



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 19-1268

FINAL FISCAL NOTE

Drafting Number:	LLS 19-0992	Date:	July 31, 2019
Prime Sponsors:	Rep. Singer; Van Winkle Sen. Todd; Hisey	Bill Status:	Signed into Law
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Bill Topic: ASSISTED LIVING RESIDENCE REFERRAL DISCLOSURES

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

This bill requires referral agencies to make disclosures about business relationships and payments when referring prospective residents to assisted living residences. The bill will increase state revenue and state and local government workload beginning in FY 2019-20.

**Appropriation
Summary:** No appropriation is required.

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

Summary of Legislation

This bill requires individuals and entities that receive a referral fee for referring prospective residents to an assisted living residence (referral agencies) to disclose to a prospective resident its business relationship to the residence and that the assisted living residence has paid for the referral. The referral agency and the prospective resident must sign and date this disclosure and the agency must provide the document to the assisted living residence on or before the date the resident is admitted to the assisted living residence. Assisted living residences must not pay the referral agency a fee until receipt of this documentation. Residences are required to maintain a written or electronic copy for at least one year after the date that the new resident is admitted.

A referral agency that violates this section is subject to a civil penalty of up to \$500 per violation. The Attorney General or a district attorney may bring a civil action on behalf of the state to seek the imposition of civil penalty for a violation of this section.

Background

Assisted living residences are facilities that make room and board available to at least three adults who are unrelated to the owner and provide personal services, protective oversight, social care, and available 24-hour supervision. The State Board of Health and the Colorado Department of Public Health and Environment regulate assisted living residences.

State Revenue

Beginning in FY 2019-20, to the extent that civil penalties are assessed as a result of the bill, state General Fund revenue will increase. The fiscal note assumes that referral agencies will comply with the law and that these penalty assessments will be minimal.

State Expenditures

Beginning in FY 2019-20, the Department of Law will receive and analyze potential violations of this act and prioritize its investigation efforts within the whole of consumer protection complaints. No change in appropriations is required.

Local Government

To the extent district attorneys enforce these new regulations, workload will increase to conduct the civil process. As criminal prosecutors, district attorneys lack expertise in civil matters; therefore, workload may also include additional effort to become knowledgeable on how to file and litigate these cases.

Effective Date

The bill was signed into law by the Governor on May 13, 2019, and takes effect August 2, 2019, assuming no referendum petition is filed, and applies to referrals on or after this date.

State and Local Government Contacts

Counties	District Attorneys	Information Technology
Law	Public Health and Environment	