



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated April 9, 2024)

Drafting Number:	LLS 24-0567	Date:	April 25, 2024
Prime Sponsors:	Rep. Lieder; Ricks Sen. Pelton B.; Fields	Bill Status:	Senate Finance
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Bill Topic: **SUNSET PLUMBING BOARD**

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

Sunset bill. This bill continues the State Plumbing Board in the Department of Regulatory Agencies, which is scheduled to repeal on September 1, 2024. State fiscal impacts include both continuation of the program's current revenue and expenditures, as well as impacts from changes to the program under the bill. The program is continued through September 1, 2032.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill, as amended by the Senate Business, Labor & Technology Committee.

Table 1
State Fiscal Impacts Under HB 24-1344¹

		Budget Year FY 2024-25	Out Year FY 2025-26
New Impacts			
Revenue		-	-
Expenditures		-	-
Continuing Impacts			
Revenue	Cash Funds	-	\$1,626,325
Expenditures	Cash Funds	-	\$2,543,263
	Continuing FTE	-	20.9 FTE
Other Budget Impacts	TABOR Refund	-	\$1,626,325

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. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

The bill continues the State Plumbing Board in the Department of Regulatory Agencies (DORA), which is scheduled to repeal on September 1, 2024, for eight years, until September 1, 2032. Additionally, the bill makes several changes to the program, including changing board appointment requirements, modifying the scope of practice regarding water conditioning systems, updating grounds for discipline, modernizing program operations, and making licenses issued after March 1, 2027 valid for three years. The full sunset report can be found [here](#).

Continuing Program Impacts

Based on recent revenue and expenditures, DORA is expected to have revenue of about \$1.6 million and expenditures of \$2.5 million in FY 2025-26 to administer the program. Program revenue is staggered based on a two-year license cycle, with renewals occurring in odd-numbered years. Overall, revenue collected across the two-year cycle is sufficient to cover program expenditures. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2025-26. This continuing revenue is subject to the state TABOR limits. 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. The changes to the program that drive additional state impacts are discussed below.

State Revenue

Under current law, plumbing licenses are valid for two years and expire at the end of February in odd-numbered years, with the next renewal period occurring March 2025. DORA sets license fees to cover program costs over the period of license validity. Since the bill makes licenses issued after March 1, 2027 valid for a period of three years, DORA is expected to increase fees for licenses issued at that time to cover an extension in the period that a license is valid. On an annual basis, the cost of the license is unchanged. This results in a net state revenue increase in FY 2026-27 relative to current law, and a corresponding decrease in FY 2028-29 from the change in license schedule. While fees will be collected on a different schedule, overall funding required for the program is not changed.

State Expenditures

The changes to the program will increase workload in DORA to conduct education and outreach, and may increase the number of complaints received. Overall, the increase is expected to be minimal, and no change in appropriations is required.

Effective Date

The bill takes effect July 1, 2024.

State and Local Government Contacts

Governor's Office of Boards and Commissions

Regulatory Agencies

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](#).