

# **FISCAL NOTE**

Nonpartisan Services for Colorado's Legislature

**Drafting Number:** LLS 19-0635 **Date:** January 21, 2019 Bill Status: House Business **Prime Sponsors:** Rep. Duran

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PLUMBING INSPECTIONS ENSURE COMPLIANCE **Bill Topic:** 

Summary of State Revenue (*minimal*) State Expenditure (*minimal*) **Fiscal Impact:** □ State Transfer □ Statutory Public Entity

> The bill requires local government plumbing inspectors to have the same qualifications as state plumbing inspectors 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 introduced bill.

## Summary of Legislation

The bill requires plumbing inspectors employed by counties and municipalities to possess the same required qualifications as state plumbing inspectors, including possessing a valid journeyman or master plumber license. This requirement begins in January 1, 2022.

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 review must ensure that all plumbers working onsite are properly licensed, and that all plumbing apprentices working onsite are performing the appropriate work and properly supervised. The bill requires that the state, local building departments, and institutions of higher education develop standard procedures for plumbing inspectors conducting reviews and posting these procedures on a public website. These requirements take effect January 1, 2020.

# **Background**

The State Plumbing Board, within the Department of Regulatory Agencies (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 minimal workload increase for additional inspector registration, education, outreach, and rulemaking revisions. 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 certify staff, 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 expenditures for local governments to hire or ensure that plumbing inspectors meet additional standards. Certification requires practical experience of four years for journeyman and five years for master plumbers, which may add time to building department projects. Additionally, the bill increases workload for local governments conducting plumbing inspections to develop review standards and post those review standards on the jurisdiction's website.

### **Effective Date**

Section 1 of the bill takes effect on January 1, 2022. Section 2 takes effect January 1, 2020, if no referendum petition is filed.

#### State and Local Government Contacts

Counties Higher Education Information Technology Municipalities Regulatory Agencies