

## **Legislative Council Staff**

Nonpartisan Services for Colorado's Legislature

# **Final Fiscal Note**

Drafting Number: Prime Sponsors:	LLS 24-0580 Rep. Hamrick; Bacon Sen. Danielson	Date: Bill Status: Fiscal Analyst:	June 12, 2024 Signed into Law Anna Gerstle   303-866-4375 anna.gerstle@coleg.gov		
Bill Topic:	SUNSET CONTINUE PRIVATE OCCUPATIONAL SCHOOLS				
Summary of Fiscal Impact:	Department of Higher Ec State fiscal impacts unde	lucation, which is sched r the bill include the co	□ Local Government □ Statutory Public Entity private occupational schools in the uled to repeal on September 1, 2024. ntinuation of the program's current		
	revenue and expenditures and a minimal workload increase to make the changes in the bill. The program is continued through September 1, 2035.				
Appropriation Summary:	No appropriation is required.				
Fiscal Note Status:	The final fiscal note reflects the enacted bill.				

# Table 1State Fiscal Impacts Under HB 24-13331

New Impacts	Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	-	-
Expenditures	-	-

#### **Continuing Impacts**

Revenue	Cash Funds	-	\$1,118,025
Expenditures	Cash Funds	-	\$1,118,025
	Continuing FTE	-	10.3 FTE
Other Budget Impacts	TABOR Refund	-	\$1,118,025

<sup>1</sup> 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. Because the bill continues a program without making any changes, there are no new impacts. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

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### **Summary of Legislation**

Under current law, the regulation of private occupation schools and their agents, including the Division of Private Occupational Schools (DPOS) and the Private Occupational School Board, repeals on September 1, 2024. The bill extends this regulation through September 1, 2035, and requires the board to approve changes of ownership of a private occupational school.

### Background

Private occupational schools are vocational or trade schools that that offer occupational education credentials and courses. These schools are regulated by the Private Occupational School Board and the DPOS in the Department of Higher Education. In FY 2021-22, there were 280 private occupational schools regulated by DPOS. The sunset report published by DORA is available <u>here</u>.

#### **Continuing Program Impacts**

Based on the department's FY 2023-24 budget request, the Department of Higher Education is expected to have revenue and expenditures of \$1.1 million and 10.3 FTE to regulate private occupational schools. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2024-25. This continuing revenue is subject to the state TABOR limit. If this bill is not enacted, the program will end on September 1, 2024, followed by a wind-down period, and state revenue and expenditures will decrease starting in FY 2025-26 by the amounts shown in Table 1 above.

### **State Expenditures**

The bill increases workload for DPOS and the board to approve changes of ownership. No change in appropriations is required.

### **Effective Date**

The bill was signed into law by the Governor on May 28, 2024, and takes effect on August 7, 2024, assuming no referendum petition is filed.

### **State and Local Government Contacts**

#### **Higher Education**

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.