

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Joint Budget Committee Members
FROM JBC Staff
DATE March 23, 2022
SUBJECT Potential Legislation

This packet includes bill drafts and related memos for the Committee’s consideration. Each individual item has page numbers but also a packet page number to help navigate the whole document. The page numbers below refer to the packet page number.

POTENTIAL LEGISLATION

Marijuana Tax Cash Fund (Harper) 1

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Nursing Home Minimum Wage (Smart) 14

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
3.18.22

DRAFT

LLS NO. 22-0977.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Marijuana Tax Cash Fund"

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO ENSURE THAT THE MARIJUANA TAX CASH**
102 **FUND IS IN BALANCE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. When the marijuana tax cash fund (fund) was initially created, money in the fund was only available to be appropriated for fiscal years following the fiscal year in which it was received by the state. In 2020, the general assembly repealed this restriction, but in 2021, this language was inadvertently added back in by legislation that made an unrelated conforming amendment. The bill

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Dashes through the words indicate deletions from existing statute.*

restores the correct language, which permits the general assembly to appropriate money from the fund for the same fiscal year in which it is received.

The bill delays transfers from the fund to the public school capital construction assistance fund (BEST fund). Instead of transferring \$100 million on June 1, 2022, the bill requires the state treasurer to transfer the following amounts from the fund to the BEST fund:

- \$45 million on June 1, 2022;
- \$35 million on June 1, 2023; and
- \$20 million on June 1, 2024.

The bill also modifies the reserve requirement within the fund. Instead of limiting appropriations to 93% of the beginning balance in the fund, it requires the reserve to be 15% of the amount appropriated for the fiscal year. The bill also specifies that this reserve excludes any money from the fund that is designated to constitute part of the state emergency reserve and clarifies how the reserve works.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 22-43.7-104, **amend**
3 (2)(g) as follows:

4 **22-43.7-104. Public school capital construction assistance fund**
5 **- creation - crediting of money to fund - use of fund - emergency**
6 **reserve - creation - reserve account - creation and use.** (2) (g) The
7 assistance fund includes one hundred million dollars, which the state
8 treasurer is required to transfer from the marijuana tax cash fund created
9 in section 39-28.8-501 (1), OVER THREE FISCAL YEARS BEGINNING on June
10 1, 2022, pursuant to section 39-28.8-501 (4.8).

11 **SECTION 2.** In Colorado Revised Statutes, 39-28.8-501, **amend**
12 (2)(b)(IV) introductory portion, (4.8), and (5) as follows:

13 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
14 **- legislative declaration - repeal.** (2) (b) (IV) Subject to the limitation
15 in subsection (5) of this section, the general assembly may annually
16 appropriate any money in the fund for any fiscal year following the fiscal

1 ~~year in which it was received by the state~~ for the following purposes:

2 (4.8) ~~On June 1, 2022,~~ The state treasurer shall transfer ~~one~~
3 ~~hundred million dollars~~ from the fund to the public school capital
4 construction assistance fund created in section 22-43.7-104:

5 (a) FORTY-FIVE MILLION DOLLARS ON JUNE 1, 2022;

6 (b) THIRTY-FIVE MILLION DOLLARS ON JUNE 1, 2023; AND

7 (c) TWENTY MILLION DOLLARS ON JUNE 1, 2024.

8 (5) (a) IN ORDER TO CREATE A RESERVE WITHIN THE FUND THAT IS
9 AVAILABLE FOR EXPENDITURES IF ACTUAL REVENUE IS LESS THAN
10 ANTICIPATED REVENUE, the total amount that the general assembly
11 appropriates from the fund for a state fiscal year shall not exceed
12 ~~ninety-three and one-half percent of an amount equal to the beginning~~
13 ~~balance of the fund plus any money credited or transferred to the fund~~
14 ~~during the state fiscal year~~ THE AMOUNT THAT, BASED ON THE MOST
15 RECENT ESTIMATE AVAILABLE, WOULD CAUSE THE PORTION OF THE MONEY
16 IN THE FUND THAT IS NOT APPROPRIATED FOR THE STATE FISCAL YEAR TO
17 BE LESS THAN FIFTEEN PERCENT OF THE TOTAL AMOUNT APPROPRIATED
18 FROM THE FUND FOR THE STATE FISCAL YEAR.

19 (b) FOR PURPOSES OF CALCULATING THE RESERVE SET FORTH IN
20 SUBSECTION (5)(a) OF THIS SECTION:

21 (I) THE MOST RECENT ESTIMATE AVAILABLE IS AS OF THE DATE OF
22 THE INTRODUCTION OF THE BILL THAT APPROPRIATES MONEY FROM THE
23 FUND; AND

24 (II) ANY PORTION OF THE FUND THAT IS DESIGNATED TO
25 CONSTITUTE PART OF THE STATE EMERGENCY RESERVE FOR THE STATE
26 FISCAL YEAR IS EXCLUDED FROM THE RESERVE AMOUNT.

27 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
3.21.22

DRAFT

LLS NO. 22-0986.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "State Emergency Reserve Cash Fund"

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE AMOUNT OF MONEY IN THE STATE**
102 **EMERGENCY RESERVE CASH FUND.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. Section 1 of the bill requires the state treasurer to credit any interest and income derived from the deposit and investment of federal funds that the state received from the federal coronavirus state fiscal recovery fund to the state emergency reserve cash fund (fund), which is available for declared emergencies only as required by the Taxpayer's Bill of Rights. **Sections 3 through 15** make

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conforming amendments related to this change.

Section 2 requires the state treasurer to transfer \$38.8 million from the general fund to the fund on June 30, 2022.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-226, **amend**
3 (4)(c); and **repeal** (3)(c) as follows:

4 **24-75-226. "American Rescue Plan Act of 2021" cash fund -**
5 **creation - recipient funds - limitations - reporting - definitions -**
6 **repeal.** (3) (c) ~~The state treasurer shall credit all interest and income~~
7 ~~derived from the deposit and investment of money in the fund to the fund.~~

8 (4) (c) (I) Notwithstanding any provision of law to the contrary,
9 in order to ensure proper accounting for and compliance with the
10 "American Rescue Plan Act of 2021", whenever money is transferred or
11 appropriated to a recipient fund that also has money from other sources,
12 the state controller or department controller shall create a companion cash
13 fund that includes only the money the state received from the federal
14 coronavirus state fiscal recovery fund under section 9901 of title IX,
15 subtitle M of the "American Rescue Plan Act of 2021", but that is
16 otherwise legally identical to the recipient fund, EXCEPT AS OTHERWISE
17 PROVIDED IN SUBSECTION (4)(c)(II) OF THIS SECTION.

18 (II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
19 CONTRARY, THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
20 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN A
21 RECIPIENT FUND THAT ORIGINATES FROM MONEY THE STATE RECEIVED
22 FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND TO THE
23 STATE EMERGENCY RESERVE CASH FUND CREATED IN SECTION 24-77-104
24 (6)(a).

1 **SECTION 2.** In Colorado Revised Statutes, 24-77-104, **amend**
2 (6)(a); and **add** (6)(c)(III) as follows:

3 **24-77-104. State emergency reserve - cash fund - creation -**
4 **declaration of emergency - reimbursement of emergency reserve**
5 **expenditures.** (6) (a) The state emergency reserve cash fund, referred to
6 in this subsection (6) as the "fund", is hereby created in the state treasury.
7 The fund consists of money transferred to the fund pursuant to subsection
8 (6)(c) of this section, INTEREST AND INCOME CREDITED TO THE FUND
9 PURSUANT TO SUBSECTION 24-75-226 (4)(c)(II), and any other money that
10 the general assembly may appropriate to the fund. The state treasurer shall
11 credit all interest and income derived from the deposit and investment of
12 money in the state emergency reserve cash fund to the fund.

13 (c) (III) ON JUNE 30, 2022, THE STATE TREASURER SHALL
14 TRANSFER THIRTY-EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS
15 FROM THE GENERAL FUND TO THE FUND.

16 **SECTION 3.** In Colorado Revised Statutes, 13-40-127, **amend**
17 (9)(a) as follows:

18 **13-40-127. Eviction legal assistance - fund - rules - report -**
19 **definitions - repeal.** (9) (a) In accordance with section 24-75-229 (4),
20 three days after June 25, 2021, the state treasurer shall transfer one
21 million five hundred thousand dollars from the affordable housing and
22 home ownership cash fund created in section 24-75-229 (3)(a) to the fund
23 for the purpose of providing legal representation to indigent tenants to
24 resolve civil legal matters arising on and after March 1, 2020, for an
25 eviction or impending eviction related to the public health emergency
26 caused by the COVID-19 public health emergency. The money
27 transferred to the fund pursuant to this subsection (9)(a) must be

1 maintained in a separate account and must be used only for the purposes
2 specified in this subsection (9)(a). NOTWITHSTANDING SUBSECTION (5)(b)
3 OF THIS SECTION, THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
4 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
5 ACCOUNT TO THE STATE EMERGENCY FUND CREATED IN SECTION
6 24-77-104 (6)(a) IN ACCORDANCE WITH SECTION 24-75-226 (4)(c)(II). The
7 general assembly shall appropriate the money transferred to the fund
8 pursuant to this subsection (9)(a) to the administrator for use in
9 accordance with this subsection (9)(a). The administrator shall use the
10 money by December 31, 2024, for the purposes specified in this
11 subsection (9)(a).

12 **SECTION 4.** In Colorado Revised Statutes, 23-3.3-1005, **add** (8)
13 as follows:

14 **23-3.3-1005. Colorado opportunity scholarship initiative fund**
15 **- created - rules - repeal.** (8) (a) NOTWITHSTANDING SUBSECTION (2) OF
16 THIS SECTION, THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
17 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY
18 APPROPRIATED TO THE FUND PURSUANT TO SUBSECTIONS (6)(a) AND (7)(a)
19 OF THIS SECTION TO THE STATE EMERGENCY FUND CREATED IN SECTION
20 24-77-104 (6)(a) IN ACCORDANCE WITH SECTION 24-75-226 (4)(c)(II).

21 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2026.

22 **SECTION 5.** In Colorado Revised Statutes, 24-4.2-103, **amend**
23 (2) as follows:

24 **24-4.2-103. Victims and witnesses assistance and law**
25 **enforcement fund - control of fund.** (2) All ~~moneys~~ MONEY deposited
26 in the fund shall be deposited in an interest-bearing account, which would
27 be a legal investment for the state treasurer. All interest ~~earned by moneys~~

1 AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY in
2 the fund shall be credited to the fund, EXCEPT AS OTHERWISE PROVIDED
3 IN SECTION 24-75-226 (4)(c)(II).

4 **SECTION 6.** In Colorado Revised Statutes, 24-32-721, **amend**
5 (3)(a) as follows:

6 **24-32-721. Colorado affordable housing construction grants**
7 **and loans - housing development grant fund - creation - housing**
8 **assistance for persons with behavioral, mental health, or substance**
9 **use disorders - cash fund - appropriation - report to general assembly**
10 **- rules - definitions - repeal.** (3) (a) EXCEPT AS OTHERWISE PROVIDED
11 IN SECTION 24-75-226 (4)(c)(II), any money in the fund not expended or
12 encumbered from any appropriation at the end of any fiscal year,
13 including interest AND INCOME earned on the investment or deposit of
14 money in the fund, remains in the fund and does not revert to the general
15 fund or any other fund and remains available for expenditure by the
16 division in subsequent fiscal years for the purposes specified in
17 subsection (1.5) or (2) of this section without further appropriation.

18 **SECTION 7.** In Colorado Revised Statutes, 24-32-3207, **amend**
19 (4) as follows:

20 **24-32-3207. Colorado heritage communities fund - creation -**
21 **source of funds.** (4) EXCEPT AS OTHERWISE PROVIDED IN SECTION
22 24-75-226 (4)(c)(II), all ~~moneys~~ MONEY, including interest AND INCOME
23 earned on the investment or deposit of ~~moneys~~ MONEY in the fund, shall
24 remain in the fund and shall not revert to the general fund of the state at
25 the end of any fiscal year.

26 **SECTION 8.** In Colorado Revised Statutes, 24-37.5-119, **amend**
27 (4)(b)(I) as follows:

1 **24-37.5-119. Broadband service - report - broadband**
2 **deployment board - broadband administrative fund - creation - rules**
3 **- legislative declaration - definitions - repeal.** (4) (b) (I) The broadband
4 stimulus account, referred to in this subsection (4)(b) as the "account", is
5 hereby created in the fund and consists of money the state received from
6 the federal coronavirus state fiscal recovery fund created in the federal
7 "American Rescue Plan Act of 2021", Pub.L. 117-2, and any money that
8 the general assembly may appropriate. Within three days after July 7,
9 2021, the state treasurer shall transfer thirty-five million dollars from the
10 economic recovery and relief cash fund created in section 24-75-228
11 (2)(a) to the account. The money in the account is subject to annual
12 appropriation by the general assembly for use by the board for the
13 purpose of reviewing and awarding grants under the broadband stimulus
14 grant program created in subsection (9.5) of this section. All interest AND
15 INCOME earned from THE DEPOSIT AND investment of money in the
16 account is credited to the ~~account~~ STATE EMERGENCY RESERVE CASH FUND
17 CREATED IN SECTION 24-77-104 (6)(a) IN ACCORDANCE WITH SECTION
18 24-75-226 (4)(c)(II). All money not expended from the account at the end
19 of a fiscal year remains in the account and does not revert to the economic
20 recovery and relief cash fund created in section 24-75-228 (2)(a) or any
21 other fund.

22 **SECTION 9.** In Colorado Revised Statutes, 24-48.5-131, **amend**
23 (9)(b) as follows:

24 **24-48.5-131. Colorado startup loan program - fund - creation**
25 **- policies - report - legislative declaration - definitions - repeal.**
26 (9) (b) The state treasurer shall credit all interest and income derived
27 from the deposit and investment of money in the fund to the fund, EXCEPT

1 AS OTHERWISE PROVIDED IN SECTION 24-75-226 (4)(c)(II).

2 **SECTION 10.** In Colorado Revised Statutes, 24-75-227, **repeal**
3 (2)(b)(II) as follows:

4 **24-75-227. Revenue loss restoration cash fund - creation -**
5 **allowable uses - definitions - repeal.** (2) (b) (II) ~~The state treasurer shall~~
6 ~~credit all interest and income derived from the deposit and investment of~~
7 ~~money in the fund to the fund.~~

8 **SECTION 11.** In Colorado Revised Statutes, 24-75-228, **repeal**
9 (3)(b) as follows:

10 **24-75-228. Economic recovery and relief cash fund - creation**
11 **- allowable uses - interim task force - report - legislative declaration**
12 **- definitions - repeal.** (3) (b) ~~The state treasurer shall credit all interest~~
13 ~~and income derived from the deposit and investment of money in the fund~~
14 ~~to the fund.~~

15 **SECTION 12.** In Colorado Revised Statutes, 24-75-229, **repeal**
16 (3)(b)(II) as follows:

17 **24-75-229. Affordable housing and home ownership cash fund**
18 **- creation - allowable uses - task force - legislative declaration -**
19 **definitions - repeal.** (3) (b) (II) ~~The state treasurer shall credit all interest~~
20 ~~and income derived from the deposit and investment of money in the fund~~
21 ~~to the fund.~~

22 **SECTION 13.** In Colorado Revised Statutes, 24-75-230, **repeal**
23 (2)(b)(II) as follows:

24 **24-75-230. Behavioral and mental health cash fund - creation**
25 **- allowable uses - task force - definitions - repeal.** (2) (b) (II) ~~The state~~
26 ~~treasurer shall credit all interest and income derived from the deposit and~~
27 ~~investment of money in the fund to the fund.~~

1 **SECTION 14.** In Colorado Revised Statutes, 24-75-231, **repeal**
2 (2)(b)(II) as follows:

3 **24-75-231. Workers, employers, and workforce centers cash**
4 **fund - creation - allowable uses - definitions - repeal.** (2) (b) (II) ~~The~~
5 ~~state treasurer shall credit all interest and income derived from the deposit~~
6 ~~and investment of money in the fund to the fund.~~

7 **SECTION 15.** In Colorado Revised Statutes, 39-22-802, **amend**
8 (1) as follows:

9 **39-22-802. Contributions credited to Colorado domestic abuse**
10 **program fund - creation - appropriation.** (1) The department of
11 revenue shall determine annually the total amount designated pursuant to
12 section 39-22-801 and shall report such amount to the state treasurer. The
13 state treasurer shall credit such amount to the Colorado domestic abuse
14 program fund, a cash fund hereby established in the state treasury. The
15 controller, upon presentation of vouchers properly drawn and signed by
16 the executive director of the department of human services, pursuant to
17 section 26-7.5-105, ~~C.R.S.~~, shall issue warrants drawn on the Colorado
18 domestic abuse program fund. All ~~moneys~~ MONEY in the Colorado
19 domestic abuse program fund at the end of a fiscal year, after
20 appropriations made pursuant to subsection (3) of this section, shall
21 remain in the fund to be used for the purposes set forth in article 7.5 of
22 title 26 ~~C.R.S.~~, and shall not revert to the general fund. Any interest
23 ~~earned on moneys~~ DERIVED FROM THE DEPOSIT AND INVESTMENT OF
24 MONEY in the fund shall remain in the fund to be used for the purposes of
25 article 7.5 of title 26, ~~C.R.S.~~, EXCEPT AS OTHERWISE PROVIDED IN SECTION
26 24-75-226 (4)(c)(II).

27 **SECTION 16. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
3.18.22

DRAFT

LLS NO. 22-0938.01 Chelsea Princell x4335

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Increase Minimum Wage For Nursing Home Workers"

A BILL FOR AN ACT

101 CONCERNING AN INCREASE IN THE MINIMUM WAGE FOR NURSING
102 FACILITY EMPLOYEES, AND, IN CONNECTION THEREWITH,
103 MAKING AN APPROPRIATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. Under current law, only nursing facilities that are within a locality that has increased its local minimum wage are eligible to receive annual supplemental payments to increase the minimum wage for nursing facility employees up to the minimum wage set by the locality. The bill changes the definition of "eligible nursing

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Dashes through the words indicate deletions from existing statute.*

facility provider" and makes other conforming changes to allow any Colorado nursing facility that meets the defined criteria to be eligible to receive wage enhancement supplemental payments, as defined in the bill, to increase the minimum wage for nursing facility employees to at least \$15 per hour.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-6-201, **amend**
3 (15.5); **repeal** (20.5); and **add** (37) as follows:

4 **25.5-6-201. Special definitions relating to nursing facility**
5 **reimbursement.** As used in this part 2, unless the context otherwise
6 requires:

7 (15.5) "Eligible nursing facility provider" means a nursing facility,
8 ~~provider that is located:~~ AS DEFINED IN SECTION 25.5-4-103.

9 ~~(a) Within the jurisdiction of a local government that has increased~~
10 ~~its local minimum wage above the statewide minimum wage; or~~

11 ~~(b) Adjacent to a local government that has increased its local~~
12 ~~minimum wage above the statewide minimum wage and the nursing~~
13 ~~facility has voluntarily agreed to raise the wage of all employees to the~~
14 ~~same amount and in the same manner as the adjacent local government.~~

15 ~~(20.5) "Local minimum wage enhancement payment" means a~~
16 ~~supplemental payment to an eligible nursing facility provider that is~~
17 ~~subject to available appropriations and not a rate enhancement.~~

18 (37) "WAGE ENHANCEMENT SUPPLEMENTAL PAYMENT" MEANS A
19 SUPPLEMENTAL PAYMENT TO AN ELIGIBLE NURSING FACILITY PROVIDER
20 THAT IS SUBJECT TO AVAILABLE APPROPRIATIONS AND NOT A RATE
21 ENHANCEMENT.

22 **SECTION 2.** In Colorado Revised Statutes, **amend** 25.5-6-208 as
23 follows:

1 **25.5-6-208. Nursing facility provider reimbursement - rules -**

2 **definition.** (1) (a) ~~The~~ SUBJECT TO AVAILABLE APPROPRIATIONS AND
3 FEDERAL MATCHING FUNDS, THE executive director shall, by rule, establish
4 a process for ~~eligible nursing facility providers to apply for a local~~
5 ~~minimum wage enhancement payment whenever a local government~~
6 ~~increases its minimum wage above the statewide minimum wage. If a~~
7 ~~local government increases its minimum wage above the statewide~~
8 ~~minimum wage, the general assembly shall appropriate enough money to~~
9 ~~the state department to cover the local minimum wage enhancement~~
10 ~~payment for all eligible nursing facility providers. Any payment made~~
11 ~~pursuant to this section must not occur until the local government~~
12 ~~minimum wage law takes effect.~~ PROVIDING A WAGE ENHANCEMENT
13 SUPPLEMENTAL PAYMENT TO ELIGIBLE NURSING HOME PROVIDERS THAT
14 PAY THEIR EMPLOYEES A WAGE OF AT LEAST FIFTEEN DOLLARS PER HOUR.

15 (b) The rules must provide:

16 (I) The form and manner in which an eligible nursing facility
17 provider ~~may apply~~ MUST ATTEST to the state department for wage
18 ~~enhancement payments. The form must require the eligible nursing facility~~
19 ~~provider to demonstrate the difference between the actual wages of~~
20 ~~nursing facility provider employees at the time the local government wage~~
21 ~~increase goes into effect and the locally enacted minimum wage.~~ THAT
22 THE WAGE FOR ALL EMPLOYEES IS FIFTEEN DOLLARS OR MORE PER HOUR;

23 (II) THE TIMING FOR THE DISTRIBUTION OF THE WAGE
24 ENHANCEMENT SUPPLEMENTAL PAYMENT; AND

25 (III) THE CALCULATION METHODOLOGY FOR DETERMINING THE
26 WAGE ENHANCEMENT SUPPLEMENTAL PAYMENT FOR EACH ELIGIBLE
27 NURSING FACILITY PROVIDER.

1 (2) ~~Subject to available appropriations, a local minimum wage~~
2 ~~enhancement payment shall be calculated and paid to eligible nursing~~
3 ~~facility providers by determining the total amount of funding needed to~~
4 ~~increase the minimum wage of all employees at an eligible nursing facility~~
5 ~~provider to the locally enacted minimum wage multiplied by the factor of~~
6 ~~the medicaid census of each provider.~~

7 (3) (a) ~~Subject to available appropriations, for the purpose of~~
8 ~~reimbursing an eligible nursing facility provider for a local minimum~~
9 ~~wage enhancement payment, the state department shall establish and~~
10 ~~annually readjust a payment schedule.~~

11 (b) ~~To request a local minimum wage enhancement payment, an~~
12 ~~eligible nursing facility shall annually submit:~~

13 (I) ~~The difference between the actual wage rate of nursing facility~~
14 ~~provider employees and the local minimum wage rate applicable to those~~
15 ~~nursing facility provider employees who are eligible for an increased local~~
16 ~~minimum wage rate. A nursing facility provider employee's wage rate~~
17 ~~must equal or exceed the minimum wage rate required by state or federal~~
18 ~~law.~~

19 (II) ~~The number of eligible nursing facility provider employees by~~
20 ~~provider, current wage rate of the employees, and wage rate of the~~
21 ~~employees after a local minimum wage law goes into effect.~~

22 (c) ~~An eligible nursing facility provider shall submit an application~~
23 ~~with the information required in this section for each year in which the~~
24 ~~eligible nursing facility provider seeks a local minimum wage~~
25 ~~enhancement payment.~~

26 (4) ~~A local minimum wage enhancement SUPPLEMENTAL payment~~
27 ~~made pursuant to this section is in effect as long as the local minimum~~

1 ~~wage applicable to eligible nursing facility provider employees performing~~
2 ~~work within the local jurisdiction exceeds the statewide minimum wage~~
3 ~~IS LESS THAN FIFTEEN DOLLARS PER HOUR AS SET FORTH IN SECTION 15 OF~~
4 ~~ARTICLE XVIII OF THE STATE CONSTITUTION.~~

5 ~~(5) (a) An eligible nursing facility provider that receives a local~~
6 ~~minimum wage enhancement payment pursuant to this section shall:~~

7 ~~(I) Use the payments only to increase the compensation for eligible~~
8 ~~nursing facility provider employees and not for any other expenditures;~~
9 ~~and~~

10 ~~(II) Track and report how the payments are used for eligible~~
11 ~~nursing facility employees on an annual basis.~~

12 ~~(b) The executive director may request information from a nursing~~
13 ~~facility provider that receives a local minimum wage enhancement~~
14 ~~payment under this section regarding the use of such payment.~~

15 ~~(c) If an eligible nursing facility provider does not use one hundred~~
16 ~~percent of the local minimum wage enhancement payment received~~
17 ~~pursuant to this section to increase the compensation for the eligible~~
18 ~~nursing facility provider's employees, the executive director may recoup~~
19 ~~any or all of the improperly used payments. The executive director may~~
20 ~~promulgate rules for the notification, violation, and process regarding an~~
21 ~~eligible nursing facility's improper use of local minimum wage~~
22 ~~enhancement payments.~~

23 ~~(5) Payments received under this section shall offset costs reported~~
24 ~~on the med-13 cost report when calculating nursing facility provider per~~
25 ~~diem reimbursement under 10 CCR 2505.~~

26 **SECTION 3. Appropriation.** (1) For the 2022-23 state fiscal
27 year, \$2,389,627 is appropriated to the department of health care policy

1 and financing. This appropriation is from the general fund and is subject
2 to the "(M)" notation as defined in the annual general appropriation act for
3 the same fiscal year. To implement this act, the department may use this
4 appropriation for medical and long-term care services for medicaid
5 eligible individuals.

6 (2) For the 2022-23 state fiscal year, the general assembly
7 anticipates that the department of health care policy and financing will
8 receive \$2,389,626 in federal funds to implement this act. The
9 appropriation in subsection (1) of this section is based on the assumption
10 that the department will receive this amount of federal funds to be used for
11 medical and long-term care services for medicaid eligible individuals.

12 **SECTION 4. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly; except
15 that, if a referendum petition is filed pursuant to section 1 (3) of article V
16 of the state constitution against this act or an item, section, or part of this
17 act within such period, then the act, item, section, or part will not take
18 effect unless approved by the people at the general election to be held in
19 November 2022 and, in such case, will take effect on the date of the
20 official declaration of the vote thereon by the governor.