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FISCAL NOTE

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Prime Sponsors: Sen. Kefalas Bill Status: Senate Business
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Bill Topic: IMPLEMENT EMPLOYMENT FIRST RECOMMENDATIONS

- Summary of Fiscal Impact:
- State Revenue (potential)
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill requires that providers of supported employment services complete training and allows that Employment First training be offered for people with disabilities, their families, educators, case managers, and employers. It potentially increases revenue from gifts, grants, and donations, and increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2018-19, the bill requires an appropriation of \$2,131 to the Department of Labor and Employment.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 18-145

Table with 4 columns: Category, Sub-category, FY 2018-19, FY 2019-20. Rows include Revenue, Expenditures (General Fund, Cash Funds, Federal Funds), and Transfers.

Summary of Legislation

This bill implements recommendations from the 2017 Employment First Advisory Partnership initial report on its strategic plan. The recommendations in the bill include:

- requiring training or certification of all providers of supported employment services for persons with disabilities;
- establishing a fee for the discovery process alternative assessment tool;
- increasing data collection efforts; and
- contracting for training on best practices in Employment First implementation for persons with disabilities and their families, educators, case managers, and employers.

The Colorado Department of Labor and Employment (CDLE) is required to promulgate rules by December 31, 2018, requiring training or certification for supported employment service providers. The bill requires the CDLE to fund the Employment First training with gifts, grants, and donations, and up to \$10,000 from the General Fund. General Fund cannot be used until the CDLE receives at least 75 percent of the annual vendor contract amount through gifts, grants, or donations. Finally, the bill requires the Department of Regulatory Agencies to conduct a sunset review on the advisory partnership prior to its repeal date of September 1, 2021.

Background

Senate Bill 16-077 created the Employment First Advisory Partnership, composed of the CDLE, the Department of Health Care Policy and Financing (HCPF), the Department of Education, the Department of Higher Education, and the Department of Human Services. The duties of the partnership include:

- developing a strategic plan to expand competitive integrated employment outcomes for persons with intellectual and developmental disabilities through Employment First policies and practices;
- making recommendations to ensure that competitive integrated employment is the primary objective and preferred outcome for all working-age persons with disabilities;
- identifying barriers to employment opportunities for persons with intellectual and developmental disabilities, including unnecessary, inefficient, or conflicting agency rules and regulations; and
- identifying training and knowledge gaps among agency staff, vendors, and individuals with disabilities and their families.

State Revenue

The bill may increase state revenue from gifts, grants, and donations to support the Employment First training vendor contract. For FY 2018-19, the CDLE requires at least \$35,211 in gifts, grants and donations in order to proceed with the vendor contract of \$46,948. At this time, no source of gifts, grants, and donations has been identified.

State Expenditures

This bill increases General Fund expenditures by \$2,131 in FY 2018-19 only. The bill conditionally increases expenditures by \$46,948 in FY 2018-19 and \$45,000 in FY 2019-20 subject to receipt of gifts, grants, and donations. Costs are shown in Table 2 and explained below. The HCPF and the Department of Public Health and Environment (CDPHE) will have increases in workload.

Table 2
Expenditures Under SB 18-145

	FY 2018-19	FY 2019-20
Department of Labor and Employment		
Legal Services	\$2,131	-
Curriculum Development and Implementation	\$46,948	\$45,000
Total Cost	\$49,079	\$45,000

CDLE. The CDLE requires 20 hours of legal services at a rate of \$106.56 per hour to support rulemaking in FY 2018-19 to require providers of supported employment services to be trained or certified. The rulemaking will specify the deadlines for completion of the training or certification. CDLE will have conditional costs for curriculum development of \$26,948 and delivery of \$20,000 in FY 2018-19 and \$40,000 for curriculum delivery and \$5,000 for evaluation in subsequent years. Funding for the curriculum development and delivery will be a combination of gifts, grants, and donations, General Fund, and vocational rehabilitation matching funds available under current law.

HCPF. HCPF will have an increase in workload beginning in FY 2018-19 to make changes to its case management, claims processing, and data management systems to collect additional supported employment data. HCPF was appropriated funds under SB16-077 for this purpose, so it does not require additional appropriations.

CDPHE. The CDPHE will have an increase in workload beginning in FY 2018-19 to verify that providers of supported employment services have completed their required training or certification. This workload increase can be accomplished within existing appropriations.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2018-19, the bill requires a General Fund appropriation of \$2,131 to the Department of Labor and Employment to be fully reappropriated to the Department of Law. If sufficient gifts, grants, or donations are received, the fiscal note assumes the department will seek an additional General Fund appropriation through the budget process.

State and Local Government Contacts

Counties
Information Technology
Law

Health Care Policy and Financing
Labor
Regulatory Agencies