

REVISED **FISCAL NOTE**

Nonpartisan Services for Colorado's Legislature

(replaces fiscal note dated January 21, 2019)

Date: March 18, 2019 **Drafting Number:** LLS 19-0635 **Prime Sponsors:** Rep. Duran Bill Status: Senate Business

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PLUMBING INSPECTIONS ENSURE COMPLIANCE **Bill Topic:**

Summary of State Revenue (*minimal*) ☑ TABOR Refund (minimal) **Fiscal Impact:**

□ State Transfer Statutory Public Entity

The bill modifies renewal and reinstatement requirements for plumber licenses and requires that all entities conducting plumbing inspections create procedures for contemporaneous plumbing inspections. The bill increases state and local

government workload and expenditures on an ongoing basis.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This fiscal note reflects the reengrossed bill.

Summary of Legislation

The bill modifies renewal and reinstatement requirements for plumber licenses. To reinstate a plumbing license that has been expired for two years, persons must:

- provide verification of good standing and active practice in another state;
- pass the state plumbing examination; or
- meet any other competency requirements determined by the State Plumbing Board.

In addition, starting on May 1, 2021, persons renewing their plumbing license must have completed at least eight hours of continuing education for every year that has passed since their last renewal. This continuing education requirement does not apply to persons renewing or reinstating their licenses for the first time after passing the state exam. The State Plumbing Board must adopt rules for continuing education requirements and standards by July 1, 2020.

The bill also requires any plumbing inspection performed by the state, a local government, or qualified state institution of higher education to include a review of plumbers and apprentices compliance with state plumbing laws. The review is not required for each inspection of the project, but standard procedures must preserve an inspector's ability to conduct a review at any time. The bill requires that the state, local building departments, and institutions of higher education develop standard procedures for plumbing inspectors conducting reviews; post these procedures on a public website; and provide the website link or standard procedures to the Division of Professions and Occupations in the Department of Regulatory Agencies (DORA). These requirements take effect January 1, 2020.

Background

The State Plumbing Board, within DORA, regulates plumbers, apprentices, and plumbing contractors in Colorado. State general qualifications for plumber registration range from two to five years of practical experience in the field.

State Revenue

To the extent that additional plumbing inspectors are registered with the State Plumbing Board in DORA, state revenue will increase. This increase is expected to be minimal.

State Expenditures

The bill will increase state expenditures beginning in FY 2019-20 as described below. No change in appropriation is required.

Department of Regulatory Agencies. The State Plumbing Board and Division of Professions and Occupations in DORA will have a workload increase to update licensing requirements, conduct rulemaking, implement a continuing education program, and conduct outreach and education efforts. This workload can be accomplished within existing resources.

Institutions of Higher Education. The bill may increase expenditures for institutions of higher education in order to develop review standards and post those review standards on their websites.

TABOR refunds. The bill is may increase state General Fund obligations for TABOR refunds by in FY 2019-20. Under current law and the December 2018 forecast, the bill may correspondingly increase the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

Local Government

The bill increases local government expenditures to develop review standards and post those review standards on the jurisdiction's website.

Effective Date

The bill takes effect January 1, 2020, if no referendum petition is filed.

State and Local Government Contacts

Counties Higher Education Information Technology Municipalities Regulatory Agencies