JBC STAFF FISCAL ANALYSIS SENATE APPROPRIATIONS COMMITTEE

CONCERNING ESTABLISHING A CHILDREN'S BEHAVIORAL HEALTH STATEWIDE SYSTEM OF CARE.

Prime Sponsors: Sens. Kirkmeyer and Michaelson Jenet JBC Analyst: Emily Hansen

Reps. Duran and Pugliese Phone: 303-866-4961

Date Prepared: April 18, 2024

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Significant Cost Increase in Second and Third Year

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 04/18/24.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to new information or technical issues
	Update: Fiscal impact has changed due to amendment adopted 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.002	Bill Sponsor amendment - does not change fiscal impact
L.003	Bill Sponsor amendment - does not change fiscal impact

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 \$2,343,250 General Fund for FY 2024-25, including \$2,158,476 to the Behavioral Health

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Administration in the Department of Human Services and \$184,774 to the Department of Health Care Policy and Financing. Of that amount, \$230,436 is further appropriated to the Department of Law. This provision also states that the appropriation is based on the assumption that the Departments will require an additional 6.7 FTE and the Department of Health Care Policy and Financing will receive \$184,774 federal funds to implement the act.

- **L.002** Bill Sponsor amendment **L.002** (attached) specifies that the implementation plan shall build upon the settlement agreement reached in *G.A. v. Bimestefer*, No. 1:21-cv-02381 (D.Colo. Feb. 22, 2024). Legislative Council Staff and JBC Staff agree that the amendment does not have a fiscal impact.
- **L.003** Bill Sponsor amendment **L.003** (attached) specifies that funding in future fiscal years is subject to available appropriations. Legislative Council Staff and JBC Staff agree that the amendment does not change the fiscal impact or appropriation for FY 2024-25.

The Committee should adopt J.001 regardless of whether it adopts L.002 or L.003.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$93.5 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$14.0 million).

General Fund Appropriation Placeholders for Other 2024 Legislation		
Description	FY 2024-25	
General Legislative Priorities	\$21,739,130	
Legislation for Shared Housing Priorities	42,478,261	
Legislation for Shared Workforce and Education Priorities	16,152,110	
Legislation for Other Shared Priorities	10,519,130	
Legislation for Distributions to Rural Hospitals	2,608,689	
TOTAL Placeholders for Other 2024 Legislation	\$93,497,320	

The JBC has included as part of its FY 2024-25 budget package \$2,093,250 General Fund to be appropriated for implementation of this bill. The bill requires a General Fund appropriation of \$2,343,250, reducing the \$93.5 million set aside by \$250,000. General Fund appropriations for the bill increase to \$12.8 million in FY 2025-26 and \$109.6 million in FY 2026-27.

Future Budget Processes

If the Committee adopts **L.003**, the bill will specify that funding in future fiscal years is subject to available appropriations. Legislative Council Staff and JBC Staff agree that this does not change the future fiscal impact of the bill, but JBC Staff assumes that future funding will be evaluated by the JBC and General Assembly as part of the FY 2025-26 budget process.