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Fiscal Note

Drafting Number: LLS 24-0580 Date: March 7, 2024
Prime Sponsors: Rep. Hamrick; Bacon Bill Status: House Education
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Bill Topic: SUNSET CONTINUE PRIVATE OCCUPATIONAL SCHOOLS

Summary of Fiscal Impact: [X] State Revenue [] State Transfer [] Local Government
[X] State Expenditure [] TABOR Refund [] Statutory Public Entity

Sunset bill. This bill continues the regulation of private occupational schools in the Department of Higher Education, which is scheduled to repeal on September 1, 2024. State fiscal impacts under the bill include the continuation 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 fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 24-1333^1

Table with 4 columns: Category, Budget Year, Out Year, and Value. Rows include New Impacts (Revenue, Expenditures), Continuing Impacts (Revenue, Expenditures), and Other Budget Impacts (TABOR Refund).

1 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.

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 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 [here](#).

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 takes effect 90 days following adjournment of the General Assembly sine die, 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 [General Assembly website](#).