

  
*Colorado Legislative Council Staff*  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 06B-2078  
**Prime Sponsor(s):** Rep. Pommer

**Date:** July 5, 2006  
**Bill Status:** House Judiciary  
**Fiscal Analyst:** Gary J. Estenson (303-866-4976)

**TITLE:** CONCERNING DIRECTING THE STATE ATTORNEY GENERAL TO INITIATE A LAWSUIT TO DEMAND THAT IMMIGRATION LAWS BE ENFORCED AT THE FEDERAL LEVEL.

Fiscal Impact Summary	FY 2006/07	FY 2007/08
<b>State Revenues</b>		
Cash Funds - Employment Support Cash Fund	Potential Increase	
<b>State Expenditures</b>		
Cash Funds - Employment Support Cash Fund*	\$31,633	\$31,230
<b>FTE Position Change</b>	0.5 FTE	0.5 FTE
<b>Effective Date:</b> Upon Signature of the Governor.		
<b>Appropriation Summary for FY 2006/07:</b>		
Department of Labor and Employment - Employment Support Cash Fund	\$31,633 CF & 0.5 FTE	
<b>Local Government Impact:</b> None.		

\* *FY 2006-07 costs have been prorated to reflect an estimated effective date of August 1, 2006, effective date. FY 2006-07 costs include one-time purchases.*

This legislation requires an employer to submit documentation to the Department of Labor and Employment, Division of Labor (DOL) that demonstrates an employer is in compliance with federal employment verification requirements. The DOL may conduct random employer audits to obtain this documentation. If the DOL receives a complaint that an employer is not complying with federal employment verification requirements, the DOL shall request these documents. If an employer is found to be noncompliant and has employed an unauthorized alien, the employer shall be assessed a fee of \$1,000 for each unauthorized alien and be required to report these persons to the United States Immigration and Customs Enforcement Office.

On or before September 1, 2006, the DOL shall submit to the General Assembly a report on the Division's efforts to enforce the state's wage and labor laws during the previous two years and include specified information outlined in this legislation.

### **State Revenues**

It is anticipated that most employers currently comply with the requirements of this legislation. However, since the DOL does not collect this data the total fine revenue amount cannot be estimated. Any new fine revenue collected will be deposited in the Employment Support Cash Fund.

### **State Expenditures**

Based upon an estimated effective date of August 1, 2007, the fiscal note indicates a total cost from the Employment Support Cash Fund of \$31,633 and 0.6 FTE in FY 2006-07 and \$31,230 and 0.6 FTE in FY 2007-08.

*All Departments.* The fiscal note assumes that all state departments will comply with the requirements of this legislation. Consequently, no fines are anticipated to be levied against any state department or entity.

*Department of Labor and Employment.* The Department of Labor and Employment, Division of Labor (DOL) will be required to investigate allegations that a person or employer has failed to comply with the requirements of this legislation. The investigation will include the collection and review of documents related employee identification verifications. Once documents are reviewed, an administrative determination will be made to determine compliance. If a person or entity is found in violation, an appropriate fine amount will also need to be determined.

To perform these duties, the DOL will require 0.6 FTE at an annual cost of \$31,230. FY 2006-07 costs are prorated based on the bill's effective date. One-time costs for a computer and office furnishings are estimated at \$3,005 in FY 2006-07.

The DOL will also be required to submit a report to the General Assembly related wage and labor law enforcement efforts. This will require the DOL to collect internal data and statistics and analyze this information in light of current law. These activities will require a moderate amount of DOL staff time that can be absorbed within existing resources.

### **State Appropriations**

The fiscal note indicates the Department of Labor and Employment, DOL will requires a cash funds appropriation \$30,813 and 0.6 FTE from the Employment Support Fund for FY 2006-07.

### **Departments Contacted**

All Departments