# HB 26-1207

# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1207: DISCLOSURE OF DEMOGRAPHIC WORKFORCE DATA

**Prime Sponsors:**
Rep. Jackson; Bacon
Sen. Kipp; Danielson

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**Bill Outcome:** Signed into Law
**Drafting Number:** LLS 26-0003

**Version:** Final Fiscal Note
**Date:** July 22, 2026

**Fiscal note status:** The final fiscal note reflects the enacted bill.

### Summary Information

**Overview.** The bill requires business entities to submit certain demographic employment data in periodic reports made to the Department of State.

**Types of impacts.** The bill is projected to affect the following areas beginning in FY 2026-27:

- State Expenditures

**Appropriations.** For FY 2026-27, the bill requires and includes an appropriation of $43,210 to the Department of State.

**Table 1**
**State Fiscal Impacts**

| Type of Impact | Budget Year FY 2026-27 | Out Year FY 2027-28 |
|---|---|---|
| State Revenue | $0 | $0 |
| State Expenditures | $50,643 | $33,754 |
| Transferred Funds | $0 | $0 |
| Change in TABOR Refunds | $0 | $0 |
| Change in State FTE | 0.4 FTE | 0.5 FTE |

Fund sources for these impacts are shown in the table below.

**Table 1A**
**State Expenditures**

| Fund Source | Budget Year FY 2026-27 | Out Year FY 2027-28 |
|---|---|---|
| General Fund | $0 | $0 |
| Cash Funds | $43,210 | $24,303 |
| Federal Funds | $0 | $0 |
| Centrally Appropriated | $7,433 | $9,451 |
| **Total Expenditures** | **$50,643** | **$33,754** |
| **Total FTE** | **0.4 FTE** | **0.5 FTE** |

## Summary of Legislation

Under current law, certain business entities are required to file periodic reports with the Department of State (CDOS). The bill requires these entities, if they are an employer, to file demographic workforce data collected through the federal Equal Employment Opportunity Commission's EEO-1 form with the state beginning July 1, 2027. This requirement continues even if the federal government repeals or discontinues its requirement to submit EEO-1 data, and employers must use data from the EEO-1 form as it existed on March 1, 2026. The definition of employer includes private sector entities that employ 100 or more employees, and does not include the federal government, the state government, units of local government, school districts, state institutions of higher education, or a quasi-governmental entity or other political subdivision of the state.

## State Expenditures

The bill increases state expenditures in the Department of State by about $51,000 in FY 2026-27, and by $34,000 in FY 2027-28 and future years. These costs, paid from the Department of State Cash Fund, are summarized in Table 2 and discussed below.

**Table 2
State Expenditures
Department of State**

| Cost Component | Budget Year FY 2026-27 | Out Year FY 2027-28 |
|---|---|---|
| Personal Services | $18,930 | $23,663 |
| Operating Expenses | $640 | $640 |
| Capital Outlay Costs | $7,000 | $0 |
| Business e-Filing System Update | $16,640 | $0 |
| Centrally Appropriated Costs | $7,433 | $9,451 |
| **Total Costs** | **$50,643** | **$33,754** |
| **Total FTE** | **0.4 FTE** | **0.5 FTE** |

## Department of State

### Staff

Starting in FY 2026-27, the CDOS requires 0.5 FTE Technician I to implement the bill. Staff will update published guidance for business entities regarding the requirement to report EEO-1 data. Additionally, staff will handle an increase in inquiries from business entities and other stakeholders regarding the bill. The amounts above include standard operating and capital outlay costs, and are prorated for a September 1, 2026, start date.

### Business e-Filing System Update

For FY 2026-27 only, $16,640 is required to update the CDOS's business e-filing system. An external vendor will perform these updates, with 128 hours of work required at an estimated cost of $130 per hour.

### 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 may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

## Effective Date

The bill was signed into law by the Governor on June 4, 2026, and takes effect on August 12, 2026, assuming no referendum petition is filed.

## State Appropriations

For FY 2026-27, the bill requires and includes an appropriation of $43,210 from the Department of State Cash Fund to the Department of State.

## State and Local Government Contacts

Law

Secretary of State

Personnel