



**Colorado
Legislative
Council
Staff**

HB16-1076

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0658
Prime Sponsor(s): Rep. Hamner
Sen. Tate

Date: January 19, 2016
Bill Status: House Business Affairs and Labor
Fiscal Analyst: Erin Reynolds (303-866-4146)

BILL TOPIC: RETIRED ARCHITECTS

| Fiscal Impact Summary | FY 2016-2017 | FY 2017-2018 |
|--|----------------------------|--------------|
| State Revenue | No net change. | |
| State Expenditures | Minimal workload increase. | |
| FTE Position Change | | |
| Appropriation Required: None. | | |
| Future Year Impacts: Ongoing neutral revenue impact and minimal workload increase. | | |

Summary of Legislation

The bill allows architects over 65 years of age to apply to the state Board of Licensure for Architects, Professional Engineers, and Professional Land Surveyors (board) for classification as a retired architect. The retired classification requires the payment of a fee and cessation of practice. The bill permits reinstatement upon payment of a fee and allows the board to reexamine the applicant to establish competency.

Background

According to a professional association, there are currently about 3,250 licensed architects in Colorado. All architect licenses are two-year and expire on October 31 in odd-numbered years. The application fees are as follows: \$100 for a two-year license; \$66 for license reactivation; and \$0 to register as inactive.

State Revenue

The bill is anticipated to have a neutral revenue impact to the Division of Professions and Occupations (DPO) cash fund in the Department of Regulatory Agencies beginning in FY 2017-18. The fiscal note estimates that the number of architects that will apply for retired classification will be minimal in future years, but will be about 3 percent of the population in FY 2017-18, since October 31, 2017, is the nearest expiration date for all state architects' licenses and provides the first opportunity to apply for retired classification.

Fee impact on retired architects. State law requires legislative service agency review of measures that create or increase any fee collected by a state agency. The fiscal note estimates the fee for registering as a retired architect is \$50. This fee is an estimate only; actual fee calculations are set administratively by DORA based on the cash fund balance, estimated program costs, and the estimated number of licenses.

The fiscal note assumes that 3 percent of the current population of architects (or 97 architects) will opt for a retired architect license in FY 2017-18. By doing so, these individuals will either pay a lesser fee than licensure (\$50 instead of \$100), or a higher fee than registering as inactive (\$50 instead of \$0); therefore the overall impact to the Division of Professions and Occupations cash fund in the Department of Regulatory Agencies is expected to be neutral.

State Expenditures

The bill creates an ongoing minimal workload increase for DORA beginning in FY 2016-17. The board will have required rulemaking in order to establish a fee for the retired architect classification, and updates will be made to forms and the website in FY 2016-17 and FY 2017-18. In future fiscal years, the board will also be required to review reinstatements to determine applicants' competency, but the number of retired architects wanting to reinstate their license is expected to be low. These impacts are expected to be accomplished within existing appropriations.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Law Regulatory Agencies