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Fiscal Note Packet

Fiscal Notes for Legislation Introduced with the FY 2020-21 Long Bill

Health Care Policy and Financing

Higher Education

Human Services

Judicial

Labor and Employment

Law

Local Affairs

Natural Resources

Public Health and Environment

Public Safety

Transportation

Capital Construction

Statewide

Other

HB 20-1361

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1200	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **REDUCE THE ADULT DENTAL BENEFIT**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill reduces the adult dental benefit cap to $1,000 per recipient per year and makes other adjustments to provide funds for Medicaid services. The bill transfers money to the General Fund and decreases expenditures starting in FY 2020-21.

Appropriation Summary: For FY 2020-21, this bill requires and includes reduced appropriations of $5.2 million to the Department of Health Care Policy and Financing.

Fiscal Note Status: This fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee as part of the FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1361

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($331,462)	-
	Cash Funds	($807,940)	($2,278,804)
	Federal Funds	($4,094,136)	($8,188,272)
	Total	**($5,233,538)**	**($10,467,076)**
Transfer	General Fund	$1,139,402	$2,278,804
	Cash Funds	($1,139,402)	($2,278,804)
	Total	**$0**	**$0**
TABOR Refund		-	-

Summary of Legislation

This bill caps the adult dental benefit provided through Medicaid at $1,000 per year for each recipient once the requirement for a higher federal match through the federal "Families First Coronavirus Response Act" expires. The $1,000 cap will continue until December 31, 2022. Next, the bill transfers savings from the adult dental benefit cap from the Unclaimed Property Trust Fund to the General Fund. Finally, the bill appropriates $331,462 from the Healthcare Affordability and Sustainability (HAS) Fee Cash Fund to be used to offset General Fund expenditures for Medicaid.

Background

Adult Dental Benefit. Under current law, the adult dental benefit under Medicaid receives funding from the Adult Dental Cash Fund, which is funded through transfers from the Unclaimed Property Trust Fund. The Treasurer transfers enough funds to implement the adult dental benefit after first reserving enough funds to cover the costs for paying unclaimed property claims, anticipated claims, and any other statutorily required publications or correspondence related to the unclaimed property program.

Colorado Healthcare Affordability and Sustainability Enterprise. The Colorado HAS Enterprise in the Department of Health Care Policy and Financing (HCPF) collects a HAS fee from hospitals for the purpose of obtaining federal matching money to support the state's Medicaid and Indigent Care Programs.

Assumptions

The fiscal note assumes that the cap will be effective on January 1, 2021.

State Transfer

This bill transfers $1.1 million in FY 2020-21 and $2.3 million in FY 2021-22 from the Unclaimed Property Cash Fund to the General Fund.

State Expenditures

This bill reduces state expenditures in HCPF by $5.2 million in FY 2020-21 and by $10.5 million in FY 2021-22. The reduction in expenditures is shown in Table 2 and described in more detail below.

Table 2
Expenditures Under HB 20-1361

	FY 2020-21	FY 2021-22
Department of Health Care Policy and Financing		
Adult Dental Benefit	($5,233,538)	($10,467,076)
Medicaid Services - General Fund	($331,462)	-
Medicaid Services - HAS Fee	$331,462	-
Total Cost	**($5,233,538)**	**($10,467,076)**
General Fund	*($331,462)*	-
Cash Fund	($807,940)	*($2,278,804)*
Federal Funds	($4,094,136)	*($8,188,272)*

Dental benefit. By reducing the adult dental benefit by $500 per recipient per year, expenditures in HCPF are estimated to be reduced by $5.2 million in FY 2020-21 and $10.5 million in FY 2021-22. Of those amounts, it is estimated that $1.1 million in FY 2020-21 and $2.3 million in FY 2021-22 will be from the Adult Dental Cash Fund. The remaining reductions will come from federal funds. Costs in FY 2020-21 are prorated for a January 1, 2021, start date.

Medicaid services. In FY 2020-21 only, the bill reduces General Fund expenditures for Medicaid by $331,462. This General Fund reduction is offset by an appropriation in the same amount from the HAS Fee Cash Fund.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill requires and includes the following adjustments in appropriations to the Department of Health Care Policy and Financing:

- for the adult dental benefit, a reduction of $5,233,538, including $1,139,402 from the Adult Dental Cash Fund and $4,094,136 in federal funds; and
- for Medicaid services, reduction of $331,462 from the General Fund and an increase of $331,462 from the Healthcare Affordability and Sustainability Fee Cash Fund.

State and Local Government Contacts

Health Care Policy and Financing Treasury

HB 20-1362

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1197	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Clare Pramuk | 303-866-2677 clare.pramuk@state.co.us

Bill Topic: **LIMIT INCREASE TO MEDICAID NURSING FACILITY RATES**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. Under current law, the General Fund share of the per diem rates to nursing facilities is limited to an annual increase of 3.0 percent. The bill limits the annual increase to 2.0 percent for FY 2020-21 and FY 2021-22. It reduces expenditures in FY 2020-21 and FY 2021-22.

Appropriation Summary: For FY 2020-21, the bill includes a reduction in General Fund appropriations of $3,288,230 and $3,711,921 in federal funds.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1362

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($3,288,230)	($8,253,242)
	Federal Funds	($3,722,921)	($8,253,243)
	Total	**($7,011,151)**	**($16,506,485)**
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Under current law, the General Fund share of the per diem rates to nursing facilities is limited to an annual increase of 3.0 percent. The bill limits the annual increase to 2.0 percent for FY 2020-21 and FY 2021-22. This bill reduces appropriations by $7,011,151 for the Department of Health Care Policy and Financing for FY 2020-21 of which $3,288,230 is General Fund and $3,722,921 are federal funds.

Assumptions

The fiscal note assumes that per diem nursing facility rates will increase by 2.0 percent in both FY 2020-21 and FY 2021-22, and would have increased by the statutory maximum rate of 3.0 percent each year without the bill.

State Expenditures

The bill reduces expenditures for medical services premiums by $7,011,151 for the Department of Health Care Policy and Financing in FY 2020-21 and $16,506,485 in FY 2021-22. The reduction by funding source is shown in Table 1 above.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, appropriations in the Department of Health Care Policy and Financing are reduced by $7,011,151, of which $3,288,230 is General Fund and $3,722,921 are federal funds.

State and Local Government Contacts

Health Care Policy and Financing

HB 20-1363

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1282	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **REPEAL REPORT ON INCREASE RATE FOR DIRECT SUPPORT**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget Package Bill. The bill repeals a requirement for service agencies to report to the Department of Health Care Policy and Financing regarding increased reimbursement rates within the Medicaid Home and Community Based Services Waiver. Beginning in FY 2020-21, the bill will decrease workload in the Department of Health Care Policy and Financing.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Summary of Legislation

House Bill 18-1407 increased reimbursement rates for specific services delivered through the Medicaid Home and Community Based Services (HCBS) Waiver program. HB 18-1407 also required that the increased funding be used only to increase compensation for direct support professionals, and required that service agencies track and report how they used the increased funding to the Department of Healthcare Policy and Financing (HCPF). This bill removes the reporting requirement for service agencies, while maintaining the tracking requirement for service agencies.

Background

HCBS waivers provide additional services to specified populations with the purpose of keeping eligible clients in their homes and out of nursing facilities.

State Expenditures

Beginning in FY 2020-21, the bill decreases workload in HCPF as they will no longer be required to collect and analyze reports from service agencies with respect to increased reimbursement rates for the HCBS waiver. No change in appropriation is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Health Care Policy and Financing

HB 20-1384

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1199	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Esgar Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **WRAPAROUND SERVICES FOR ELIGIBLE AT-RISK CHILDREN**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill delays a program created under SB 19-195 that provides wraparound services for children and youth in or at risk of out-of-home placement. Beginning in FY 2020-21, it reduces state expenditures on an ongoing basis, or until the General Assembly resumes appropriating money to the program.

Appropriation Summary: For FY 2020-21, the bill includes a reduction in appropriations of $1.7 million from the Departments of Health Care Policy and Financing and Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1384

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($872,872)	up to ($5.6 million)
	Federal Funds	($812,571)	up to ($5.2 million)
	Total	**($1,685,443)**	**up to ($10.8 million)**
	Total FTE	**(6.4 FTE)**	**up to (6.3 FTE)**
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Senate Bill 19-195 required the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to work collaboratively to provide Medicaid-covered wraparound services for children and youth in or at risk of out-of-home placement.

The bill also required the DHS to create three new tools:

- a standardized assessment tool to facilitate identification of behavioral health issues and other related needs in children and youth;
- a statewide behavioral health screening tool for primary care providers serving children, youth, and caregivers in the perinatal period, including postpartum women; and
- a single statewide referral and entry point for children and youth who have a positive behavioral health screening or whose needs are identified through a standard assessment.

Finally, the bill required the Department of Public Health and Environment (CDPHE) to provide free training for providers on these tools.

This bill removes FY 2020-21 appropriations for the program, makes the program subject to available appropriations, and removes related implementation deadlines.

State Expenditures

The bill reduces state expenditures by $1.7 million and 6.4 FTE in FY 2020-21 and up to $10.8 million and 6.3 FTE in FY 2021-22 and future fiscal years. The ongoing reduction in expenditures in future years will decrease or end if, through the annual budget process, the General Assembly provides appropriations for the program to continue its implementation.

Technical Note

In the fiscal note for SB 19-195, CDPHE required ongoing funding to create the free provider training on the DHS' tools. For FY 2020-21, $108,840 and 0.2 FTE General Fund is annualized into the Long Bill for this purpose. The bill may also include a reduction in this appropriation.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill requires the following appropriations:

- a reduction of $1.4 million to HCPF, including $677,492 General Fund and $812,571 in federal funds, and 3.9 FTE;
- a reduction in reappropriated funds from HCPF to DHS of $300,000 from the appropriation above; and
- a reduction in appropriations to DHS of $195,380 General Fund and 2.5 FTE.

State and Local Government Contacts

Health Care Policy and Financing
Joint Budget Committee
Human Services
Public Health and Environment

HB 20-1385

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1195	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Max Nardo | 303-866-4776 Max.Nardo@state.co.us

Bill Topic: **USE OF INCREASED MEDICAID MATCH**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill allows the state to use a temporary increase in federal funds related to Medicaid from the Families First Coronavirus Response Act to reduce General Fund obligations rather than having the benefit accrue to cash funds.

Appropriation Summary: For FY 2019-20 and FY 2020-21, the bill increases and decreases appropriations in multiple state agencies. See the state appropriations section.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1385

		FY 2019-20 *(current year)*	FY 2020-21	FY 2021-22
Revenue	General Fund	$43,400	$1,285,820	-
	Total	**$43,400**	**$1,285,820**	**-**
Expenditures*	General Fund	($24,733,945)	($26,775,711)	-
	Cash Funds	$24,733,945	$24,733,945	-
	Federal Funds	-	($2,289,036)	-
	Total	**$0**	**($4,330,802)**	**-**
Transfers		-	-	-
TABOR Refund		-	-	-

** Table 1 excludes reappropriated funds to prevent double counting of funds.*

Summary of Legislation

This bill establishes that for specified cash funds the temporary increase in the federal match rate (FMAP) from the Families First Coronavirus Response Act must be used to reduce General Fund obligations for the state's Medicaid program rather than accruing to the cash fund. It does not affect the amount paid to providers. Adjustments are in effect for FY 2019-20 and FY 2020-21, the assumed period of enhanced federal match under the act. The bill modifies FY 2019-20 and FY 2020-21 appropriations.

For the following medical service payment types, the amount of federal matching funds received in excess of 50.0 percent federal financial participation generated by increased reimbursements pursuant to the Families First Coronavirus Response Act are transferred to or otherwise accrue to the General Fund:

- provider fee on hospitals (Healthcare Affordability and Sustainability Fee Cash Fund);
- provider fee on nursing facilities (Medicaid Nursing Facility Cash Fund);
- University of Colorado Health Sciences Center; and
- expenditures reimbursed through certifications of public expenditures for services rendered to medically indigent individuals.

Background

On March 18, 2020, the Families First Coronavirus Response Act was signed into federal law. The act provides a temporary 6.2 percentage point increase to the FMAP for each state's Medicaid spending effective beginning January 1, 2020, and extending through the last day of the calendar quarter in which the public health emergency declared by the Secretary of Health and Human Services for COVID-19.

Assumptions

The duration of the declared public health emergency is unknown; the fiscal note is based on the Joint Budget Committee's decision to assume for budgeting purposes that the increased federal match will be in effect through December 31, 2020.

State Revenue

State General Fund revenue to the Department of Health Care Policy and Financing (HCPF) will increase by an expected $43,400 in FY 2019-20 and $1,285,820 in FY 2020-21. Revenue comes from excess federal matching funds for providers of services for medically indigent individuals.

State Expenditures

For the current FY 2019-20, the bill decreases General Fund expenditures by $24.7 million in HCPF and increases cash fund expenditures by the same total, resulting in no net change in state expenditures. On net, for FY 2020-21, the bill decreases state spending in HCPF and the Department of Higher Education by about $4.3 million, of which $2.0 million is General Fund and

$2.3 million are federal funds, as well as reducing associated reappropriation of funds. In FY 2020-21, the bill also shifts $24.7 million in Medicaid spending from the General Fund to cash funds. These impacts are shown on Table 2 and described below.

Table 2
Expenditures Under HB 20-1385

	FY 2019-20	FY 2020-21
HCPF - Provider Fees		
Healthcare Affordability and Sustainability Fee Cash Fund	$21,132,815	$21,132,815
Medicaid Nursing Facility Cash Fund	$3,601,130	$3,601,130
General Fund	($24,733,945)	($24,733,945)
Subtotal: provider fees	$0	$0
HCPF - University of Colorado		
CU Health Sciences Center (General Fund)	-	($2,021,766)
Subtotal: HCPF - University of Colorado	-	($2,021,766)
Total	**$0**	**($2,021,766)**

The increased FMAP on hospital and nursing facility provider fee expenditures offsets cash fund expenditures in these areas; the bill shifts these savings to the General Fund, keeping cash fund spending at the level it would be in the absence of the increased federal match. Care provided by faculty members at the CU medical campus can be eligible for payment though Medicaid, which is reappropriated to the Department of Higher Education from HCPF. The increased FMAP for these expenditures reduces the General Fund obligation for these medical services.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For the current FY 2019-20, the bill includes the following changes to appropriations for HCPF:

- decreases General Fund appropriations for Medicaid by $24,733,945;
- increases cash fund Medicaid appropriations by the same amount, of which $21,132,815 is from the HAS Fee Cash Fund and $3,601,130 is from the Medicaid Nursing Facility Cash Fund.

For FY 2020-21, the bill includes the following changes to appropriations for HCPF:

- decreases the General Fund appropriation for Medicaid by $24,733,945;
- increases cash fund Medicaid appropriations by the same amount, of which $21,132,815 is from the HAS Fee Cash Fund and $3,601,130 is from the Medicaid Nursing Facility Cash Fund; and
- decreases federal funds anticipated for Medicaid by $2,289,036.

Lastly, for FY 2020-21, the bill reduces General Fund appropriations to the Department of Higher Education by $2,021,766, along with the corresponding reappropriation of funds to HCPF and the University of Colorado Board of Regents.

State and Local Government Contacts

JBC Staff

HB 20-1386

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1196	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Max Nardo | 303-866-4776 Max.Nardo@state.co.us

Bill Topic: **USE FEES FOR MED ASSISTANCE PROG GEN FUND OFFSET**

Summary of Fiscal Impact:

- ☒ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill authorizes the use of hospital fee revenue to offset General Fund expenditures for Colorado's Medicaid program, and makes appropriations for that purpose.

Appropriation Summary: For FY 2020-21, the bill both increases and decreases appropriations in the Department of Health Care Policy and Financing by $161.0 million.

Fiscal Note Status: The fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1386

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($161.0 million)	-
	Cash Funds	$161.0 million	-
	Total	**$0**	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill expands the purposes for which funds in the Healthcare Affordability and Sustainability Cash Fund can be used to include offsetting General Fund expenditures on the state's Medicaid program for FY 2020-21 only, and appropriates $161.0 million for that purpose. The General Fund appropriation for Medicaid in the 2020 Long Bill is reduced by an equivalent amount.

In addition, the bill establishes that If the amount of Healthcare Affordability and Sustainability (HAS) Fee revenue collected exceeds federal limits, any required repayments of excess federal matching money and associated penalties must be paid by hospitals.

Background

The Colorado Healthcare Affordability and Sustainability Enterprise in the Department of Health Care Policy and Financing collects the HAS fee from hospitals for the purpose of obtaining federal matching money to support the state's Medicaid and Indigent Care Programs. The amount of the fee is recommended by the enterprise board and established by the Medical Services Board. Federal regulation limits the amount of the fee to 6.0 percent of net patient revenues. If the state collects and spends revenue in excess of that limit, federal funds obtained to match the excess HAS fee amount must be repaid to the federal government.

State Revenue

The bill may indirectly increase state cash fund revenue to the extent that requiring hospitals, rather than the state, to pay the costs of reimbursing the federal government for any excess federal matching money and associated penalties allows the Colorado Healthcare Affordability and Sustainability Enterprise to increase fees closer to the maximum amount allowed under federal law. Because the enterprise already has the authority to adjust its fee, the fiscal note does not attribute any additional revenue to this bill directly. For informational purposes, raising the fee from the current 5.75 percent to the maximum amount of 6.0 percent will increase HAS fee revenue by approximately $74 million in FY 2020-21.

State Expenditures

For FY 2020-21, cash fund expenditures in the Department of Health Care Policy and Financing will increase by $161.0 million, and General Fund expenditures will decrease by the same amount. The bill results in no net change in state expenditures. Shifting these expenditures will decrease funds in the Healthcare Affordability and Sustainability Cash Fund that would otherwise be available to spend on other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes an appropriations of $161.0 million from the HAS Cash Fund to the Department of Health Care Policy and Financing. The department's General Fund appropriation in the 2020 Long Bill is reduced by the same amount.

State and Local Government Contacts

JBC Staff

HB 20-1364

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1211	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; Ransom Sen. Zenzinger; Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **REPEAL OPIOID AWARENESS PROGRAM AND APPROPRIATION**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill discontinues an annual appropriation to the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies at the University of Colorado for a public awareness program about opioids. It decreases state expenditures from FY 2020-21 through FY 2023-24.

Appropriation Summary: This bill requires and includes a reduction in appropriations of $750,000 to the Department of Higher Education in FY 2020-21.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1364

		FY 20-21	FY 21-22	FY 22-23	FY 23-24
Revenue		-	-	-	-
Expenditures	Marijuana Tax Cash Fund	($750,000)	($750,000)	($750,000)	($750,000)
Transfers		-	-	-	-
TABOR Refund		-	-	-	-

Summary of Legislation

Current law requires an annual appropriation of $750,000 through FY 2023-24 from the Marijuana Tax Cash Fund to the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies at the University of Colorado to implement a program to increase public awareness about the safe use, storage, and disposal of opioids, and about the availability of antagonist drugs used to block the effects of an opioid overdose.

This bill repeals the appropriation requirement for FY 2020-21 through 2023-24 and repeals the program, effective September 1, 2020. The bill also repeals the scheduled sunset review of the program prior to its repeal.

State Expenditures

The bill reduces state Marijuana Tax Cash Fund expenditures in the Department of Higher Education by $750,000 for four years from FY 2020-21 through FY 2023-24.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill requires and includes a reduction in Marijuana Tax Cash Fund appropriations of $750,000 to the Department of Higher Education for use by the Regents of the University of Colorado in FY 2020-21.

State and Local Government Contacts

Higher Education	Joint Budget Committee

HB 20-1365

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1168	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Rankin; Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: **SUSTAIN FUNDING HISTORY COLORADO**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill transfers funds to History Colorado and increases its budgeting flexibility to fund operations and required payments.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1365

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers	Capital Construction Fund	($940,000)	-
	State Historical Fund	$940,000	
	Total	**$0**	-
TABOR Refund		-	-

Summary of Legislation

The bill makes three statutory changes related to funding for the State Historical Society (History Colorado).

- Current law requires the General Assembly to appropriate money from the State Historical Fund for certain financial obligations; the bill expands this authority to include any fund, including the General Fund.
- The bill transfers the unencumbered portion of funds previously transferred from the State Historical Fund to the Capital Construction Fund to repaint the interior dome of the State Capitol back to the State Historical Fund.
- The bill authorizes History Colorado to transfer up to $1.0 million per year from its Preservation Grant Program Account within the State Historical Fund to its Museum and Preservation Operations Account, for FY 2020-21 and FY 2021-22 only.

Background

History Colorado operates the History Colorado Center and several other museums, archeological sites, and historical preservation sites across the state. It also makes grants for historical preservation. A significant portion of its funding comes from gaming receipts and operating revenue, both of which are forecast to be greatly reduced in FY 2019-20 and FY 2020-21. Because the prior year's actual gaming receipts are used to fund the subsequent year's activities, reduced revenue in FY 2019-20 and FY 2020-21 will impact operations in FY 2020-21 and FY 2021-22.

Dome painting project. In FY 2019-20, History Colorado transferred $1.0 million from the State Historical Fund to the Capital Construction Fund for Phase I of a project to repaint the interior dome of State Capitol. Of this amount, approximately $60,000 has been expended in project planning. As the painting contract has been awarded but not executed, the balance of the funds remains unencumbered. The bill returns this balance to the State Historical Fund.

Museum operations funding. Current law also limits the share of History Colorado's revenue and expenses that can be used for museum operations, which include Certificate of Participation payments. These annual payments of $3.0 million to 3.5 million run through FY 2045-46. The bill permits History Colorado to transfer funds from the grants program to museum operations for the next two fiscal years.

State Transfers

The bill transfers approximately $940,000 from the Capital Construction Fund to the State Historical Fund on July 1, 2020.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Higher Education Legislative Department

HB 20-1366

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1090	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Anna Gerstle | 303-866-4375 Anna.Gerstle@state.co.us

Bill Topic: **HIGHER EDUCATION FUNDING ALLOCATION MODEL**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill creates a new higher education funding allocation model beginning in FY 2021-22. The bill modifies how state appropriations are allocated among institutions of higher education, but does not require any change in total state expenditures for higher education.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

Summary of Legislation

This bill establishes a new higher education funding allocation model beginning in FY 2021-22. The new model retains the current method of allocating state appropriations via fee-for-service contracts with institutions of higher education. It also retains the current funding mechanisms for COF and specialty education programs, and aligns those mechanisms with the new allocation model.

Under the bill, fee-for-service contracts will be based on three components: ongoing base funding, performance funding, and temporary additional funding. The Colorado Commission on Higher Education (CCHE), in conjunction with the Department of Higher Education (DHE) and institutions, must make recommendations to the Joint Budget Committee (JBC) for each component through the annual budget process.

Ongoing base funding. Institutions of higher education may be awarded an additional amount of base building funding to support progress toward master plan goals, or to address a school's additional cost to serve resident, first-generation undergraduate students.

Performance funding. Performance funding is allocated based on a school's change in designated performance metrics over time, compared to other institutions' change in performance, and adjusted based on each institution's share of funding in the previous state fiscal year, except that for FY 2021-22, it is calibrated to FY 2019-20 funding levels. After considering the annual

recommendations from CCHE, the JBC must determine the amount of funding allocated to each performance metric for a fiscal year. The performance metrics include:

- resident student full-time equivalent enrollment;
- credential completion;
- resident Pell-eligible student population share;
- resident underrepresented minority student population share;
- retention rate;
- percent of first-time, full-time students graduating within 100 percent of the normal time to completion for their degree type;
- percent of first-time, full-time students graduating within 150 percent of the normal time to completion for their degree type; and
- resident first-generation undergraduate student population share.

Temporary additional funding. Additional temporary funding may be awarded to an institution to address goals identified in the master planning process, or other areas identified by CCHE. Temporary funding must be allocated for a specific period of time.

CCHE requirements. By July 1, 2022, the bill requires that CCHE identify and recommend ways to better measure the success of students who are not first-time, full-time students. The bill specifies what must be included in the CCHE annual budget request, and requires that CCHE review the funding formula every five years, beginning by November 1, 2026.

State Expenditures

The bill does not change total state expenditures for higher education. Higher education funding for FY 2020-21 is included in the Long Bill, and will be distributed to the schools through the current allocation model. Beginning in FY 2021-22, the bill modifies the allocation of state funding among state institutions of higher education. Actual funding levels for each institution will be determined through the budget process, and actual institution allocations will depend on the total funding available, the allocation of funding to each performance metric and whether temporary or ongoing additional funding is awarded.

The bill also increases workload for DHE to identify ways to count students that are not first-time full-time students, compile data from institutions related to first-generation students, and implement the new formula in collaboration with CCHE and institutions. No change in appropriations is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that sections 9 to 18 take effect July 1, 2021.

State and Local Government Contacts

Higher Education

HB 20-1367

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1230	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom; Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **REALLOCATE STATE SALES & USE TAX TO GENERAL FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Diversion
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget Package Bill. For FY 2020-21 only, the bill reduces the amount of sales and use tax revenue that will be credited to the Older Coloradans Cash Fund from $10.0 million to $8.0 million with the difference credited to the General Fund.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1367

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Diversion	General Fund	$2,000,000	-
	Cash Funds	($2,000,000)	-
	Total	**$0**	-
TABOR Refund		-	-

Summary of Legislation

This bill reduces the FY 2020-21 amount of state sales and use tax revenue that is credited to the Older Coloradans Cash Fund from $10.0 million to $8.0 million, with the difference credited to the General Fund.

Background

Money in the Older Coloradans Cash Fund statutorily transferred from state sales and use tax revenue is subject to annual appropriation for distribution to Area Agencies on Aging. Area Agencies on Aging are local aging programs that provide information and services on a range of assistance for older adults and those who care for them.

State Diversion

In FY 2020-21 only, the bill diverts $2.0 million in sales and use tax revenue from the Older Coloradans Cash Fund to the General Fund. Specifically, it reduces the amount of sales and use tax revenue credited to Older Coloradans Cash Fund from $10 million to $8 million, with the difference credited to the General Fund.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Human Services Revenue Treasury

HB 20-1387

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1158	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **TRANSFERS FROM UNEXPENDED COUNTY REIMBURSEMENTS**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill repeals the potential annual transfers from the General Fund to the Older Coloradans Cash Fund and the Veterans Assistance Grant Program that are triggered when the amount of funding included in the budget for the Senior Citizen and Disabled Veteran Property Tax Exemptions is overestimated. In addition, the bill makes a one-time transfer of $13.0 million from the Older Coloradans Cash Fund to the General Fund in FY 2020-21.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1387

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers*	General Fund	$13.0 million	-
	Cash Funds	($13.0 million)	-
	Total	**$0**	**-**
TABOR Refund		-	-

* *In addition to the one-time transfer shown in Table 1, this bill repeals an ongoing potential transfer from the General Fund. See State Transfer section for additional detail.*

Summary of Legislation

Under current law, if the total amount of reimbursements to local governments for the Senior Citizen and Disabled Veteran Property Tax Exemption (senior and veterans tax exemption) is less than what was estimated in the state's budget, then 95 percent of the excess funds is transferred to the Senior Services Account (account) of the Older Coloradans Cash Fund and 5 percent is transferred to the Veterans Assistance Grant Program Cash Fund. This bill repeals these potential automatic transfers. It also transfers any remaining balance of the Senior Services Account to the Older Coloradans Cash Fund, and repeals the account. Lastly, the bill transfers $13.0 million from the Older Coloradans Cash Fund to the General Fund on July 1, 2020.

Background

In FY 2017-18 and FY 2018-19, the Older Coloradans Cash Fund received a total of $30.9 million and the Veterans Assistance Grant Program Cash Fund received $1.6 million in transfers from the General Fund as a result of the amount of funding needed for the senior and veterans tax exemption being overestimated. A transfer to these funds from the General Fund is not expected in FY 2019-20.

State Transfers

The bill makes several changes regarding transfers of funds. First, it requires a one-time $13.0 million transfer from the Older Coloradans Cash Fund to the General Fund on July 1, 2020.

Second, it repeals the potential automatic transfer from the General Fund to the Older Coloradans Cash Fund and the Veterans Assistance Grant Program Cash Fund when funding for the senior and veterans tax exemptions is overestimated. These transfers do not occur every year and depend on numerous factors, including legislative decisions on funding local reimbursement for the senior and veterans tax exemption, the number of people claiming the tax credit, and local property tax conditions. For this reason, an exact amount of the potential transfers being repealed cannot be estimated.

Third, upon the effective date of the bill, the balance of the Senior Services Account will be transferred to the Older Coloradans Cash Fund. This amount has not been estimated.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Human Services Military Affairs

HB 20-1388

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1228	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **REPEAL PROVISIONS DIVERT GENERAL FUND REVERSIONS**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Diversion
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill requires that unexpended money for certain programs in the Department of Human Services revert to the General Fund, and repeals requirements that the General Assembly appropriate money to certain programs. The bill also eliminates the Child Support Collection Fund. The bill decreases appropriations in FY 2020-21, increases potential reversions to the General Fund on an ongoing basis, and allows the General Assembly greater flexibility to set appropriations in future years.

Appropriation Summary: In FY 2020-21, the bill includes a reduction in appropriations of $4,254,999 to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1388

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($4,254,999)	-
	FTE	(0.7 FTE)	
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill requires that unexpended money at the end of the fiscal year revert to the General Fund, rather than remaining in program-specific cash funds, for the following programs and funds in the Department of Human Services (DHS):

- Disability Benefits Application Assistance Program;
- Full Child Support Pass Through Program;
- Child Care Services and Substance Use Disorder Treatment Pilot Program; and
- High-Risk Families Cash Fund.

The bill also repeals requirements that the General Assembly appropriate funds to the Disability Benefits Application Assistance Program and the Child Care Services and Substance Use Disorder Treatment Pilot Program. The bill eliminates the Child Support Collection Fund created in House Bill 20-1100. Lastly, the bill reduces appropriations for these programs by $4.3 million, primarily to the Disability Benefits Application Assistance Program.

Background

Application assistance program. The Disability Benefits Application Assistance Program assists applicants and recipients of Colorado's Aid to the Needy Disabled program in applying for federal Supplemental Security Income and Social Security Disability Insurance.

Child support pass-through. Under federal law, Temporary Assistance for Needy Families (TANF) recipients must assign their rights to child support payments to the state. The state is permitted to retain any child support collected on behalf of TANF recipients in order to reimburse the state, counties, and federal government for the cost of providing TANF benefits. With the implementation of the Full Child Support Pass Through Program, Colorado passes the full amount of child support through to TANF recipients.

Child Care Services and Substance Use Disorder Treatment Pilot Program. The pilot program supports child care services to children up to five years old of women engaged in substance use disorder treatment. The pilot program provides grants for existing child care resource and referral programs and for a public-private partnership pilot program to provide regional mobile child care.

High-Risk Families Cash Fund. The continuously appropriated High-Risk Families Cash Fund supports services to high-risk parents and children. The Fund supports the Children and Youth Mental Health Treatment program in DHS, the Special Connections program in the Department of Health Care Policy and Finance, and the Increasing Access to Effective Substance Use Disorder Services program in DHS.

State Diversions

Beginning in FY 2020-21, the bill potentially diverts money to the General Fund from the Disability Benefits Application Assistance Program Cash Fund, the Child Support Collection Fund, the Child Care Services and Substance Use Disorder Treatment Pilot Program, and the High-Risk Families Cash Fund. This diversion occurs by requiring that annual reversions of unspent appropriations go to the General Fund, rather than remaining in these program-specific funds. No estimate of future reversions is available at this time, as they depend on future appropriation decisions by the General Assembly and actual program spending.

State Expenditures

For FY 2020-21 only, the bill reduces General Fund appropriations in the DHS by $4.3 million. Specifically, the bill decreases appropriations for the administration of the Adult Assistance Program by $165,149 and 0.1 FTE, appropriations for the Disability Benefits Application Assistance Program will decrease by $3,589,850, and appropriations for the Child Care Services and Substance Use Disorder Treatment Pilot Program will decrease by $500,000. In future years, the General Assembly may set the amount appropriated to the Disability Benefits Application Assistance Program and the Child Care Services and Substance Use Disorder Treatment Pilot Program, as the bill removes statutory appropriation requirements for these programs.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes a decrease in General Fund appropriations to the Department of Human Services of $4,254,999 and 0.7 FTE.

State and Local Government Contacts

Human Services

HB 20-1389

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1270	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Esgar Sen. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **SUSPEND TRANSFERS CHILD WELFARE SERVICES CASH FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfers
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill suspends transfers of any unspent child welfare capped allocations to the Child Welfare Prevention and Intervention Cash Fund starting in the current FY 2019-20 until FY 2021-22. The bill may increase available funds in the General Fund and may decrease state funds available to county departments of human services.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill and is recommend by the Joint Budget Committee as part of the FY 2020-21 budget balancing package.

Summary of Legislation

This bill suspends transfers of any unspent child welfare capped allocations to the Child Welfare Prevention and Intervention Cash Fund (cash fund) starting in the current FY 2019-20 until FY 2021-22. Specifically, the bill is suspending two transfers to the cash fund. First, the bill is suspending the transfer of unspent General Fund money allocated to "balance of the state" counties. Under current law, money from this transfer is deposited into the Small and Medium County Account within the cash fund. Second, the bill suspends the transfer of unspent child welfare allocations for specific child welfare services to the cash fund. Under current law, this money is transferred to the All Counties Account within the cash fund.

Background

Under current law, money in the Child Welfare Prevention and Intervention Cash Fund must be allocated to counties in order to increase local child welfare prevention and intervention services capacity. Money in the Small and Medium County Account may only be allocated to small and medium counties, while money in the All Counties Account may be allocated to any county regardless of size.

State Transfers

For the current FY 2019-20 through FY 2021-22, this bill cancels the transfer of any unspent General Fund child welfare allocation money to the cash fund. As a result, the General Fund may have more funds to spend or save in FY 2020-21 through FY 2022-23. The amount available will depend on the amount of unspent child welfare allocations and therefore cannot be estimated at this time.

Local Government

For FY 2020-21 through FY 2022-23, money available to county departments of human services from the cash fund may decrease. The decrease is dependent on the amount of unspent child welfare allocations, the type of allocations being underspent, and the size of the county. Therefore, the exact decrease in funds to counties cannot be determined at this time.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties	Human Services

HB 20-1390

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1226	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom; Esgar Sen. Rankin; Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **DISCONTINUE DIV OF YOUTH SERVICES TRAUMA PILOT PROGRAM**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill repeals two pilot programs within the Division of Youth Services. Starting in FY 2020-21, this bill will reduce state expenditures on an ongoing basis.

Appropriation Summary: For FY 2020-21, this bill requires and includes a reduced appropriation of $610,854 to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1390

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($610,854)	($280,854)
	Total FTE	(4.0 FTE)	(4.0 FTE)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill discontinues two therapeutic and rehabilitative culture pilot programs within the Division of Youth Services (DYS) in the Department of Human Services. These programs provide therapeutic care in a home-like environment for up to 35 youth committed to the Department of Human Services at two locations. The bill also repeals the Youth Services Pilot Program Cash Fund.

State Expenditures

Starting in FY 2020-21, this bill will reduce General Fund expenditures by $610,854 in FY 2020-21 and by $280,854 and 4.0 FTE in FY 2021-22. These amounts are based on the DYS's spending on the two pilot programs and the fiscal note for Senate Bill 19-136.

Table 2
Expenditures Under HB 20-1390

	FY 2020-21	FY 2021-22
Department of Human Services		
Original Pilot Program (HB 17-1329)	$205,479	$205,479
Pilot Program Expansion (SB 19-136)	$405,375	$75,375
Total Cost	**$610,854**	**$280,854**

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, this bill requires and includes a reduced General Fund appropriation of $610,854 to the Department of Human Services and a reduction of 4.0 FTE.

State and Local Government Contacts

Human Services

HB 20-1391

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1229	**Date:**	May 26, 2020
Prime Sponsors:	Reps. Esgar; McCluskie Sens. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **BEHAVIORAL HEALTH PROGRAMS APPROPRIATIONS**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill makes the implementation of certain behavioral health programs subject to available appropriations and removes the FY 2020-21 appropriation for those programs. It decreases state expenditures beginning in FY 2020-21.

Appropriation Summary: In FY 2020-21, the bill includes a reduction in appropriations of $546,013 to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1391

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	Marijuana Tax Cash Fund	($546,013)	-
	FTE	(2.5 FTE)	
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill makes the implementation of the Behavioral Health Capacity Tracking System and the Care Navigation Program, created under House Bill 19-1287, subject to appropriation and removes statutory implementation deadlines. Additionally, the bill eliminates the reporting deadline for the Care Navigation Program, and instead specifies that the reporting must occur during the first year in which the program is implemented.

Background

House Bill 19-1287. Among other provisions, House Bill 19-1287 created two programs to improve access to behavioral health and substance use disorder treatment.

- **Behavioral Health Capacity Tracking System.** The Behavioral Health Capacity Tracking System will be a centralized, web-based behavioral health capacity tracking system to track bed space use and availability at crisis stabilization units, acute treatment units, community mental health centers, and hospitals, including the state mental health institutes, inpatient treatment facilities, residential treatment facilities, medical detoxification facilities, and substance use disorder treatment facilities, and, with approval, medical providers providing behavioral health treatment. This system is intended to provide real-time data that is accessible to health care professionals, law enforcement, court personnel, and the public.

- **Care Navigation Program.** The care navigation system is meant to assist individuals in accessing substance use disorder treatment. The system, at a minimum, must include independent screening of the treatment needs of the client, the identification of treatment options, and assistance finding available treatment options. The care coordination system must be available 24 hours per day and be accessible through various formats including online, in-person, and by telephone.

State Expenditures

In FY 2020-21 only, the bill reduces state cash fund expenditures to the Department of Human Services by $546,013 and 2.5 FTE, as the Behavioral Health Capacity Tracking System and the Care Navigation Program will no longer be implemented in FY 2020-21. As detailed in Table 1, the bill reduces appropriations by $546,013 to the Office of Behavioral Health in the Department of Human Services, which includes a reduced reappropriation of $42,611 to the Office of Information Technology to assist with the implementation of the Behavioral Health Capacity Tracking System. Ongoing costs for the program, as estimated in the fiscal note for HB 19-1287, will be shifted into future years once the program is implemented, subject to available appropriations, and will be addressed through the annual budget process.

Table 2
Expenditures Under HB 20-1391

	FY 2020-21	FY 2021-22
Department of Human Services		
Personal Services	($152,318)	-
Operating Expenses	($16,674)	-
Behavioral Health Crisis Response System Hotline	($334,410)	-
Capacity Tracking System (OIT)	($42,611)	-
Total Cost	**($546,013)**	**-**
Total FTE	**2.5 FTE**	**-**

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes a decrease in Marijuana Tax Cash Fund appropriations to the Department of Human Services of $546,013 and 2.5 FTE, which includes a decreased reappropriation to the Office of Information Technology of $42,611.

State and Local Government Contacts

Human Services Information Technology

HB 20-1392

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1281	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; Ransom Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **COUNCIL & PARKING PROGRAM FOR PERSONS WITH DISABILITY**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill repeals the Colorado Advisory Council for Persons with Disabilities and the Disabled Parking Education program. This bill reduces state expenditures starting in FY 2020-21.

Appropriation Summary: For FY 2020-21, the bill includes a $238,497 reduction in appropriations to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill and is recommended by the Joint Budget Committee as part of the FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1392

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($238,497)	($238,497)
	Total FTE	(1.0 FTE)	(1.0 FTE)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill repeals the Colorado Advisory Council for Persons with Disabilities and the Disabled Parking Education Program in the Department of Human Services .

Background

Under current law, the Colorado Advisory Council for Persons with Disabilities administers the Disabled Parking Education Program if funds from the Disabled Parking Education and Enforcement Cash Fund (cash fund) are available. Based on the FY 2019-20 budget, the Colorado Advisory Council for Persons with Disabilities received $238,497 in General Fund appropriations and no appropriations from the cash fund.

State Expenditures

Starting in FY 2020-21, this bill reduces General Fund expenditures in the Department of Human Services by $238,497 per year and 1.0 FTE from repealing both Colorado Advisory Council for Persons with Disabilities and the Disabled Parking Education Program.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes a $238,497 reduction in General Fund appropriations to the Department of Human Services and a reduction of 1.0 FTE.

State and Local Government Contacts

Human Services Revenue

HB 20-1368

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1236	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Katie Ruedebusch | 303-866-3001 Katie.Ruedebusch@state.co.us

Bill Topic: **DELAY IMPLEMENTATION OF HOUSE BILL 19-1229**

Summary of Fiscal Impact:

- ☒ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill delays the implementation of the Colorado Electronic Preservation of Abandoned Estate Planning Documents Act. The bill reduces state revenue and expenditures in FY 2020-21 and FY 2021-22 and increases state revenue and expenditures beginning in FY 2022-23.

Appropriation Summary: For FY 2020-21, this bill requires and includes a reduced appropriation of $153,377 to the Judicial Department.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1368

		FY 2020-21	FY 2021-22	FY 2022-23
Revenue		-	at least ($68,750)	at least ($68,750)
Expenditures	General Fund	($153,377)	-	$155,537
	Cash Funds	-	($67,653)	-
	Centrally Appropriated	($12,618)	($15,949)	$13,003
	Total	**($165,995)**	**($83,602)**	**$168,540**
	Total FTE	**(0.3 FTE)**	**(0.8 FTE)**	**0.3 FTE**
Transfers		-	-	
TABOR Refund		-	-	

Summary of Legislation

The bill delays the implementation of House Bill 19-1229, which created the Colorado Electronic Preservation of Abandoned Estate Planning Documents Act (act), from January 1, 2021, to January 1, 2023. The act required the Judicial Department to electronically preserve abandoned estate planning documents, and created the Electronic Preservation of Abandoned Estate Planning Documents Cash Fund (cash fund) to collect fees used to cover the cost of electronically preserving estate planning documents.

Assumptions

The fiscal note for House Bill 19-1229 assumed that the cash fund would not have enough revenue to cover the expenditures created by the bill until individuals can access the electronic documents system. Due to this, this fiscal note assumes a General Fund appropriation is required for six months during the program implementation period.

State Revenue

In FY 2021-22 and FY 2022-23, state cash fund revenue to the Electronic Preservation of Abandoned Estate Planning Documents Cash Fund will decrease by at least $68,750 due to the delay of the implementation of the act. Beginning in FY 2023-24, the Judicial Department will begin to collect fees from those who access the electronic documents system. It is estimated that there will be between 2,500 and 5,000 individuals who will access the system each year. Future fees will be set administratively by the Judicial Department based on cash fund balance, actual program costs, and the estimated number of individuals who access documents in the system.

State Expenditures

Based on the fiscal note for HB 19-1229, the bill decreases state expenditures in the Judicial Department by $165,995 and 0.3 FTE in FY 2020-21 and $83,602 and 0.8 FTE in FY 2021-22. Beginning in FY 2022-23, the bill increases state expenditures in the Judicial Department by $168,540 and 0.3 FTE. These expenditures are highlighted in Table 2 and discussed below.

Table 2
Expenditures Under HB 20-1368

	FY 2020-21	FY 2021-22	FY 2022-23
Judicial Department			
Personal Services	($23,064)	($51,893)	$23,167
Operating Expenses and Capital Outlay Costs	($5,083)	($760)	$7,140
One-time License Purchase and Set up Fee	($80,230)	-	$80,230
System Development	($45,000)	-	$45,000
Maintenance	-	($15,000)	
Centrally Appropriated Costs*	($12,618)	($15,949)	$13,003
Total Cost	**($165,995)**	**($83,602)**	**$168,540**
Total FTE	**(0.3 FTE)**	**(0.8 FTE)**	**0.3 FTE**

** Centrally appropriated costs are not included in the bill's appropriation.*

Judicial Department. Beginning in FY 2022-23, the Judicial Department requires a court programs analyst to process inquiries and access requests, ensure individuals are authorized to receive documents, and maintain a searchable database. In addition, the Judicial Department will have to create an electronic filing system for abandoned estate documents. The initial system is anticipated to cost $125,230 with annual maintenance costs of $15,000. Electronic filing system costs are based on FY 2019-20 estimates and may change based on technology and costs unknown at this time. Personnel costs are based a January 1, 2023, effective date and on the Judicial Department's FY 2020-21 common polices.

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 include employee insurance and supplemental employee retirement payments, are estimated to decrease by $12,619 in FY 2020-21 and $15,949 in FY 2021-22. In FY 2022-23, costs are estimated to be $13,003.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, this bill requires and includes a reduced General Fund appropriation of $153,377 to the Judicial Department.

State and Local Government Contacts

Judicial

HB 20-1393

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1056	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Katie Ruedebusch | 303-866-3001 Katie.Ruedebusch@state.co.us

Bill Topic: **EXPAND MENTAL HEALTH DIVERSION PILOT PROGRAM**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill expands the number of mental health pilot programs that divert individuals with mental health conditions to five or more judicial districts. The bill increases and decreases state and local workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee.

Summary of Legislation

Current law allows up to four judicial districts to administer mental health pilot programs (pilot program) that divert individuals with mental health conditions involved with the criminal justice system for low-level offenses into community treatment. The bill expands the pilot program to five or more judicial districts.

Background

Established by Senate Bill 18-249, the pilot program began operating in 2019 in the 6th (Archuleta, La Plata, San Juan), 8th (Jackson, Larimer), 16th (Bent, Crowley, Otero), and 20th (Boulder) Judicial Districts. However, the pilot program lacks the number of participants required to provide a valid assessment to the General Assembly on whether the pilot program should be renewed. Other judicial districts have expressed an interest in establishing a pilot program which would allow the number of participants to increase and a statistically valid review to be conducted.

State Expenditures

The bill increases workload for the Judicial Department to administer and oversee additional pilot programs. The bill may also decrease workload for the trial courts in judicial districts with new pilot programs if they process fewer criminal cases. This workload impact can be conducted within existing appropriations and no change in appropriations is required.

Local Government

The bill increases district attorney workload to participate in the development of additional pilot programs. The bill may also decrease workload and costs for participating county jails due to fewer individuals being convicted and sentenced to a term of incarceration in county jail. The exact impact to any particular jurisdiction will depend on the amount of work required to develop the pilot program and the number of individuals who participate in it.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Judicial	District Attorneys

HB 20-1394

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1280	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **PERA JUDICIAL DIVISION CONTRIBUTION RATE MODIFICATION**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☒ Statutory Public Entity

Budget package bill. This bill modifies employer and employee contribution rates in the Judicial Division of the Public Employee's Retirement Association (PERA) for FY 2020-21 and FY 2021-22, with an exception for judges employed by the Denver County Court. It will reduce state expenditures in those fiscal years.

Appropriation Summary: The bill includes a reduction in appropriations of $530,060 to the Judicial Department in FY 2020-21; however, it requires a reduction in appropriations of $2.7 million to the Judicial Department. See State Appropriations section.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1394

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($2,696,865)	($2,696,865)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill modifies employer and employee contribution rates in the Judicial Division of the Public Employee's Retirement Association (PERA) for FY 2020-21 and FY 2021-22 only, with an exception for judges employed by the Denver County Court.

Specifically, the bill:

- decreases the employer contribution rate by 5 percent; and
- increases the employee (or member) contribution rate by 5 percent.

These percentages, compared to current law, are shown in Table 2.

Table 2
Employer and Employee Contribution Rates Under Current Law and HB20-1394

FY 2020-21	Current Law	Bill
Employer	13.91%	8.91%
Employee	9.50%	14.50%

FY 2021-22	Current Law	Bill
Employer	13.91%	8.91%
Employee	10.00%	15.00%

State Expenditures

The bill will decrease state General Fund expenditures by $2,696,865 in FY 2020-21 and FY 2021-22 only.

Statutory Public Entity

The bill will result in a slight negative actuarial impact to the Judicial Division of PERA, as employee contributions are credited to employee accounts, while employer contributions are credited to the division's trust.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill includes a reduction in General Fund appropriations to the Judicial Department of $530,060 for FY 2020-21; however, the bill requires a reduction in General Fund appropriations to the Judicial Department of $2,696,865.

State and Local Government Contacts

Joint Budget Committee	Judicial

HB 20-1395

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1190	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **REPEAL WORK ACT TRANSFER MONEY TO GENERAL FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill removes the $3.3 million appropriation to the Skilled Worker, Outreach, Recruitment, and Key Training Grant Program in the Colorado Department of Labor and Employment from the 2020 long bill and requires a transfer of any unencumbered program funds to the General Fund. This reduces state expenditures for FY 2020-21 and creates a transfer to the General Fund in FY 2020-21 and FY 2021-22.

Appropriation Summary: This bill requires and includes a reduction in the appropriation to the Department of Labor and Employment of $3.3 million in FY 2020-21.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1395

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($3,300,000)	-
	Total	**($3,300,000)**	**-**
	Total FTE	**(2.0 FTE)**	**-**
Transfers	General Fund	at least $160,300	-
	Cash Funds	at least ($160,300)	-
	Total	**$0**	**-**
TABOR Refund		-	-

Summary of Legislation

The bill adjusts the General Fund appropriation to the Skilled Worker Outreach, Recruitment, and Key Training Grant Program (WORK program) in the Colorado Department of Labor and Employment (CDLE) from $3.3 million to zero. Unencumbered funds in the WORK fund are required to be transferred to the General Fund by the State Treasurer on September 1, 2020, and September 1, 2021. The CDLE is precluded from accepting, awarding, or issuing WORK program grants as of the effective date of the bill. The WORK program is repealed on September 30, 2021, after the WORK grant review committee submits its final report to the Governor and the General Assembly by August 31, 2021.

Background

The WORK program supports the marketing and updating of workforce training programs to meet industry needs for skilled workers. The program partners with business and industry to award matching grants to eligible applicants to support outreach and recruitment efforts for skilled worker training programs, to provide such training, or both. Eligible grant applicants include government or non-government entities that plan to offer a training program and have partnered with industry sectors.

The WORK program was created under House Bill 15-1276 and appropriated $10.0 million over three fiscal years, FY 2015-16 to FY 2017-18. House Bill 18-1316 extended the WORK program through FY 2020-21, and required the General Assembly to appropriate a total of $7.6 million to the WORK program during that time.

To date, the program has awarded $13,629,504 in grants to 38 grantees. For FY 2019-20, all WORK program funds have been awarded and existing contracts have various end dates ranging from June 30, 2020 (for funds awarded in FY 2018-19) through July 15, 2021 (for funds awarded in FY 2019-20). The estimated unspent and unencumbered balance available for transfer from the WORK fund to the General Fund is $160,300.

State Transfers

In FY 2020-21, the bill transfers an estimated $160,300 to the General Fund from the WORK fund. This amount represents the assumed unencumbered balance in the WORK fund as of May 2020. A subsequent transfer of any remaining funds in the WORK fund will take place in FY 2021-22.

State Expenditures

The bill reduces state expenditures by $3.3 million and 2.0 FTE by reducing the appropriation made in the 2020 long bill by that amount.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

In FY 2020-21, this bill requires and includes a reduction in General Fund of $3,300,000 and 2.0 FTE to the Department of Labor and Employment.

State and Local Government Contacts

Joint Budget Committee	Labor

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 20-1396

FISCAL NOTE

Drafting Number:	LLS 20-1094	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: **MY COLORADO JOURNEY EXPLORATION I.T. PLATFORM**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill requires various state departments to implement and maintain a free, online platform to assist Coloradans with making career and education planning decisions, subject to available funding. It potentially increases workload and expenditures in various departments.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Summary of Legislation

The bill requires the State Workforce Development Council (Council), the Department of Higher Education (DHE), the Department of Human Services (DHS), and the Department of Labor and Employment (CDLE) to implement and maintain a free, online platform to assist Coloradans with career and education planning decisions, subject to available funding. The bill also eliminates the Talent Pipeline Cash Fund.

Online platform. To implement and maintain the online platform, the Council may receive money from other state agencies or appropriations from the General Assembly as well as solicit, accept, and expend gifts, grants, and donations. The Council may transfer any funds appropriated for this purpose to DHE to implement and maintain, disseminate information about, and provide training about the online platform Each year, the Council is required to prepare a report of measurable outcomes of the online platform in the annual Colorado Talent Report. These requirements are scheduled to repeal on June 30, 2025, following a review of the online platform by the Joint Technology Committee

Security and privacy standards. The bill requires the Office of Information Technology (OIT) to ensure that the online platform complies with state and federal security and privacy standards, and further requires any contracted vendor to complete an external security assessment within two years of the effective date of the bill. In addition, the bill grants the State Auditor the authority to conduct an audit of the online platform and its administration.

Each year, the Council is required to prepare a report of measurable outcomes of the online platform in the annual Colorado Talent Report. These requirements are scheduled to repeal on June 30, 2025, following a review of the online platform by the Joint Technology Committee

Notice requirements. Current law requires DHE to provide notice of postsecondary educational opportunities to the parents of legal guardians of all eighth-graders enrolled in public schools in Colorado. The bill directs the department to post such notice on the online platform, if available, and makes alternate notice subject to available appropriation. Similarly, the bill directs the Colorado Commission on Higher Education to make annual notice of college preparatory courses available on the online platform, if available, and makes alternate notice subject to available appropriation. In addition, the Council has requirements under current law related to design and promote career pathways. The bill makes these requirements subject to available appropriation.

Finally, the bill eliminates references to the "College in Colorado" resource, and replaces many of them with references to the online platform.

Background

The Council has been leading an inter-agency task force to create the online platform, currently called My Colorado Journey, in order to replace College in Colorado, a counseling tool for which federal funding expired on June 30, 2019. The vision for the online platform is to incorporate a cross-departmental database to enable the state to track the impact of education and training on employment and earnings.

To date, the development of My Colorado Journey has been funded by grants, receiving $2.3 million in support in FY 2019-20 and having $1.4 million in commitments for FY 2020-21. DHE anticipates that this level of grant funding will support My Colorado Journey's basic maintenance through at least FY 2021-22.

State Expenditures

Implementing and maintaining the online platform potentially increases workload and expenditures in the CDLE, DHE, DHS, and other agencies to conduct outreach regarding the online platform. However, as these activities are subject to the availability of appropriations or money from other sources, no change in appropriation is required.

Department fo Higher Education. In making various notices to students subject to the availability of the online platform or appropriation, the bill potentially decreases workload and expenditures in DHE.

Office of Information Technology. The bill increases workload by requiring OIT to ensure that a vendor for the online platform complies with state rules and performs a security audit. As the additional workload is expected to be minimal, no change in appropriation is required.

School District

The bill reduces workload for school districts by eliminating registration requirements with the College in Colorado resource.

Effective Date

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

State and Local Government Contacts

Education	Higher Education	Human Services
Information Technology	Labor	State Auditor

HB 20-1369

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1192	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom; McCluskie Sen. Rankin; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **ELIMINATE DEPUTY DISTRICT ATTORNEY TRAINING FUNDING**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill reduces appropriations to the Department of Law for district attorney staff training. This bill reduces state expenditures and may increase local expenditures in FY 2020-21 only.

Appropriation Summary: For FY 2020-21, this bill requires and includes a reduced General Fund appropriation of $150,000 to the Department of Law.

Fiscal Note Status: This bill reflects the introduced bill and is recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1369

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($150,000)	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Under current law, the Department of Law allocates $350,000 to the Colorado District Attorney Council (CDAC) to provide training and continuing education opportunities for member district attorney's staff. This bill reduces the amount the Department of Law will allocate to $200,000 for FY 2020-21 only.

State Expenditures

For FY 2020-21 only, this bill reduces General Fund expenditures in the Department of Law by $150,000. As a result, the Department of Law will allocate $200,000 to the CDAC for district attorney training. This funding through the Department of Law is the only source of state funding for CDAC.

Local Government

To maintain a similar level of training in FY 2020-21, local district attorney offices may be required to provide additional funding to CDAC or seek other sources of staff training.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, this bill requires and includes a reduced General Fund appropriation of $150,000 to the Department of Law.

State and Local Government Contacts

District Attorneys	Law

HB 20-1370

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1202	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: **TRANSFERS FROM UNCLAIMED PROPERTY TRUST FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill delays for two years conditional transfers from the Unclaimed Property Trust Fund to the Housing Development Grant Fund. In addition to the two-year delay in state transfers, the bill is expected to decrease state expenditures in FY 2021-22 and FY 2022-23.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1370

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	Housing Development Grant Fund	-	($30 million)
	Total	**-**	**($30 million)**
	Total FTE	**-**	**(7.0 FTE)**
Transfers	Unclaimed Property Trust Fund	$30 million	$30 million
	Housing Development Grant Fund	($30 million)	($30 million)
	Total	**$0**	**$0**
TABOR Refund		-	-

Summary of Legislation

House Bill 19-1322 created a mechanism that would transfer up to $30 million from the Unclaimed Property Trust Fund to the Housing Development Grant Fund in the Division of Housing in a year for which Legislative Council Staff's June Economic and Revenue Forecast estimates state revenue to be below the excess state revenue cap by at least $30 million. This bill delays the implementation of this transfer by two fiscal years, with transfers possible from FY 2022-23 through FY 2024-25.

Background

Unclaimed Property Trust Fund. The Unclaimed Property Division of the Treasury Department holds, in perpetuity or until claimed, lost or forgotten assets of individuals and businesses in Colorado. The Unclaimed Property Trust Fund consists of all moneys collected under the Unclaimed Property Act, and interest earned on the account. State law transfers an annual amount sufficient to fund the Adult Dental Fund in the Department of Health Care Policy and Financing, an estimated $17.4 million in FY 2018-19. The Unclaimed Property Trust Fund is TABOR-exempt; however, transfers out of the fund are generally subject to TABOR.

Housing Development Grant Fund. Under current law, the Housing Development Grant Fund consists of moneys appropriated by the General Assembly for the Division of Housing in the Department of Local Affairs to acquire, rehabilitate, and construct affordable housing projects through a competitive grant process. The fund also covers the cost of acquiring economic data used to advise the State Housing Board on local housing conditions.

Under House Bill 19-1322, in addition to existing statutory mandates, the funds transferred to the Housing Development Grant Fund may be spent for the following purposes:

- grants and loans for housing in non-urban areas for purchasers with up to 120 percent of the area median household income;
- down payment assistance programs for households with up to 100 percent of the area median household income in conjunction with public and private organizations;
- programs for home rehabilitation;
- repair, replacement, and disposal of mobile homes, in conjunction with local organizations;
- grants and loans for land acquisition and infrastructure costs for the provision of utilities for affordable housing developments;
- grants and loans for affordable housing targeted at specific area or income levels; and
- rental assistance programs targeting homeless families, Medicaid clients in nursing homes, family unification, veterans, households below 60 percent of the area's median income, and survivors of domestic violence.

Assumptions

Based on the May 2020 Economic and Revenue Forecast, the fiscal note assumes that the first transfer from the Unclaimed Property Trust Fund to the Housing Development Grant Fund would occur in FY 2020-21. Although the transfer is contingent on the June 2021 forecast, it is assumed that forecasted revenue will not increase sufficiently to obviate a transfer.

Such transfers also depend on the available balance in the Unclaimed Property Trust Fund; should less than $30 million be available, transfers of less than $30 million are possible. As the current, unrestricted balance of the fund is over $250 million, the fiscal note assumes that, in any year for which a transfer is triggered, $30 million would be transferred.

State Transfers

No transfer is required in FY 2020-21 or FY 2021-22. The bill delays these conditional transfers for two years. Transfers are possible beginning in FY 2022-23, conditional on the balance of the Unclaimed Property Trust Fund on June 1, 2022, and the June 2022 Economic and Revenue Forecast.

State Expenditures

As discussed in the Assumptions section, were a $30 million transfer to be made in FY 2020-21, expenditures would increase by $30 million and 7.0 FTE in FY 2021-22 in the Division of Housing within the Department of Local Affairs. By delaying the implementation of these transfers for two years, this bill avoids this increase in expenditures, which is shown as a reduction in expenditures in Table 1. To the extent that the conditions which trigger such a transfer are met in any of FY 2022-23 through FY 2024-25, a similar increase in expenditures would occur in the subsequent fiscal year.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Legislative Department	Local Affairs	Treasury

HB 20-1371

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1203	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Esgar Sen. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Katie Ruedebusch | 303-866-3001 Katie.Ruedebusch@state.co.us

Bill Topic: **DELAY SUBSTANCE USE & MENTAL HEALTH GRANT PROGRAM**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill eliminates the required appropriation of at least $1.8 million to the Community Substance Use and Mental Health Services Grant Program in the Department of Local Affairs. Beginning in FY 2020-21, the bill reduces state expenditures on an ongoing basis.

Appropriation Summary: For FY 2020-21, this bill requires and includes a reduced appropriation of $1,866,208 to the Department of Local Affairs.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1371

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($1,866,208)	($1,866,203)
	Centrally Appropriated	($12,899)	($14,237)
	Total	**($1,879,107)**	**($1,880,440)**
	Total FTE	**(0.9 FTE)**	**(1.0 FTE)**
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Current law requires the General Assembly to appropriate at least $1.8 million from the General Fund to the Community Substance Use and Mental Health Services Grant Program (grant program) in the Department of Local Affairs (DOLA). This bill eliminates that required appropriation and indicates that future funding for the grant program should come from the savings associated with the implementation of House Bill 19-1263.

Background

House Bill 19-1263 created a grant program in DOLA to provide funds to counties that offer substance use or mental health treatment services in order to facilitate legal diversion programs or develop other strategies to reduce the jail and prison populations. To fund the grant program, the bill required the General Assembly to appropriate at least $1.8 million from the General Fund beginning in FY 2020-21. In addition, DOLA would require 1.0 FTE to administer the program. To date, no grants have been issued and no FTE have been hired.

State Expenditures

The bill reduces state General Fund expenditures in DOLA by at least $1.8 million and 1.0 FTE per year starting in FY 2020-21. Funding for the grant program in future years will be set by the General Assembly through the annual budget process and it is assumed any funding provided will not exceed the savings realized under HB 19-1263. The fiscal note assumes that no funding will be provided in FY 2020-21 or FY 2021-22.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, this bill requires and includes a reduced General Fund appropriation of $1,866,208 to the Department of Local Affairs.

State and Local Government Contacts

Local Affairs

HB 20-1372

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	HB 20-1372	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Marc Carey | 303-866-4102 marc.carey@state.co.us

Bill Topic: **OPERATIONAL FUND MINED LAND RECLAMATION REPEAL**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

The bill repeals two required transfers from the severance tax operational fund and repeals the Abandoned Mine Reclamation Fund on July 1, 2023. The bill will result in a minimal increase in money available for grant programs funded from the Operational Fund in FY 2020-21 only.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1372

		FY 2020-21	FY 2021-22
Revenue			
Expenditures			
Transfers	Abandoned Mine Reclamation Fund	($500,000)	-
	Reclamation Warranty and Forfeiture Fund	($58,586)	-
	Severance Tax Operational Fund	$558,586	
	Total	**$0**	**$0**
TABOR Refund		-	-

Summary of Legislation

On July 1, 2020, the bill repeals the following transfers from the Severance Tax Operational Fund:

- $500,000 to the Abandoned Mine Reclamation Fund; and
- up to $127,000 to the Reclamation Warranty and Forfeiture Fund.

On July 1, 2023, the bill also repeals the Abandoned Mine Reclamation Fund,

Background

The Inactive Mines Reclamation Program (program) in the Division of Reclamation, Mining, and Safety is responsible for the protection of the public from the dangers and adverse effects of past mining practices. The program has been supported by core program appropriations from the Severance Tax Operational Fund and the Abandoned Mine Reclamation Fund, which receives money through an annual transfer from the Operational Fund. The program also receives "grant program" transfers from the Operational Fund to the Reclamation Warranty and Forfeiture Fund.

State Transfers

This bill eliminates the following transfers totaling $558,586 from the Severance Tax Operational Fund.

Table 2
Eliminated Transfers Under HB 20-1372

	FY 2020-21	FY 2021-22
Abandoned Mine Reclamation Fund	($500,000)	$0
Reclamation Warranty and Forfeiture Fund*	($58,586)	$0
Total	**$558,586**	**$0**

* *Note: While the maximum amount allowed to be transferred under current law is $127,000, only $58,586 is projected to be transferred in FY 2020-21 and $0 in FY 2021-22 based on the May 2020 Legislative Council Staff forecast.*

State Expenditures

The $500,000 will now be directly provided to core departmental funding from the Operational Fund through the Long Bill, rather than through a transfer and appropriation from the Abandoned Mine Reclamation Fund. There is no net fiscal impact to the fund or state expenditures through the elimination of this transfer.

The $127,000 is the maximum amount that can be transferred from the Operational Fund to the forfeited mine sites grant program under current law. This transfer and associated appropriation is being replaced by a direct appropriation from the Operational Fund in the Long Bill.

Based on the May 2020 Legislative Council Staff revenue forecast, Operational Fund grant program transfers are projected to be $58,586 and $0 in FY 2020-21 and FY 2021-22. Because all grant programs are funded through the Operational Fund based on the available revenue, elimination of this transfer will increase the projected distribution to the remaining grant programs by this amount. Thus, remaining grant programs will experience a minimal increase in FY 2020-21 and no change to their distribution in FY 2021-22 as a result of the bill.

Effective Date

The bill takes effect July 1, 2020.

State and Local Government Contacts

JBC Staff Local Affairs Natural Resources

HB 20-1373

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1186	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Max Nardo | 303-866-4776 Max.Nardo@state.co.us

Bill Topic: **USE OF TOBACCO REVENUES UNDER FISCAL EMERGENCY**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure *(conditional)*
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. Conditional upon passage of House Resolution 20-1008, the bill expands the purposes for which tobacco tax revenue may be expended during a state fiscal emergency and modifies appropriations for health-related programs under this authority. It decreases state expenditures in FY 2020-21 only.

Appropriation Summary: For FY 2020-21, the bill increases and decreases appropriations for multiple state agencies.

Fiscal Note Status: The fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1373

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($17,753,767)	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Conditional upon passage of House Resolution 20-1008, the bill expands the purposes for which Amendment 35 tobacco tax revenue in the Tobacco Education Programs Fund and the Prevention, Early Detection, and Treatment Fund can be used. Under this authority, the bill modifies appropriations in the FY 2020-21 Long Bill as follows:

- reduces the Medicaid appropriation from the General Fund by $17.8 million;
- increases the Medicaid appropriation from tobacco tax cash funds by that same amount; and
- decreases tobacco tax cash fund appropriations in the Department of Public Health and Environment by the same amount.

Also conditional upon passage of HR20-1008, for FY 2020-21 only, the bill authorizes grantees of certain programs funded through tobacco tax revenue to use the grant money to investigate and control the spread of COVID-19. The funds made available for this purpose are:

- the Tobacco Education Programs Fund;
- the Prevention, Early Detection, and Treatment Fund; and
- the Health Disparities Grant Program Fund.

Background

House Resolution 20-1008 declares Colorado to be in a state of fiscal emergency for FY 2020-21. Pursuant to the Colorado Constitution, upon declaration of a fiscal emergency, the General Assembly may use revenue generated by Amendment 35 tobacco taxes for any health-related purpose and to serve populations enrolled in Medicaid and the Children's Basic Health Plan at the programs' levels of enrollment as of January 1, 2005.

State Expenditures

For FY 2020-21, the bill reduces state General Fund expenditures by $17.8 million. Various cash fund expenditures in the Department of Public Health and Environment are decreased, and cash fund spending is shifted to Medicaid, resulting in a net-zero cash fund impact statewide. These impacts are shown on Table 2 below.

Table 2
Expenditures Under HB 20-1373

	FY 2020-21	FY 2021-22
Department of Public Health and Environment		
Tobacco Education, Prevention, and Cessation Grants	($10,340,160)	-
Tobacco Education Programs Fund Subtotal	**($10,340,160)**	-
Transfer to Health Disparities Grant Program Fund	($1,651,369)	
Breast and Cervical Cancer Screening	($1,364,901)	
Cancer, Cardiovascular Disease, Chronic Pulmonary Disease Grants	($4,397,337)	
Prevention, Early Detection, and Treatment Fund Subtotal	**($7,413,607)**	-
CDPHE Subtotal	**($17,753,767)**	**$0**

Table 2
Expenditures Under HB 20-1373 (Cont.)

	FY 2020-21	FY 2021-22
Department of Health Care Policy and Financing		
Tobacco Education Programs Fund	$10,340,160	-
Prevention, Early Detection, and Treatment Fund	$7,413,607	-
General Fund	($17,753,767)	-
HCPF Subtotal	**$0**	**$0**
Total	**($17,753,767)**	**$0**

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill modifies Medicaid appropriations in the Department of Health Care Policy and Financing as follows:

- decreases General Fund appropriations by $17,753,767;
- increases appropriations from the Tobacco Education Programs Fund by $10,340,160; and
- increases appropriations from the Prevention, Early Detection, and Treatment Fund by $7,413,607.

For FY 2020-21, the bill decreases appropriations in the Department of Public Health and Environment as follows:

- $10,340,160 from the Tobacco Education Programs Fund; and
- $7,413,607 from the Prevention, Early Detection, and Treatment Fund.

State and Local Government Contacts

JBC Staff

HB 20-1374

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1119	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; Ransom Sen. Rankin; Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Clare Pramuk | 303-866-2677 clare.pramuk@state.co.us

Bill Topic: **REPEAL WASTE GREASE PROGRAM**

Summary of Fiscal Impact:

- ☒ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill: This bill repeals the Waste Grease Program in the Department of Public Health and Environment. It reduces ongoing state revenue and expenditures beginning in FY 2020-21.

Appropriation Summary: For FY 2020-21, the bill requires and includes a $100,890 reduction in appropriations to the Department of Public Health and Environment.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

Table 1
State Fiscal Impacts Under HB 20-1374

		FY 2020-21	FY 2021-22
Revenue	Cash Funds	($100,890)	($100,890)
Expenditures	Cash Funds	($100,890)	($100,890)
	Total FTE	(0.7 FTE)	(0.7 FTE)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill repeals the Waste Grease Program in the Department of Public Health and Environment (CDPHE) and reduces the Long Bill appropriation by $100,890 and 0.7 FTE.

Background

The Waste Grease Program was created to provide additional state oversight to the proper collection, transportation, and disposal of trap grease, generally created through food service businesses. Solid grease can be disposed of through the trash or composted, but liquid waste containing oil and grease can cause sewer blockages or wastewater backups if it accumulates in the sewage system. There are approximately 160 registered waste grease haulers and 8 registered waste grease facilities. Waste grease haulers pay an annual registration fee of $570 and must maintain a $10,000 bond for financial assurance in the event of a spill. Waste grease facilities pay an annual registration fee of $1,140.

State Revenue

The bill reduces state cash fund revenue by $100,890 per year to the Solid Waste Management Fund in the CDPHE beginning in FY 2020-21. The revenue reduction occurs because of the elimination of the annual registration fees paid in order to collect, transport, store, process, or dispose of trap grease.

State Expenditures

The bill reduces state cash fund expenditures by $100,890 per year from the Solid Waste Management Fund and 0.7 FTE per year beginning in FY 2020-21. This reduction occurs because the program is repealed.

Effective Date

The bill takes effect July 1, 2020.

State Appropriations

For FY 2020-21, the bill requires and includes a $100,890 reduction in appropriations from the Solid Waste Management Fund and a reduction of 0.7 FTE.

State and Local Government Contacts

JBC Staff	Public Health and Environment

HB 20-1397

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1184	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom; McCluskie Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **ELIMINATE CDPHE SUPPORT OF CERTAIN BOARDS**

Summary of Fiscal Impact:

- ☒ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill eliminates statutory requirements that the Department of Public Health and Environment support two external boards, and allows the department to pay an independent agency to manage the boards. Beginning in FY 2020-21, the bill decreases state expenditures and may increase state revenue.

Appropriation Summary: In FY 2020-21, the bill requires a reduction in appropriations of $44,007 to the Department of Public Health and Environment.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1397

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($44,007)	($44,007)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill eliminates statutory requirements that the Department of Public Health and Environment (department) support two external boards; the Stroke Advisory Board and the Colorado Coroner's Standards and Training Board (CCSTB). The bill allows the department to hire an independent agency to manage the boards, and allows the department to expend appropriated funds, gifts, grants, and donations to pay direct costs incurred by the independent agency in managing the boards.

Background

The Stroke Advisory Board, created in 2013, is an 18-member board responsible for making recommendations to the General Assembly regarding stroke care in Colorado.

The CCSTB, created in 2006, is a 7-member board responsible for establishing and maintaining standards for the education, training, and certification of coroners. It has disciplinary authority for a coroner's failure to document compliance with training requirements .

State Revenue

The bill may increase state revenue from gifts, grants, and donations to support the external entities that assume the department's administrative responsibilities. The Colorado Coroner's and Standards Training Fund has a current balance that could be used to support the CCSTB, but no source of gifts, grants and donations has been identified for the Stroke Advisory Board.

State Expenditures

Beginning in FY 2020-21, the bill decreases state General Fund expenditures by $44,007 as the department will no longer expend these funds to support the two external boards.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill requires a decrease in General Fund appropriations to the Department of Public Health and Environment of $44,007
.

State and Local Government Contacts

Information Technology Public Health and Environment

HB 20-1375

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1274	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **REPEAL LAW ENFORCEMENT GRANT APPROP ROLL-FORWARD**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill repeals the Division of Criminal Justice's authority to spend unused appropriations for the Law Enforcement Assistance Grant Program in the following year, which will decrease state expenditures and local government revenue in FY 2020-21, and potentially in future years.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1375

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	Marijuana Tax Cash Fund	up to ($1.3 million)	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Under current law, any unexpended and unencumbered money appropriated to the Division of Criminal Justice (DCJ) in the Department of Public Safety for the Law Enforcement Assistance Grant Program remains available for expenditure by the DCJ in the next fiscal year without further appropriation. The bill repeals this continuous appropriation.

Background

House Bill 18-1020 created the Law Enforcement Assistance Grant Program to reimburse local governments for revenue lost as a result of civil forfeiture reform under House Bill 17-1313. Seizing agencies can apply for grants for up to the amount of revenue they would have received prior to the passage of that bill. Awarded grant funds are to be used only for purposes permissible under federal equitable sharing guidelines, such as operations and investigations, training and education, equipment and supplies, joint law enforcement and public safety operations, and community-based programs. As of writing, the DCJ has an appropriation of $992,118 and 1.0 FTE in the Long Bill for this grant program in FY 2020-21.

In FY 2019-20, $1,487,821 from the Marijuana Tax Cash Fund was appropriated to the DCJ. Under current law, the DCJ has the authority to expend that money in FY 2020-21 without further appropriation. It is estimated that $1.3 million will remain unspent at the end of FY 2019-20.

State Expenditures

By eliminating the roll-forward spending authority for appropriations to the Law Enforcement Assistance Grant Program, expenditures in the DCJ in the Department of Public Safety will decrease by approximately $1.3 million in FY 2020-21. This funding will revert to the Marijuana Tax Cash Fund at the end of FY 2019-20. To the extent that the program does not use its full appropriations in future years, expenditures in the following year will also potentially decrease.

Local Government

Local law enforcement agencies, which include county and municipal agencies and district attorneys, will have access to less grant funding in FY 2020-21, and potentially in future years. The exact impact on a particular local government will depend on the number of seizure activities.

Effective Date

The bill takes effect June 30, 2020.

State and Local Government Contacts

Joint Budget Committee Public Safety

HB 20-1376

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1253	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Greg Sobetski | 303-866-4105 Greg.Sobetski@state.co.us

Bill Topic: **MODIFY TRANSPORTATION FUNDING MECHANISMS**

Summary of Fiscal Impact:

- ☒ State Revenue *(conditional)*
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill repeals scheduled transfers in FY 2020-21 and FY 2021-22 and changes the source of funds used to pay lease obligations. It also repeals state law requiring referral of a 2020 ballot measure to authorize the issuance of transportation revenue anticipation notes, and refers a similar 2021 measure instead. If approved by voters, the measure will increase state revenue and expenditures for transportation over the period from FY 2021-22 to FY 2023-24, and require transfers and expenditures for debt service.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1376*

		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenue	State Hwy Fund	-	($121.2 million)	$378.8 million	$378.8 million
	Multimodal Fund	-	$66.9 million	$66.9 million	$66.9 million
	Total	**-**	**($54.3 million)**	**$445.7 million**	**$445.7 million**
Expenditures	General Fund	($12.0 million)	($36.2 million)	($24.2 million)	($24.2 million)
	State Hwy Fund	$12.0 million	($91.6 million)	$427.4 million	$427.4 million
	Multimodal Fund	-	$66.9 million	$66.9 million	$66.9 million
	Total	**$0**	**($60.9 million)**	**$470.0 million**	**$470.0 million**
Transfers	General Fund	$50.0 million	$50.0 million	($29.5 million)	($29.5 million)
	State Hwy Fund	($50.0 million)	($50.0 million)	$29.5 million	$29.5 million
		$0	**$0**	**$0**	**$0**
TABOR Refund		-	-	-	-

* *Transfer impacts for FY 2020-21 and FY 2021-22, expenditure impacts for FY 2020-21, and a portion of expenditure impacts for FY 2021-22 are unconditional; all other fiscal impacts are conditional on voter approval of the 2021 referred measure in the bill.*

Summary of Legislation

The bill changes transportation-related transfers and expenditures for FY 2020-21 and FY 2021-22. It also repeals state law requiring referral of a 2020 ballot measure to authorize the issuance of Transportation Revenue Anticipation Notes (TRANs), and refers a similar 2021 ballot measure instead. These provisions are discussed below.

Unconditional provisions. Current law requires annual transfers from the General Fund to the State Highway Fund between FY 2020-21 and FY 2039-40. The bill cancels transfers scheduled for FY 2020-21 and FY 2021-22. For years in which transfers are made, under both current law and the bill, the transfer amounts depend on whether the referred TRANs measure passes or fails. If the referred measure fails, transfer amounts are $50.0 million annually under both current law and the bill. If the referred measure passes, transfer amounts are $92.5 million annually under current law and $79.5 million annually under the bill.

Under current law, the state makes annual lease payments on state buildings on which lease-purchase agreements were executed pursuant to Senate Bill 17-267. Lease payments are made as follows:

- first, $9 million annually from the General Fund;
- next, up to $50 million annually from the State Highway Fund or another source under the control of the Transportation Commission; and
- last, the remaining amount from the General Fund, estimated at $53.5 million in FY 2020-21 and $91.0 million in FY 2021-22 and subsequent years.

For FY 2020-21 and FY 2021-22 only, the bill increases the State Highway Fund obligation by $12 million per year, correspondingly decreasing the General Fund obligation by $12 million per year.

The bill also repeals the requirement that the Department of Transportation (CDOT) promulgate rules and issue a final report in relation to the stakeholder group established to examine the impacts of new and emerging transportation technologies pursuant to Senate Bill 19-239.

Ballot measure. Under current law, a ballot measure is referred to voters at the 2020 General Election to authorize the issuance of up to $1.837 billion in TRANs. The bill repeals statute referring the ballot measure and refers a modified ballot measure at the November 2021 statewide election instead.

Conditional provisions. If the 2021 ballot measure is approved, the bill:

- authorizes the issuance of TRANs in the amount of $1.337 billion;
- cancels FY 2021-22 lease-purchase agreements of $500.0 million under SB 17-267;
- increases annual transfers from the General Fund to the State Highway Fund for FY 2022-23 through FY 2039-40 from $50.0 million to $79.5 million; and
- sets repayment parameters for TRANs and lease payments for SB 17-267 lease-purchase agreements.

Revenue from the TRANs issuance is allocated in shares of 85 percent to the State Highway Fund and 15 percent to the Multimodal Transportation Options Fund. Proceeds are required to be spent for qualified federal aid transportation projects in CDOT's strategic transportation project investment program and designated for tier 1 funding. At least 25 percent of proceeds must be spent for projects in counties with populations of 50,000 or less as of July 2015.

Assumptions

Current law. Current law includes provisions that take effect only if the 2020 ballot measure is not approved by voters. Consistent with the May 2020 Legislative Council Staff forecast, which assumes that the 2020 referred measure will not pass, this fiscal note treats these provisions as current law. Thus, the fiscal note presents the conditional fiscal impacts of approval of the 2021 ballot measure in this bill relative to a scenario in which no ballot measure is adopted. If voters were instead to approve the 2020 referred measure in current law, the 2021 ballot measure in this bill would have no net impact on state revenue, but would delay a portion of revenue from FY 2020-21 into FY 2023-24.

Transportation Revenue Anticipation Notes. If the 2021 ballot measure is approved, the bill requires that CDOT issue up to $1.337 billion in TRANs with a repayment cost of up to $1.865 billion. It is assumed that CDOT will be able to issue the entire TRANs amount while remaining within the maximum repayment cost. TRANs are expected to be issued in three equal tranches of $445.7 million between FY 2021-22 and FY 2023-24. This fiscal note assumes an annual repayment cost of $92.8 million for 20 years when all tranches have been issued. Actual issuance and repayment terms will depend on bond market conditions for late 2021 and early 2022, and the repayment amount may be less than or greater than expected.

State Revenue

If voters approve the 2021 ballot measure, the bill is expected to decrease state revenue by a net of $54.3 million for FY 2021-22, and to increase state revenue by $445.7 million for each of FY 2022-23 and FY 2023-24. No impacts on state revenue are expected beyond FY 2023-24. The bill reduces revenue from lease-purchase agreements, which are exempt from TABOR as a property sale, and increases revenue from TRANs proceeds, which are exempt from TABOR as a voter-approved revenue change. Revenue impacts are summarized in Table 2.

Table 2
Conditional State Revenue Impacts Under HB 20-1376

	FY 2021-22	FY 2022-23	FY 2023-24
Lease-Purchase Agreements			
State Highway Fund	($500.0 million)	-	-
TRANs Proceeds			
State Highway Fund	$378.8 million	$378.8 million	$378.8 million
Multimodal Transportation Options Fund	$66.9 million	$66.9 million	$66.9 million
Total	**($54.3 million)**	**$445.7 million**	**$445.7 million**

State Transfers

Unconditional impacts. The bill cancels scheduled transfers from the General Fund to the State Highway Fund for each of FY 2020-21 and FY 2021-22. These are expected to equal $50.0 million per year under current law, as shown in Table 1.

Conditional impacts. As under current law, transfers are $50.0 million per year if the referred TRANs measure is not approved. If the referred TRANs measure is approved, transfers are set at $79.5 million per year, a conditional increase of $29.5 million per year as shown in Table 1.

State Expenditures

The bill's impacts on state expenditures are presented in Table 3 and discussed below.

Table 3
State Expenditure Impacts Under HB 20-1376

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Transportation Projects*				
State Highway Fund	-	($121.2 million)	$378.8 million	$378.8 million
Multimodal Fund	-	$66.9 million	$66.9 million	$66.9 million
Lease Payments				
General Fund	($12.0 million)	($36.2 million)	($24.2 million)	($24.2 million)
State Highway Fund	$12.0 million	($1.3 million)	($13.3 million)	($13.3 million)
TRANs Payments				
State Highway Fund	-	$30.9 million	$61.9 million	$92.8 million
General Fund Total	*($12.0 million)*	*($36.2 million)*	*($24.2 million)*	*($24.2 million)*
State Highway Fund Total	*$12.0 million*	*($91.6 million)*	*$427.4 million*	*$427.4 million*
Multimodal Fund Total	*-*	*$66.9 million*	*$66.9 million*	*$66.9 million*
Grand Total	**$0**	**($60.9 million)**	**$470.0 million**	**$470.0 million**

* *Expenditures show funding expected to be made available for transportation projects if the 2021 ballot measure is approved. Actual amounts expended, and the timing thereof, are determined by the Transportation Commission.*

Unconditional impacts. The bill unconditionally decreases General Fund expenditures for lease payments by $12.0 million in each of FY 2020-21 and FY 2021-22, and correspondingly increases State Highway Fund expenditures for lease payments by the same amount. The bill also decreases CDOT workload to conduct rulemaking and issue a final report pursuant to SB 19-239. As workload increases for these requirements were assessed as minimal, workload decreases associated with the repeal of these requirements are likewise assessed as minimal.

Conditional impacts. Conditional on approval of the ballot measure, the bill changes the amounts available to be spent for transportation projects from the State Highway Fund and the Multimodal Transportation Options Fund. The timing and amounts of actual expenditures for transportation projects will be determined by the Transportation Commission.

TRANs repayment obligations are paid from the State Highway Fund or another source under the control of the Transportation Commission. Repayment obligations are estimated to total $92.8 million annually beginning in FY 2023-24, with smaller amounts in FY 2021-22 and FY 2022-23 as each tranche of TRANs is issued.

Expenditures for lease payments under SB 17-267 are expected to reach $150.0 million for FY 2021-22 and subsequent years under current law. Eliminating the FY 2021-22 tranche of lease-purchase agreements will reduce the annual lease payment obligation to $112.5 million. The bill reduces the General Fund obligation from $100.0 million to $75.8 million, a decrease of

$24.2 million, and reduces the State Highway Fund obligation from $50.0 million to $36.7 million, a decrease of $13.3 million, beginning in FY 2022-23. For FY 2021-22, these changes to the lease payment obligation compound with the unconditional $12.0 million change to the lease payment obligation discussed previously, resulting in a General Fund obligation decrease of $36.2 million and a State Highway Fund obligation decrease of $1.3 million if the ballot measure is adopted.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Transportation Treasury

HB 20-1377

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1263	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Zenzinger; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: **FUND CONTROLLED MAINTENANCE PROJECTS**

Summary of Fiscal Impact:

- ☒ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill credits a conditional amount of certificate of participation proceeds to the Capital Construction Fund for use on controlled maintenance projects.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1377

		FY 2019-20	FY 2020-21
Revenue	State Highway Fund	(up to $49 million)	-
	Capital Construction Fund	up to $49 million	-
	Total	$0	-
Expenditures	State Highway Fund	-	(up to $49 million)
	Capital Construction Fund	-	up to $49 million
	Total	-	$0
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Pursuant to Senate Bill 17-267, the issuance of the second tranche of certificates of participation is anticipated to take place in June 2020. This bill assigns any revenue over $500 million generated, up to $49 million, to be credited to the Capital Construction Fund to be used for controlled maintenance projects.

State Revenue

The tranche has a principle value of $500 million, but due to favorable borrowing conditions, the issuance is expected to generate between $550 million and $590 million. The first $500 million, and any revenue above $549 million, will be credited to the State Highway Fund for use by the Department of Transportation.

State Expenditures

The bill increases expenditures in various state agencies and state institutions of higher education for controlled maintenance projects by up to $49 million in FY 2020-21, subject to the recommendations of the Capital Development Committee, and reduces expenditures by the same amount in the Department of Transportation.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Legislative Department	Transportation	Treasury

HB 20-1378

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1183	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Zenzinger; Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Vanessa Reilly | 303-866-4753 Vanessa.Reilly@state.co.us

Bill Topic: **CAPITAL-RELATED TRANSFERS OF MONEY**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. In the current FY 2019-20, and in FY 2020-21, the bill transfers money between the General Fund and the Capital Construction Fund.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee as part of its FY 2020-21 budget package.

Table 1
State Fiscal Impacts Under HB 20-1378

		FY 2019-20	FY 2020-21
Revenue	**Total**	-	-
Expenditures	**Total**	-	-
Transfers	General Fund	$19,737,085	($2,988,768)
	Capital Construction Fund	($19,737,085)	$2,988,768
	Total	**$0**	**$0**
TABOR Refund		-	-

Summary of Legislation

In the current FY 2019-20, and in FY 2020-21, the bill transfers money between the Capital Construction Fund (CCF) and the General Fund.

State Transfers

FY 2019-20 Transfers. For the current FY 2019-20, the bill transfers:

- $1,397,624 from the General Fund to the CCF; and
- $21,134,709 from the IT Capital Account in the CCF to the General Fund.

FY 2020-21 Transfers. For FY 2020-21, the bill transfers:

- $2,043,768 from the General Fund to the CCF;
- $500,000 from the General Fund Exempt account to the CCF; and
- $445,000 from the General Fund to the IT Capital Account of the CCF.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee Staff Legislative Council Staff

HB 20-1398

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1182	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: **MODIFY AUTOMATIC FUNDING MECHANISM FOR CAPITAL CONSTRUCTION**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill suspends annual depreciation-lease equivalent payments for FY 2020-21 and exempts the Legislative Cash Fund from these payments on an ongoing basis.

Appropriation Summary: The bill decreases appropriations by $7,561,261 in FY 2020-21.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1398

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($7,561,861)	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

With regard to certain capital construction projects, current law requires that funding be appropriated annually to support the expense of depreciation-lease equivalent payments. Such payments are credited to the Capital Construction Fund and the Controlled Maintenance Trust Fund, or to a capital reserve account, depending on the source of funds for the capital construction project being depreciated. The bill suspends these payments for FY 2020-21.

The bill further exempts the Legislative Department Cash Fund from the definition of cash fund for this purpose, and releases funds from any capital reserve account in the Legislative Department Cash Fund, including from any capital reserve account within the Redistricting Account.

State Expenditures

For FY 2020-21 only, the bill reduces General Fund expenditures for depreciation-lease equivalent payments by about $7.6 million. These expenditures would otherwise have been distributed between the Capital Construction Fund and the Controlled Maintenance Trust Fund. Expenditure reductions and affected state agencies are displayed in Table 2.

Table 2
Reduced Annual Depreciation-Lease Equivalent Payments for FY 2020-21

Department	General Fund
Corrections	($307,843)
Higher Education	($3,461,717)
Human Services	($3,103,396)
Military and Veterans Affairs	($87,994)
Personnel and Administration	($566,806)
Public Health and Environment	($33,505)
Total	**($7,561,261)**

Source: *Joint Budget Committee Staff*

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill decreases General Fund appropriations by $7,561,261, including:

- $307,843 from the Department of Corrections;
- $3,461,717 from the Department of Higher Education;
- $3,103,396 from the Department of Human Services;
- $87,994 from the Department of Military and Veterans Affairs;
- $566,806 from the Department of Personnel and Administration; and
- $33,505 from the Department of Public Health and Environment.

State and Local Government Contacts

Corrections	Higher Education	Human Services
Legislative Department	Military Affairs	Personnel
Public Health and Environment		

HB 20-1379

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1267	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom Sen. Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Erin Reynolds | 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **SUSPEND DIRECT DISTRIBUTION TO PERA FOR FY 2020-21**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☒ Statutory Public Entity

Budget package bill. This bill suspends a $225 million direct distribution of state funds to the Colorado Public Employee's Retirement Association scheduled to take place on July 1, 2020. It will reduce state expenditures in FY 2020-21.

Appropriation Summary: For FY 2020-21, the bill includes a reduction in appropriations of $225 million from multiple state agencies.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1379

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	($201,518,047)	-
	Cash Funds	($16,312,045)	-
	Reappropriated Funds	($6,029,710)	-
	Federal Funds	($1,140,198)	-
	Total	**($225,000,000)**	**-**
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill suspends a $225 million direct distribution of state funds to the Colorado Public Employee's Retirement Association (PERA) that is scheduled to take place on July 1, 2020.

Background

Since FY 2018-19, Senate Bill 18-200 has required the state to annually distribute $225 million to PERA on July 1 each year until the unfunded liabilities of the state, judicial, school, and Denver Public Schools (DPS) divisional trusts are paid. PERA is required to credit these funds proportionally to the relevant divisional trusts based on the reported payroll for each participating division for the prior plan year ending December 31. The direct distribution is paid primarily from the General Fund, but may also come from cash funds, reappropriated funds, and federal funds. Every year PERA must determine the unfunded liability status of each division by September 1, and notify the Office of State Planning and Budgeting and the Joint Budget Committee when a division's unfunded liability has been paid and the direct distribution is no longer required.

State Expenditures

The bill decreases state expenditures by $225 million, as shown in Table 1 above. Of this amount, $54.1 million is from state agency common policy collections, which includes General Fund, cash funds, reappropriated funds, federal funds, and $5.2 million from the continuously appropriated State Highway Fund. The remainder of funding is paid with General Fund.

Statutory Public Entity

State contributions to PERA will decrease by $225 million in FY 2020-21, which will reduce funding to all divisions, with the exception of the Local Government division, as follows:

- ($75,594,000) to the State Division;
- ($129,334,000) to the School Division;
- ($1,340,000) to the Judicial Division; and
- ($18,732,000) to the Denver Public Schools Division.

According to PERA's actuaries, the loss of the direct distribution for FY 2020-21, in isolation, is not projected to spur the 2019 automatic adjustment provision (AAP). For informational purposes, the 2018 AAP assessment is scheduled to begin July 1, 2020.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill reduces state appropriations by $225 million in FY 2020-21, as outlined in the bill and summarized below:

- a reduction of $54.1 million is from state agency common policy collections, which includes General Fund, cash funds, reappropriated funds, federal funds, and $5.2 million from the continuously appropriated State Highway Fund; and
- a reduction of $170.9 million in General Fund.

State and Local Government Contacts

Joint Budget Committee	PERA	Treasury

HB 20-1380

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1187	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom; McCluskie Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Aaron Carpenter | 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: **MOVE TOBACCO LITIGATION SETTLEMENT MONEY TO GENERAL FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill redirects Tobacco Master Settlement Agreement revenue to the General Fund. The bill increases funds in the General Fund and increases state expenditures in FY 2020-21 and reduces state expenditures in FY 2021-22.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1380

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	Cash Funds	$18.4 million	($20.0 million)
	Total	**$18.4 million**	**($20.0 million)**
Transfers and Diversions	General Fund	$40.0 million	-
	Cash Funds	($40.0 million)	-
	Total	**$0**	**-**
TABOR Refund		-	-

Summary of Legislation

This bill redirects Tobacco Master Settlement Agreement (MSA) revenue to the General Fund through transfers and changes to the MSA distribution formula. First, the bill transfers $40.0 million from various cash funds funded with MSA revenue to the General Fund. Of this, $20.0 million is applied to increase the accelerated payment amount in FY 2020-21 by moving this amount from FY 2021-22. Next, the bill reduces the distribution of MSA revenue to the Tobacco Settlement Defense Account and the State Dental Loan Repayment Program for FY 2020-21 only.

Background

Tobacco MSA. The Tobacco MSA provides Colorado with an annual revenue stream distributed via a statutory formula to a variety of programs. Revenue from the MSA is the result of a 1998 legal settlement between tobacco manufacturers and the states who sued to recover Medicaid and other health-related costs incurred by the states as a result of treating smoking related illnesses.

Accelerated payments. The Tobacco Litigation Settlement Cash Fund receives all funds transmitted to the State Treasurer as a result of the terms of the MSA. Funds from the Tobacco Litigation Settlement Cash Fund are allocated to a number of programs according to a formula detailed in statute. The Tobacco Litigation Settlement Cash Fund receives its payments in April of each year, traditionally after the state's budget is passed. Therefore, money received in April of 2020 would be allocated in FY 2020-21 instead of FY 2019-20. However, the General Assembly may amend statute to allocate some MSA funds in the same fiscal year as when the money was received. Such a change is referred to as accelerating the use of tobacco revenues, or accelerated payments. At of the time of this writing, the accelerated payment amount is estimated to be $41.3 million.

State Transfers and Diversions

For FY 2020-21, this bill creates a number of one-time transfers and diversions from various cash funds to the General Fund. In total, the bill transfers or diverts $40.0 million to the General Fund as shown in Table 2 and described below.

Table 2
Transfers and Diversions Under HB 20-1380 for FY 2020-21

Fund Source	From Cash Fund	To General Fund	Total
Tobacco Litigation Settlement Cash Fund*	($24,772,510)	$24,772,510	**$0**
Tobacco Settlement Defense Account	($8,000,000)	$8,000,000	**$0**
Nurse Home Visitor Program Cash Fund	($4,237,375)	$4,237,375	**$0**
Colorado State Veterans Trust Fund	($3,000,000)	$3,000,000	**$0**
Total	**($40,009,885)**	**$40,009,885**	**$0**

* *Includes the transfer of $4.8 million of unallocated dollars. Calculation for unallocated dollars can be found in Table 3.*

Unallocated tobacco settlement funds. This bill diverts $20.0 million dollars from the Tobacco Litigation Cash Fund and transfers another $4.8 million in unallocated funds to the General Fund. Table 3 below shows the source of the $4.8 million in unallocated funds being transferred.

Table 3
Unallocated Tobacco Settlement Dollars Under HB 20-1380

	FY 2020-21
Amount Received Over February Forecast	$2,000,130
Amount Reduced from Tobacco Settlement Defense Account	$1,406,280
Unallocated Amounts in FY 2019-20	$1,205,383
Amount Reduced from Dental Loan Repayment Program	$160,717
Total	**$4,772,510**

State Expenditures

This bill increases state cash fund expenditures by $18.4 million in FY 2020-21 and reduces expenditures by $20.0 million in FY 2021-22, as shown in Table 4 and described below.

Table 4
Expenditures Under HB 20-1380

	FY 2020-21	FY 2021-22
Tobacco Settlement Defense Account	($1,406,280)	-
Dental Loan Repayment Fund	($160,717)	-
Tobacco Litigation Settlement Cash Fund	$20,000,000	($20,000,000)
Total Cost	**$18,433,003**	**($20,000,000)**

Tobacco Settlement Defense Account. By reducing the amount allocated to the Tobacco Settlement Defense Account from 2.5 percent to 0.75 percent, expenditures in the account will be reduced by up to $1.4 million in FY 2020-21 only. This account is used by the Department of Law and the Department of Revenue to support legal and enforcement needs. This reduction is included in the FY 2020-21 Long Bill and therefore, no change in appropriations is required.

Dental Loan Repayment Fund. By reducing the amount allocated to the Dental Loan Repayment Fund in the CDPHE by $160,717, the bill will reduce expenditures in the CDPHE accordingly for FY 2020-21 only. This reduction is included in the FY 2020-21 Long Bill and therefore, no change in appropriations is required.

Tobacco Litigation Settlement Cash Fund. By allocating $20.0 million of tobacco revenue that will be received in April 2021 in FY 2020-21 instead of FY 2021-22, expenditures in the Tobacco Litigation Settlement Cash Fund will increase by $20.0 million in FY 2020-21 and decrease by $20.0 million in FY 2021-22. However, because the bill transfers $20 million from the Tobacco Litigation Settlement Cash Fund to the General Fund, total expenditures to programs funded through the Tobacco Litigation Settlement Cash Fund will not change. Therefore, no change in appropriations is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Human Services	Law	Military Affairs
Public Health and Environment	Revenue	Treasury

HB 20-1381

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1179	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Ransom Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Katie Ruedebusch | 303-866-3001 Katie.Ruedebusch@state.co.us

Bill Topic: **CASH FUND TRANSFERS TO THE GENERAL FUND**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill transfers a total of $117.8 million to the General Fund from nine different cash funds over two fiscal years.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommenced by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1381

		FY 2019-20 *(current year)*	FY 2020-21	FY 2021-22
Revenue		-	-	-
Expenditures		-	-	-
Transfers	Cash Funds	($29,339,508)	($88,500,000)	-
	General Fund	$29,339,508	$88,500,000	-
	Total	**$0**	**$0**	**-**
TABOR Refund		-	-	-

Summary of Legislation

The bill transfers a total of $117.8 million to the General Fund from nine different cash funds over two fiscal years (FY 2019-20 and FY 2020-21).

State Transfers

The bill transfers the amounts shown in Table 2 from various cash funds to the General Fund.

Table 2
Cash Fund Transfers to General Fund under HB 20-1381

Fund	FY 2019-20	FY 2020-21
Employment Verification Fund	$3,176	-
Fort Logan Land Sale Account	$7,900,000	-
Indirect Costs Excess Recovery Fund	$8,381,753	-
State Supplemental Security Income Stabilization Fund	$1,887,116	-
Veterans Assistance Grant Program Cash Fund	$1,000,000	-
Moffat Tunnel Cash Fund	$167,463	-
Multimodal Transportation Options Fund	$10,000,000	-
Severance Tax Perpetual Base Fund	-	$45,500,000
Unclaimed Property Trust Fund	-	$43,000,000
Total	**$29,339,508**	**$88,500,000**

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Labor
Local Affairs
Military Affairs
Natural Resources
Personnel
Transportation
Treasury

HB 20-1382

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1102	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Moreno; Rankin	**Bill Status:**	House Appropriations.
		Fiscal Analyst:	Greg Sobetski | 303-866-4105 Greg.Sobetski@state.co.us

Bill Topic: **REPEAL CASH FUNDS WITH GENERAL FUND REVERSIONS**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill transfers the balances of two cash funds to the General Fund, and abolishes those funds.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1382

		FY 2019-20 *(current year)*	FY 2020-21	FY 2021-22
Revenue		-	-	-
Expenditures		-	-	-
Transfers	General Fund	$47,866,269	$1,200,000	$1,200,000
	Cash Funds	($47,866,269)	($1,200,000)	($1,200,000)
	Total	**$0**	**$0**	**$0**
TABOR Refund		-	-	-

Summary of Legislation

On its effective date, the bill transfers the unexpended and unencumbered balances of the State Employee Reserve Fund (SERF) and the Technology Advancement and Emergency Fund to the General Fund. Statute creating the funds is repealed effective June 30, 2020.

Under current law, General Fund appropriations to the Office of Information Technology (OIT) or another state agency for information technology (IT) resource procurement that are unexpended or unencumbered at the end of the fiscal year are transferred to the Technology Advancement and Emergency Fund. The bill repeals this transfer, allowing unexpended appropriations to revert to the General Fund.

Background

State Employee Reserve Fund. The SERF was created in House Bill 12-1321 as part of the Modernization of the State Personnel System Act. Any allowable annual reversions of money appropriated for personal services-related line items may be credited to a subaccount in the fund for each department of state government. Up to $2.0 million may be reallocated between departments by the Governor. Each department is granted continuous spending authority to use moneys in its subaccount, subject to approval from the Governor's Office of State Planning and Budgeting, for providing merit pay increases to eligible certified employees. However, SERF funds have not been used for this purpose since the fund was created.

Technology Advancement and Emergency Fund. This fund was created in Senate Bill 17-255 to be used for one-time costs associated with emergency IT expenditures, addressing deferred maintenance of state agency IT assets, and providing additional services to address unforeseen IT service demands. In addition to startup resources transferred to the fund via SB 17-255, the fund receives annual transfers of unexpended General Fund appropriations for IT procurement. The Office of the State Controller reports that $8.9 million was transferred at the close of FY 2017-18 and $6.2 million was transferred at the close of FY 2018-19.

State Transfers

The bill creates one-time transfers to the General Fund in FY 2019-20 and eliminates ongoing transfers from the General Fund starting in FY 2019-20. On net, these changes to transfers to and from the General Fund increase available General Fund by $47,866,269 in the current FY 2019-20 and by approximately $1,200,000 per year in FY 2020-21 and subsequent fiscal years. These transfers and the cash funds involved are shown in Table 2.

Table 2
Transfers under HB 20-1382

	FY 2019-20 *(current year)*	FY 2020-21	FY 2021-22
Cash Fund Transfers to the General Fund			
State Employee Reserve Fund	$32,726,421	-	-
Technology Advancement and Emergency Fund	$13,939,848	-	-
General Fund Transfers to Cash Funds			
Technology Advancement and Emergency Fund	($1,200,000)	($1,200,000)	($1,200,000)
Net General Fund Impact	**$47,866,269**	**$1,200,000**	**$1,200,000**

Estimates for transfers from the abolished cash funds to the General Fund are based on the fund balances as of May 2020. Balances for both funds may change before the bill's effective date, as both funds may be accessed for their statutory purposes by executive branch agencies. Additionally, reversions of personal services-related line items may increase the SERF balance, though the amount of these reversions is unpredictable across fiscal years. The bill eliminates transfers of unexpended General Fund IT procurement appropriations to the Technology Advancement and Emergency Fund, which is expected to increase the General Fund balance by about $1.2 million annually. This amount is less than that observed for prior years, reflecting lower expected appropriations for IT procurement during and following the economic recession.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Information Technology Personnel

HB 20-1383

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1101	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; Ransom Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Greg Sobetski | 303-866-4105 Greg.Sobetski@state.co.us

Bill Topic: **REDUCE THE GENERAL FUND RESERVE**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package bill. This bill decreases the statutory General Fund reserve requirement to 3.07 percent of General Fund appropriations for FY 2019-20 and 3.84 percent of appropriations for FY 2020-21. It will increase the amount of money available for discretionary General Fund appropriations for these two years.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Summary of Legislation

Under current law, the state is required to retain a General Fund balance equal to 7.25 percent of General Fund appropriations at the end of each fiscal year. This bill decreases the reserve requirement to 3.07 percent of appropriations for the current FY 2019-20 and 3.84 percent of appropriations for FY 2020-21. For FY 2021-22 and subsequent years, the reserve requirement remains unchanged at 7.25 percent.

State Expenditures

This bill does not directly increase state expenditures, but increases the amount of money available for appropriation at the discretion of the General Assembly during the 2020 and 2021 legislative sessions. The reserve requirement calculated using the percentages in the bill will depend on actual appropriations for FY 2019-20 and FY 2020-21, which have not yet been finalized by the General Assembly. Based on the General Fund overview used by the Joint Budget Committee for budget balancing as of May 22, 2020, the bill requires an estimated reserve of $361.8 million for FY 2019-20 and $437.5 million for FY 2020-21. Therefore, reducing the reserve requirement is expected to increase the amount available for appropriation by approximately $490 million in the current FY 2019-20 and by approximately $390 million in FY 2020-21.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee Staff

HB 20-1399

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1209	**Date:**	May 26, 2020
Prime Sponsors:	Rep. McCluskie; Esgar Sen. Moreno; Rankin	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Anna Gerstle | 303-866-4375 Anna.Gerstle@state.co.us

Bill Topic: **SUSPEND LIMITED GAMING TAX TRANSFERS TO CASH FUNDS**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Diversions
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget package. The bill suspends statutory transfers of gaming revenue to various cash funds in FY 2019-20 and FY 2020-21 only, and modifies state appropriations for FY 2020-21.

Appropriation Summary: See State Appropriations Section. The bill reduces appropriations in the FY 2020-21 Long Bill and includes additional FY 2020-21 appropriations for impacted programs.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1399

		FY 2019-20 *(current year)*	FY 2020-21	FY 2021-22
Revenue		-	-	-
Expenditures	General Fund	-	$14,025,000	-
	Cash Funds	-	($28,140,219)	-
	Total	-	**($14,115,219)**	-
Diversions*	General Fund	$23.4 million	$30.6 million	-
	Various Cash Funds*	($23.4 million)	($30.6 million)	-
	Total	**$0**	**$0**	-
TABOR Refund		-	-	-

* *Under current law, these diversions total $30.5 million; however, there is not expected to be sufficient revenue generated in FY 2019-20, and may not be sufficient revenue in FY 2020-21.*

Summary of Legislation

The bill suspends annual transfers from the Limited Gaming Fund to the following funds in FY 2019-20 and FY 2020-21:

- Colorado Travel and Tourism Promotion Fund;
- Advanced Industries Acceleration Cash Fund;
- Local Government Limited Gaming Impact Fund;
- Innovative Higher Education Research Fund;
- Creative Industries Cash Fund; and
- Colorado Office of Film, Television, and Media Operational Account Cash Fund.

The bill also adjusts FY 2020-21 appropriations for impacted programs.

Background

Under the Colorado Constitution, 50 percent of limited gaming tax revenue is transferred to the General Fund, or other funds designated in statute. Under current law, that revenue is distributed as follows:

- $5.0 million, plus an annual adjustment, to the Local Government Limited Gaming Impact Fund in the Department of Local Affairs (DOLA);
- $2.0 million to the Creative Industries Cash Fund in the Office of Economic Development and International Trade (OEDIT);
- $15.0 million to the Colorado Travel and Tourism Fund in OEDIT;
- $0.5 million to the Colorado Office of Film, Television, and Media in OEDIT;
- $5.5 million to the Advanced Industries Acceleration Cash Fund in OEDIT;
- $2.1 million to the Innovative Higher Education Research Fund in the Department of Higher Education (DHE); and
- the remainder is deposited in the General Fund.

These programs may also receive additional appropriations from the General Fund or other fund sources.

State Diversions

Under current law, the amounts specified above are diverted from the General Fund to several cash funds in OEDIT, DOLA, and DHE. These diversions total $30.5 million; however, available gaming revenues for this purpose are expected to total $23.3 million in FY 2019-20 and $30.6 million in FY 2020-21, based on the Legislative Council Staff May 2020 Forecast, and $23.4 million in FY 2019-20 and $26.5 million in FY 2020-21 based on the OSPB forecast. As a result, the suspension of the transfers increases funding available in the General Fund by about $23.3 million in FY 2019-20. Table 2 lists the amounts of the suspended transfers.

Table 2
Annual Diversions Suspended Under HB 20-1399

Department / Program	Amount
Department of Local Affairs	
Local Government Limited Gaming Impact	($5,400,000)
OEDIT	
Film, Television and Media	($500,000)
Colorado Promotion - Welcome Centers	
Colorado Promotion - Other Costs	($15,000,000)
Destination Development Programs	
Creative Industries	($2,000,000
Advanced Industries	($5,500,000)
Indirect Costs	-
Department of Higher Education	
Innovative Higher Education Research	($2,100,000)
Total	**$30,500,000**
Projected Available Revenue (FY 2019-20)	$23,232,780

State Expenditures

The bill includes $14,025,000 in General Fund appropriations in FY 2020-21 for programs impacted by the suspended transfers. Because the programs will be funded with General Fund, rather than through the transfer mechanism discussed above, the bill also reduces the cash fund appropriations for impacted programs by $28.1 million. Table 3 shows the changes to program appropriations for FY 2020-21.

Table 3
FY 2020-21 Expenditure Changes
Under HB20 - 1399

	FY 2020-21 Cash Fund Expenditures	FY 2020-21 General Fund Expenditures
Department of Local Affairs		
Local Government Limited Gaming Impact	($5,259,386) (1.0 FTE)	$1,875,000 1.0 FTE
OEDIT		
Film, Television and Media	-	$310,331
Colorado Promotion - Welcome Centers	($516,000) (3.3 FTE)	$500,000 3.3 FTE
Colorado Promotion - Other Costs	($10,579,623)	$8,678,000
Destination Development Programs	($600,000)	$600,000
Creative Industries	($2,023,000)	$1,226,000
Advanced Industries	($8,362,210)	$398,000
Indirect Costs	-	$437,669
Department of Higher Education		
Innovative Higher Education Research	($800,000)	-
Total	**($28,140,219)**	**$14,025,000**

Local Government

The bill's reduced appropriations for the local government limited gaming impact grants in DOLA reduce grant funding available for eligible local governments.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes the following reductions to cash fund appropriations in the FY 2020-21 Long Bill:

Governor's Office
- a reduction of $516,000 and 3.3 FTE for Colorado welcome centers;
- a reduction of $10,579,623 for other Colorado promotion costs;
- a reduction of $600,000 for the destination development program;
- a reduction of $8,362,210 for the Advanced Industries Acceleration Cash Fund; and
- a reduction of $2,023,000 from the Creative Industries Cash Fund.

Department of Higher Education
- a reduction of $800,000 from the Innovative Higher Education Research Fund for the higher education competitive research authority.

Department of Local Affairs (Local Government Limited Gaming Impact Fund)
- a reduction of $114,788 and 1.0 FTE for field services costs;
- a reduction of $5,127,850 for grants; and
- a reduction of $16,748 for indirect cost assessment.

For FY 2020-21, the bill includes the following General Fund appropriations:

Governor's Office
- $310,331 for the Office of Film, Television and Media;
- $500,000 and 3.3 FTE for the Colorado welcome centers;
- $8,678,000 for other Colorado promotion costs;
- $600,000 for destination development programs;
- $1,226,000 for the council on creative industries;
- $398,000 for advanced industries; and
- $437,669 for indirect cost assessment.

Department of Local Affairs
- $1,875,000 from the General Fund to the Local Government Limited Gaming Impact Fund, of which $1,743,464 is reappropriated for grants, $114,788 is reappropriated for field services, and $16,748 is reappropriated for indirect costs.

State and Local Government Contacts

Counties	Higher Education	Local Affairs
Municipalities	OEDIT	Revenue

HB 20-1400

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1208	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Zenzinger	**Bill Status:**	House Appropriations
		Fiscal Analysts:	Anna Gerstle | 303-866-4375 anna.gerstle@state.co.us Meredith Moon | 303-866-3096 meredith.moon@state.co.us

Bill Topic: **TEMPORARY CHANGE OF GAMING TAX REVENUE ALLOCATION**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☒ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☒ Local Government
- ☐ Statutory Public Entity

Budget package bill. The bill temporarily modifies the allocation of gaming tax revenue between limited and extended limited gaming recipients. The bill modifies state expenditures beginning in FY 2020-21.

Appropriation Summary: No appropriation required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Summary of Legislation

Under the bill, beginning in FY 2020-21 and continuing through the next year in which gaming tax revenue is at or above FY 2018-19 levels, any growth or decline in gaming revenues must be allocated between limited gaming and extended limited gaming recipients based on the relative percentages in which each group shared in the decrease in gaming tax distributions that occurred between FY 2018-19 and FY 2019-20.

The bill allows the Gaming Commission to adjust distributions as necessary to ensure that distributions comply with constitutional requirements.

Background

Distribution of gaming revenues. Gaming revenues are distributed based on a formula in both the Colorado Constitution and state law. Limited gaming revenue, which was first approved by voters in 1990, is distributed as follows:

- 50 percent to the General Fund, which is further distributed to several programs specified in statute;
- 10 percent to gaming cities;
- 12 percent to gaming counties; and

- 28 percent to the State Historical Fund, of which 20 percent is allocated to gaming cities and 80 percent is allocated to History Colorado.

Amendment 50, approved by voters in 2008, extended hours, bets, and games allowed in Colorado casinos. Revenue from this extended limited gaming is distributed as follows:

- 78 percent to community colleges; and
- 22 percent to gaming cities and counties.

State Expenditures

The bill modifies how gaming revenue is allocated between limited gaming recipients and extended limited gaming recipients beginning in FY 2020-21 and continuing until gaming revenues return to FY 2018-19 levels. Total gaming revenue collected and expended will not change as a result of the bill.

Based on the Legislative Council Staff (LCS) May 2020 forecast, gaming revenue distributions are expected to decrease by about $50.0 million from FY 2018-19 to FY 2019-20. Of this decrease, 93.5 percent impacts limited gaming distributions and 6.5 percent impacts extended limited gaming distributions. Table 1 shows the expected changes in gaming distributions under the bill for FY 2020-21 and FY 2021-22. The modified allocation applies in subsequent years until total gaming revenue reaches $125.0 million, the amount collected in FY 2018-19. Actual distributions will be determined by the Division of Gaming in the Department of Revenue.

Table 1
Gaming Distributions Under HB 20-1400
Legislative Council Staff Forecast
(in millions)

Distribution Type	FY 2020-21			FY 2021-22		
	Current Law	Under Bill	Change	Current Law	Under Bill	Change
Limited Gaming	**$61.2**	**$61.5**	**$0.4**	**$64.5**	**$70.5**	**$6.0**
General Fund	$30.6	$30.8	$0.2	$32.2	$35.2	$3.0
Gaming Communities	$13.5	$13.5	$0.1	$14.2	$15.5	$1.3
State Historical Fund	$17.1	$17.2	$0.1	$18.1	$19.7	$1.7
Extended Limited Gaming	**$16.0**	**$15.7**	**($0.4)**	**$22.3**	**$16.3**	**($6.0)**
Community Colleges	$12.5	$12.2	($0.3)	$17.4	$12.7	($4.7)
Gaming Communities	$3.5	$3.4	($0.1)	$4.9	$3.6	($1.3)
Total	**$77.2**	**$77.2**	**$0.0**	**$86.8**	**$86.8**	**$0.0**

** Totals may not sum due to rounding.*

The Joint Budget Committee based the Long Bill on the May 2020 forecast prepared by the Office of State Planning and Budgeting (OSPB). Table 2 compares the estimated changes under the OSPB and LCS forecasts for FY 2020-21. The LCS forecast estimates $86.7 million in total tax revenue and the OSPB forecast estimates $76.4 million for FY 2020-21, so the resulting distributions vary based on the amount of revenue forecast. Actual distributions will be determined by the Division of Gaming in the Department of Revenue.

Table 2
Gaming Distributions Under XB 20-1400 in FY 2020-21
LCS vs OSPB Forecasts
(in millions)

	LCS Forecast		OSPB Forecast		
Distribution Type	**Allocation Under Bill**	**Change from Current Law**	**Allocation Under Bill**	**Change from Current Law**	**Difference**
Limited Gaming	**$61.5**	**$0.4**	**$48.0**	**($5.0)**	**$13.5**
General Fund	$30.8	$0.2	$24.0	($2.5)	$6.7
Gaming Communities	$13.5	$0.1	$10.6	($1.1)	$3.0
State Historical Fund	$17.2	$0.1	$13.4	($1.4)	$3.8
Extended Limited Gaming	**$15.7**	**($0.4)**	**$14.8**	**$5.0**	**$0.9**
Community Colleges	$12.2	($0.3)	$11.5	$3.9	$0.7
Gaming Communities	$3.4	($0.1)	$3.2	$1.1	$0.2
Total	**$77.2**	**$0**	**$62.8**	**$0**	**$14.4**

** Totals may not sum due to rounding.*

Local Government

Changing the distribution of gaming revenues impacts the allocation to the gaming communities (Gilpin and Teller counties, cities of Black Hawk, Central City, and Cripple Creek) beginning in FY 2020-21 and continuing until gaming tax revenue reaches FY 2018-19 levels.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties	Higher Education	Local Affairs
Municipalities	OEDIT	Revenue

HB 20-1401

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 20-1287	**Date:**	May 26, 2020
Prime Sponsors:	Rep. Esgar; Ransom Sen. Moreno	**Bill Status:**	House Appropriations
		Fiscal Analyst:	Jeff Stupak | 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: **MARIJUANA TAX CASH FUND SPENDING & TRANSFER**

Summary of Fiscal Impact:

- ☐ State Revenue
- ☐ State Expenditure
- ☒ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

Budget Package Bill. The bill repeals the requirement that money in the Marijuana Tax Cash Fund must only be appropriated for use in subsequent years after its collection, which increases the uncommitted balance in the Marijuana Tax Cash Fund for use in FY 2020-21. The bill directs the State Treasurer to transfer $136,989,750 from the Marijuana Tax Cash Fund to the General Fund in FY 2020-21.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

Table 1
State Fiscal Impacts Under HB 20-1401

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers	Marijuana Tax Cash Fund	($136,989,750)	-
	General Fund	$136,989,750	
	Total	**$0**	
TABOR Refund		-	-

Summary of Legislation

The bill repeals the requirement that money in the Marijuana Tax Cash Fund (MTCF) must only be appropriated for use in subsequent years after its collection. Under the bill, the General Assembly will be permitted to appropriate money in the MTCF in the same year that the revenue is collected, increases the uncommitted balance in the MTCF for FY 2020-21.

The bill directs the State Treasurer to transfer $136,989,750 from the MTCF to the General Fund on September 1, 2020.

Background

Tax revenue collected from the sale of marijuana is deposited in two different funds: the Building Excellent Schools Today (BEST) Fund and the MTCF. A portion of marijuana tax revenue is constitutionally dedicated to the BEST Fund, while the uses of the MTCF are statutory.

State Transfers

In FY 2020-21 only, the bill transfers $137.0 million from the MTCF to the General Fund. By transferring these funds in FY 2020-21, the bill will decrease the amount of money in the MCTF available for appropriation in FY 2021-22.

Effective Date

The bill takes effect July 1, 2020.

State and Local Government Contacts

Revenue Treasury