

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0218
Prime Sponsor(s): Sen. Hill
 Rep. Moreno

Date: February 10, 2015
Bill Status: Senate Education
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: SUNSET PRIVATE OCCUPATIONAL EDUCATION ACT

Fiscal Impact Summary*	FY 2015-16	FY 2016-17	
This bill continues a program that would otherwise repeal September 1, 2015; the fiscal note shows the fiscal impact of continuing the program beginning with FY 2016-17.	New	New	Continuation
State Revenue	\$0	\$0	\$676,094
Cash Funds	\$0	\$0	\$676,094
State Expenditures	\$0	\$0	\$666,094
Cash Funds	\$0	\$0	\$676,094
FTE Position Change	0.0 FTE	0.0 FTE	7.8 FTE
TABOR Set-Aside			\$676,094
Appropriation Required: None.			

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill extends the Private Occupational School Board (POSB) and the Division of Private Occupational Schools (DPOS) in the Department of Higher Education (DHE) until September 1, 2024, and implements the recommendations of the Department of Regulatory Agencies (DORA) in its 2014 Sunset Review of the Private Occupational Education Act of 1981.

In addition to extending the board and the division, this bill:

- allows the board to issue cease and desist orders in advance of fines or injunctions;
- repeals the requirement that board-approved fee adjustments be approved by the Colorado Commission on Higher Education (CCHE);
- repeals the requirement that the board issue credentials to barber and cosmetology instructors; and
- moves responsibility for preserving certain financial records related to private occupational schools from the Department of Personnel and Administration (DPA) to the DPOS.

Fiscal Impact of Programs Set to Expire

Implementing the recommendations of the DORA will not change the base revenue or expenditures of the DPOS. This bill continues a program in the DHE that is set to repeal effective September 1, 2015. 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 2016-17, one year after the repeal date. There is no need for an appropriation of the division's base funding in FY 2015-16, since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request for the upcoming fiscal year.

Base revenue and expenditures are expected to be \$676,094 per year; and the program is supported by 7.8 FTE. The DPOS is funded from fees paid by private occupational schools and does not receive General Fund appropriations. Appropriations are from the Private Occupational Schools Fund.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Higher Education

Personnel

Regulatory Agencies