



Fiscal Note

Legislative Council Staff

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HB 26-1383: REPEAL EMPLOYMENT SUPPORT JOB RETENTION PROGRAM

Prime Sponsors:

Rep. Brown; Sirota
Sen. Amabile; Bridges

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Fiscal note status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2026-27 Long Bill budget package.

Summary Information

Overview. The bill repeals the Employment Support and Job Retention program in the Department of Labor and Employment.

Types of impacts. The bill is projected to affect the following areas through FY 2029-30:

- State Expenditures
- State Transfers

Appropriations. For FY 2026-27, the bill includes a reduction in appropriations of \$250,000 from the General Fund and a corresponding reduction in reappropriated funds to the Department of Labor and Employment.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0	\$0
State Expenditures	\$0	-\$250,000	-\$250,000
Transferred Funds	\$0	\$250,000	\$250,000
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	FTE

Fund sources for these impacts are shown in the tables below. The transferred amount reflects the elimination of an appropriation from the General Fund to the Employment Support and Job Retention Cash Fund.

**Table 1A
 State Expenditures**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$0	\$0
Cash Funds	\$0	-\$250,000	-\$250,000
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0
Total Expenditures	\$0	-\$250,000	-\$250,000
Total FTE	0.0 FTE	0.0 FTE	0.0 FTE

**Table 1B
 State Transfers**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$250,000	\$250,000
Cash Funds	\$0	-\$250,000	-\$250,000
Net Transfer	\$0	\$0	\$0

The eliminated transfer is made via an appropriation from the General Fund.

Summary of Legislation

The bill repeals the Employment Support and Job Retention (ESJR) program in the Colorado Department of Labor and Employment (CDLE) on July 1, 2026, instead of on its currently scheduled repeal date of September 1, 2029. The State Treasurer is required to transfer the unspent balance of the ESJR program cash fund on June 30, 2026. Additionally, the bill includes appropriations adjustments to the CDLE.

State Transfers

Starting in FY 2026-27, the bill eliminates the annual transfer of \$250,000 from the General Fund to the ESJR Cash Fund, which is made via an appropriation from the General Fund. Additionally, no unspent balance is expected to be transferred from the ESJR Cash Fund to the General Fund in the current FY 2025-26.

State Expenditures

Starting in FY 2026-27, the bill decreases state expenditures in the CDLE by \$250,000 by repealing the ESJR program. The program is administered by a nonprofit and currently functions without dedicated CDLE staff; therefore, no FTE reduction is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except for Section 3, which takes effect on the later of the effective date of the bill or the passage of the FY 2026-27 Long Bill.

State Appropriations

For FY 2026-27, the bill includes the following adjustment to appropriations:

- a reduction of \$250,000 from the General Fund to the Employment Support and Job Retention Services Program Cash Fund; and
- a corresponding reduction of \$250,000 in reappropriated funds to the Department of Labor and Employment.

In addition, the bill includes technical language making these adjustments conditional on sufficient appropriations being available in the applicable line item in the FY 2026-27 Long Bill.

State and Local Government Contacts

Joint Budget Committee Staff

Labor