



JOINT BUDGET COMMITTEE STAFF FY 2021-22 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Department of Public Health and Environment

The Department of Public Health and Environment is responsible for responsible for protecting and improving the health of the people of Colorado and ensuring the quality of Colorado's environment.. The Department's FY 2020-21 appropriation represents approximately 1.9 percent of statewide operating appropriations and 0.6 percent of statewide General Fund appropriations.

FY 2020-21 APPROPRIATION AND FY 2021-22 REQUEST

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2020-21 APPROPRIATION:						
HB 20-1360 (Long Bill)	599,973,495	61,588,578	188,092,900	49,324,190	300,967,827	1,395.2
Other Legislation	(1,848,303)	(1,630,063)	56,725	(277,162)	2,197	1.8
TOTAL	\$598,125,192	\$59,958,515	\$188,149,625	\$49,047,028	\$300,970,024	1,397.0
FY 2021-22 REQUESTED APPROPRIATION:						
FY 2020-21 Appropriation	\$598,125,192	59,958,515	\$188,149,625	\$49,047,028	\$300,970,024	1,397.0
R1 Long bill reorganization	0	0	0	0	0	0.0
R2 Opiate antagonist true-up	(950,000)	0	(950,000)	0	0	0.0
R3 EMS and trauma provider true-up	(2,314,561)	0	(2,314,561)	0	0	0.0
R4 Align remediation program personal services	(48,000)	0	(48,000)	0	0	0.0
R5 Discontinue underutilized waste tire end user program	(6,525,000)	0	(6,525,000)	0	0	0.0
R6 Ryan White STI HIV AIDS tobacco revenue true-up	(1,132,894)	0	(1,132,894)	0	0	0.0
R7 Administration and support division efficiencies	(1,033,593)	0	0	(1,033,593)	0	0.0
R8 Redirect marijuana health effects monitoring	(40,981)	0	(40,981)	0	0	0.0
R9 Partial reduction to hotline contractor	(99,079)	(99,079)	0	0	0	0.0
R10 Extend marijuana education campaign reduction	(3,700,000)	0	(3,700,000)	0	0	(1.7)
NP1 Technical adjustments	(364,052)	364,052	0	(728,104)	0	0.0
NP2 DPA center for organizational effectiveness	24,038	2,468	0	21,570	0	0.0
NP3 Annual fleet vehicle request	21,699	(6,842)	59,686	(31,145)	0	0.0
NP4 Extend pause annual lease depreciation payment	(149,531)	(70,348)	(79,183)	0	0	0.0
Annualize prior year legislation	2,974,803	1,800,889	845,719	308,580	19,615	0.7
Centrally appropriated line items	2,575,209	(232,294)	1,768,906	326,349	712,248	0.0
Annualize prior year budget actions	2,167,505	(937,347)	3,104,852	0	0	9.7
Indirect cost assessment	618,655	0	(2,081,798)	153,192	2,547,261	0.0
Other technical adjustments	(728,936)	0	(35,387)	0	(693,549)	0.0
TOTAL	\$589,420,474	\$60,780,014	\$177,020,984	\$48,063,877	\$303,555,599	1,405.7

INCREASE/(DECREASE)	(\$8,704,718)	\$821,499	(\$11,128,641)	(\$983,151)	\$2,585,575	8.7
Percentage Change	(1.5%)	1.4%	(5.9%)	(2.0%)	0.9%	0.6%

R1 LONG BILL REORGANIZATION: The request pertains to a net zero reorganization of the Departments Long Bill to better align with the Departments organizational structure. The request takes three of the Departments divisions and restructures them into two. The Office of Emergency Preparedness and Response, Division of Disease Control and Environmental Epidemiology, and Laboratory Services Division will be reorganized into the new Disease Control and Public Health Response division and Office of HIV, Viral Hepatitis and Sexually Transmitted Infections. The request also creates the Toxicology and Environmental Epidemiology Unit within the Division of Environmental Health and Sustainability.

R2 OPIATE ANTAGONIST BULK PURCHASE FUND TRUE-UP: The request includes \$950,000 cash fund spending authority reduction from the Opiate Antagonist Bulk Purchase Fund. The program created by SB 19-227 was anticipated to generate revenue requiring cash fund spending authority. The program is currently structured so that subsidized antagonists, such as naloxone, are procured by a third party administrator, and no revenue passes through the Department. Because of this the Department requests the change to eliminate spending authority it does not anticipate using.

R3 EMS AND TRAUMA PROVIDER SPENDING AUTHORITY TRUE UP: The request includes a \$2.3 million reduction in cash fund spending authority from the Emergency Medical Services Account, within the Highway Users Tax Fund, to the Emergency Medical Service Provider Grants line item. This proposed reduction is meant to align the Long Bill with actual revenue, which has been in decline. This reduction is not anticipated to affect actual services provided.

R4 ALIGN REMEDIATION PROGRAM PERSONAL SERVICES: The request includes a decrease of \$48,000 cash fund spending authority from the Hazardous Substance Response Fund. The personal Services line item for the Contaminated Site Cleanups and Remediation Program currently has an appropriation of \$1 million cash funds, but has reverted large sums of this appropriation over the last five years.

R5 DISCONTINUE UNDERUTILIZED WASTE TIRE END-USER PROGRAM: The request includes a decrease of \$6.5 million cash funds from the Waste Tire End-User Program, and requests that the Committee sponsor legislation to repeal the program from statute. The program was repealed, and then reinstated in 2018, but has not had the capabilities of offering rebates to consumers due to a 25 percent reserve requirement for the fund. Since the programs reinstatement the Department has not seen any impact on the rates of recycling and salvage of waste tires since it last disbursed rebates in 2017. The Department also requests that the Committee sponsor legislation to transfer the balance of the fund, an estimated \$3 million, to the General Fund. **This request includes two pieces of legislation for the Committee to consider sponsoring in the 2021 legislative session.**

R6 RYAN WHITE, STI, HIV, AIDS TRUE-UP WITH TOBACCO REVENUE: The request includes a decrease of \$1.1 million cash fund spending authority across two line items whose revenue comes from the Tobacco Master Settlement Agreement (MSA), the State Drug Assistance Program (\$366,037) and Sexually Transmitted Infections, HIV and AIDS operating expenses (\$766,857). This request would align spending authority with expected decreases in MSA revenue for the upcoming fiscal year.

R7 ADMINISTRATION AND SUPPORT DIVISION EFFICIENCIES: The request includes a decrease of \$1.1 million reappropriated funds through indirect cost recoveries within the Administration and Support division. The Department has identified several instances of spending authority that are no longer needed for operations, including:

- \$300,000 for construction and building improvements

- \$51,746 for records conversion
- \$88,000 for .5 FTE that can be moved to the another division
- \$375,749 for federally funded employee leave payouts
- \$118,098 for unused Sharepoint licenses
- \$100,000 in unused IT related costs.

R8 REDIRECT MARIJUANA HEALTH EFFECTS MONITORING FUNDING: The request includes a decrease of \$40,981 cash funds spending authority from the Marijuana Tax Cash Fund to the Marijuana Health Effects Monitoring Program. This request would result in either the program reducing its budget for new data sources and surveys relating to specific populations (youth, pregnant women, etc) or reducing payment to the Colorado Hospital Association for Tableau dashboards and the Department’s digital library. The Department also requests that the Committee sponsor legislation to transfer the reduced appropriation to the General Fund. **The request includes a piece of legislation for the Committee to consider sponsoring in the 2021 legislative session.**

R9 PARTIAL REDUCTION TO HOTLINE COORDINATOR: The request includes a decrease of \$99,079 General Fund to the Poison Control line item. The request represents a 6.2 percent decrease in pass through dollars that go to the Rocky Mountain Poison and Drug Safety Center, representing an estimated 2.2 percent reduction to the contractors overall budget.

R10 EXTEND JBC REDUCTION TO MARIJUANA EDUCATION CAMPAIGN: The request includes a one-time decrease of \$3,700,000 cash fund reduction from the Marijuana Tax Cash Fund to the Marijuana Education Research Campaign. The Department also requests that the Committee sponsor legislation to transfer this appropriation to the General Fund. This requests reflects keeping the appropriation the same compared to FY 2020-21 when the line was reduced for balancing purposes. **The request includes a piece of legislation for the Committee to consider sponsoring in the 2021 legislative session.**

NON-PRIORITIZED DECISION ITEMS: The request includes several non-prioritized decision items. This items are typically related to decisions made in other Departments and are included in the table below.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS	FTE
NP1 Technical adjustments	(\$364,052)	\$364,052	\$0	(\$728,104)	0
NP2 DPA center for organizational effectiveness	24,038	2,468	0	21,570	0
NP3 Annual fleet vehicle request	21,699	(6,842)	59,686	(31,145)	0
NP4 Extend pause annual lease depreciation payment	(149,531)	(70,348)	(79,183)	0	0
TOTAL	(\$467,846)	\$289,330	(\$19,497)	(\$737679)	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$3.0 million total funds to reflect the FY 2021-22 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1379 Suspend DD to PERA	\$2,671,909	\$1,496,477	\$896,316	\$279,116	\$0	0.0
SB18-200 PERA unfunded liability	212,000	96,619	69,272	29,464	16,645	0.0
HB19-1237 Licensing behavioral health	170,467	98,775	71,692	0	0	1.1
HB20-1380 Move tobacco money to general fund	160,717	0	160,717	0	0	0.0
SB19-227 Harm reduction substance use	83,520	83,520	0	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB19-1010 Freestanding emergency dept	49,210	0	49,210	0	0	1.2
HB20-1398 Modify fund capital construction	33,505	33,505	0	0	0	0.0
SB19-073 Statewide system advance medical	23,544	23,544	0	0	0	0.0
HB20-1215 Water wastewater facilities	2,970	0	0	0	2,970	0.0
SB20-055 Incentivize development	(366,894)	0	(366,894)	0	0	(0.9)
HB19-065 Peer assistance emergency medical	(28,394)	0	(28,394)	0	0	(0.4)
SB20-163 School entry immunization	(17,544)	(17,544)	0	0	0	(0.1)
HB19-1174 Out of network health care	(14,007)	(14,007)	0	0	0	(0.2)
HB20-1119 State government regulation	(6,200)	0	(6,200)	0	0	0.0
TOTAL	\$2,974,803	\$1,800,889	\$845,719	\$308,580	\$19,615	0.7

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following:

CENTRALLY APPROPRIATED LINE ITEMS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Health, life, and dental adjustment	\$1,237,567	(\$330,239)	\$1,175,546	\$97,461	\$294,799	0.0
Payments to OIT adjustment	540,520	110,856	77,532	177,899	174,233	0.0
Payment to risk management / property funds adjustment	422,113	42,594	0	379,519	0	0.0
Leased space adjustment	238,359	36,843	79,183	122,333	0	0.0
AED adjustment	214,208	(92,018)	223,415	(43,807)	126,618	0.0
SAED adjustment	214,208	(92,018)	223,415	(43,807)	126,618	0.0
Legal services adjustment	206,536	21,201	0	185,335	0	0.0
CORE adjustment	124,559	112,997	0	11,562	0	0.0
Capitol Complex leased space adjustment	4,546	317	0	4,229	0	0.0
OIT Budget request package	(522,276)	0	0	(522,276)	0	0.0
ALJ adjustment	(39,353)	(3,924)	0	(35,429)	0	0.0
Workers' compensation adjustment	(35,527)	(32,599)	0	(2,928)	0	0.0
Shift differential adjustment	(19,840)	(865)	(11,545)	0	(7,430)	0.0
Short-term disability adjustment	(10,411)	(5,439)	1,360	(3,742)	(2,590)	0.0
TOTAL	\$2,575,209	(\$232,294)	\$1,768,906	\$326,349	\$712,248	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$2.1 million total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 20-21 Restore one time reduction	\$6,056,357	\$1,845,319	\$4,211,038	\$0	\$0	3.7
FY 20-21 GF HLD reduction	1,027,334	1,027,334	0	0	0	0.0
FY 20-21 R1 Oil and gas enforcement compliance	538,310	0	538,310	0	0	5.5
FY 20-21 BA3 Mobile monitoring of oil and gas health	50,785	0	50,785	0	0	0.5
FY 20-21 Immunization CARES Funding	(2,000,000)	(2,000,000)	0	0	0	0.0
FY 20-21 BA1 Leased Space Expansion	(1,695,281)	0	(1,695,281)	0	0	0.0
LPHA CARES Funding	(1,500,000)	(1,500,000)	0	0	0	0.0
FY 2018-19 R07 HIE	(310,000)	(310,000)	0	0	0	0.0
TOTAL	\$2,167,505	(\$937,347)	\$3,104,852	\$0	\$0	9.7

INDIRECT COST ASSESSMENT: The request includes net increase of \$618,655 total funds in the Department's indirect cost assessment.

OTHER TECHNICAL ADJUSTMENTS: The request includes a net decrease of \$728,936 total funds for other technical adjustments largely relating to the representation of federal funds.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

2020 SESSION BUDGET BALANCING ACTIONS: In response to the budget challenges in the 2020 Session, the Joint Budget Committee and the General Assembly took actions that reduced the FY 2020-21 General Fund appropriations to the Department of Public Health and Environment by \$3.7 million. The General Assembly's actions made an additional \$5.2 million available for balancing purposes by reducing cash funds appropriations. These adjustments contributed to the net decrease in the Department's General Fund and total funds budget for FY 2020-21.

COVID AND THE PUBLIC HEALTH RESPONSE: The Department of Public Health and Environment has received \$391.7 million from mostly federal sources to coordinate the public health response to the COVID pandemic in Colorado.

FOR MORE INFORMATION

JBC STAFF ANALYST: Andrew Forbes
(303) 866-2062
andrew.forbes@state.co.us

TO READ THE ENTIRE BRIEFING: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2020.