

Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 11-0110
Prime Sponsor(s): Sen. Boyd
 Rep. Summers

Date: February 11, 2011
Bill Status: Senate Health and Human Services
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING THE CONTINUATION OF THE STATE BOARD OF OPTOMETRIC EXAMINERS, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE SUNSET REVIEW RECOMMENDATIONS OF THE DEPARTMENT OF REGULATORY AGENCIES.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
General Fund	< \$5,000	< \$5,000
Cash Funds		
Division of Registrations Cash Fund	\$5,667	\$70,574
State Expenditures		
Cash Funds		
Division of Registrations Cash Fund	\$5,460	\$114,098
FTE Position Change		0.8 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2011-2012: See State Appropriations section.		
Local Government Impact: None		

Summary of Legislation

This bill implements the recommendations of the Department of Regulatory Agencies (DORA) in its sunset review of the Colorado State Board of Optometric Examiners and continues the functions of the board until September 1, 2022. Among its many provisions, the bill:

- ▶ creates a volunteer license at a reduced fee for optometrists who no longer charge for services;
- ▶ modifies the definition of unprofessional conduct for optometrists;
- ▶ authorizes the board to suspend an optometrist's license for failure to comply with a board order;
- ▶ authorizes the board to impose fines up to \$5,000 on a licensee; and
- ▶ increases the minimum required liability insurance for optometrists from \$500,000 to \$1.0 million per incident, and from \$1.5 million to \$3.0 million per year.

Fiscal Impacts of Programs Set to Expire

The bill continues a program in the DORA that is set to repeal, effective July 1, 2011. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2012-13, 1 year after the repeal date. The State Revenue and State Expenditures impact for FY 2012-13 reflect the program's anticipated fee revenue and base budget request beginning that year. The DORA's request for the State Board of Optometric Examiners in FY 2012-13 is \$114,098 and 0.8 FTE. Due to a fund balance in operating revenue, the anticipated fee revenue is \$70,574.

State Revenue

In FY 2011-12, this bill will increase revenue from fees by an estimated \$5,460. Fees are credited to the Division of Registrations Cash Fund at the DORA.

Fee impact on optometrists. Section 2-2-322, C.R.S., requires legislative service agency review of measures that create or increase any fee collected by a state agency. Fee calculations are set administratively by the DORA based on fund balance, the estimated program costs, and the estimated number of licenses. It is anticipated that during FY 2011-12, any change in fees will include the proposed increase as noted in Table 1.

Table 1. Fee Impact on Optometrists				
Type of Fee	Current Fee	Proposed Fee Increase	Number Affected	Total Fee Impact
FY 2011-12 Annual License	\$113	\$4.50	1,237	\$5,567

Fines. The bill may increase revenue from fines; however, any increase is estimated to be less than \$5,000 per year. Fines collected by the division pursuant to the bill are credited to the General Fund.

State revenue of programs set to expire. The bill continues a program in the DORA that is set to repeal, effective July 1, 2011. If the General Assembly chooses to not extend the program, there is no cash fund revenue

State Expenditures

In FY 2011-12, this bill will result in total cash funds expenditures of \$5,460 in the Division of Registrations in the DORA. Cost components for FY 2011-12 are summarized in Table 2 and discussed below.

Table 2. Total Expenditures Under SB 11-094	
Cost Components	FY 2011-12
Board Rule Making-Per Diem and Expenses	\$1,050
Legal Services	\$4,410
TOTAL	\$5,460

Board rule making. There will be expenses for the board to hold 1 additional meeting to adopt rules necessary to implement the bill. Costs include travel and meeting expense reimbursement and *per diem*.

Legal services. The Department of Law will provide 60 hours of legal services in FY 2011-12 for rule making and general counsel to the DORA, at a blended rate of \$73.50 per hour.

State Appropriations

In FY 2011-12, this bill requires an appropriation of \$5,460 from the Division of Registrations Cash Fund to the Department of Regulatory Agencies. Of this amount, the Department of Law requires \$4,410 in reappropriated funds.

Departments Contacted

Law Regulatory Agencies