

**First Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 23-0656.01 Nicole Myers x4326

**SENATE BILL 23-180**

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**SENATE SPONSORSHIP**

**Cutter and Baisley**, Priola

**HOUSE SPONSORSHIP**

**Titone and Weinberg**, Parenti

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**Senate Committees**

Business, Labor, & Technology

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING CHANGES TO THE STATE'S PAYROLL SYSTEM TO CODIFY**  
102 **CURRENT PAY PERIODS FOR STATE EMPLOYEES.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Joint Technology Committee.** The majority of state employees who are paid through the state's payroll system (state employees) are paid based on a monthly pay period and some state employees are paid based on a biweekly pay period. In 2015, in anticipation of the implementation of a new payroll system for state employees, the general assembly enacted a bill to require that all state employees be paid twice a month for pay

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

periods that began on or after July 1, 2017. However, the payroll system that would have paid state employees twice a month was not implemented. The bill repeals the requirement that state employees be paid twice a month and restores the monthly and biweekly pay periods.

In 2015, the general assembly also enacted a one-time loan program that allowed any state employee to apply to the department of personnel for a loan to assist the employee in July 2017, when the transition to the twice a month payroll system would have created a 2-week lag in state employees' pay. It was not necessary for any state employee to use the one-time loan program, and the bill repeals the program.

In 2016, the general assembly enacted a bill to allow the state personnel director to delay the date by which state employees would be paid twice a month after providing notice to state employees and the general assembly. The bill repeals such authority, as the state personnel director no longer intends to implement a twice a month payroll system.

The bill also makes necessary conforming amendments to allow the state's payroll system to pay employees on either a monthly or biweekly basis.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** In Colorado Revised Statutes, 24-50-104, **amend**  
3 (8)(a) introductory portion, (8)(a.5), (8)(a.6) introductory portion, and  
4 (8)(a.6)(III); and **repeal** (8)(b), (8)(c), and (8)(g) as follows:

5           **24-50-104. Job evaluation and compensation - state employee**  
6 **reserve fund - created - study - report - definitions - repeal.**

7 (8) **Payroll.** (a) ~~For pay periods beginning before July 1, 2017,~~ Salaries  
8 for positions in the state personnel system paid on a monthly basis shall  
9 be paid as of the last working day of the month; except that:

10           (a.5) ~~For pay periods beginning before July 1, 2017,~~ For state  
11 employment positions that are not in the state personnel system and that  
12 are not otherwise covered by ~~paragraph (a) of this subsection (8)~~  
13 SUBSECTION (8)(a) OF THIS SECTION, salaries paid on a monthly basis for  
14 the month of June shall be paid on the first working day of July.

1           (a.6) ~~For pay periods beginning before July 1, 2017,~~ For state  
2 employment positions that are not otherwise covered by ~~paragraph (a) or~~  
3 ~~(a.5) of this subsection (8)~~ SUBSECTION (8)(a) OF THIS SECTION, whether  
4 or not the positions are in the state personnel system:

5           (III) ~~Effective July 1, 2012,~~ and for pay periods beginning before  
6 ~~July 1, 2017,~~ Salaries paid on a biweekly basis shall be paid fourteen days  
7 after the last day of the fourteen-day pay period.

8           (b) ~~For pay periods beginning on or after July 1, 2017,~~ salaries for  
9 ~~employees paid through the state's payroll system shall be paid twice a~~  
10 ~~month as follows:~~

11           (I) ~~For work performed from July 1, 2017, to July 15, 2017,~~  
12 ~~employees shall be paid on July 31, 2017. For work performed from July~~  
13 ~~16, 2017, to July 31, 2017, employees shall be paid on August 15, 2017.~~

14           (II) ~~Except as otherwise specified in subparagraph (III) of this~~  
15 ~~paragraph (b), for all pay periods after the pay periods specified in~~  
16 ~~subparagraph (I) of this paragraph (b), for work performed from the first~~  
17 ~~day of the month to the fifteenth day of the same month, employees shall~~  
18 ~~be paid on the last day of that month. For work performed from the~~  
19 ~~sixteenth day of the month to the end of the same month, employees shall~~  
20 ~~be paid on the fifteenth day of the following month.~~

21           (III) ~~For work performed from June 1, 2018, to June 15, 2018,~~  
22 ~~employees shall be paid on July 1, 2018, and for work performed from~~  
23 ~~June 1 to June 15 each year thereafter, employees shall be paid on July 1~~  
24 ~~of the applicable year.~~

25           (c) (I) ~~Any state employee may apply to the department of~~  
26 ~~personnel for a one-time loan to assist the employee in covering expenses~~  
27 ~~in July 2017. The amount of the loan shall not be more than an amount~~

1 equal to the employee's net pay for a one-half month pay period.

2 ~~(H) An employee who receives a loan from the state pursuant to~~  
3 ~~this paragraph (c) shall repay the loan as specified in this subparagraph~~  
4 ~~(H). An employee may repay the loan early with no prepayment penalty.~~  
5 ~~If an employee separates from state employment prior to the full loan~~  
6 ~~repayment, the balance of the loan shall be deducted from the employee's~~  
7 ~~last paycheck. An employee shall repay the loan over a three-year period~~  
8 ~~with an after-tax deduction in each paycheck equal to one seventy-second~~  
9 ~~of the loan amount plus simple interest at the state treasury's incremental~~  
10 ~~borrowing rate.~~

11 (g) ~~Notwithstanding the provisions of this subsection (8), if the~~  
12 ~~state personnel director determines that, due to circumstances in~~  
13 ~~connection with the implementation of the human resources information~~  
14 ~~system, it will not be possible on July 1, 2017, to begin paying salaries~~  
15 ~~twice monthly for employees paid through the state's payroll system as~~  
16 ~~otherwise required in this subsection (8), the director shall, on or before~~  
17 ~~June 1, 2017, notify employers that pay employees through the state's~~  
18 ~~payroll system, employees who are paid through the state's payroll~~  
19 ~~system, and the general assembly that the department will not meet the~~  
20 ~~July 1, 2017, deadline and include in the notice the new date on which the~~  
21 ~~implementation of the twice monthly payroll system will begin. In~~  
22 ~~addition, if the implementation of the twice monthly payroll system is~~  
23 ~~delayed, the director shall allow any state employee to apply to the~~  
24 ~~department of personnel for a one-time loan to assist the employee in~~  
25 ~~covering expenses in the first month in which employees will be paid~~  
26 ~~twice monthly, rather than for the month of July 2017, as provided in~~  
27 ~~paragraph (c) of this subsection (8).~~

1           **SECTION 2.** In Colorado Revised Statutes, 24-75-201, **amend**  
2 (2)(a)(III)(A); and **repeal** (2)(a)(III)(B) as follows:

3           **24-75-201. General fund - general fund surplus - custodial**  
4 **money.** (2) (a) The general fund surplus shall be determined based upon  
5 the accrual system of accounting, as enunciated by the governmental  
6 accounting standards board; except that:

7           (III) (A) General fund revenues shall be restricted only upon  
8 actual payment on the first ~~and fifteenth~~ working day of July of MONTHLY  
9 salaries of state employees for the month of June from general fund  
10 revenues.

11           ~~(B) General fund revenues shall be restricted only upon actual~~  
12 ~~payment in July of any bimonthly salaries of state employees for which~~  
13 ~~all or a portion thereof is for work performed during the month of June~~  
14 ~~from general fund revenues.~~

15           **SECTION 3. Act subject to petition - effective date.** This act  
16 takes effect at 12:01 a.m. on the day following the expiration of the  
17 ninety-day period after final adjournment of the general assembly; except  
18 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
19 of the state constitution against this act or an item, section, or part of this  
20 act within such period, then the act, item, section, or part will not take  
21 effect unless approved by the people at the general election to be held in  
22 November 2024 and, in such case, will take effect on the date of the  
23 official declaration of the vote thereon by the governor.