



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

<b>Drafting Number:</b>	LLS 21-0707	<b>Date:</b>	September 20, 2021
<b>Prime Sponsors:</b>	Rep. Van Winkle; Michaelson Jenet Sen. Coram	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** REGULATION OF RADON PROFESSIONALS

<b>Summary of Fiscal Impact:</b>	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill creates a regulatory structure for radon professionals. It increases state revenue and expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2021-22, the bill requires and includes an appropriation of \$63,134 to the Department of Regulatory Agencies.

**Fiscal Note Status:** The fiscal note reflects the enacted bill.

**Table 1**  
**State Fiscal Impacts Under HB 21-1195**

		Budget Year FY 2021-22	Out Year FY 2022-23
<b>Revenue</b>	Cash Funds	\$112,500	\$115,875
	<b>Total Revenue</b>	<b>\$112,500</b>	<b>\$115,875</b>
<b>Expenditures</b>	Cash Funds	\$63,134	\$118,786
	Centrally Appropriated	\$14,645	\$28,598
	<b>Total Expenditures</b>	<b>\$77,779</b>	<b>\$147,384</b>
	<b>Total FTE</b>	<b>0.6 FTE</b>	<b>1.3 FTE</b>
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

This bill requires radon measurement and mitigation professionals to be licensed by the Division of Professions and Occupations (DPO) in the Department of Regulatory Agencies (DORA) by July 1, 2022. Applicants for licensure must meet certain requirements and maintain professional liability insurance.

While the director of the DPO has the authority to take disciplinary action against licensees, a person who conducts radon measurement or mitigation without a license commits a class 2 misdemeanor for a first offense and a class 1 misdemeanor for subsequent offenses.

The licensing program repeals September 1, 2027, following a sunset review.

## Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of an existing crime. This section outlines data on crimes comparable to the offense in this bill and discusses assumptions on future rates of criminal conviction for those offense.

**Prior conviction data and assumptions.** This bill adds the professions of radon measurement or mitigation to the existing offense of unauthorized practice of profession or occupation. From 2018 to 2020, zero offenders have been sentenced and convicted for this offense; therefore, the fiscal note assumes that there will continue to be minimal or no additional criminal case filings or convictions for this offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice-related revenue or expenditures at the state or local levels, these potential impacts are not discussed further in this fiscal note.

Visit [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes) for more information about criminal justice costs in fiscal notes.

## State Revenue

This will increase state revenue by \$112,500 in FY 2021-22 and \$115,875 in FY 2022-23 to the Division of Professions and Occupations Cash Fund. This revenue is subject to TABOR.

**Fee impact on radon professionals.** Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by the DPO based on cash fund balance, estimated program costs, and the estimated number of licensees subject to the fee. The fiscal note assumes 300 radon professionals will apply for licensure in 2021-22 and an additional 9 in FY 2022-23. Table 2 below identifies the fee impact of this bill.

**Table 2  
Fee Impact on Radon Professionals**

<b>Fiscal Year</b>	<b>Type of Fee</b>	<b>Proposed Fee</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
<b>FY 2021-22</b>	Radon Professional License	375	300	\$112,500
	<b>FY 2021-22 Total</b>			<b>\$112,500</b>
<b>FY 2022-23</b>	Radon Professional License	375	309	\$115,875
	<b>FY 2022-23 Total</b>			<b>\$115,875</b>

**State Expenditures**

This bill will increase state expenditures by \$77,779 and 0.6 FTE in FY 2021-22 and \$147,384 and 1.3 FTE in FY 2022-23 to the DPO from the DPO Cash Fund. These costs are shown in Table 3 and explained below.

**Table 3  
Expenditures Under HB 21-1195**

<b>Cost Components</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>
<b>Department of Regulatory Agencies</b>		
Personal Services	\$40,308	\$69,767
Operating Expenses	\$675	\$1,485
Capital Outlay Costs	\$6,200	-
Legal Services	\$15,951	\$47,534
Centrally Appropriated Costs <sup>1</sup>	\$14,645	\$28,598
FTE – Personal Services	0.5 FTE	1.1 FTE
FTE – Legal Services	0.1 FTE	0.2 FTE
<b>Total</b>	<b>\$77,779</b>	<b>\$147,384</b>
<b>Total FTE</b>	<b>0.6 FTE</b>	<b>1.3 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Regulatory Agencies.** The DPO will establish the regulatory program in FY 2021-22 and begin issuing licenses prior to July 1, 2022. Staff are prorated to October 1, 2021, for the program manager and January 1, 2022, for the technician and administrative assistant that will staff the radon professional licensing program. The program will be fully staffed in FY 2022-23, including 0.1 FTE of criminal investigator for enforcement actions.

Costs include 150 hours of legal services in FY 2021-22 for rulemaking and 447 hours of legal services in FY 2022-23 for rulemaking and enforcement. Legal services are provided by the Department of Law at a rate of \$106.34 per hour. The Department of Law requires 0.1 FTE in FY 2021-22 and 0.2 FTE in FY 2022-23.

**Judicial Department.** The trial courts may see an increase for judicial review of compliance issues beginning in FY 2022-23. This increase is expected to be minimal and not require additional appropriations.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$14,645 in FY 2021-22 and \$28,598 in FY 2022-23.

**TABOR refunds.** The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. TABOR refunds are paid from the General Fund. This estimate is based on the June 2021 LCS revenue forecast, which incorporates the revenue impacts of bills passed during the 2021 session. A forecast of state revenue subject to TABOR is not available beyond FY 2022-23.

**Federal ARPA funds.** This bill [increases/decreases] state revenue, which may impact the state's flexibility in spending federal American Rescue Plan Act (ARPA) funds. For more information, see the LCS memo, titled "Legislative Changes and Flexibility in Use of American Rescue Plan Funds," available online at: <https://leg.colorado.gov/node/2211881>.

## Effective Date

The bill was signed into law by the Governor on June 30, 2021, and it took effect on September 7, 2021.

## State Appropriations

For FY 2021-22, the bill requires an appropriation of \$63,134 and 0.5 FTE to the Department of Regulatory Agencies from the Division of Professions and Occupations Cash Fund, of which \$15,951 and an additional 0.1 FTE is reappropriated to the Department of Law.

## State and Local Government Contacts

Information Technology  
Law  
Regulatory Agencies

Judicial  
Public Health and Environment