



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 20-1207**

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 20-0510  
**Prime Sponsors:** Rep. Melton; Wilson  
 Sen. Foote; Cooke  
**Date:** August 17, 2020  
**Bill Status:** Vetoed by Governor  
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**Bill Topic:** **SUNSET REGULATION OF PRIVATE INVESTIGATORS**

**Summary of Fiscal Impact:**

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

**Sunset bill.** HB 20-1207 would have continued the regulation of private investigators in the Department of Regulatory Agencies, which is scheduled to repeal on September 1, 2020. State fiscal impacts under the bill would have included only the continuation of the program's current revenue and expenditures. The program would have been continued through September 1, 2025.

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

**Fiscal Note Status:** The fiscal note reflects the enrolled bill. This bill was vetoed by the Governor; therefore, the impacts identified in this analysis do not take effect.

**Table 1  
State Fiscal Impacts Under HB-1207\***

<b>New Impacts</b>		<b>FY 2020-21</b>	<b>FY 2021-22</b>
Revenue		-	-
Expenditures		-	-
TABOR Refund	General Fund	-	-
<b>Continuing Program Impacts</b>		<b>FY 2020-21</b>	<b>FY 2021-22</b>
Revenue	Cash Funds	-	\$50,000
Expenditures	Cash Funds	-	\$75,000
	FTE	-	0.6 FTE
TABOR Refund	General Fund	-	-

\* 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**

The bill continues the regulation of private investigators for five years, until September 1, 2025.

## **Background**

Private investigators have been regulated by the Department of Regulatory Agencies since 2011. To obtain a private investigator's license, a person of at least 21 years of age must submit an application, pass a background check, pass a jurisprudence exam, post a surety bond, and pay a fee. Private investigators can obtain a Level I or a Level II license. A Level II license follows the same requirements as a Level I license, plus 4,000 hours of applicable experience. In FY 2017-18, there were 885 licensed private investigators, 370 with Level I licenses and 515 with Level II licenses.

Revenue from application and exam fees are set by the department to cover operating expenses. As the number of applicants changes from year to year, the department occasionally revises fees to maintain a long-term balance of revenue and expenditures. Recently, the application fee was decreased from \$330 per year to \$83 for an original application and \$30 for a renewal application.

## **Continuing Program Impacts**

Based on the department's FY 2018-19 budget, the Department of Regulatory Agencies is expected to have revenue of \$50,000 and expenditures of \$75,000 to administer the regulation of private investigators. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2021-22. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on September 1, 2020, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2021-22 by the amounts shown in Table 1. The fiscal note does not identify any change to TABOR refunds because the revenue is already accounted for in the LCS revenue forecast.

## **Effective Date**

The bill was vetoed by the Governor on July 11, 2020.

## **State and Local Government Contacts**

Counties	Judicial	Law
Public Safety	Regulatory Agencies	