



**Colorado  
Legislative  
Council  
Staff**

**SB16-096**

**FISCAL NOTE**

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

**Drafting Number:** LLS 16-0878

**Date:** February 9, 2016

**Prime Sponsor(s):** Sen. Heath

**Bill Status:** Senate Business, Labor, and Technology

**Fiscal Analyst:** Kerry White (303-866-3469)

**BILL TOPIC:** CREATION OF THE PAY EQUITY COMMISSION

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>		
Cash Funds	Potential increase.	
<b>State Expenditures</b>	Workload increase.	
<b>TABOR Impact</b>	Potential increase.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing increase in workload; potential increase in state revenue.		

**Summary of Legislation**

This bill reestablishes the Pay Equity Commission within the Colorado Department of Labor and Employment (CDLE).

**Membership.** The commission consists of 11 members, including representatives from CDLE, the Civil Rights Division in the Department of Regulatory Agencies (DORA), higher education, various business and labor groups, a statewide association of attorneys, and a national association that serves minority communities. Appointments to the commission are required to be in place on or before September 1, 2016. Members of the commission serve up to two consecutive, two-year terms and without compensation or reimbursement.

**Duties.** The commission is to hold its first meeting on or before November 1, 2016, and at least quarterly thereafter. The commission is charged with the following duties:

- educating employers about issues or practices that contribute to pay inequities;
- working with business groups and educational institutions to develop and maintain an inventory of best practices for encouraging equal pay;
- encouraging employers to implement these best practices and developing a program to recognize employers that pursue pay equity practices;
- conducting outreach and education to employees and employers regarding pay equity; and
- studying other state models of pay equity and working to establish Colorado as a model employer with regards to pay equity.

**Funding and operations.** The commission and the CDLE are authorized to solicit and accept gifts, grants, or donations to fund commission costs. Moneys received are deposited into the continuously appropriated Pay Equity Commission Cash Fund. If sufficient gifts, grants, and donations are received, the commission may employ or contract with up to one full-time employee or contractor to support its work.

**Reporting.** Beginning June 30, 2018, the commission is required by law to submit an annual report to the executive director of the CDLE and the business committees of the General Assembly, and to post the report on the commission's website by June 30 of each year. Upon at least a two-thirds vote, the commission may submit policy or administrative recommendations to the executive director of the CDLE at any time.

## **Background**

House Bill 10-1417 created the Pay Equity Commission, which repealed on July 1, 2015, following a sunset review.

## **State Revenue**

The bill authorizes the commission and CDLE to accept gifts, grants, or donations for the commission's work. As of this writing, no source of gifts, grants, or donations has been identified.

## **TABOR Impact**

To the extent that grants are received, this will increase the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund. Gifts and donations are exempt from TABOR.

## **State Expenditures**

Beginning in FY 2016-17, this bill increases workload for staff representatives of the CDLE, DORA, and, if selected, a state institution of higher education to participate in the commission. CDLE staff also have a role in helping to receive any gifts, grants, or donations and may perform a minimal amount of staff support. As of this writing, this workload is not anticipated to require an increase in appropriations for any state agency. To the extent that no funding is received and the commission requires more staff support in the future, the fiscal note assumes the CDLE will request an increase in appropriations through the annual budget process.

## **Effective Date**

The bill takes effect July 1, 2016.

**State and Local Government Contacts**

Higher Education  
Regulatory Agencies

Information Technology

Labor