



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 22-0611 **Date:** February 15, 2022
Prime Sponsors: Rep. Holtorf **Bill Status:** House SCMVA
 Sen. Simpson **Fiscal Analyst:** Clare Pramuk | 303-866-2677
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Bill Topic: REESTABLISH SUNRISE SUNSET REVIEW COMMITTEE

Summary of Fiscal Impact:

<input 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

This bill reestablishes the Committee for Sunrise and Sunset Reviews to consider the continuation or termination of each division, board, agency, and advisory committee subject to sunset review, as well as sunrise proposals to regulate a new professional or occupational group. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$71,452 to multiple agencies.

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under HB 22-1081**

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$71,452	\$45,955
	Centrally Appropriated	\$15,618	\$10,928
	Total Expenditures	\$87,070	\$56,883
	Total FTE	1.0 FTE	0.7 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$10,718	\$6,892

Summary of Legislation

This bill reestablishes the six member Committee for Sunrise and Sunset Reviews to consider the continuation or termination of each division, board, agency, and advisory committee subject to sunset review. The committee will also consider sunrise proposals to regulate a new professional or occupational group. Any bill that creates a new advisory committee must be referred to the committee for a review of whether the advisory committee should be created. Finally, the bill shortens the time that the Department of Regulatory Agencies has to conduct its analysis of sunrise proposals.

Background

Between 1985 and 1996, the Committee for Sunrise and Sunset Reviews met during the legislative interim to review sunrise and sunset reports prepared by the Department of Regulatory Agencies regarding the regulation of professions and occupations and advisory committees. The committee also heard testimony from proponents and opponents, and sponsored bills to begin, continue, or terminate regulatory functions or advisory committees. In 1996, the committee was repealed and in its place House committees of reference are designated to hear sunrise and sunset reports in even numbered years and Senate committees of reference are designated in odd numbered years.

State Expenditures

The bill increases state expenditures by \$84,121 in FY 2022-23 and \$53,934 in FY 2023-24 from the General Fund for the Department of Regulatory Agencies and the Legislative Department. Expenditures are shown in Table 2 and detailed below.

Department of Regulatory Agencies. The Office of Policy, Research and Regulatory Reform requires additional staffing to meet the earlier deadlines established in the bill for the analysis of sunrise requests. The office requires 1.0 FTE in FY 2022-23, prorated for the General Fund payday shift, and reduced to 0.6 FTE in FY 2023-24 when more time is allotted for reviews. Standard operating and capital outlay costs are included.

Legislative Department. Because the bill creates a new committee, Legislative Council Staff requires an additional 0.1 FTE of a research analyst to staff the committee. In addition, assuming two meetings are held outside of the legislative session, costs in the General Assembly for member per diem and travel expenses. These costs are shown in Table 2 below.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Table 2
Expenditures Under HB 22-1081

Cost Components	FY 2022-23	FY 2023-24
Department of Regulatory Agencies		
Personal Services	\$54,295	\$35,538
Operating Expenses	\$1,350	\$810
Capital Outlay Costs	\$6,200	-
Centrally Appropriated Costs ¹	\$13,889	\$9,199
FTE – Personal Services	0.9 FTE	0.6 FTE
DORA Subtotal	\$75,734	\$45,547
Legislative Department		
Personal Services	\$6,777	\$6,777
Member Per Diem and Travel	\$2,830	\$2,830
Centrally Appropriated Costs ¹	\$1,729	\$1,729
FTE – Personal Services	0.1 FTE	0.1 FTE
LCS Subtotal	\$11,336	\$11,336
Total	\$87,080	\$56,883
Total FTE	1.0 FTE	0.7 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, which will decrease the amount of General Fund available for other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2022-23, the bill requires the following General Fund appropriations:

- \$61,845 to the Department of Regulatory Agencies and 0.9 FTE; and
- \$9,607 to the Legislative Department, including \$6,777 and 0.1 FTE for Legislative Council Staff and \$2,830 to the General Assembly.

State and Local Government Contacts

Information Technology

Legislative Council Staff

Regulatory Agencies