Colorado Legislative Council Staff Fiscal Note

STATE FISCAL IMPACT

Drafting Number:LLS 15-0653Date:February 3, 2015Prime Sponsor(s):Rep. DelGrossoBill Status:House Judiciary

Fiscal Analyst: Alex Schatz (303-866-4375)

BILL TOPIC: REPEAL PUNITIVE DAMAGES EMPLOYMENT DISCRIMINATION

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Minimal workload reduction.	
FTE Position Change		
Appropriation Required: None.		

^{*} This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

Under current law, an employee may file an employment discrimination claim and seek compensatory and punitive damages in state court after pursuing administrative relief through the Colorado Civil Rights Division (CCRD). This bill eliminates punitive damages as a remedy for these state law employment discrimination cases.

Background

In 2013, preexisting state employment law covered employers of all sizes, and prohibited employment discrimination on the basis of sexual orientation. House Bill 13-1136 amended Colorado employment discrimination law to provide the same forms of relief available under federal law, specifically compensatory and punitive damages. However, employees of small organizations (under 15 employees), as well as employees aggrieved on the basis of sexual orientation, are not covered by federal employment law. Under HB 13-1136, these employees may pursue employment discrimination claims under state law that are unrecognized by federal law, though employees of state and local government in Colorado are precluded from seeking punitive damages.

State Expenditures

The bill reduces the workload of the CCRD in the Department of Regulatory Agencies (DORA) and state courts by a minimal amount. Cases originating in the CCRD will be reduced to the extent that there are aggrieved employees of private organizations whose choice to pursue a state law employment discrimination claim depends on the availability of punitive damages. The number of such cases is expected to be very small, and no change in appropriations to DORA or the Judicial Department is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to employer-employee relationships on or after this effective date.

State and Local Government Contacts

Regulatory Agencies Judicial Department Counties Personnel and Administration Labor and Employment Municipalities Local Affairs Law