

SB 25-174: SUNSET OUTFITTERS & GUIDES

Prime Sponsors: Fiscal Analyst:

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Fiscal note status: This revised fiscal note reflects the reengrossed bill.

Summary Information

Overview. The bill continues the regulation of outfitters and guides, which is scheduled to repeal on September 1, 2025. The program is continued through September 1, 2034

Sunset bill. The bill has impacts in the following areas through FY 2034-35 from both continuing an existing a program scheduled to repeal and making changes to that program:

State Revenue

State Diversions

State Expenditures

Appropriations. No appropriation is required.

Table 1 Continuation of Current State Fiscal Impacts

	Budget Year	Out Year
Type of Impact ¹	FY 2025-26	FY 2026-27
State Revenue (Cash Funds)	\$0	\$92,000
State Expenditures (Cash Funds)	\$0	\$92,000
Diverted Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$92,000
Change in State FTE	0.0 FTE	0.6 FTE

¹ These impacts result from continuing a program scheduled to repeal and reflect the extension of current revenue and spending levels. Other changes under the bill are described below

Summary of Legislation

The bill continues the regulation of outfitters and guides by the Department of Regulatory Agencies (DORA) for nine years, extending the program's repeal date from September 1, 2025, to September 1, 2034. The bill also changes who DORA may take disciplinary actions against, who must have a license to operate, and prohibits persons with certain wildlife violations from having a license. It also removes a class 2 misdemeanor penalty for unauthorized practice as an outfitter without an active registration. Finally, under current law, 50 percent of all fines collected by the program are provided to DORA. The bill directs this revenue to the General Fund instead.

Continuing Program Impacts

Based on the <u>Sunset Review</u> for the program, DORA is expected to have annual revenue and expenditures of about \$92,000 to administer the regulation of outfitters and guides. This continuing impact is based on FY 2022-23 expenditures, and it is assumed that DORA will generate revenue sufficient to cover these costs. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2026-27. This continuing revenue is subject to the state TABOR limits.

If this bill is not enacted, the program will end one year after its repeal date on September 1, 2026, following a wind-down period. If allowed to repeal, state revenue and expenditures will decrease starting in FY 2026-27 by the continuation amounts shown in Table 1. The changes to the program that drive additional revenue and costs are discussed in the State Diversions and State Expenditures sections below.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior Conviction Data and Assumptions

This bill creates a new factual basis for the existing offense of unauthorized practice of a profession or occupation, a class 2 misdemeanor, by removing unauthorized practice as an outfitter without an active registration. From FY 2021-22 to FY 2023-24, zero offenders have been sentenced and convicted for this offense; therefore, the fiscal note assumes that there will be a minimal reduction in criminal case filings or convictions for this offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice related revenue or expenditures at the state or local levels, these potential impacts are not discussed further in this fiscal note. Visit leg.colorado.gov/fiscalnotes for more information about criminal justice costs in fiscal notes.

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State Diversions

The bill diverts fine revenue from Division of Professions and Occupations Cash Fund in DORA to the General Fund. The Sunset Review indicates that one \$1,000 fine was assessed from FY 2018-19 through FY 2022-23. The fiscal note assumes that the amount of funds diverted to the General Fund in future years will be minimal.

State Expenditures

Workload will minimally increase in DORA to conduct rulemaking, education, and outreach concerning changes to the program made by the bill. Additionally, workload will minimally increase in the Department of Natural Resources to ensure DORA has access to wildlife violations. No change in appropriations is required for either department.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Natural Resources

Regulatory Agencies