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REVISED FISCAL NOTE

(replaces fiscal note dated March 4, 2020)

Drafting Number: LLS 20-0492 Date: June 3, 2020
Prime Sponsors: Sen. Danielson, Rep. Sullivan Bill Status: House Second Reading
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Bill Topic: APPRENTICE EXAMINATIONS AND PROFESSIONAL LICENSES

- Summary of Fiscal Impact: State Revenue, State Expenditure (conditional), State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill creates examination and reporting requirements for electrician and plumber apprenticeships. Conditional upon available existing resources or the receipt of sufficient gifts, grants, or donations, the bill may minimally increase state revenue on an ongoing basis and will increase state expenditures in FY 2020-21 only.

Appropriation Summary: No appropriation is required. See State Appropriations Section.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill, as amended by the House Appropriations Committee.

Table 1 State Fiscal Impacts Under SB 20-120

Table with 3 columns: Category, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (Cash Funds), Transfers, and TABOR Refund.

Summary of Legislation

The bill requires that electrician and plumber apprentices take a license examination every three years for electricians and two years for plumbers if they have been registered for at least six years with either the State Electrical Board or the State Plumbing Board. The bill also requires that an employer, an apprenticeship program registered with the U.S. Department of Labor, and a state apprenticeship council recognized by the U.S. Department of Labor which employs an electrician and plumber apprentice to report to either the State Electrical Board or the State Plumbing Board on the number of practical training and classroom hours of each apprentice, as well as the name and contact information of each apprentice in the apprenticeship program. Both boards must provide the information to the Department of Regulatory Agencies' (DORA) online apprenticeship directory. If an apprentice fails to pass the license examination in two consecutive periods, the apprentice may request an exemption.

In addition, DORA and the Department of Labor and Employment, in consultation with either the State Electrical Board or the State Plumbing Board, must conduct research to determine what barriers exist in the preparation and taking of the licensing examinations for apprentices for whom English is a second language. DORA must report any findings to the General Assembly by January 1, 2021.

State Revenue

The bill potentially increases state revenue to the Division of Professions and Occupations Cash Fund from gifts, grants, or donations; however, no sources have been identified at this time. Gifts, grants, and donations are exempt from TABOR revenue limits. The bill may also minimally increase revenue to DORA from disciplinary actions related to apprenticeships; however, this fiscal note assumes that apprentices will comply with the provisions of this bill. Disciplinary fines and fees are subject to TABOR.

State Expenditures

Conditional upon available existing resources or DORA receiving sufficient gifts, grants, or donations to implement the bill, the bill increases state cash fund expenditures in DORA by \$20,000 in FY 2020-21 only. The bill also increases workload for the Department of Labor and Employment. These impacts are discussed below.

Department of Regulatory Agencies. Conditional upon existing resources or DORA receiving sufficient gifts, grants, or donations to implement the bill, in FY 2020-21, one-time computer programming costs of \$20,000 are required to update the licensing systems for electrical and plumbing contractors to manage timelines for renewal and licensure examination. Development costs are calculated at 72 hours at a rate of \$150 per hour. The department also requires deployment-related and project management costs estimated at \$10,000.

In addition, workload will increase for the State Electrical Board or the State Plumbing Board to promulgate rules related to the examination exemptions. Workload will also increase in DORA to conduct research to determine the examination barriers for apprentices for whom English is a second language and report any findings to the General Assembly. This workload can be accomplished within existing appropriations.

Department of Labor and Employment. Workload will increase for the Department of Labor and Employment to work with DORA to conduct research to determine the examination barriers for apprentices for whom English is a second language. This workload increase can be accomplished within existing appropriations.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2020-21, the Department of Regulatory Agencies may use existing resources to implement the bill. In addition, the bill allows the Department of Regulatory Agencies to expend any received gifts, grants, or donations.

State and Local Government Contacts

Higher Education
Labor

Information Technology
Regulatory Agencies