(s): Sen. Kefalas
Rep. Ginal; Primavera

Bill Status: Senate Appropriations
Fiscal Analyst: Amanda Hayden (303-866-4918)

BILL TOPIC: EMPLOYMENT FIRST FOR PERSONS WITH DISABILITIES

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures		\$228,838
General Fund		23,298
Federal Funds		205,540
Appropriation Required: None.		
Future Year Impacts: Ongoing increase in workload.		

Summary of Legislation

The bill, *as amended by the Senate Finance committee*, outlines policies designed to increase employment opportunities for persons with intellectual and developmental disabilities (IDD).

Agency partners. The amendment specifies five agency partners—the Colorado Department of Labor and Employment (CDLE), the Department of Health Care Policy and Financing (HCPF), the Department of Education (CDE), the Department of Higher Education (DHE), and the Department of Human Services (DHS)—that must work together to identify employment and educational opportunities for persons with disabilities.

The amendment specifically requires CDLE to:

- develop practices that reflect a presumption that all persons with IDD are capable of working and ensure that options for competitive integrated employment are explored before consideration of segregated activities; and
- promote youth transitions that focus on public-private collaboration and employer engagement that emphasizes free-market solutions.

The amendment specifically requires HCPF to:

- establish annual reporting of the number of individuals employed, number of individuals employed in competitive integrated employment, wages per hour earned, and hours worked per week for individuals served by the Division of Intellectual and Developmental Disabilities; and

- maintain Colorado's membership in the State Employment Leadership Network or a similar organization that facilitates collaboration with other states to share solutions for increasing employment outcomes for persons with IDD.

The amendment requires all agency partners to provide input and assistance to the Employment First Advisory Partnership and present the report and recommendations of the partnership to the General Assembly.

Employment First Advisory Partnership (partnership). The amendment creates the Employment First Advisory Partnership, composed of the following existing entities within CDLE: the State Rehabilitation Council, the Colorado Workforce Development Council, and the Employment First State Leadership Mentoring Program Core State Advisory Group. The State Rehabilitation Council must serve as the lead agency to coordinate collaboration within CDLE and among the agency partners.

The duties of the partnership include:

- developing a strategic plan to expand competitive integrated employment outcomes for persons with IDD through employment first policies and practices;
- making recommendations to ensure that competitive integrated employment is the primary objective and preferred outcome for all working-age persons with disabilities;
- identifying barriers to employment opportunities for persons with IDD, including unnecessary, inefficient, or conflicting agency rules and regulations; and
- identifying training and knowledge gaps among agency staff, vendors, and individuals with disabilities and their families.

On or before August 1, 2016, each agency partner must identify the staff member who will provide agency input and assistance to the partnership. On or before September 1, 2016, the State Rehabilitation Council must convene the first meeting of the partnership and agency partners to develop a memorandum of understanding relating to the partnership's duties, including the responsibilities of each member of the partnership and agency partners and a plan with a time frame for completing the work of the partnership. The agency partners must present the strategic plan to the General Assembly between November 1, 2017, and the start of the 2018 regular legislative session.

The partnership must seek participation from various stakeholder groups involved in employment opportunities for persons with IDD and must meet at least once per quarter. The partnership repeals after a sunset review on September 1, 2026.

Background

In October 2015, Colorado received approval for a partnership with the United States Department of Labor's Employment First State Leadership Mentoring Program. Through this program, the core state advisory group was formed, with nine members from CDLE, the Division of Vocational Rehabilitation, and an external stakeholder group. The advisory group works on improving employment outcomes for persons with disabilities, focusing specifically on employer engagement and the transition of youth from school to the workforce. Through the mentoring program, the group receives technical assistance and subject matter expertise from the United States Department of Labor.

State Expenditures

The bill as amended increases costs in HCPF and workload for CDLE, HCPF, CDE, DHE, and DHS.

Department of Health Care Policy and Financing (HCPF). HCPF requires \$228,838 in FY 2017-18 to make updates to its information technology systems, paid with 90 percent federal funds and 10 percent General Fund. The department requires 1,866 hours of information technology services to ensure HCPF's case management system, claims processing system, and data management system can accommodate the requirements of the bill, including tracking employment data for persons with IDD, transmitting data between systems, and analysis and reporting. The fiscal note assumes the department will apply for and receive the enhanced 90 percent federal matching rate for this project. If the request is denied, the fiscal note assumes that half the costs will be paid with General Fund and that the department will request additional appropriations through the annual budget process. Lastly, the increase in workload resulting from participation in the partnership can be accomplished within existing appropriations.

Other agencies. The amendment increases workload within CDLE, CDE, DHE, and DHS, as the departments must appoint someone to serve in the partnership. The increase is expected to be minimal and can be accomplished within existing appropriations.

Effective Date

The bill takes effect July 1, 2016.

Departmental Difference

According to CDLE, the bill increases state General Fund expenditures by \$156,491 and 2.0 FTE per year. The department estimate assumes that the bill requires additional staff to support the partnership and coordinate its activities. The fiscal note does not include costs for these staff, because the partnership already includes staff from CDLE. The fiscal note assumes that these existing staff will be able to accomplish the duties required under the bill. If workload warrants additional appropriations, the fiscal note assumes this can be adjusted through the annual budget process.

State and Local Government Contacts

Education
Human Services

Health Care Policy and Financing
Labor

Higher Education