



Legislative
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HB 18-1294

REVISED FISCAL NOTE

(replaces fiscal note dated April 9, 2018)

Drafting Number: LLS 18-0385
Prime Sponsors: Rep. Lontine; Buckner
 Sen. Crowder
Date: April 30, 2018
Bill Status: Senate Finance
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Bill Topic: SUNSET CONTINUE REGULATION NURSING HOME ADMINISTRATORS

Summary of Fiscal Impact:

- State Revenue *(continuing, new)*
- State Expenditure *(continuing, new)*
- State Transfer
- TABOR Refund *(continuing, new)*
- Local Government
- Statutory Public Entity

Sunset bill. HB 18-1294 continues the regulation of nursing home administrators by the Department of Regulatory Agencies, which is scheduled to repeal on July 1, 2018. State fiscal impacts include a potential increase in state revenue, expenditures, and workload from changes to the program under the bill, as well as the continuation of the program's current revenue and expenditures. The program is continued through September 1, 2023.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under HB 18-1294***

New Impacts*		FY 2018-19	FY 2019-20
<i>Revenue</i>		-	-
<i>Expenditures</i>		-	-
Continuing Program Impacts*		FY 2018-19	FY 2019-20
<i>Revenue</i>	Cash Funds	-	\$150,000
<i>Expenditures</i>	Cash Funds	-	\$150,000
	FTE	-	0.9 FTE
<i>TABOR Refund</i>	General Fund		\$150,000

* Table 1 shows the new impacts resulting from changes to the program under the bill, and the continuing impacts from extending the program beyond its current repeal date. New impacts under the bill are assumed to be minimal. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

This bill continues the regulation of nursing home administrators by the Department of Regulatory Agencies (DORA) through September 1, 2023. The program is currently scheduled to repeal on July 1, 2018. In addition, the bill requires nursing home administrators to report conduct by employees that constitutes a felony to law enforcement and any relevant occupational board that regulates that employee's profession. Failure to report such criminal conduct constitutes grounds for disciplinary action. It also requires that votes on disciplinary matters by the Board of Examiners of Nursing Home Administrators be recorded in the publicly available minutes and indicate how each board member voted.

Continuing Program Impacts

Based on the department's FY 2018-19 budget request, the Department of Regulatory Agencies is expected to have revenue and expenditures of \$150,000 to administer the regulation of nursing home administrators. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2019-20. If this bill is not enacted, the program will end on July 1, 2019, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2019-20 by the amounts shown in Table 1. New impacts under the bill are discussed in subsequent sections of the fiscal note.

State Revenue

By requiring nursing home administrators to report criminal activity by employees, the bill may increase state revenue from criminal fines and court fees to the extent that these cases would not have been reported otherwise and additional convictions occur. These revenue impacts are assumed to be minimal.

TABOR Refund

This bill continues state revenue from fees on nursing home administrators and potentially increases criminal fine and court fee revenue, which will increase the amount of money required to be refunded under TABOR by at least \$150,000 in FY 2019-20. Since the bill increases the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will be decreased by an identical amount.

State Expenditures

To the extent the bill results in additional criminal activity being prosecuted, workload and costs for the trial courts, agencies providing representation to indigent defendants, and the Department of Corrections may increase. DORA may also have increased workload to investigate and take disciplinary action concerning the failure of nursing home administrators to report criminal activity. Other professional boards may receive additional complaints regarding regulated professionals from the new reporting requirement. Overall, these workload impacts are assumed to be minimal and no change to appropriations to any state agency is required.

Local Government

To the extent that the bill increases the reporting of criminal activity, workload may increase for local law enforcement agencies and district attorneys to investigate and prosecute these offenses. In the event that additional convictions occur, costs may increase for county jails. The Denver County Court may also have additional revenue, workload, and costs in the event that additional criminal cases occur in the City and County of Denver. These local impacts are assumed to be minimal.

Effective Date

The bill takes effect July 1, 2018.

State and Local Government Contacts

Counties	District Attorneys	Information Technology
Judicial	Law	Personnel
Regulatory Agencies	Sheriffs	