



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# *Fiscal Note Memorandum*

**TO:** House Finance Committee  
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**DATE:** March 14, 2025

## **Fiscal Assessment of L.015 to HB25-1208**

This memorandum is an assessment of the fiscal impact of the attached proposed amendment L.015 to HB25-1208. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

**Due to time constraints, this analysis is preliminary.** This estimate will be updated in a revised fiscal note for a future step in the legislative process and may change following additional modeling and analysis.

### **Summary of Proposed Amendment**

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Amendment L.015 restructures the bill's changes to the tipped wage offset. As amended, the bill sets the tipped wage offset at the current \$3.02 and then grows the offset by inflation.

### **Fiscal Impact of Amendment**

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Relative to current published fiscal note, the bill as amended by Amendment L.015 will lower the estimated reduction in state General Fund revenue from about \$6.8 million per year to approximately \$1.0 million per year, starting in tax year 2025. This reduction will grow over time based on future inflation and employment/wage growth. The estimated staffing required in the Colorado Department of Labor and Employment (CDLE) will be eliminated by Amendment L.015 and additional workload can be accomplished with existing appropriations.



## Bill's Revised Fiscal Impact with Amendment

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Based on the changes described above, the bill as amended by Amendment L.015 will have the following fiscal impacts. These impacts are summarized in Table 1 below.

### State Revenue

As amended, the bill reduces General Fund revenue by approximately \$388,145 in FY 2025-26 (a half-year impact), \$865,840 in FY 2026-27, and approximately \$1 million each year after. This estimate is preliminary and the reduction in revenue may range from about \$0.8 million to \$1.2 million on a tax year basis. This estimate will be updated as needed in a future fiscal note after additional modeling and analysis. The reduction in revenue will grow in future years in line with inflation and employment/wage growth.

### State Expenditures

As amended, the bill increases workload in the CDLE to receive, evaluate, and respond to additional wage complaints. Given the incremental nature of the change to the tipped wage offset, it is assumed that this workload can be managed by CDLE within existing appropriations.

**Table 1**  
**State Fiscal Impacts with Amendment L.015**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue (General Fund)	-\$388,145	-\$865,840
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	-\$388,145	-\$388,145
Change in State FTE	0.0 FTE	0.0 FTE