



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number: LLS 19-1021
Prime Sponsors: Rep. Esgar; Galindo

Date: April 15, 2019
Bill Status: House Business
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Bill Topic: MONITORING COLORADO CALL CENTER JOB LOSSES

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

This bill requires call center businesses to notify the Office of Economic Development and International Trade of plans to terminate or relocate jobs. It will increase state workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

This bill requires businesses that operate call centers in Colorado to notify the Office of Economic Development and International Trade (OEDIT) within 120 days before terminating or internationally relocating customer service employee positions.

"Call center" is defined as a business or a division of a business whose primary purpose is initiating or receiving telephone communications on behalf of a person in order to initiate sales or provide or receive information in connection with the provision of services. The call center must have at least 50 customer service employees that work at least 20 hours per week or who, in aggregate, work a total of at least 1,500 hours per week.

OEDIT must maintain a publicly available list of these businesses and distribute the list semiannually to public entities and Better Business Bureaus. Businesses remain on the list for five years unless the business relocates as many customer service employee positions to the state as the business terminated and relocated when the business was added to the list. OEDIT must also report on this list during its annual State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act hearing.

Background

According to the U.S. Bureau of Labor Statistics, there are currently 39 telephone call centers and 1 telephone answering service in the state that meet the bill's criteria.

State Expenditures

Beginning in FY 2019-20, the bill will increase workload for OEDIT to track and report call center job losses. The fiscal note assumes that OEDIT would not be required to conduct outreach to call centers or enforce compliance with the bill. The use of software may be required for tracking continuity, but it is assumed this can be accomplished within existing appropriations.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

Departmental Difference

OEDIT assumes that the bill requires program coordinator staffing costs; tracking and reporting software costs; and overhead costs estimated at \$33,531 and 0.3 FTE in FY 2019-20 and \$14,750 and 0.1 FTE in FY 2020-21. These costs reflect a tracking and reporting requirement that is not within OEDIT's current scope. The fiscal note assumes that the onus is on the limited number of call centers to report to OEDIT, and that OEDIT can track, post, and report these data within existing resources; therefore, no change in appropriations is required.

State and Local Government Contacts

Economic Development