



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FISCAL NOTE

<b>Drafting Number:</b>	LLS 18-1108	<b>Date:</b>	March 29, 2018
<b>Prime Sponsors:</b>	Rep. Pabon; Exum Sen. Cooke; Williams A.	<b>Bill Status:</b>	House Finance
		<b>Fiscal Analyst:</b>	Erin Reynolds   303-866-4146 Erin.Reynolds@state.co.us

<b>Bill Topic:</b>	EXTEND DEPARTMENT OF LABOR WORK GRANT PROGRAM
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue <input checked="" type="checkbox"/> State Expenditure <input type="checkbox"/> State Transfer	<input type="checkbox"/> TABOR Refund <input type="checkbox"/> Local Government <input type="checkbox"/> Statutory Public Entity
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This bill extends the Skilled Worker, Outreach, Recruitment, and Key Training (WORK) grant program in the Colorado Department of Labor and Employment through FY 2020-21, and requires appropriations of \$10 million General Fund over those three fiscal years.

<b>Appropriation Summary:</b>	For FY 2018-19, the bill requires an appropriation of up to \$3.4 million to the Colorado Department of Labor and Employment.
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<b>Fiscal Note Status:</b>	The fiscal note reflects the introduced bill.
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**Table 1**  
**State Fiscal Impacts Under HB 18-1316**

		<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund Centrally Appropriated	up to \$3,400,000 \$29,089	up to \$3,400,000 \$29,089	up to \$3,200,000 \$29,089
	<b>Total</b>	<b>up to \$3,429,089</b>	<b>up to \$3,429,089</b>	<b>up to \$3,229,089</b>
	<b>Total FTE</b>	<b>2.0 FTE</b>	<b>2.0 FTE</b>	<b>2.0 FTE</b>
<b>Transfers</b>		-	-	-
<b>TABOR Refund</b>		-	-	-

## **Summary of Legislation**

This bill extends the Skilled Worker Outreach, Recruitment, and Key Training Grant Program (WORK program) in the Colorado Department of Labor and Employment (CDLE) from January 1, 2018, through January 1, 2021. It requires the General Assembly to appropriate a total of \$10 million to the WORK program during that time. The program must not expend more than \$3.4 million in any given fiscal year.

The bill specifies that the WORK program is to accept grant applications by January 1 of each year, award grants by April 1 of each year, and give grant money to recipients within 45 days after they are awarded. Of the available grant money, two-thirds must be granted to eligible applicants that were awarded matching grants in a prior fiscal year, and one-third to eligible applicants that have not previously received a matching grant.

## **Background**

House Bill 15-1276 created the WORK program. The program was appropriated \$10 million over three fiscal years, FY 2015-16 to FY 2017-18, for grants to organizations that offer workplace training skills. House Bill 17-1357 extended the time period that the WORK program could accept grant applications through January 1, 2018, with a requirement that grants be awarded by April 1, 2018. To date, the program has awarded \$9.5 million in grants to 22 grantees.

## **State Expenditures**

The bill will increase state General Fund expenditures in CDLE by up to \$10 million over the next three fiscal years, plus centrally appropriated costs. Expenditures are displayed in Table 2 and discussed below.

**Table 2**  
**Expenditures Under HB 18-1316**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Department of Labor and Employment</b>			
Personal Services	\$154,209	\$154,209	\$154,209
Operating Expenses and Capital Outlay Costs	\$1,900	\$1,900	\$1,900
Grants	\$3,243,891	\$3,243,891	\$3,243,891
Centrally Appropriated Costs*	\$29,089	\$29,089	\$29,089
<b>Total Cost</b>	<b>\$3,429,089</b>	<b>\$3,429,089</b>	<b>\$3,429,089</b>
<b>Total FTE</b>	<b>2.0 FTE</b>	<b>2.0 FTE</b>	<b>2.0 FTE</b>

*\*Centrally appropriated costs are not included in the bill's appropriation.*

**Colorado Department of Labor and Employment.** CDLE will continue awarding WORK grants with 2.0 FTE Grants Specialist staff through FY 2020-21.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$29,089 from FY 2018-19 to FY 2020-21.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State Appropriations**

For FY 2018-19, the bill requires a General Fund appropriation of up to \$3,400,000.

**State and Local Government Contacts**

Information Technology

Labor

Law