


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 11-0014
Prime Sponsor(s): Rep. Schafer S.
 Sen. Bacon

Date: January 26, 2011
Bill Status: House SVMA
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING EXEMPTIONS FROM PROFESSIONAL REGULATION FOR ACTIVE DUTY MILITARY PERSONNEL.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue Multiple Cash Funds-DORA	\$80,000	
State Expenditures Cash Funds Division of Real Estate Cash Fund	\$80,000	
FTE Position Change		
Effective Date: August 10, 2011, assuming the General Assembly adjourns May 11, 2011, as scheduled and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill exempts active military personnel from licensing and certification fees, and from continuing education requirements of regulatory programs in the Department of Regulatory Agencies (DORA). Military personnel are exempt during the period of active service, and for 6 months after the date of discharge as long as active service is 120 days or longer.

State Revenue

In FY 2011-12, the bill is anticipated to increase revenue from fees by an estimated \$80,000, in order to pay for one-time program modifications.

Fee Impact on Regulated Professionals. The system changes required by the bill impact multiple license types across multiple professions. In the next 2 fiscal years, an indeterminate number of license, certification, and registration fees could be impacted. Since renewals for each profession occur on different schedules, the fee increase is unknown; however, spread across each type, the likely fee increase is anticipated to be minimal.

Military personnel are exempt from fees during their active service plus 6 months; however, there is no revenue decrease from delaying the collection of fees from these regulated professionals as the revenue will be collected, only at a later date.

State Expenditures

In FY 2011-12, this bill will result in total costs of \$80,000 in the DORA. The bill requires that the DORA make one-time modifications to the licensing and records management systems in the Division of Real Estate and the Division of Registrations. Both divisions currently rely on outside vendors to make these types of changes. Both these vendor contracts are being phased out, and the DORA will soon implement an internal licensing system, which will take place first in the Division of Registrations. Assuming this division will implement the bill to coincide with the new system (January 1, 2012), there is no additional cost. However, the Division of Real Estate will not have access to DORA's internal system for some time following initial implementation and will need an appropriation of \$80,000 in FY 2011-12 in order to pay the contract vendor to make necessary changes.

State Appropriations

This bill requires an appropriation of \$80,000 from the Division of Real Estate Cash Fund to the Department of Regulatory Agencies.

Departments Contacted

Regulatory Agencies