

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO ENSURE THAT AN ILLEGAL ALIEN DOES NOT PERFORM WORK ON A PUBLIC CONTRACT FOR SERVICES, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Prime Sponsors: Representative Crane
Senator Keller

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Date Prepared: May 1, 2006

Summary of Amendments Made to the Bill After the 03/10/06 Legislative Council Staff Revised Fiscal Note was Prepared (Amended by the House Appropriations Committee 04/10/06, Amended by the House on 2nd Reading 04/14/06, and Amended by the Senate State, Veterans, and Military Affairs Committee 05/01/06)

1. The House Appropriations Committee amendment inserted an appropriations clause into the bill, and it amended the title of the bill to reflect the appropriations clause.
2. The House Second Reading amendment made the following changes to the bill:

Struck a provision in the bill that authorizes the Department of Labor and Employment to conduct an investigation of a contractor upon the initiative of the Executive Director, and substituted language requiring the Department to receive complaints of suspected violations, with the authority to determine which complaints should be investigated.

Modified a provision in the bill requiring prospective contractors for a public contract to certify that they do not knowingly employ or contract with illegal aliens. The amendment requires contractors to participate in, or attempt to participate in, a federal pilot program administered by the Department of Homeland Security until such time as the pilot program is discontinued. This pilot program was created to verify that illegal aliens are not employed by participating entities.

3. The Senate State, Veterans and Military Affairs Committee amendment made the following changes to the bill:

Specified that subcontractors must certify to contractors that they do not knowingly employ or contract with illegal aliens.

Required contractors to notify the contracting state agency or political subdivision within three days of obtaining knowledge that a subcontractor has knowingly employed or contracted with an illegal alien. The provision further requires such contractors to terminate the contract with the subcontractor within three days if the subcontractor does not stop employing or contracting with the illegal alien.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Reason for the Update

The Legislative Council Staff Revised Fiscal Note dated March 10, 2006, indicates that the appropriation for FY 2006-07 should be made to the Division of Labor in the Colorado Department of Labor and Employment (CDLE). However, the investigations performed by CDLE to implement the bill will be performed by CDLE staff in the Executive Director's Office, not by staff in the Division of Labor. Legislative Council Staff concurs with this update.

Amendments/Appropriation Status

The reengrossed bill contains an appropriations clause. This clause appropriates \$140,166 General Fund and 1.9 FTE to the Department of Labor and Employment to implement the bill. This clause is consistent with the estimated fiscal impact as delineated in the Legislative Council Staff Revised Fiscal Note dated March 10, 2006.

Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

The Joint Budget Committee has introduced a budget package for FY 2006-07 based on the March 2006, Legislative Council Staff revenue forecast. The budget package appropriates the maximum amount of General Fund allowed pursuant to the statutory six percent limit on General Fund appropriations, less \$10,000,000. This bill requires \$140,166 in additional General Fund appropriations for FY 2006-07; this appropriation is subject to the six percent statutory limit on General Fund appropriations. If this bill is enacted in conjunction with other bills that require more than a total of \$10.0 million General Fund for FY 2006-07, the General Assembly will exceed the statutory limit on General Fund appropriations.