

CHAPTER 277

GOVERNMENT - STATE

SENATE BILL 97-222

BY SENATORS Blickensderfer, Lacy, Rizzuto, and Schroeder;
also REPRESENTATIVES Owen, Grampas, and Romero.

AN ACT

CONCERNING THE EXCISE TAX COLLECTED BY THE DEPARTMENT OF REGULATORY AGENCIES ON LICENSE AND REGISTRATION FEES, AND, IN CONNECTION THEREWITH, CREATING A LEGAL DEFENSE ACCOUNT WITHIN THE DIVISION OF REGISTRATIONS CASH FUND.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 24-34-104.4, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

24-34-104.4. Excise tax on fees. (1) Notwithstanding any provision of law to the contrary, ~~except as provided in sections 12-38.1-104 and 12-38.1-109,~~ there is imposed, and the executive director of the department of regulatory agencies shall collect, an excise tax ~~of nine dollars~~ upon the payment of the following fees:

(a) ~~Within the division of insurance:~~

(f) ~~Repealed.~~

(H) ~~License and examination fees for insurance producers authorized pursuant to section 10-2-413, C.R.S.;~~

(HH) ~~Examination fees for surplus line insurance brokers authorized pursuant to section 10-5-115 (8) (a), C.R.S. Such surcharge shall be collected by the association of brokers described in said section 10-5-115 and remitted to the executive director of the department of regulatory agencies at least quarterly.~~

(IV) ~~License fees for agents, solicitors, special agents, or salaried representatives~~

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

as set forth in article 12 of title 10, C.R.S.;

~~(V) Application, license, and examination fees for sellers and agents of preneed funeral contracts authorized pursuant to sections 10-15-105 (3) and (4) (b) and 10-15-112, C.R.S.; and~~

~~(VI) License and examination fees for enrollment representatives of nonprofit hospital and health service corporations established pursuant to section 10-16-110(1) (b), C.R.S.;~~

~~(b) Within the division of securities, fees to be paid by broker-dealers and sales representatives licensed pursuant to part 4 of article 51 of title 11, C.R.S., and determined and collected pursuant to section 11-51-707, C.R.S.;~~

~~(c) Repealed.~~

~~(d) Within the division of real estate:~~

~~(f) License, examination, and application fees for real estate brokers and salesmen authorized pursuant to section 12-61-110, C.R.S., and established pursuant to section 12-61-111.5, C.R.S.; and~~

~~(H) Registration or certificate fees for real estate developers authorized pursuant to sections 12-61-403 (5) and 12-61-404, C.R.S., and established pursuant to section 12-61-111.5, C.R.S.;~~

~~(e) Within the division of registrations, those license registration, certification, examination, application, and related fees which are directly applicable to an individual's obtaining recognition; RENEWAL FEES THAT ARE REQUIRED TO BE PAID BY INDIVIDUALS FOR THE RENEWAL OF A LICENSE, REGISTRATION, OR CERTIFICATE GRANTING THE INDIVIDUAL authority or permission from the state for TO CONTINUE the practice of a profession or occupation; except that such excise tax shall not be imposed on the annual registration fee paid by acupuncturists pursuant to section 12-29.5-104 (4), C.R.S. RENEWAL FEE PAID BY NURSE AIDES PURSUANT TO SECTION 12-38.1-109, C.R.S. THE AMOUNT OF THE EXCISE TAX TO BE COLLECTED SHALL BE ONE DOLLAR FOR EACH YEAR OF THE RENEWAL PERIOD.~~

~~(2) For the purposes of this section, "license "RENEWAL fees" and "registration fees" include all fees for the renewal, reinstatement, and continuation of said A license, or registration, OR CERTIFICATE FOR THE PRACTICE OF A PROFESSION OR OCCUPATION IN THIS STATE. however, "license "RENEWAL fees" and "registration fees" shall DOES not include FEES PAID FOR INITIAL LICENSURE, REGISTRATION, OR CERTIFICATION, APPLICATION FEES, EXAMINATION FEES, penalty late fees, duplicate license fees, board action fees, verification fees, license change fees, fees for the verification of licensure, registration, or certification status to other states, electrical inspection permit fees, plumbing inspection fees, and fees for certification of grades.~~

~~(2.5) Repealed.~~

~~(3) Moneys collected pursuant to subsection (1) of this section shall be credited to the general fund LEGAL DEFENSE ACCOUNT CREATED WITHIN THE DIVISION OF~~

REGISTRATIONS CASH FUND PURSUANT TO SECTION 24-34-105 (2) (b).

(4) (a) ~~No later than October 1, 1987, the executive director of the department of regulatory agencies shall report to the joint budget committee the amount of revenue expected to be raised by the excise tax imposed pursuant to subsection (1) of this section for the 1987-88 fiscal year.~~

(b) ~~No later than October 1, 1988, and~~ ON October 1 of each year, ~~thereafter,~~ the executive director of the department of regulatory agencies shall report to the joint budget committee the amount of money credited to the ~~general~~ LEGAL DEFENSE ACCOUNT CREATED WITHIN THE DIVISION OF REGISTRATIONS CASH fund pursuant to subsection (1) of this section for the preceding fiscal year.

SECTION 2. 24-34-105 (2) (b), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

24-34-105. Fee adjustments - division of registrations cash fund created - legal defense account. (2) (b) (I) Based upon the appropriation made and subject to the approval of the executive director of the department of regulatory agencies, each board or commission shall adjust its fees so that the revenue generated from said fees approximates its direct and indirect costs; except that the costs of the Colorado state board of psychologist examiners, the state board of marriage and family therapist examiners, the state board of licensed professional counselor examiners, the state board of social work examiners, and the state grievance board shall be considered collectively in the fee-setting process. Subsequent revenue generated by the fees set by such boards plus revenues generated pursuant to section 12-43-220, C.R.S., shall be compared to those collective costs to determine recovery of direct and indirect costs. Such fees shall remain in effect for the fiscal year for which the budget request applies. All fees collected by each board and commission shall be transmitted to the state treasurer, who shall credit the same to the division of registrations cash fund, which fund is hereby created. All moneys credited to the division of registrations cash fund shall be used as provided in this section and shall not be deposited in or transferred to the general fund of this state or any other fund.

(II) THE EXCISE TAX COLLECTED PURSUANT TO SECTION 24-34-104.4 SHALL BE CREDITED TO THE LEGAL DEFENSE ACCOUNT WHICH ACCOUNT IS HEREBY CREATED WITHIN THE DIVISION OF REGISTRATIONS CASH FUND. THE EXCISE TAX SHALL BE THE SOLE SOURCE OF FUNDING FOR THE ACCOUNT, AND NO OTHER FEE, OR ANY PORTION THEREOF, COLLECTED BY A BOARD OR COMMISSION AND CREDITED TO THE DIVISION OF REGISTRATIONS CASH FUND SHALL BE DEPOSITED IN OR TRANSFERRED TO THE ACCOUNT. THE ACCOUNT SHALL BE USED TO SUPPLEMENT REVENUES RECEIVED BY A BOARD OR COMMISSION BUT SHALL ONLY BE USED FOR THE PURPOSE OF PAYING LEGAL EXPENSES INCURRED BY SAID BOARD OR COMMISSION. UPON A DETERMINATION OF THE NEED OF A BOARD OR COMMISSION FOR ADDITIONAL REVENUES FOR THE PAYMENT OF LEGAL EXPENSES, THE DIRECTOR OF THE DIVISION OF REGISTRATIONS MAY AUTHORIZE THE TRANSFER OF REVENUES FROM THE LEGAL DEFENSE ACCOUNT TO THE ACCOUNT OF SUCH BOARD OR COMMISSION IN THE DIVISION OF REGISTRATIONS CASH FUND. FOR PURPOSES OF THIS SUBPARAGRAPH (II), "LEGAL EXPENSES" INCLUDES, BUT IS NOT LIMITED TO, COSTS RELATING TO THE HOLDING OF ADMINISTRATIVE HEARINGS AND CHARGES FOR LEGAL SERVICES PROVIDED BY THE DEPARTMENT OF LAW, ADMINISTRATIVE LAW JUDGE SERVICES, INVESTIGATIVE

SERVICES, EXPERT WITNESSES, AND CONSULTANTS.

SECTION 3. 10-2-402 (5), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

10-2-402. License examination requirement. (5) The commissioner shall give, conduct, and grade all examinations, or the commissioner may arrange to have examinations administered and graded by an independent testing service, as specified by contract, in a fair and impartial manner and without discrimination as to individuals examined. The commissioner may arrange for such testing service to collect the excise tax on the examination fee as prescribed under section 24-34-104.4, C.R.S., and to recover the cost of the examination from the applicant.

SECTION 4. Effective date. This act shall take effect July 1, 1997.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 4, 1997