

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING SUPPORTING THE HEALTH NEEDS OF PERSONS WHO MAY BE INVOLVED WITH THE CRIMINAL JUSTICE SYSTEM.

Prime Sponsors: Sens. Gonzales and Lee
Reps. Bacon and Benavidez

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/27/22.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.007/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$62,162,328 to five different departments for FY 2022-23. The appropriations, which are summarized in the table on the following page, include \$81,164 General Fund and \$51,500,000 cash funds from the Behavioral and Mental Health Cash Fund. In addition, the amendment: (1) states an assumption that the Department of Health Care Policy and

SB22-196

JBC Staff Analysis

Financing will receive an additional \$81,164 federal funds; (2) makes the appropriations from the Behavioral and Mental Health Cash Fund available through December 30, 2024; and (3) states that the appropriations are based on an assumption that the various departments will require a total of 9.2 FTE for FY 2022-23 and 7.0 FTE for FY 2023-24 to implement the bill.

S.B. 22-196 NET CHANGE IN APPROPRIATIONS BY DEPARTMENT							
DEPARTMENT	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FY 22-23 FTE	FY 23-24 FTE
Human Services	\$51,500,000	\$0	\$51,500,000	\$0	\$0	6.0	6.0
Judicial	4,000,000	0	4,000,000	0	0	0.0	0.0
Public Safety	3,500,000	0	3,500,000	0	0	2.5	0.0
Corrections	3,000,000	0	3,000,000	0	0	0.0	0.0
Health Care Policy and Financing	162,328	81,164	0	0	81,164	0.7	1.0
TOTAL	\$62,162,328	\$81,164	\$62,000,000	\$0	\$81,164	9.2	7.0

L.007 and J.002

Bill Sponsor amendment **L.007** (attached) reduces the required appropriation to the Department of Human Services for FY 2022-23 by \$800,000 cash funds from the Behavioral and Mental Health Cash Fund. Staff has prepared amendment **J.002** (attached) to provide all of the bill's required appropriations, with the adjustment to the appropriation to the Department of Human Services to align with amendment L.007 (a reduction of \$800,000 below the appropriation in amendment J.001). Other than that adjustment, amendment J.002 is identical to amendment J.001.

If the Committee adopts amendment L.007 then it should adopt amendment J.002 and it should not adopt amendment J.001.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

1. \$40.0 million General Fund for bills that create ongoing obligations; and
2. \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$81,164 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.