


Colorado Legislative Council Staff Fiscal Note
STATE and LOCAL
FISCAL IMPACT

Drafting Number: LLS 08-0516
Prime Sponsor(s): Sen. Harvey
 Rep. Lambert

Date: January 21, 2008
Bill Status: Senate SVMA
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING THE PROHIBITION OF DISCRIMINATION AGAINST EMPLOYEES BASED UPON LABOR UNION PARTICIPATION.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue		
Cash Funds		
Fines Collection Cash Fund	<\$5,000	<\$5,000
State Expenditures	\$0	\$0
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: July 1, 2008		
Appropriation Summary for FY 2008-2009: None required		
Local Government Impact: See Local Government Impact section of the fiscal note.		

Summary of Legislation

This bill eliminates closed-shop and fair-share agreements between bargaining units and employers including state and local governments. The bill makes it a misdemeanor for any person, employer, labor organization, or agent thereof, to participate in requiring a person to be a union member or contribute any funds to a labor organization as a condition of employment. Any person injured as a result of a violation or threat of a violation may bring suit in court for damages and/or injunctive relief.

State Revenue

Per SB08-056, the penalty for a misdemeanor violation is up to 9 months imprisonment in a county jail, a fine of up to \$1,000, or both. Fine revenue not otherwise appropriated is deposited into the Fines Collection Cash Fund. Because the courts have the discretion of incarceration or imposing a fine, the impact to state revenue cannot be determined. However, a minimal amount of fine revenue (< \$5,000 per year) is assumed under the bill.

State Expenditures

This bill is assessed at having no state expenditure impact. As an employer, the state personnel policy is consistent with the provisions of the bill. The Governor's Executive Order authorizing partnership agreements with state employees (D02807), issued November 2, 2007, is also consistent with the bill. As an arbiter, the state may be required to prosecute violators. Violations are expected to be minimal and can be absorbed using existing judicial resources.

Local Government Impact

The penalty for a misdemeanor under this bill is up to 9 months imprisonment in a county jail, a fine of up to \$1,000, or both. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails. For the current fiscal year, the state reimburses county jails a daily rate of \$49.69 to house state inmates. It is assumed that the impact of this new misdemeanor will be minimal and will not create the need for additional county jail space.

Departments Contacted

Judicial
Personnel and Administration
Colorado Municipal League

Labor and Employment
Colorado Counties