



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-194: SUNSET DENTAL PRACTICE ACT

Prime Sponsors: Sen. Michaelson Jenet; Mullica Rep. Duran	Fiscal Analyst: Clayton Mayfield, 303-866-5851 clayton.mayfield@coleg.gov
Published for: Senate Health & Human Services Drafting number: LLS 25-0401	Version: Initial Fiscal Note Date: March 24, 2025

Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill continues the regulation of dental professions, 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 program scheduled to repeal and making changes to that program:

- State Revenue
- State Expenditures
- TABOR Refunds
- Local Government

Appropriations. For FY 2025-26, the bill requires an appropriation of \$471,813 to the Department of Regulatory Agencies.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$280,490	\$202,584	\$3,080,490
State Expenditures	\$474,044	\$1,010,000	\$1,010,000
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$280,490	\$202,584	\$3,080,490
Change in State FTE	0.4 FTE	2.9 FTE	2.9 FTE

¹ These impacts include both those from continuing a program scheduled to repeal, as well as from changes to the program under the bill. Additional detail on fund sources, as well as the new and continuing impacts, are shown in the tables below.

Table 1A
State Revenue

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
Cash Funds – Continuation ¹	\$0	\$184,167	\$2,800,000
Cash Funds – New	\$280,490	\$18,417	\$280,490
Total Revenue	\$280,490	\$202,584	\$3,080,490

¹ Continuing revenue is based on the current two-year renewal cycle for dental professionals. If the program is continued, then the next scheduled license renewal will occur in February of FY 2027-28.

Table 1B
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
Cash Funds – Continuation	\$0	\$950,000	\$950,000
Cash Funds – New	\$471,813	\$60,000	\$60,000
Centrally Appropriated	\$2,231	\$0	\$0
FTE – Continuation	0.0 FTE	2.9 FTE	2.9 FTE
FTE – New	0.4 FTE	0.0 FTE	0.0 FTE
Total Expenditures	\$474,044	\$1,010,000	\$1,010,000
Total FTE	0.4 FTE	2.9 FTE	2.9 FTE

Summary of Legislation

The bill continues the regulation of dental professions under the Dental Practice Act by the Department of Regulatory Agencies (DORA) for nine years, extending the program's repeal date from September 1, 2025, to September 1, 2034.

Among other changes to professional regulations, the bill requires applicants for dental, dental hygienist, and dental therapy licensure to pass a jurisprudence exam that tests an applicant's knowledge of the Dental Practice Act. Additionally, the bill requires the Department of Law to provide legal counsel and advice to consultants that serve the board within DORA that regulates dental professions.

Continuing Program Impacts

DORA is expected to have ongoing revenue of about \$185,000 in FY 2026-27 and \$2.8 million in FY 2027-28, and continuing in future years based on a two-year renewal cycle for dental professionals. Ongoing expenditures are estimated to be about \$950,000 and 2.9 FTE starting in FY 2026-27 to administer the regulation of dental professions. 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 Tables 1A and 1B. The changes to the program that drive additional revenue and costs are discussed in the State Revenue and State Expenditures sections below.

State Revenue

Starting in FY 2025-26, the bill increases state revenue by about \$300,000 over the two-year licensure period (\$280,000 in renewal years and \$18,000 in non-renewal years) to the Division of Professions and Occupations Cash Fund in DORA. Revenue is from an increase in license fees for dental professionals to cover costs discussed in the State Expenditures section that result from changes made by the bill. Costs are estimated to increase by 10 percent over current levels, resulting in a corresponding increase in license fees.

Fee Impact on Dental Professionals

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by DORA based on cash fund balance, program costs, and the number of dental professional licenses subject to the fee. The table below identifies the fee impact of this bill.

Dental licenses expire on the last day of February in even-numbered years, with the next renewal period occurring in FY 2025-26. This is estimated to generate about \$280,000 in additional state revenue for FY 2025-26. This state revenue impact will thereafter recur in fiscal years that end in an even number.

For FY 2026-27, and future non-renewal years, the bill will generate about \$18,000 in additional state revenue. This results from an increase in fees charged to original dental licenses issued in these years.

Table 2A
Fee Impact on Dental Professionals in Renewal Years
Even-Numbered Fiscal Years Starting FY 2025-26

Type of Fee	Estimated Fee Increase	Number Affected	Total Fee Impact
Original – Dentist	\$43.00	336	\$14,448
Original – Hygienist	\$19.10	207	\$3,954
Original – Therapist	\$15.00	1	\$15
Original – Academic Dentist	\$38.80	0	\$0
Renewal – Dentist	\$39.60	5,462	\$216,295
Renewal – Hygienist	\$9.00	5,067	\$45,603
Renewal – Therapist	\$8.90	10	\$89
Renewal – Academic Dentist	\$28.80	3	\$86
Total Fee Revenue – FY 2025-26			\$280,490

Table 2B
Fee Impact on Dental Professionals in Non-Renewal Years
Odd-Numbered Fiscal Years Starting FY 2026-27

Type of Fee	Estimated Fee Increase	Number Affected	Total Fee Impact
Original – Dentist	\$43.00	336	\$14,448
Original – Hygienist	\$19.10	207	\$3,954
Original – Therapist	\$15.00	1	\$15
Original – Academic Dentist	\$38.80	0	\$0
Renewal – Dentist	\$39.60	0	\$0
Renewal – Hygienist	\$9.00	0	\$0
Renewal – Therapist	\$8.90	0	\$0
Renewal – Academic Dentist	\$28.80	0	\$0
Total Fee Revenue – FY 2026-27			\$18,417

State Expenditures

The bill increases state expenditures in the Department of Regulatory Agencies by about \$470,000 in FY 2025-26 and \$60,000 in FY 2026-27 and future years. These costs, paid from the Division of Professions and Occupations Cash Fund, are summarized in Table 3 and discussed below.

Table 3
State Expenditures
Department of Regulatory Agencies

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$10,630	\$0	\$0
Exams	\$401,000	\$60,000	\$60,000
Legal Services	\$60,183	\$0	\$0
Centrally Appropriated Costs	\$2,231	\$0	\$0
FTE – Personal Services	0.1 FTE	0.0 FTE	0.0 FTE
FTE – Legal Services	0.3 FTE	0.0 FTE	0.0 FTE
Total Costs	\$474,044	\$60,000	\$60,000
Total FTE	0.4 FTE	0.0 FTE	0.0 FTE

Staff

DORA requires 0.1 FTE in FY 2025-26 only to establish contracts for the exams required by the bill. This includes contracts to develop the exams, and a contract to proctor, grade, and report the results of exams to the state. This FTE is prorated for a September 1, 2025, start date.

Exams

DORA will have costs to develop and implement an exam testing knowledge of the Dental Practice Act. One exam each is required for dentists, hygienists, and therapists. Each exam will be developed in FY 2025-26 through a vendor at cost of \$122,000 (\$366,000 total). DORA will also have \$35,000 in one-time costs for FY 2025-26 to ensure exam results can be received electronically through its existing exam administration system.

Starting in FY 2026-27, DORA will have costs of \$20,000 per exam (\$60,000 total) for an annual evaluation of the exams to ensure they remain valid. Additionally, exams will need to be fully reevaluated and developed every five to seven years after initial development, with a cost similar to exam costs for FY 2025-26.

Legal Services

DORA requires 450 hours of legal services for FY 2025-26 for rulemaking, processing complaints of unprofessional conduct as modified by the bill, and legal counsel to board consultants, among other provisions that generate a need for legal services. The fiscal note does not estimate hours required in future years, which will depend on actual program operations and legal services needed. Legal services are provided by the Department of Law at a rate of \$133.74 per hour.

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 may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table above.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2026-27. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Effective Date

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

State Appropriations

For FY 2025-26, the bill requires an appropriation of \$471,813 from the Division of Professions and Occupations Cash Fund to the Department of Regulatory Agencies, and 0.1 FTE. Of this amount, \$60,183 is reappropriated to the Department of Law, with an additional 0.3 FTE.

State and Local Government Contacts

Corrections	Law
Higher Education	Regulatory Agencies
Human Services	