

# FISCAL NOTE

**Bill #:** SB0121

**Title:** Require registration and bond for postsecondary schools

**Primary**

**Sponsor:** Debbie Shea

**Status:** As Introduced

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Sponsor signature

Date

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Chuck Swysgood, Budget Director

Date

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## Fiscal Summary

	<b><u>FY2002</u></b> <b><u>Difference</u></b>	<b><u>FY2003</u></b> <b><u>Difference</u></b>
<b>Expenditures:</b>		
General Fund	26,601	29,918
State Special Revenue	8,000	2,000
<b>Revenue:</b>		
State Special Revenue	8,000	2,000
<b>Net Impact on General Fund Balance:</b>	<b>(\$26,601)</b>	<b>(\$29,918)</b>

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<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

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## Fiscal Analysis

### ASSUMPTIONS:

1. The Department of Commerce will register proprietary schools and their agents effective July 1, 2001. The department estimates that 40 proprietary schools will register and post bond. A \$200 initial registration fee would result in FY 2002 revenues of approximately \$8,000 ( $200 * 40 = \$8,000$ ).

Subsequent years revenues consisting of a \$50 renewal fee would total approximately \$2,000 ( $\$50 * 40 = \$2,000$ ) in FY 2003, and beyond.

2. Approximately 20 complaints annually will come from consumers that will require investigation and litigation against proprietary schools. The department would contract with legal counsel, as necessary, to enjoin violations of the law.
3. The proposed legislation will require 0.50 FTE compliance specialist (grade 12) at an estimated cost of \$16,851 in FY 2002 and \$16,918 in FY 2003.
4. Operating expenses, which includes other services, supplies, materials, communications, rent, and other expenses are estimated at \$15,000 in each year of the 2003 biennium. Additionally, one new employee office package (@ \$1,000) and computer (@ \$1,750) is included in FY 2002 only.

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
FTE	0.50	0.50

Expenditures:

Personal Services	16,851	16,918
Operating Expenses	<u>17,750</u>	<u>15,000</u>
TOTAL	\$34,601	\$31,918

Funding:

General Fund (01)	26,601	29,918
State Special Revenue (02)	<u>8,000</u>	<u>2,000</u>
TOTAL	\$34,601	\$31,918

Revenues:

State Special Revenue (02)	\$8,000	\$2,000
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Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	(\$26,601)	(\$29,918)
State Special Revenue (02)	\$0	\$0