

COLORADO GENERAL ASSEMBLY



FY 2016-17 STAFF BUDGET BRIEFING

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:
Megan Davisson, JBC Staff
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For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Department Overview

The Department of Public Health and Environment consists of the following eleven divisions:

1) Administration and Support Division

- Provides department-wide administrative services;
- Houses the Health Disparities Program, which provides grants for health initiatives aimed at reducing and eliminating disparities currently existing in the provision of health services across the state; and
- Houses the Office of Planning and Partnerships which oversees the distribution of state funds to local public health agencies.

2) Center for Health and Environmental Information

- Maintains a database of all Colorado births, deaths, marriages, and divorces;
- Provides birth and death certificates;
- Gathers and analyzes health data for use by public and private agencies; and
- Operates the Medical Marijuana Registry.

3) Laboratory Services Division

- Includes the following laboratory units which provide testing, analysis, and results reporting of laboratory tests on specimens and samples submitted by other divisions, departments, and private clients:
 - Molecular sciences and newborn screening units;
 - Public health microbiology and environmental microbiology units;
 - Radiation counting facility;
 - Organic and inorganic units; and
 - Evidential breath and alcohol testing (EBAT) and certification units.

4) Air Pollution Control Division

- Performs statewide air monitoring, pollutant analysis, and air emission modeling;
- Researches the causes and effects of pollution from mobile vehicles and implements strategies aimed at reducing emissions from mobile sources; and
- Permits, monitors, and inspects factories, power plants, and other commercial air pollutant emitters for compliance with air pollutant emissions standards.

5) Water Quality Control Division

- Issues waste water discharge permits and, if necessary, takes enforcement action to ensure compliance with water quality standards;
- Issues water quality permits for the following clean water sectors: construction, public and private utilities, commerce and industry, pesticides, and water quality certification;
- Monitors the pollutant levels in rivers, streams, and other bodies of water;

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- Conducts surveillance of public and non-public drinking water sources to ensure compliance with federal and state water quality standards; and
 - Reviews designs and specifications of new and/or expanding water treatment facilities.
- 6) Hazardous Materials and Waste Management Division
- Regulates the treatment, storage, and disposal of solid and hazardous waste in Colorado;
 - Performs inspections of solid waste facilities;
 - Oversees hazardous waste generators, transporters, and storage facilities;
 - Regulates commercial radioactive materials in Colorado; and
 - Administers the Waste Tire Program.
- 7) Division of Environmental Health and Sustainability
- Certifies and inspects wholesale food distributors and dairy processors;
 - Oversees restaurant, child care facility, and school inspections done by local public health agencies (with a few exceptions where the State is responsible for these inspections);
 - Administers the following environmental sustainability programs:
 - The Environmental Leadership Program,
 - The Pollution Prevention Program, and
 - The Pharmaceutical Take-Back Program;
 - Administers the Recycling Resources Opportunity Program; and
 - Administers the Animal Feeding Operations Program.
- 8) Disease Control and Environmental Epidemiology Division
- Responsible for identifying, containing, controlling, and tracking the spread of communicable diseases, with a focus on: hepatitis, tuberculosis, sexually transmitted infections, and HIV/AIDS;
 - Operates the Immunization Program which includes the Immunization Outreach Program, the Colorado Immunization Information System, and grants to local public health agencies for operation of immunization clinics; and
 - Assesses the threat risk from environmental contaminants on human health, and when needed, takes action to contain and/or nullify these threats.
- 9) Prevention Services Division
- Administers the Tobacco Education, Prevention, and Cessation Program and the Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Program;
 - Operates the Breast and Cervical Cancer Screening Program;
 - Operates programs for children with special needs and the Genetics Counseling Program;
 - Administers the School-Based Health Centers Program;
 - Administers injury and suicide prevention programs;
 - Operates the Primary Care Office and Oral Health Program; and
 - Administers the following two federal food assistance programs:
 - Women, Infant and Children Program; and
 - Child and Adult Care Food Program.

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- 10) Health Facilities and Emergency Medical Services Division
- Enforces through certification and inspections the standards for the operation of health care facilities, including hospitals and nursing facilities; and
 - Inspects and certifies emergency medical and trauma service providers.
- 11) Office of Emergency Preparedness and Response
- Works with local agencies and other state departments to ensure Colorado is prepared for, and able to respond to, a variety of natural and man-made disasters; and
 - Coordinates a statewide network of laboratories, local agencies, hospitals, and other resources that can be utilized during disaster response.

Department Budget: Recent Appropriations

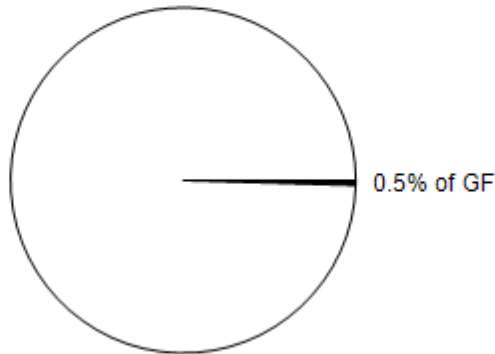
Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17*
General Fund/1	\$54,127,441	\$64,322,851	\$44,515,287	\$47,771,311
Cash Funds	152,650,718	161,438,088	158,144,049	162,917,422
Reappropriated Funds	29,645,685	35,141,182	37,535,004	37,149,358
Federal Funds	<u>290,623,521</u>	<u>291,317,631</u>	<u>294,153,882</u>	<u>300,701,669</u>
Total Funds	\$527,047,365	\$552,219,752	\$534,348,222	\$548,539,760
Full Time Equiv. Staff	1,239.3	1,265.0	1,289.3	1,294.5

* Requested appropriation.

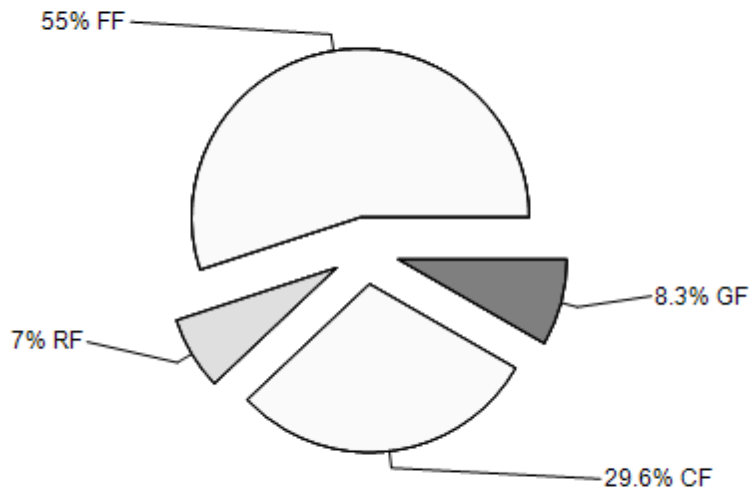
/1 Includes General Fund Exempt

Department Budget: Graphic Overview

Department's Share of Statewide General Fund

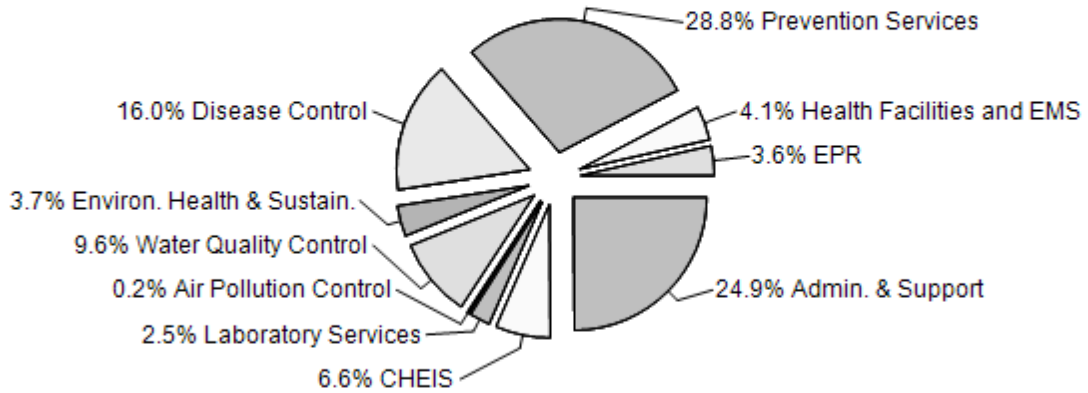


Department Funding Sources

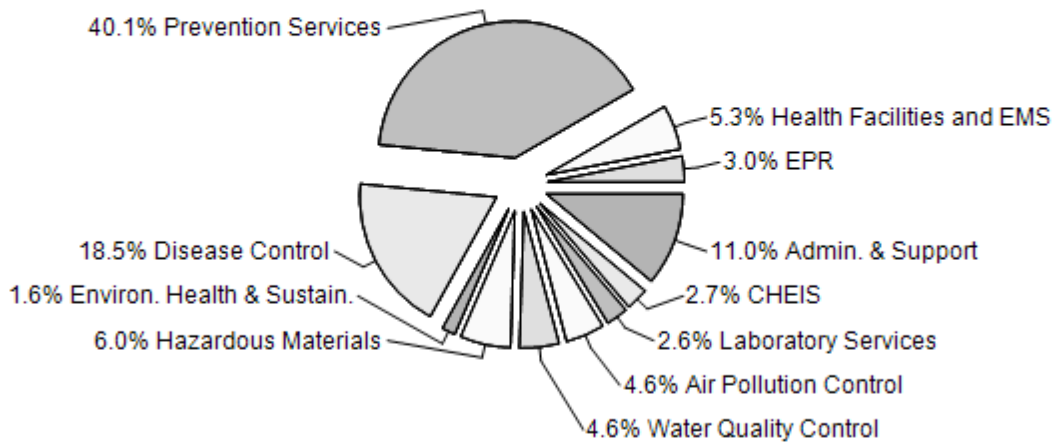


All charts are based on the FY 2015-16 appropriation.

Distribution of General Fund by Division



Distribution of Total Funds by Division

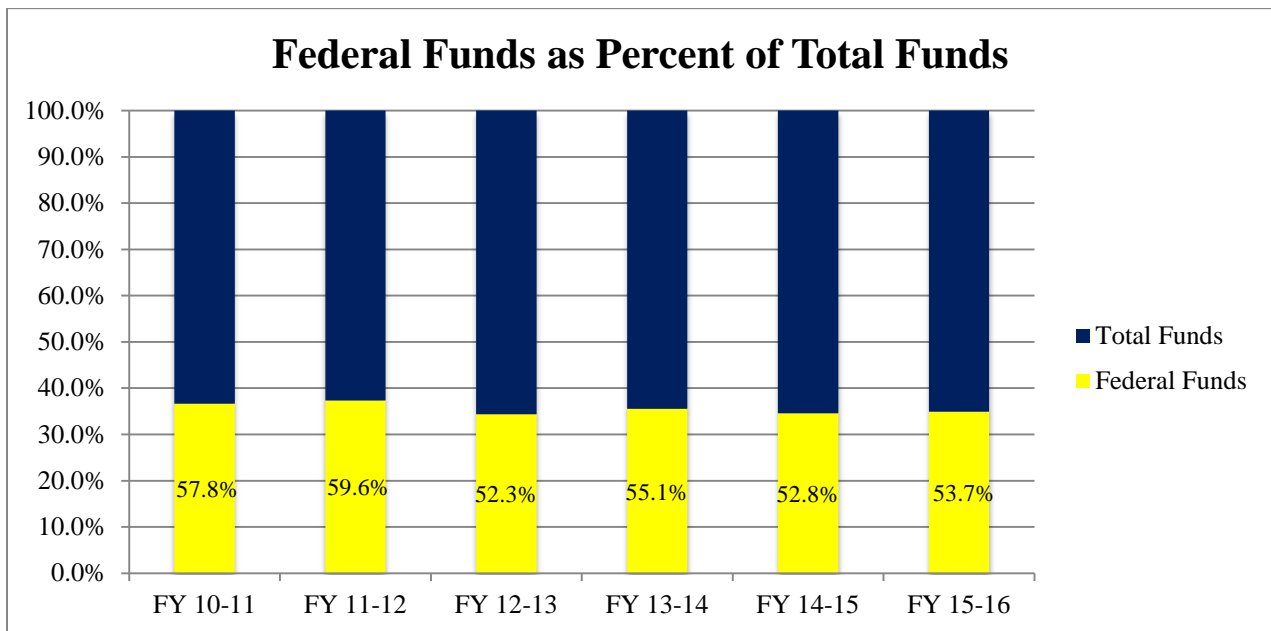


All charts are based on the FY 2015-16 appropriation.

General Factors Driving the Budget

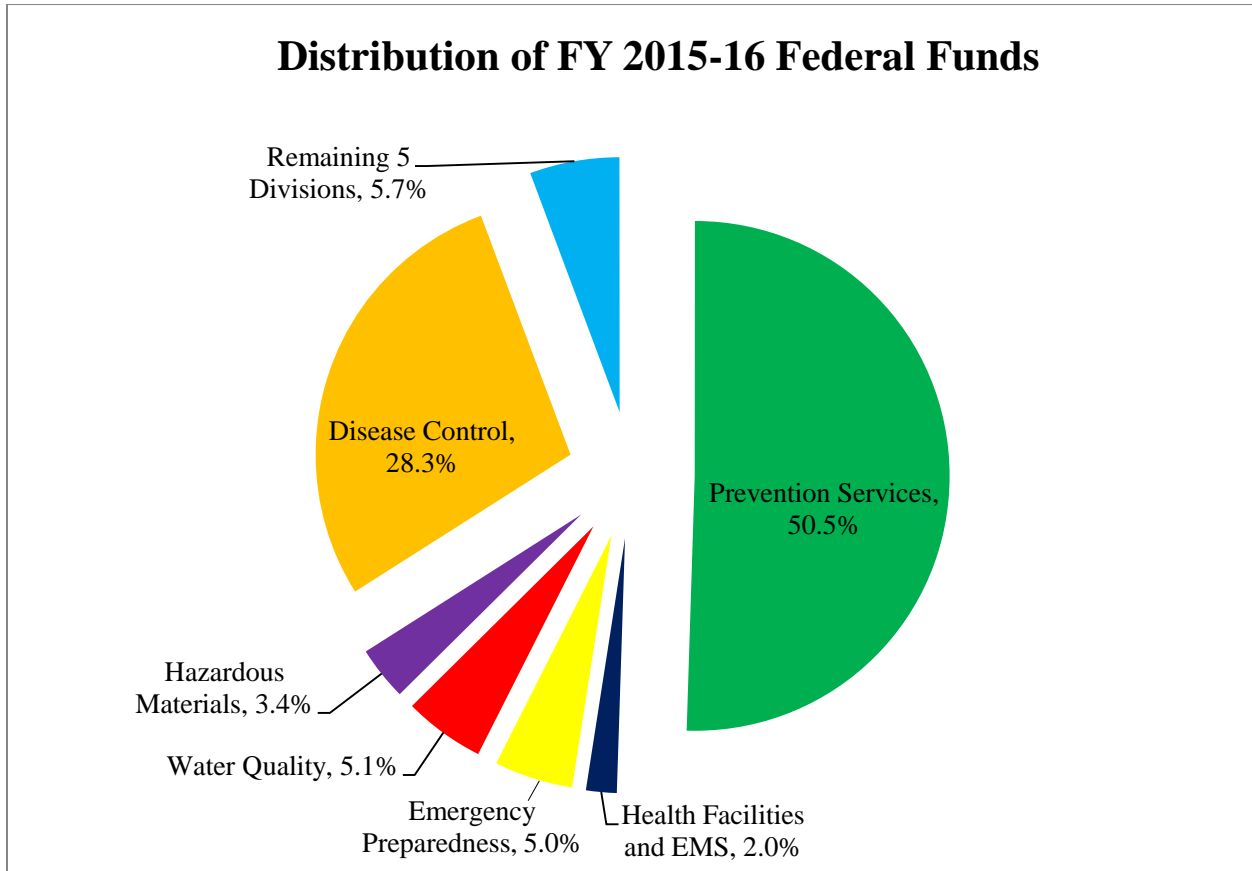
Federal Funds

Federal funds account for 55.0 percent of the Department's FY 2015-16 total appropriation. The Department receives federal funds from multiple federal agencies ranging from the Environmental Protection Agency to the federal Department of Health and Human Services. The majority of the federal funds in the Department's Long Bill are shown for informational purposes because the General Assembly does not have the authority to limit the amount of federal funds the Department may receive and expend. Since FY 2010-11 the percent of the Department's budget that is federal funds has declined from 57.8 percent in FY 2010-11 to 53.7 percent in FY 2015-16.



The federal funds reflected in the FY 2015-16 Long Bill are based on the amount of federal funds received in the most recent actual year (FY 2014-15) to align the FY 2015-16 appropriation with a reasonable estimate of what the Department will actually receive. The following graphic illustrates the projected distribution of federal funds in FY 2015-16.

Distribution of FY 2015-16 Federal Funds



Within the Prevention Services Division the majority of the federal funds (\$118.7 million out of \$148.5 million) are for the two federally funded nutrition programs: Women, Infant and Children Program (WIC), and the Adult and Child Food Care Program (CACFP). Within the Disease Control and Environmental Epidemiology Division, 55.1 percent of the federal funds are for the purchase of immunizations for local public health agencies, and 20.6 percent of the federal funds are for the Ryan White Comprehensive AIDS Resources Emergency Act. The Ryan White Act funds are used for primary care and support services for individuals living with HIV and AIDS who lack health insurance and the financial resources to pay for their care.

Revenue from Amendment 35 Tobacco Tax and the Master Settlement Agreement

The Department receives revenue from Amendment 35 tobacco tax and from the Tobacco Master Settlement Agreement for various programs. Amendment 35 was approved by voters in 2004 and imposed a \$0.64 tax on each pack of cigarettes sold in Colorado with related taxes on other tobacco products. Amendment 35 revenues are distributed based on a state constitutional formula. The following department programs receive Amendment 35 revenue:

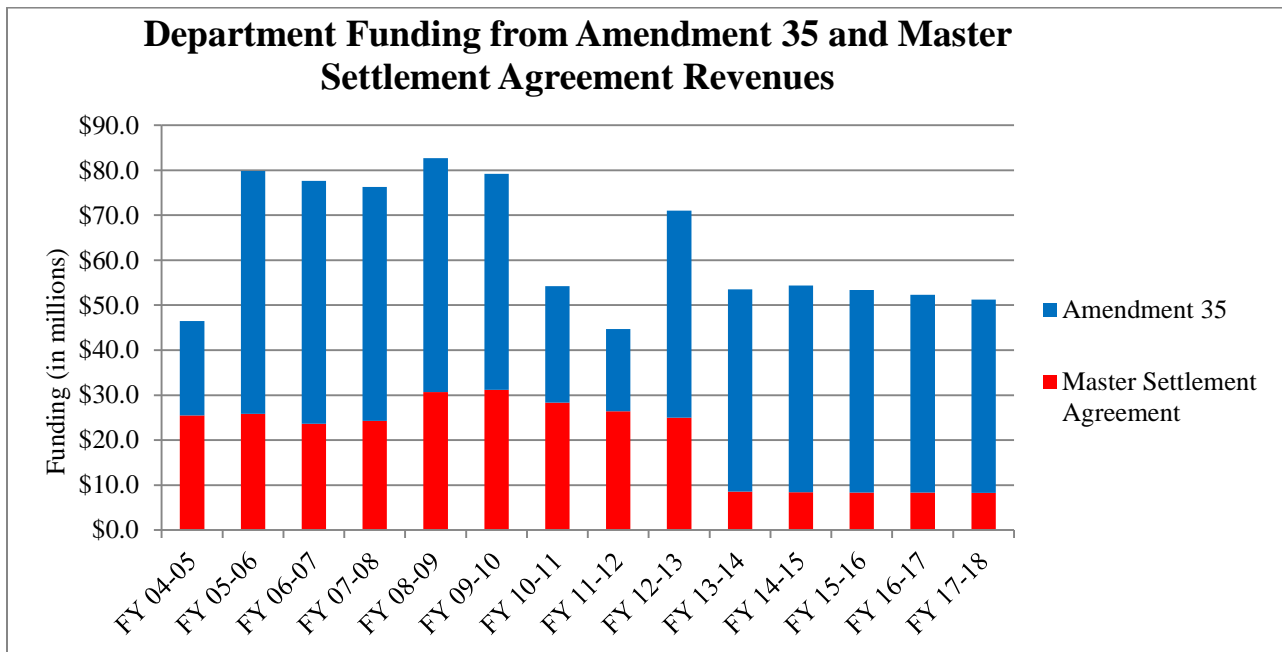
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- Tobacco Education, Prevention, and Cessation Program;
- Health Disparities Grant Program;
- Cardiovascular, Pulmonary, and Chronic Disease Grant Program; and
- Breast and Cervical Cancer Screening Program.

Revenue from the Tobacco Master Settlement Agreement (MSA) is the product of a 1998 legal settlement between tobacco manufacturers and the states who sued the tobacco manufacturers as a way to recover Medicaid and other health-related costs they incurred as a result of treating smoking related illnesses. Statutory formulas dictate the distribution of MSA revenue and the Department receives revenue for:

- A Drug Assistance Program (ADAP which was renamed by S.B. 15-247)
- Local public health agencies;
- Colorado AIDS and HIV Prevention Grant Program (CHAPP);
- Colorado Immunizations Program;
- Health Care Professional Loan Forgiveness Program (i.e. the Health Services Corps); and
- Dental Loan Repayment Program

As these two revenue streams decrease over time, programs must reassess the amount of funds available for administrative overhead and the amount of funds available for grants. The following table summarizes the Department's funding from these two revenue sources.



A couple of notes about significant changes in revenues shown in the above table:

- Amendment 35 revenues were first generated for the second part of FY 2004-05.

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- The significant drop in FY 2010-11 and FY 2012-13 of Amendment 35 revenue was due to the declaration of a fiscal emergency by the General Assembly and the diversion of Amendment 35 revenue from the Department to the Department of Health Care Policy and Financing to offset the need for General Fund.
- The reduction of Master Settlement Agreement funds starting in FY 2013-14 was due to the transfer of the Nurse Home Visitor Program and the Tony Grampsas Youth Services Program to the Department of Human Services.

Programs Funded with Marijuana Tax Revenue

The legalization of retail marijuana by voters in 2012 and subsequent voter approval of new taxes on recreational marijuana resulted in the passage of legislation authorizing the Department to use a portion of the new marijuana tax revenue for new and existing programs. The following is a summary of recent legislation related to programs funded with marijuana tax revenue:

- Senate Bill 13-283 (Implement Amendment 64 Consensus Recommendations) required the Department to monitor the emerging science and medical information regarding marijuana use.
- House Bill 13-1317 (Implement Amendment 64 Majority Recommendations) required the State Laboratory within the Department to develop and provide to the Department of Revenue standards for licensing marijuana testing laboratories.
- Senate Bill 14-215 (Disposition of Legal Marijuana Related Revenue):
 - Created the prevention and education campaigns about the appropriate and legal use of marijuana; and
 - Required the Department to obtain health data through surveys or other means regarding marijuana and other drug use and to monitor the health effects of marijuana.
- House Bill 15-1283 (Marijuana Reference Library and Lab Testing Access) required the Department to:
 - Maintain a marijuana laboratory testing reference library (the Department also has the option to contract out this duty); and
 - Conduct proficiency testing of, and problem remediation with, licensed marijuana testing laboratories.
- House Bill 15-1367 (Retail Marijuana Taxes) appropriates moneys to the following programs in the Department due to the passage of Proposition BB:
 - The Poison Control Center for the development of a system that can disseminate poison control information via text messaging, instant messaging, or email; and
 - The marijuana prevention and education campaign to offset the FY 2015-16 Long Bill reduction as a result of the TABOR impacts from retail marijuana revenue that resulted in the need for Proposition BB.

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The following table summarizes how much was appropriated to the Department through each of the bills discussed above.

Summary of Department Funding from Marijuana Tax Revenues					
Program	FY 2013-14 Approp.	FY 2014-15 Approp.	FY 2015-16 Approp.	Additional Approp. if Proposition BB Passes	Total FY 15-16 Approp. if Proposition BB Passes
Marijuana Prevention and Education Campaign	n/a	\$5,683,608	\$2,150,000	\$2,500,000	\$4,650,000
FTE		3.7	3.7		3.7
Health kids Colorado Survey	n/a	903,561	781,789	n/a	781,789
FTE		1.5	1.5		1.5
Laboratory Certification*	0	86,167	200,142	n/a	176,292
FTE	0.0	0.8	1.5		1.5
Cannabis Health Environmental and Epidemiological Training	307,542	320,388	320,388	n/a	320,388
FTE	4.0	4.0	4.0		4.0
Poison Control Center	n/a	n/a	0	1,000,000	1,000,000
Total Appropriations	\$307,542	\$6,993,724	\$3,452,319	\$3,500,000	\$6,952,319
Total FTE	4.0	10.0	10.7	0.0	10.7

*In H.B. 13-1317 the Department was appropriated \$87,615 cash funds from the Laboratory Cash Fund and 1.0 but, as noted in the final fiscal note the Department was able to comply with the statute within existing appropriations.

Water Infrastructure Funding

The significant drop in the Department's General Fund appropriation in FY 2015-16 is due to one-time General Fund appropriations of \$19.0 million to the Water Quality Control Division. The General Assembly appropriated \$17.0 million General Fund to the Natural Disaster Grant Fund for grants to local governments, including local governments accepting grants on behalf of, and in coordination with, not-for-profit public water systems to recover from the September 2013 floods. An additional \$2.0 million General Fund was appropriated for grants to local governments for planning, design, construction and improvements to domestic wastewater treatment works, which are needed to ensure compliance with the Water Quality Control Commission's nutrients management control regulation.

Regulatory Staff

The Department is responsible for the regulation, inspection, and enforcement of numerous health and environment statutes designed to protect the health of Coloradans and the environment. In order to meet the growing regulatory workload, which is a result of both population growth and an increasing number of statutory and regulatory requirements, the Department has expanded regulatory resources over recent years. Due to the diversity of the Department's regulatory programs, the resource increases range from air emission inspectors to manufactured food inspectors to assisted living residence surveyors. The following table summarizes the recent resource increases.

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Summary of FTE Additions to the Department Since FY 2012-13			
Division, Program	FTE	Fiscal Year	Purpose
Air Pollution Control Division			
Oil and Gas Inspectors	13.0	FY 2012-13	FTE were added to process oil and gas air pollution permit applications and conduct inspections of oil and gas wells for compliance with safety and emissions standards.
IR Camera and Title V Inspectors	13.0	FY 2015-16	4.0 FTE were added to convert term-limited FTE added in FY 2012-13 for the infrared (IR) camera study to permanent FTE, and add 9.0 FTE were added for Title V permits, inspections and enforcement.
Water Quality Control Division	16.0	FY 2013-14	FTE were added to address permit backlog, increase Colorado's rate of compliance monitoring, and provide additional technical staff to develop policy and guidance procedures for permittees.
Division of Environmental Health and Sustainability, Manufactured Food Programs	2.0	FY 2015-16	FTE were added to enable the Division to create and administer a state directed manufactured foods inspection program.
Health Facilities Surveys			
Home Care Agencies	2.1	FY 2014-15	FTE were added to develop and implement regulations which align with statutory changes, inspect home care agencies for regulatory compliance, and maintain the home care placement agency registry.
Assisted Living Residences	2.0	FY 2015-16	FTE were added to increase the inspection and re-inspection rate for assisted living facilities.
Hazardous Materials and Solid Waste Division			
Solid Waste	6.2	FY 2012-13	FTE were added to regulate, inspect, and ensure safety compliance of solid waste facilities including: landfills, compost sites, and medical waste facilities.
Waste Tires	1.0	FY 2014-15	FTE were added to ensure proper collection of the waste tire fee, disposal of waste tires, and payment of the end user rebates.
Four Year Total	55.3		

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Summary: FY 2015-16 Appropriation & FY 2016-17 Request

Department of Public Health and Environment						
	Total Funds	General Fund/1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
HB 15-234 (Long Bill)	\$532,213,807	\$44,363,169	\$156,136,752	\$37,560,004	\$294,153,882	1,287.1
Other legislation	<u>2,134,415</u>	<u>152,118</u>	<u>2,007,297</u>	<u>(25,000)</u>	<u>0</u>	<u>2.2</u>
TOTAL	\$534,348,222	\$44,515,287	\$158,144,049	\$37,535,004	\$294,153,882	1,289.3
FY 2016-17 Requested Appropriation						
FY 2015-16 Appropriation	\$534,348,222	\$44,515,287	\$158,144,049	\$37,535,004	\$294,153,882	1,289.3
R1 Family planning	2,511,135	2,511,135	0	0	0	0.0
R2 General Fund for clean water sectors	1,208,007	1,208,007	0	0	0	0.0
R3 EMTS grants program	1,750,000	0	1,750,000	0	0	0.0
R4 Cervical cancer eligibility expansion	0	0	0	0	0	0.0
R5 Long bill adjustments	0	0	0	0	0	0.0
R6 Compliance and reporting accountant	85,323	0	0	85,323	0	1.1
R7 Lab building maintenance and repair	419,957	0	0	419,957	0	0.0
R8 Leave payouts increase	257,199	0	0	257,199	0	0.0
R9 Cubicle replacement	371,818	0	0	371,818	0	0.0
RM1 Health survey data collection	238,000	0	238,000	0	0	0.0
RM2 Poison center enhanced marijuana data collection	346,612	0	346,612	0	0	0.0
Non-prioritized requested changes	444,509	189,556	29,476	225,477	0	0.0
Centrally appropriated line items	6,461,767	236,023	708,768	(1,125,353)	6,642,329	0.0
Annualize prior year legislation	1,885,846	(68,374)	1,954,220	0	0	4.8
Annualize prior year budget actions	(1,922,919)	(1,393,154)	(245,774)	(189,449)	(94,542)	(0.7)
Amendment 35 revenue adjustment	(289,716)	148,831	(7,929)	(430,618)	0	0.0
<u>Request from the Commission on Affordable Health Care</u>						
COACH1 Request for FY 2016-17 funding	<u>424,000</u>	<u>424,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$548,539,760	\$47,771,311	\$162,917,422	\$37,149,358	\$300,701,669	1,294.5
Increase/(Decrease)	\$14,191,538	\$3,256,024	\$4,773,373	(\$385,646)	\$6,547,787	5.2
Percentage Change	2.7%	7.3%	3.0%	(1.0%)	2.2%	0.4%

/1 Includes General Fund Exempt.

Description of Requested Changes

R1 Family planning purchase of services increase: The Department is requesting \$2,511,135 General Fund to expand the Family Planning Program with goal of reducing the frequency and rate of unintended pregnancy. The Department estimates this funding will enable approximately 6,216 clients to access family planning services, which will potentially result in 771 avoided unintended pregnancies. The requests estimates that each unintended pregnancy costs Medicaid \$11,176. Therefore the savings from the investment of \$2,511,135 General Fund will result in an estimated \$25.9 million in avoided Medicaid costs, of which \$13.2 million is General Fund. HCPF has FY 2015-16 and a FY 2016-17 caseload adjustment to account for children who were born as a result of the end of the Colorado Family Planning Initiative. HCPF's request does not include an associated adjustment for pregnant women. Staff is working with the Department to resolve these differences.

R2 General Fund for clean water sectors: The Department is requesting \$1,208,007 General Fund in FY 2016-17 to offset insufficient cash fund revenue from fees for the Clean Water Sectors. The fees are established in statute and the Department anticipates seeking legislative changes during the 2017 or 2018 Session. The Water Treatment issue contains a more detailed discussion of the Clean Water Sectors.

R3 EMTS grants program: The Department is requesting an increase of \$1,750,000 cash funds from the Emergency Medical Services Cash Fund (Fund) to increase the number of grants provided through the Emergency Medical and Trauma Grants Program (EMTS Grants Program). The Fund receives a statutory \$2.00 fee from each vehicle registration. Without the request the Fund will have a FY 2016-17 uncommitted reserve of \$4.6 million. With the request, the Fund will have a FY 2016-17 uncommitted reserve of \$3.8 million. The Cash Fund issue provides additional discussion of uncommitted reserve issues.

Based on the number of vehicles registered in the state each year, the revenue into the Fund is projected to increase by \$200,00 each year. In the most recent round of requests submitted to the EMTS Grants Program, providers requested \$9.45 million in grants, but the spending authority of the Program limited the grants to \$6.7 million. Grant funds are used by EMTS provider agencies to purchase equipment, partially fund training costs, costs associated with recruitment and retention efforts, and to improve the provision of EMTS services.

R4 Cervical cancer eligibility expansion: The Department is requesting, in conjunction with the Department of Health Care Policy and Financing (HCPF) authorization to expand the edibility age of women being screen for cervical cancer from the current ages of 40 to 64 to include women ages 21 to 39. This request does not impact expenditures in the Department because the Department already has adequate spending authority and revenue to support the increased screenings. The issue lies in HCPF were additionally screenings will result in additional women requiring treatment through HCPF's Breast and Cervical Cancer Treatment Program. The estimated cost increase in HCPF is \$291,582 total funds, of which \$107,119 is cash funds and \$184,409 is federal Medicaid funds.

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R5 Long Bill adjustments: The Department is requesting a number of net zero funding adjustments to the Long Bill structure to align the Long Bill appropriations with programmatic responsibilities.

R6 Compliance and reporting accountant: The Department is requesting \$85,323 reappropriated funds from department indirect recoveries and 1.1 FTE to enable the Department to improve compliance with federal reporting deadlines and expedite billing processes. The request cites an increase of 29.0 percent in federal fund expenditures over the last ten years, which is compounded by the additional reporting requirements imposed by the Federal Funding Accountability and Transparency Act.

R7 Lab building maintenance and repair: The Department is requesting \$419,957 reappropriated funds to conduct maintenance and repairs on the state owned seventeen year old State Laboratory Building as a result of findings from the May 2015 building assessment audit.

R8 Leave payouts increase: The Department is requesting an increase of \$257,199 reappropriated funds from departmental indirect cost recoveries to the leave payouts line item. The Department uses this line item to pay sick and annual leave payouts for all retiring and terminating employees. The Department consistently cites the federal regulations in OMB Circular A-87 as part of the reason for this line item. The OMB Circular A-87 allows for leave payouts for federally funded employees to be paid through indirect costs but not through federal funds granted directly for personal services. Staff is working on clarification if this line item is paying for General Funded employees as well.

R9 Cubicle replacement: The Department is requesting \$371,181 reappropriated funds from indirect cost recoveries to replace cubicles. The request is to replace the 607 existing cubicles and add 58 new cubicles to fully and efficiently utilize current space. The request is broken out to pay for an average of 83 cubicles per year for eight years (so the total cost of cubicle replacement is \$2,974,545 reappropriated funds for 665 cubicles).

RM1 Health survey data collection: The Department is requesting \$238,000 cash funds from the Marijuana Tax Cash Fund to continue compliance with the requirements of S.B. 13-283 (Amendment 64 Consensus Recommendations). Senate Bill 13-283 required the Department to monitor the health effects of marijuana and to collect the data on a county level. The Department added marijuana questions to the following three surveys as the mechanism to comply with the monitoring requirement:

- Behavioral Risk Factor Surveillance System (BRFSS),
- Colorado Child Health Survey (CHS), and
- Pregnancy Risk Assessment and Monitoring System (PRAMS).

The Department utilized one time funds from the injury and disease control programs to expand the sample size of the surveys, but has determined that \$238,000 is the on-going costs associated with maintaining the surveys sample size. As part of this request, the Department is requesting statutory change to Section 25-1.5-111, C.R.S. to require the collection of data on a regional

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level rather than a county level. This request would align the statutory requirements with the Department's best practices for collecting data and eliminates the Department's concern that collecting data from smaller counties increases the risk of not maintaining the confidentiality of survey respondents.

RM2 Poison center enhanced marijuana data collection: The request includes an increase of \$364,612 cash funds from the Marijuana Tax Cash Fund for a contract with the Rocky Mountain Poison and Drug Center to develop a dedicated marijuana consumer call line and data system. The funding would enable the creation of a toll-free number to provide medical information to callers. The toll-free number could be placed on marijuana product packaging, industry websites, and outreach materials. Additionally, the funding would support the development of a data system that includes detailed information on the type, name, and source of the marijuana product being called about.

Non-prioritized requested changes: The request includes the annual fleet vehicle change from the Department of Personnel, and a request originating in the Governor's Office of Information Technology for the development of the an end user configuration management tool.

Centrally appropriated line items: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; payments to OIT, and CORE operations.

Annualize prior year legislation: The request includes adjustments related to prior year legislation.

Annualize prior year budget actions: The request includes a number of changes to annualize funding decisions made through the prior year Long Bill.

Amendment 35 revenue adjustment: The request includes an adjustment based on the Department's projection of Amendment 35 revenue for FY 2016-17. The request did not apply this adjustment to all line items funded with Amendment 35 revenue.

COAHC1 Request for FY 2016-17 funding: The Commission on Affordable Health Care (COAHC) is requesting \$424,000 General Fund for FY 2016-17 to ensure the Commission has sufficient funding to comply with their statutory obligations outlined in S.B. 14-187. The Commission on Affordable Health Care issue contains additional discussion about this request.

Issue: Electronic Cigarettes

The U.S. Food and Drug Administration (FDA) has submitted to the Office of Management and Budget, for final approval a rule change to include electronic cigarettes, dissolvable products, and other tobacco free nicotine products within the regulations of the Tobacco Control Act. There is the possibility the final rule will, at least temporary stall the electronic cigarette industry because of a requirement for a premarket tobacco product application for any product that was added to the market after February 15, 2007. The FDA estimated the premarket tobacco product application would cost manufacturers 5,000 staff hours and \$333,554 per product. In Colorado electronic cigarettes and dissolvables are only subject to the sales taxes and not cigarette taxes because of the statutory definition of cigarette. Regardless of the outcome of rule, there won't be any changes to the application of state cigarette taxes because the state definition of what is subject to the cigarette tax is not tied to federal regulations.

SUMMARY:

- State definitions determine how cigarette products are taxed in Colorado. Since tobacco free nicotine products do not contain tobacco they are only subject to sales tax. There is no comprehensive set of data on the number of electronic cigarettes sold in Colorado or the number of electronic cigarette users.
- The federal Tobacco Control Act was signed in 2009 and places a number of new requirements and restrictions on tobacco products. The law allows the Food and Drug Administration to determine through rule making what products, in addition to those listed in the legislation, are subject to the requirements of the Tobacco Control Act.
- After losses in the court system over the FDA's attempt to define electronic cigarettes as medical devices, the FDA has proposed a rule to include, among other products, electronic cigarettes under the requirements and regulations of the Tobacco Control Act. The rule was submitted to the Office of Management and Budget in October 2015. It is anticipated that within the next 120 to 150 days the final rule, if approved, will go into effect.
- If the final rule includes the requirement for a premarket tobacco product application for most products currently on the market, similar to the requirement included in the proposed rule, it could significantly impact the availability of electronic cigarettes and other related products as manufacturers complete and wait for approval of the premarket tobacco application.
- The public health impact of a significant reduction in the availability of electronic cigarettes could drive an increase in the use of tobacco cigarettes as individuals addicted to nicotine search for an alternative. For health care services required in response to tobacco use, it costs the state through Medicaid, on average, between \$1,681 and \$2,349 per user.

DISCUSSION:

There are a number of tobacco free nicotine products available on the market. This issue focuses primarily on electronic cigarettes.

Dissolvable tobacco products are described by the U.S. Food and Drug Administration (FDA) as "flavored smokeless tobacco products that resemble candy products and dissolve in the mouth of the user."¹ Dissolvable products are made of finely milled tobacco and come in flavors like menthol (mint), alcohol (wine, cognac), candy, fruit, or chocolate. There are three common forms of dissolvables: an orb which is similar to a breath mint, a twisted stick the size of a toothpick, and a film strip for the tongue. Strips last for two to three minutes, orbs last for ten to fifteen minutes, and sticks last for twenty to thirty minutes. They carry the same health warnings as other oral smokeless products.²

Electronic Cigarettes

The FDA defines electronic cigarettes (e-cigarettes) as battery-operated products designed to deliver nicotine, flavor, and other chemicals through a vapor. E-cigarettes turn chemicals, including nicotine, into an aerosol that is inhaled by the user. E-cigarettes are also referred to as electronic nicotine delivery systems (ENDS).³ The following table compares the amount of nicotine in regular cigarettes, dissolvables, and e-cigarettes.⁴

Nicotine Amounts in Various Tobacco Products			
Product	Nicotine Amount (milligrams)	Difference from Cigarettes (mg)	Percent Change from Cigarette
Cigarette (baseline)	1.0 mg		
Camel Orbs (pellet)	1.2 mg	0.2 mg	20.0%
Camel Sticks (toothpick)	2.4 mg	1.4 mg	140.0%
Camel Strips (breath strip)	1.3 mg	0.3 mg	30.0%
Full Flavored E-Cigarette	18.0 mg	17.0 mg	1700.0%
Light Flavored E-Cigarette	12.0 mg	11.0 mg	1100.0%
Ultra-Light Flavored E-Cigarette	6.0 mg	5.0 mg	500.0%

Why are these nicotine products worth the General Assembly's attention?

There is limited research on the health effects (both short term and long term) of e-cigarette and dissolvable tobacco product use, which leads to a lack of knowledge regarding:

¹ Freiberg, Michael. "Options for State and Local Governments to Regulate Non-Cigarette Tobacco Products." Page 411
²http://www.journalnow.com/business/business_news/local/r-j-reynolds-scales-back-marketing-of-dissolvable-tobacco-products/article_9d001b58-f9f2-11e2-8fad-0019bb30f31a.html

³ Freiberg, Michael. "Options for State and Local Governments to Regulate Non-Cigarette Tobacco Products." Page 412

⁴ E-cigarette information from: <http://www.learn.eversmoke.com/nicotine-strength.html>

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- How much nicotine is being inhaled during use;
- How much of the other chemicals used in e-cigarettes is being inhaled;
- Whether there are any health impacts, including benefits, associated with use of these products.⁵

The body of existing research draws a wide range of conclusions ranging from findings that e-cigarettes can be a cessation tool, to findings that e-cigarette use is a likely gateway to regular cigarette use. An example of a finding that e-cigarettes are a cessation tool is the August 2015 paper published by Public Health England found that "best estimates show e-cigarettes are 95.0 percent less harmful to your health than normal cigarettes, and when supported by a smoking cessation service, help most smokers to quit tobacco altogether."⁶ It should be noted that the authors of the Public Health England article failed to disclose the research cited in the article was funded by the e-cigarette industry. An example of a paper finding that e-cigarettes are a gateway to regular cigarette use is the November 2015 Journal of American Medical Association article titled "Progression to Traditional Cigarette Smoking After Electronic Cigarette Use Among US Adolescents and Young Adults" which found "in a national sample of adolescents and young adults, use of e-cigarettes at [the beginning of the study] was associated with progression to traditional cigarette smoking".⁷

How Electronic Cigarettes are Taxed in Colorado

State statutory definitions determine how e-cigarettes and other tobacco free nicotine products are taxed in Colorado. It is important to note that since state taxes are imposed in accordance with the state law that is not tied to federal regulation, changes at the federal level will not change the application of Colorado's cigarette taxes.

Cigarette and Tobacco Product Statutory Definitions

The term "cigarette" is not defined for the purpose of the cigarette tax statutes, but is defined for the purpose of the Tobacco Master Settlement Agreement (MSA). The cigarette tax statutes define tobacco products as "cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plus and sweepings of tobacco, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or for smoking in a pipe or otherwise, or both for chewing and smoking, but does not include cigarettes which are taxed separately pursuant to Title 39, Article 28 (Master Settlement Agreement)."⁸

For the purpose of the Master Settlement Agreement, "cigarette" is defined in Section 39-28-202 (4), C.R.S. as "any product that contains nicotine, in intended to be burned or heated under ordinary conditions of use, and consists of, or contains, tobacco." For cigarette products that fall within the definition in Section 39-28-202 (4), C.R.S the following taxes apply:

⁵ <http://www.fda.gov/NewsEvents/PublicHealthFocus/ucm172906.htm>

⁶ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/457102/Ecigarettes_an_evidence_update_A_report_commissioned_by_Public_Health_England_FINAL.pdf

⁷ "Progression to Traditional Cigarette Smoking After Electronic Cigarette Use Amount US Adolescents and Young Adults." Primack, et al. <http://archpedi.jamanetwork.com/article.aspx?articleid=2436539>

⁸ Section 39-28.5-101 (5), C.R.S.

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- An \$0.84 tax on each package of cigarettes (typically 20 cigarettes in a pack); and
- A 40.0 percent excise tax on all other tobacco products.

Therefore, since e-cigarettes and dissolvables do not contain tobacco they are not subject to the state cigarette taxes, and the only tax that applies to e-cigarettes and dissolvables is the regular sales tax. Since state law does not link the application of state cigarette taxes to the federal law, any change in what the FDA deems to be a tobacco product does not change the application of cigarette taxes in Colorado. As of September 30, 2015 only five states and the District of Columbia had enacted laws taxing e-cigarettes.⁹

Summary of States with E-Cigarette Taxes		
State/District	Type of Tax ¹⁰	Effective Date
District of Columbia	70.0% of wholesale sales price	October 1, 2016
Kansas	\$0.20 per milliliter of consumable material	July 1, 2016
Louisiana	\$0.5 per liquid of milliliter of nicotine	July 1, 2015
Minnesota	95.0% wholesale sale price	July 1, 2013
Nevada	30% of wholesale price	July 1, 2015
North Carolina	\$0.05 per fluid milliliter	June 1, 2015

Federal Regulation Through the Tobacco Control Act

The Tobacco Control Act was signed into law on June 22, 2009 and expands the FDA's regulatory authority over cigarettes, cigarette tobacco, roll-your-own tobacco, smokeless tobacco products. The Tobacco Control Act:

- Places specific restrictions on marketing tobacco products to children and gives the FDA authority to take further action in the future to protect public health. These provisions ban sales to minors, vending machine sales except in adult-only facilities, the sale of packages of fewer than 20 cigarettes, tobacco-brand sponsorships of sports and entertainment events or other social or cultural events, and free giveaways of sample cigarettes and brand-name non-tobacco promotional items.
- Requires that smokeless tobacco packages and advertisements increase the size and visibility of warnings. Smokeless tobacco includes moist snuff and chewing tobacco. For smokeless tobacco packaging, the warning label statement must be located on the two principal sides of the package and cover at least 30.0 percent of each side. For advertisements, the warning label statements must cover at least 20.0 percent of the area of the ad.
- Prohibits tobacco companies from making reduced harm claims like “light,” “low,” or “mild,” without filing an application for a modified risk tobacco product and obtaining an order to market as such.

⁹ STATE System E-cigarette Fact Sheet. U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.

¹⁰ For comparison purposes - 1000 milligrams equals 1 milliliter.

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- Requires tobacco companies to provide the FDA with detailed information about the ingredients in their products.
- Requires tobacco company owners and operators to register annually and open their manufacturing and processing facilities to inspection by the FDA every two years.
- Preserves the authority of state, local, and tribal governments to regulate tobacco products including taxation (i.e. doesn't change Colorado's application of the cigarette tax).
- Allows the FDA to implement standards for tobacco products to protect public health. For example, FDA has the authority to regulate nicotine and ingredient levels.
- Bans cigarettes with characterizing flavors, except menthol and tobacco.
- Funds the FDA regulation of tobacco products through a user fee on the manufacturers of certain tobacco products sold in the United States based on their U.S. market share.¹¹

Chapter IX, Section 901 (b) of the Tobacco Control Act outlines the FDA's authority over tobacco products and states that the law applies to any tobacco product the Secretary of Health and Human Services deems to be subject to the law through regulatory action. As a result of this authority and losses in federal court, the FDA put forth the proposed rule titled "Deeming Tobacco Products to be Subject to the Food, Drug, and Cosmetic Act, as Amended by the Family Smoking Prevention and Tobacco Control Act; Regulations on the Sale and Distribution of Tobacco Products and Required Warning Statements for Tobacco Products."

Brief History of How the Rule Came to Be

On April 15, 2009 the FDA order customs to deny a shipment of imported e-cigarettes, arguing that the devices were "unapproved and misbranded drug delivery devices being marketed as alternatives to traditional cigarettes." The FDA was sued by Smoking Everywhere, Inc., and Sottera, Inc. who were the companies which made the e-cigarettes, on the basis that FDA had no authority to seize the devices. In his ruling, Federal Judge Richard Leon found "there is no basis for FDA to treat electronic cigarettes ... as a drug-device combination when all they purport to do is offer consumers the same recreational effects as a regular cigarette." The judge also rebuked the FDA for "aggressive efforts to regulate recreational tobacco products as drugs or devices under the Food, Drug, and Cosmetic Act."¹² The FDA appealed the decision to the U.S. Court of Appeals for the District of Columbia Circuit.

On December 7, 2010 the U.S. Court of Appeals for the District of Columbia Circuit affirmed the lower court's decision that the FDA lacked the authority to classify e-cigarettes as medical devices. The Appeals Court said that if the FDA wanted to regulate the sale of e-cigarettes, it

¹¹ <http://www.fda.gov/TobaccoProducts/GuidanceComplianceRegulatoryInformation/ucm246129.htm>

¹² Wilson, Duff. "Judge Orders F.D.A. to Stop Blocking Imports of E-Cigarettes from China". January 14, 2010. <http://www.nytimes.com/2010/01/15/business/15smoke.html>

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had to be in connection with the FDA's authority to regulate tobacco products.¹³ The FDA had until April 25, 2011 to appeal the decision.

On April 25, 2011 the FDA stated it would not appeal the Appeals Court decision and would instead propose changes to the products subject to the Tobacco Control Act, in order to enable the FDA to treat and regulate e-cigarette the same as tobacco products.¹⁴ The proposed FDA rule titled "Deeming Tobacco Products to be Subject to the Food, Drug, and Cosmetic Act, as Amended by the Family Smoking Prevention and Tobacco Control Act; Regulations on the Sale and Distribution of Tobacco Products and Required Warning Statements for Tobacco Products" (Rule) was released for public comment on April 25, 2014.

Public comment on the proposed rule closed on August 8, 2014. The FDA received over 135,000 comments from industry representatives, public health officials, government entities, and the general public.¹⁵ On October 20, 2015 the FDA sent the Rule to the White House Office of Management and Budget (OMB). The OMB has 90 days to review the Rule, with a possible extension of 30 days. If the Rule receives approval from OMB, the Rule will be published in the Federal Register and become effective 30 days after the date of publication.¹⁶

Summary of the Proposed Rule

The following is a summary of what the April 2014 proposed rule does, and does not necessary reflect the final rule being reviewed by the Office of Management and Budget (OMB). The final rule being reviewed by OMB is confidential until it is approved and published in the Federal Register. The proposed rule included two options:

- Option 1 - would regulate all cigars, pipe tobacco, electronic cigarettes, nicotine gels, hookah tobacco and dissolvables, except accessories of a tobacco product.
- Option 2 - would also regulate these six categories of tobacco products included in Option 1, but exempt premium cigars and tobacco product accessories from regulations. Exempt accessories would include such items as lighters, cigar cutters, humidors, cases, and hookah accessories.¹⁷

Additionally, the proposed rule would prohibit the sale of covered tobacco products to individuals under 18 and require the display of health warnings on product packages and in advertisements.

There is one interesting component of the propose rule which could have a substantial impact on the availability of products that would be subject to the tobacco regulations: the statutory grandfathering in of products currently available on the market. The proposed rule stated that

¹³ *Sottera Inc. v. Food & Drug Administration*, 10-5032, U.S. Court of Appeals, District of Columbia Circuit (Washington). December 7, 2010. [https://www.cadc.uscourts.gov/internet/opinions.nsf/D02F9D2CA50299F0852577F20070BCC2/\\$file/10-5032-1281606.pdf](https://www.cadc.uscourts.gov/internet/opinions.nsf/D02F9D2CA50299F0852577F20070BCC2/$file/10-5032-1281606.pdf)

¹⁴ "Regulator Will Treat E-Cigarettes Like Tobacco". April 25, 2011 The New York Times. http://www.nytimes.com/2011/04/26/business/26tobacco.html?_r=1

¹⁵ "Summary of Write-in Campaigns to Docket FDA-2014-N-0189." August 3, 2015. <http://www.fda.gov/downloads/TobaccoProducts/Labeling/RulesRegulationsGuidance/UCM462187.pdf>

¹⁶ "FDA Send OMB Tobacco Regs for Final Review." October 20, 2015. <http://www.cspnet.com/category-news/tobacco/articles/fda-sends-omb-tobacco-regs-final-review>

¹⁷ "FDA Submits Deeming Regulations to OMB for Final Review" October 21, 2015. <http://www.natocentral.org/>

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any deemed tobacco product on the market prior to February 15, 2007 would be grandfathered into the regulations, while products on the market after February 15, 2007 would have to submit a premarket tobacco application.¹⁸ February 15, 2007 was the date the Tobacco Control Act was introduced in Congress and the grandfather date in the Tobacco Control Act. The proposed rule states "because this date is written into the statute, we [FDA] do not believe that we have the authority to amend it with respect to e-cigarettes or other products."

A letter was sent by the former U.S. Speaker John Boehner and U.S. Representatives Kevin McCarthy and Fred Upton to the Secretary of Health and Human Services asking FDA to consider the date inappropriate because it will impede innovation and impose unnecessary regulatory burdens on the FDA and the regulated industries."¹⁹ On April 28, 2015, U.S. Representative Tom Cole introduced H.R. 2058 - FDA Deeming Authority Clarification Act of 2015. The bill was referred to the House Subcommittee on Health where it currently awaits action.²⁰ Additionally, Section 747 was added to the 2016 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Program Appropriations Bill that would prohibit the FDA from expending funds on enforcing the grandfather date, while preserving the agency's regulatory oversight if the grandfather date is changed²¹.

For products not grandfathered in there are two options under the proposed rule:

- A demonstration of substantial equivalence to a product that was commercially marketed in the United States as of February 15, 2007; or
- A premarket tobacco product application (PMTA) which requires the submission of:
 - full reports of all investigations of health risks;
 - a full statement of all components, ingredients, additives, and properties, and of the principle or principles of operation of such tobacco product;
 - a full description of the methods of manufacturing and processing;
 - an explanation of how the product complies with any applicable tobacco product standards; and
 - specimens of proposed labeling.

What e-cigarette manufacturers quickly realized was that it was unlikely to have a product that was on the market prior to February 15, 2007 to which they could demonstrate a substantial equivalence. In fact, it is believed there was a single product on the market prior to February 15, 2007, a first generation e-cigar manufactured by NJOY.²² There are now more than 100,000 different types of nicotine products on the market that would be required to submit a PMTA.

¹⁸ Deeming Tobacco Products to be Subject to the Federal Food, Drug, and Cosmetic Act, as Amended by the Family Smoking Prevention and Tobacco Control Act; Regulations on the Sale and Distribution of Tobacco Products and Required Warning Statements for Tobacco Products." Federal Register, Volume 79, Number 80, Friday April 25, 2014. Page 23144.
<http://www.fda.gov/downloads/TobaccoProducts/Labeling/RulesRegulationsGuidance/UCM394914.pdf>

¹⁹ "Senators Take Aim at Tobacco regulation Grandfather date". <http://www.csnews.com/product-categories/tobacco/senators-take-aim-tobacco-regs-grandfather-date>

²⁰ <https://www.congress.gov/bill/114th-congress/house-bill/2058/all-actions>

²¹ Page 86 <http://appropriations.house.gov/uploadedfiles/bills-114hr-sc-ap-fy2016-agriculture-subcommitteedraft.pdf>

²² Godshall, Bill. "What is the Grandfather Date of the Tobacco Control Act and How Will it iMPact the Vapor Industry?" August 4, 2015. <http://sfata.org/what-is-the-grandfather-date-of-the-tobacco-control-act-and-how-will-it-impact-the-vapor-industry/>

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The FDA estimated it would cost a manufacturer 5,000 staff hours and \$333,554 to submit a PMTA. The Wall Street Journal published an article on July 7, 2015 in which the industry estimated the cost for a PMTA to range from \$2.0 million to \$10.0 million. Another industry estimate put the cost for a PMTA to range from \$3.0 to \$20.0 million.²³ Not surprisingly, the industry estimates are higher than the FDA's, but despite the differences, it is clear that PMTA will require a lot of work and time on the part of manufacturers. There is a chance that the e-cigarette market could, at least temporarily, shrink as manufacturers complete the PMTA. From a public health perspective, the contraction of the e-cigarette market could be a positive change because it could reduce the number of devices available that have unknown health effects. On the other hand, it may mean more tobacco cigarettes are consumed as individuals who are addicted to nicotine search the market for an alternative to e-cigarettes. Based on 2014 survey data, approximately 27.1 percent of individuals who smoke are also on Medicaid, which translates to between 186,000 and 260,000 Medicaid clients. It can be estimated that the per client Medicaid cost of tobacco use is between \$1,681 and \$2,349 per year. At this point, data does not exist on the size of the e-cigarette market in Colorado because there is no mechanism to track the number of sales or the number of users.

From the General Assembly's perspective, the following points should be considered:

- Is the regulation of e-cigarettes and other tobacco free nicotine products an immediate concern? Even if there is no immediate need, will this be an issue the General Assembly should address in the future?
- If there is Medicaid costs associated with e-cigarette use, how should those costs be paid for?
- Currently there is no data on the number of e-cigarette and tobacco free nicotine products sold in Colorado. Does the General Assembly believe gathering this data is essential to making policy decisions regarding the need for regulation of e-cigarettes and other products?
- Should e-cigarettes be subject to an excise tax?

²³ Godshall, Bill. "What is the Grandfather Date of the Tobacco Control Act and How will it Impact the Vapor Industry?". August 4, 2015. <http://sfata.org/what-is-the-grandfather-date-of-the-tobacco-control-act-and-how-will-it-impact-the-vapor-industry/>

Issue: Clean Water Treatment

The Water Quality Control Fund is insolvent, and the Department is requesting General Fund dollars without an associated statutory fix, for at least the next two fiscal years to backfill the revenue shortfall. The FY 2016-17 request of \$1.2 million General Fund, combined with the unsuccessful opportunities provided to the Division and stakeholders to work out a solution independent of the General Assembly, has not yielded a comprehensive solution. The time has come for the General Assembly to resolve this issue. The recommendation would eliminate the need for future discussion regarding statutory changes to Clean Water fees and would allow stakeholders to provide input on the appropriate General Fund/cash fund ratio for each sector. The recommendation would increase cash fund revenue subject to TABOR over a period of one to five years and requires legislative change.

SUMMARY:

- The Department has requested \$1,208,007 General Fund in FY 2016-17 to offset insufficient cash fund revenue from fees for the Clean Water Sectors. The fees are established in statute and the Department indicates they may seek legislative change to sector fees during the 2017 or 2018 Session.
- There are two recent decisions which are pertinent to the discussion of the appropriate amount of General Fund and cash funds for the Clean Water Sectors: the addition of 12.3 FTE in FY 2013-14 to the Clean Water Program and the Long Bill restructure in FY 2015-16.
- Five options are provided for how the Committee could address the Department's request. Included in the discussion is the pros and cons for each option.
- The recommendation is intended to invite feedback from the Division and regulated entities with the end goal of comprehensive statutory change to address the short- and long-term funding issues of the Division.
- The Water Quality Improvement Fund receives revenue from fines imposed for water quality violations, which differs from how fines imposed by the Air Pollution Control Division and Hazardous Material and Waste Management Division are treated (these fines are credited to the General Fund). The Water Quality Improvement Fund has an uncommitted excess reserve of more than \$2.4 million which could be used to offset the revenue shortfall to the Clean Water Sectors.

RECOMMENDATION:

Staff recommends the Committee sponsor legislation that does the following:

- Creates a separate cash fund for each Clean Water Sector;
- Outlines the statutory funding ratio of General Fund and cash funds for each Clean Water Sector;
- Directs the Water Quality Control Commission to set fees based on the statutory funding ratio, effective July 1, 2017;
- Transfers a portion of the excess uncommitted reserve from the Water Quality Improvement fund to the General Fund to offset the General Fund backfill of revenue deficiencies; and
- Appropriate a yet to be determined amount of General Fund moneys to the Clean Water Sectors to (1) keep the sectors whole and (2) compensate for the delay between the effective date of fees and the generation of revenue.

DISCUSSION:

The Water Quality Control Fund is insolvent, and the Department is requesting General Fund dollars without an associated statutory fix for at least the next two fiscal years. The General Assembly has known about the revenue issues of the Clean Water Sectors for at least the last four years. Without recapping the complete history of the Committee's discussions regarding the Water Quality Control Program, staff wants to highlight two recent decisions which are pertinent to this problem: the addition of 12.3 FTE in FY 2013-14 to the Clean Water Sectors and the Long Bill restructure in FY 2015-16.

FY 2013-14 FTE

The General Assembly appropriated \$839,577 General Fund and 12.3 FTE²⁴ to the Clean Water Sectors to address staffing shortages. The recommendation also included a statutory change to enable the Division to generate revenue through fees to cover the costs of 8.3 FTE of the 12.3 FTE. Since the generation of revenue required statutory change, the General Assembly appropriated General Fund for all 12.3 FTE in the FY 2013-14 Long Bill. In hindsight, staff believes it would have been more effective to place the FTE and spending authority increase in the legislation as a mechanism to establish buy-in from both the Department and the stakeholders. No legislation has been passed since the additional FTE were funded that would enable the Division to generate the cash fund revenue that should be paying for those 8.3 FTE.

The FY 2013-14 FTE relates to this discussion because the FY 2015-16 Long Bill reflects the funding of the 8.3 FTE with General Fund. If the Committee decides to sponsor legislation to establish a funding mechanism for the Clean Water Sectors the funding for these 8.3 FTE should be included in the discussion. The following table summarizes the FTE and appropriate funding source by sector.

²⁴ The FY 2013-14 figure setting reflects 14.5 FTE and \$1,135,475 for the Clean Water Program. In light of the Long Bill structure change 2.3 FTE and 295,898 General Fund was moved to the Clean Water or Administration subdivision.

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FY 2013-14 FTE Costs by Sector		
Sector	FTE	Costs in FY 15-16 Dollars
Commerce and Industry	<u>3.4</u>	<u>\$149,629</u>
General Fund	1.1	61,612
Cash Funds	2.3	88,017
Construction	<u>2.1</u>	<u>\$120,290</u>
General Fund	0.5	26,405
Cash Funds	1.6	93,885
MS4s	<u>0.9</u>	<u>\$52,810</u>
General Fund	0.0	0
Cash Funds	0.9	52,810
Public and Private Utilities	<u>5.0</u>	<u>\$293,390</u>
General Fund	1.5	88,017
Cash Funds	3.5	205,373
Pesticides - General Fund²⁵	<u>1.0</u>	<u>\$142,678</u>

FY 2015-16 Long Bill Changes

The FY 2015-16 Long Bill changes worked to address the lack of sector specific General Fund and cash fund expenditures, associated FTE information, and create a mechanism through which the General Assembly could get sector specific expenditure data. Since the revenue for all sectors is deposited into a single fund, there is no way of knowing specifically how much revenue is attributable to each sector, and which sectors may be subsidizing other sectors. House Bill 15-1249 (Recodify Water Pollution Control Fees) also worked to address how the Division tracked sector specific revenue.

The FY 2015-16 Long Bill reflected two significant differences from prior year Long Bills:

- The appropriation of funds by Clean Water Sector; and
- The inclusion of a request for information on the monthly expenditures of each Sector.

It is important to note that the FY 2015-16 Long Bill appropriation is bottom line funded because of the assumptions²⁶ used to calculate the General Fund and cash funds dollars per sector. Prior to FY 2015-16, the Division did not track cash fund expenditures by sector and more importantly, did not track the expenditure of General Fund by sector. Therefore, in order to minimize the administrative burden on the Division and limit the chance the Department would

²⁵ The FY 2013-14 recommendation included funding the Pesticide Sector with General Fund because of possible federal level changes which would have eliminated the Sector. To date these changes at the federal level have not occurred and the Pesticides Sector is still active.

²⁶ The assumption used was that each sector's cash funded FTE percentage could be translated to that sector's total General Fund and cash funds cost.

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require an emergency supplemental, the Clean Waters Sector subdivision was bottom line funded for FY 2015-16.

The assumption that the cash funded FTE as a percent of total cash funded FTE for all sectors correlated to each sectors cost was used to calculate the FY 2015-16 Long Bill appropriations. The FTE percent for each sector was then applied to the total available funds (General Fund and cash funds). The following table summarizes each sector's cash funded FTE percentage.

Table 2. Sector Workload As A Percent of Program Total		
	Sector Cash Funded FTE Count[^]	Percent of Total Cash Funds FTE
Commerce and Industry Sector	13.7	30.4%
Construction Section	7.8	17.3%
Municipal Separate Storm Sewer System Sector	1.6	3.5%
Pesticides Sector	0.0	0.0%
Public and Private Utilities Sector	22.0	48.8%
Water Quality Certification	0.0	0.0%
Total Cash Funded FTE*	45.1	100.0%

[^]Information is from the Sector Handouts provided during the 2014 Clean Water Program Stakeholder Process

*The Total Cash Funded FTE is larger than the FY 2014-15 appropriation due to how the Division tracked each employee's time.

Last year, the Division submitted a request for \$491,838 General Fund to offset the difference between sector expenditures and cash fund revenue. The General Assembly approved a one-time \$282,480 General Fund subsidy. It was known at the time that without statutory changes to the fees the Division would continue to require General Fund. Staff believes that continuing to provide the Division with General Fund because of an inability to establish statutory fee changes is not good public policy and only incentivizes a continue push back to fee adjustments. Staff also believes the Division and stakeholders have had multiple opportunities to reach consensus on changes but the underlying lack of data on sector expenditures and revenue shortfalls provide little incentive to initiate fee adjustments. Staff recommendation for legislation is based on the belief that for the General Assembly to ensure the equitable distribution of responsibility for maintaining Colorado's water quality standards, statute should specify the benefits to the common good versus the benefits to a specific group.

Options

The following are five options for how the Committee could respond to ongoing revenue issue.

- Option 1 Appropriate additional General Fund in FY 2016-17 with the understanding that additional General Fund will be required in FY 2017-18 in lieu of successful legislation during the 2016 Session.

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- Option 2 Transfer some, or all, of the excess uncommitted reserve from the Water Quality Improvement Fund to the Water Quality Control Fund as a one-time revenue shortfall offset. An alternative to this option is to transfer some or all of the excess uncommitted reserve from the Water Quality Improvement Fund to the General Fund to offset the General Fund subsidy.²⁷
- Option 3 Sponsor legislation to provide fee increases based on sector expenditure projections to eliminate the revenue shortfall for the sectors. This option was part of the goal of the 2014 stakeholder process. A couple of outcomes from the process were incorporate into H.B. 15-1244 (Recodify Water Pollution Control Fees). House Bill 15-1244 was not a comprehensive solution to the Division's funding issues.
- Option 4 Sponsor legislation to create separate cash funds for each sector, establish statutory funding percentages for General Fund and cash funds, and require the Water Quality Control Commission to set fees based on the statutory ratios.
- Option 5 Do nothing. This option will result in ongoing expenditure reductions to the Clean Water Sectors starting in FY 2016-17.

Pros and Cons of Each Option

- Option 1 This option would avert the need for legislation but does not address the questions of equity of funding for the Clean Water Sectors. This option would not increase cash fund revenue under TABOR.
- Option 2 This option would mitigate the General Fund obligation to pay for the revenue shortfall by using revenue from fines imposed for water quality violations. Fines imposed by both the Air Pollution Control Division and the Hazardous Materials and Waste Management Division are credited to the General Fund. This option would treat fine revenue imposed by the Water Quality Control Division in a similar manner.
- Option 3 This option would avert discussions about legislation for a limited number of years and is similar to how the last fee increases were done. This option would free up General Fund to be used for other purposes but would also increase TABOR cash fund revenue.

²⁷ There is an alternative option discussed in the Cash Funds issue for dealing with this fund.

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- Option 4 This option is staff's recommendation because it would eliminate the need for future discussion regarding statutory changes to Clean Water fees and allows stakeholders the opportunity to provide input on what they feel are the appropriate General Fund/cash fund ratio for each sector. The con of this option is that it would increase cash fund revenue subject to TABOR over a period of one to five years (depending on the renewal cycle of permits). Additionally, this option would require legislative change.
- Option 5 This option would reduce General Fund obligations and would not increase TABOR cash fund revenue. This option would result in ongoing cuts to the Clean Water Sector and likely increase the Environmental Protection Agency's involvement in inspections and enforcement actions.

How Option 4 Works

Staff believes the request is not the appropriate solution to the problem. The idea for establishing General Fund and cash funds ratios for each sector is based on how programs within the Department of Agriculture's Inspection and Consumer Services (ICS) Division are funded. Similar to the Clean Water Sectors, the ICS programs provide both a benefit to the public and a benefit to the specific user/operator. What the General Assembly has done for ICS program funding is set a statutory percentage ratio of General Fund and cash funds. The percentages are outlined in the following table and were formulated in 2007 by the Joint Budget Committee based on "the degree to which a program should be subsidized by the common good (i.e. General Fund) or subsidized by a specific group which reaps benefit from the program."²⁸

Agricultural Inspection Services Funding			
Program	Description	GF Percent	CF Percent
Fertilizer	Regulates fertilizers, soil conditioners and plant amendments sold in Colorado for agricultural and home use.	50.0%	50.0%
Feed	Regulates products fed to animals that are produced for human consumption (including meat, milk, and eggs), and of users of livestock and pet foods.	50.0%	50.0%
Large Device	Inspects large scale, belt conveyor scale, and in-motion RR scales.	25.0%	75.0%
Measurement Standards Lab	Inspects small capacity scales, performs price verifications, and inspect packages for net weight, volume and labeling compliance at retail, wholesale and manufacturing establishments.	75.0%	25.0%
Farm Products	Regulates businesses that purchase and store agricultural products.	25.0%	75.0%
Commodity Handlers	Regulates grain and beans held in safekeeping for Colorado producers and owners.	25.0%	75.0%

In order to determine the proposed funding percentages for each sector, staff developed the following matrix to justify the percentages. The purpose of the matrix is to provide the Division, stakeholders, and members with a way to have a productive conversation about what changes to the proposed percentages may or may not be appropriate. The "cash fund percentages" are based

²⁸ Gallagher, Bernie. "JBC Staff FY 2007-08 Budget Briefing Department of Agriculture." November , 15,2006. Page 35.

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on what industries comprise the sector and would be paying the fee. The "General Fund percentages" are based on who benefits from the program.

Clean Water Sector Funding Percentage Matrix		Cash Fund Percentage				
		All public sector fee payers	Mostly public sector fee payers	Half private sector, half public sector fee payers	Mostly private sector fee payers	Only private sector fee payers
General Fund Percentage		0	25	50	75	100
Only private sector benefit	0					0/100
Primarily private sector benefit	25				25/75	
Half private sector, half public benefit	50			50/50		
Mostly public sector benefit	75		75/25			
Only public sector benefit	100	100/0				

Summary Proposed Ratios for Each Clean Water Sector

It is important to note that these ratios are intended to invite feedback from the Division and regulated entities with the end goal of statutory change to address the short and long term funding issues of the Division. Staff is concerned that the amount of time and energy spent on discussion of the funding for the Division is subtracting from the time and energy that should be spent reviewing and approving applications, and working with entities to continue educating them about acceptable operating standards and evaluation expectations. The recommended ratios are summarized in the following table.

Proposed Clean Water Sector Funding Ratios		
	Proposed Ratio	
	General Fund	Cash Funds
Commerce and Industry	25.0%	75.0%
Construction	25.0%	75.0%
Municipal Separate Storm Sewer	75.0%	25.0%
Pesticides	50.0%	50.0%
Public and Private Utilities	75.0%	25.0%
Water Quality Certification	25.0%	75.0%
Total Change		

Commerce and Industry Sector permits and regulates commercial and industrial operations whose activities result in a permitted discharge to waters of the State.

Regulated entities include private business enterprises with operations in areas such as mining, oil and gas extraction, electrical power generation, food processing, automobile salvage, and timber harvesting. A small portion of stakeholders are public entities with discharge permits related to services such as airport operations and fish rearing operations.

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Recommended Ratio: 25.0 percent General Fund and 75.0 percent cash funds.

Ratio Justification: The majority of entities within this sector are primarily private businesses where it is appropriate for fees to be charged for a service specific to ensuring the businesses operations comply with the clean water regulations. Since there are some public entities regulated by this sector as well as a public benefit to not have contaminated waters discharged into state waters, the recommended percentage includes 25.0 percent General Fund.

Construction Sector permits and regulates construction project owners and operators whose activities are subject to Colorado Water Quality Control Act.

Regulated entities include home builders, transportation and utility project owners and contractors, and industries such as oil and gas operators who construct access roads and utilities.

Recommended Ratio: 25.0 percent General Fund and 75.0 percent cash funds.

Ratio Justification: The majority of entities within this sector are for-profit businesses where it is appropriate for fees to be charged for a service specific to ensuring the businesses operations comply with the clean water regulations. Since there is a clear public benefit, especially through the prevention of stormwater runoff the recommendation includes 25.0 percent General Fund.

Municipal Separate Storm Sewer Systems (MS4s) Sector permits and regulates MS4s that discharge to state waters. This sector includes a conveyance or system of conveyances that is owned by a city, town, village, or other public entity that discharges to water of the State, and is designed to collect or convey stormwater (including storm drains, pipes, ditches, etc.). An MS4s is not a combined sewer or part of a Public Owned Treatment Works (sewage treatment plant).

Regulated entities include cities, towns, villages, or other public entities.

Recommended Ratio: 75.0 percent General Fund and 25.0 percent cash funds.

Ratio Justification: All entities within the MS4s Sector are public entities which would tend to lead to the recommendation that this sector be entirely General Funded. Since the recommendation is intended to provide a long-term solution to the funding issues of the Clean Water Sectors, the 25.0 percent cash fund recommendation is intended to ensure both the Division and the regulated MS4s have a level of accountability through a monetary incentive (i.e. 25.0 percent of funding for the regulation of MS4s is dependent on the Division maintaining appropriate staffing levels to ensure there is not a backlog of work.) If the Division is unable to stay up on the workload there is a monetary penalty through reduced cash fund revenue.

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Pesticides Sector permits and regulates entities involved with pesticide applications, including those with control over a decision to perform a pesticide application and those who perform the applications.

Regulated entities include state agencies, municipalities, special districts and private enterprises such as irrigation companies and commercial pesticide applicators.

Recommended Ratio: 50.0 percent General Fund and 50.0 percent cash funds.

Ratio Justification: Since the entities within the Pesticides Sector are split between public and private entities whose work has a direct public benefit, the recommendation is for 50.0 percent General Fund. Since there are private sector entities whose work may not directly have a public benefit (i.e. spraying fertilizer on a privately own crop feed is not a public benefit, but ensuring those pesticides do not run off into a stream does have a public benefit), the recommendation includes 50.0 percent cash funds.

Public and Private Utilities Sector permits and regulates the operation of sewage systems/domestic waste water treatment works, public water systems/water treatment facilities, and reclaimed water systems.

Regulated entities are primarily municipalities and special districts, but also includes public entities providing services such as rest areas and campgrounds, private entities providing services such as housing (mobile home parks) and recreation (hotels and campground) facilities, and private industrial and commercial entities discharging into a publicly owned treatment works.

Recommended Ratio: 75.0 percent General Fund and 25.0 percent cash funds.

Ratio Justification: The majority of entities within this sector are public entities such as cities and counties whose services provide a public benefit. Since private sector entities, including hotels and industrial business benefit from the work of this sector, the recommendation includes 25.0 percent cash funds to establish a level of accountability through a monetary incentive.

Water Quality Certifications Sector assesses the impact to water quality from various types of federally permitted actions related to water supply, distribution and other construction projects that may require mitigation and post-construction monitoring.

Regulated entities include the four known large water development projects (the Moffat Collection System Project, the Windy Gap Firing Project, the Northern Integrated Supply Project, and the Halligan Seaman Water Management Project). Other smaller federally permitted projects including water development and habitat restoration projects will require the services of this sector.

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Recommended Ratio: 2.7 percent General Fund and 97.3 percent cash funds.

Ratio Justification: The cash funds recommendation based on the consensus reached through the 2014 stakeholder process and formalized through H.B. 15-1249. Since there is a public benefit to ensuring these large water quality projects include appropriate water quality controls, the recommendation includes a percentage of General Fund.

The following table summarizes FY 2016-17 funding percentages and how those percentages would change if the FY 2013-14 FTE had been appropriately funded.

Clean Water Sector State Funding and Percentage					
	FY 16-17 Requested State Funding			Percentage	
	General Fund	Cash Funds	Total	GF %	CF %
Commerce and Industry					
FY 16-17 Request - Includes HB 15-1244 Changes	\$465,406	\$965,087	\$1,430,493	32.5%	67.5%
If FY 13-14 FTE had been properly funded	330,447	1,100,046	1,430,493	23.1%	76.9%
Difference from FY 16-17 request	(134,959)	134,959	0		
Construction					
FY 16-17 Request - Includes HB 15-1244 Changes	\$400,862	\$1,002,573	\$1,403,435	28.6%	71.4%
If FY 13-14 FTE had been properly funded	306,977	1,096,458	1,403,435	21.9%	78.1%
Difference from FY 16-17 request	(93,885)	93,885	0		
Municipal Separate Storm Sewer					
FY 16-17 Request - Includes HB 15-1244 Changes	\$81,274	\$112,027	\$193,301	42.0%	58.0%
If FY 13-14 FTE had been properly funded*	28,464	164,837	193,301	14.7%	85.3%
Difference from FY 16-17 request	(52,810)	52,810	0		
Pesticides					
	\$125,791	\$35,200	\$160,991	78.1%	21.9%
Public and Private Utilities					
FY 16-17 Request - Includes HB 15-1244 Changes	\$1,103,447	\$1,521,945	\$2,625,392	42.0%	58.0%
If FY 13-14 FTE had been properly funded	898,074	1,697,979	2,596,053	34.6%	65.4%
Difference from FY 16-17 request	(205,373)	(205,373)	(410,746)		
Water Quality Certification					
	\$11,300	\$412,595	\$423,895	2.7%	97.3%

The next table shows what the fiscal impact of the proposed recommendations will be on the funding for each sector based on the FY 2016-17 request for each sector.

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Clean Water Sectors Funding Adjustments Based on Proposed Splits						
	Current Splits		Proposed Splits		Appropriation Change	
	GF %	CF %	GF %	CF %	General Fund	Cash Funds
Commerce and Industry	32.5%	67.5%	25.0%	75.0%	(107,783)	107,783
Construction	28.6%	71.4%	25.0%	75.0%	(50,003)	50,003
Municipal Separate Storm Sewer	42.0%	58.0%	75.0%	25.0%	63,702	(63,702)
Pesticides	78.1%	21.9%	25.0%	75.0%	(85,543)	85,543
Public and Private Utilities	42.0%	58.0%	50.0%	50.0%	209,249	(209,249)
Water Quality Certification	2.7%	97.3%	2.7%	97.3%	0	0
Total Change					\$29,622	(\$29,622)

Offsetting the General Fund Backfill

Staff does not believe it is good policy to use General Fund dollars to offset the revenue shortfall to the Clean Water Sectors because of the incentives it provides to not address the underlying issues. The recommendation includes the use of water quality fines credited to the Water Quality Improvement Fund in place of General Fund. The Water Quality Improvement Fund is used for:

- Improving the water quality in the community or water body impacted by the water quality violation;
- Providing grants for storm water projects or to assist with planning, design, construction, or repair of domestic wastewater treatment works; and
- Providing the non-federal match funding for Nonpoint Source projects.

The revenue into the Water Quality Improvement Fund is from penalties collected for water quality violations. The Water Quality Improvement Fund is projected to have a FY 2015-16 excess uncommitted reserve of \$2,082,414 and a FY 2016-17 excess uncommitted reserve of \$2,423,156.

The following table summarizes the Water Quality Improvement Fund's excess uncommitted reserves and allowable excess uncommitted reserve for the past four years.

Water Quality Improvement Fund Uncommitted Reserve						
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
	Actual	Actual	Actual	Actual	Estimate	Projection
Uncommitted Reserve	\$1,102,226	\$1,015,103	\$694,014	\$1,805,440	\$2,128,614	\$2,475,956
16.5% Allowable Reserve	162,762	92,641	104,627	49,437	46,200	52,800
Funds in Excess of Allowable Reserve	\$939,464	\$922,462	\$589,387	\$1,756,003	\$2,082,414	\$2,423,156

Issue: Colorado Commission on Affordable Health Care

The Commission on Affordable Health Care was created by legislation during the 2014 Session and received \$400,000 General Fund in FY 2014-15 to complete the statutory charges of the Commission. The Commission has submitted a request for \$424,000 General Fund for FY 2016-17 to enable the Commission to complete the outstanding statutory objectives. The Commission is repealed on July 1, 2017.

SUMMARY:

- The Commission on Affordable Health Care was created by S.B. 14-187 (Colorado Commission Affordable Health Care) in 2014 to make recommendations which enable access to affordable health care in Colorado. The Commission is comprised of twelve voting members and five non-voting ex office members.
- The Commission's first report will be released by November 15, 2015.
- The Commission is requesting \$424,000 General Fund for FY 2016-17 to enable the Commission to meet the statutory objectives of the Commission.

RECOMMENDATION:

Staff recommends the Committee set aside time during the Department's hearing to meet with the Commission to ensure the Committee has sufficient information and understanding about the Commission and their work prior to making a FY 2016-17 funding decision.

DISCUSSION:

The Commission on Affordable Health Care (Commission) was created by S.B. 14-187 (Commission on Affordable Health Care) to enable access to affordable health care in Colorado. The Commission is comprised of twelve voting members and five non-voting members. The Commission is required to submit reports by November 15, 2015 and November 15, 2016 to the Governor and General Assembly summarizing their finding and recommendations. Statute requires two-thirds of the Commission to support any findings and recommendations that appear in the report. The November 15, 2015 report was not available at this time this document went to print. The Committee may want to use some of the recommended hearing time to discuss the report with the Commission.

Commission Funding History

The Commission was appropriated \$400,000 General Fund in FY 2014-15, which was credited to the Commission on Affordable Health Care Cash Fund (Fund). The Fund is continuously appropriated pursuant to Section 25-46-105 (1) (b), C.R.S. The Commission requested but was denied a June 2015 emergency supplemental for \$400,000 General Fund. After the result of that discussion with the Committee, the Commission reworked their request and submitted this request for FY 2016-17.

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FY 2016-17 Commission Request

The Commission is requesting an appropriation of \$424,000 General Fund for FY 2016-17. This request will allow the Commission to complete the work required by the statutory deadline of July 1, 2017. The following table summarizes how the Commission will use the requested funds.

Commission on Affordable Health Care Fiscal Year 2016-2017 Budget Request	
Purpose	Amount (General Fund)
Legal services	\$11,000
Contract personal services	337,000
Mileage and travel reimbursements	8,000
ReadyTalk communication and outreach technology	7,000
Portable sound amplification technology	1,000
Speakers and educators on health care costs	10,000
Data purchases*	50,000
Total	\$424,000

*This amount is a placeholder pending the decision on a scholarship application. If the scholarship is granted this amount is not needed.

Legal services will be used if there is determined to be a need for legal reviews of proposed recommendations and if Commissioner's request an opinion on an issue. Examples of when legal services could be required include:

- If a contract modification is required to reduce expenditures or address performance issues;
- If the Commission finds there is the need for additional consulting capability, legal services would be required to create and review the contract;
- Payment to the Attorney General's Office for a legal support regarding the Commission's ability to go into executive session; and
- Review of the Commission's annual reports if there are items in the reports which could cause legal issues. An example provided the Commission of why this may be needed is if a recommendation could adversely impact an industry sector.

Contract personal services include contracts with the Keystone Group and Colorado Health Finds.

- The Keystone Group's contract is for approximately \$160,000 to provide monthly meeting support, maintenance of the Commission's website, staffing of any committees or work groups created by the Commission, preparation of the annual reports, and to serve as a liaison between the Commission, elected officials, and legal counsel.
- An estimated \$50,000 funds will be for ten public stakeholder workgroups that will assist the Commission with assembly and deliberation of legislative recommendations.

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- An estimated \$3,200 for statutorily required statewide outreach meetings based on the cost of those meetings in FY 2014-15.
- An estimated \$124,000 for the Colorado Health Institute to research existing articles, speakers, and publications which relate to the Commission's work. Additionally the Colorado Health Institute will identify work currently being done by various state agencies on health care costs and any prior efforts and associated results of work done in Colorado to address health care costs.

Mileage and travel reimbursement funds will be used to reimburse members for mileage and travel costs incurred through the performance of Commission business pursuant to Section 25-46-103 (3), C.R.S. This amount is based on the actual FY 2014-15 costs of mileage and reimbursement.

ReadyTalk communication and outreach technology funds will be used for regular Commission meetings and during the second round of congressional district meetings. ReadyTalk is the brand of web-based conferencing that the Commission has opted to use for communication and meetings.

Portable sound amplification technology funds will be used the acquisition of portable sound amplification technology to enable the audience to hear the Commission's which during meetings. The Commission has received feedback from audience members that it is difficult to hear Commission members.

Funds for speakers and educators on health care costs will be used for travel expenses for identified experts in areas of health care cost containment that come to speak to the Commission. The Commission has identified six potential speakers and each would require an honorarium and/or travel expenses reimbursement. Honorarium for each speaker is expected to cost \$500-\$1,000 and travel is estimated to cost an average of \$900. Areas of expertise of potential speakers include: hospital costs and reimbursement systems, how organized strategies can reduce hospital costs associated with hospice and palliative care, and how incentives can be used to reduce health care costs.

Data purchase funds are a placeholder pending a decision on a scholarship application for the cost of data purchases. If the Commission does not receive funds through the scholarship these funds will be used for data purchases from the All Payer Claims Database through the Center for Improving Value in Health Care. One example of how the Commission would use this data would be to answer the following question, "Why are Colorado health care costs and thus insurance rates higher in certain areas of the states?"

Issue: Uncommitted Cash Funds

The Department has forty six cash funds, seventeen of which are out of compliance with Section 24-75-402 (3) (c), C.R.S., which sets the limitation on cash fund uncommitted reserves. Cash funds can maintain an uncommitted reserve equal to 16.5 percent of cash fund expenditures. Fourteen of the seventeen funds out of compliance with the reserve requirement receive revenue from fees outside of the Department's control. The total excess uncommitted reserve for the seventeen funds is \$22.0 million.

SUMMARY:

- The reserve limit for the majority of the Department's cash funds with balances greater than \$200,000 is 16.5 percent of expenditures. 16.5 percent is equal to approximately two months of expenditures.
- The excess uncommitted reserve is any balance greater than the 16.5 percent amount. The Department has requested a waiver from the reserve requirement for seventeen cash funds.
- Of the seventeen cash funds, fourteen are constrained by statutorily set fees or revenue sources (i.e. Amendment 35 tobacco tax). Based on the number of programs with the Department which have statutory fees and the sizeable amount of uncommitted reserves; is it reasonable to maintain statutorily set fees which generate unused revenue?
- The Department also has five funds projecting near zero, at zero, or with a negative fund balance in FY 2016-17.

DISCUSSION:

House Bill 15-1261 (Maximum Reserve for Cash Funds with Fee Revenue) established a process for Departments to request a three-year waiver from the 16.5 percent excess uncommitted reserve limit. The Department included 46 cash fund schedules (called the Schedule 9) in their November 2, 2015 request. The following table summarizes the projected FY 2016-17 year end balances of those 46 fund.

Summary of FY 2016-17 Schedule 9s	
Number of cash funds	46
Number of waiver requests for cash funds out of compliance with reserve limit	17
Number of funds in compliance with excess reserve limit	23
Number of funds with near zero, zero or negative fund balances	6

For 37.0 percent of the cash funds (17 out of 46) the Department is requesting a waiver from the reserve limit. An additional 13.0 percent of the funds are projected to have a near zero, zero, or negative FY 2016-17 ending balance.

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Cash Funds with a Waiver Request

Based on the FY 2016-17 projections, the total excess uncommitted reserve for all 17 funds will equal \$22,008,331. The following table summarizes the excess reserve by cash fund.

Summary of 17 Cash Funds with Reserve Waiver Request				
	Uncommitted Reserve	Allowable Reserve	Excess Uncommitted Reserve	Excess Reserve as Percent of Allowable Reserve
Waste Tire Administration, Clean-up, and Enforcement Fund	\$5,944,501	\$210,375	\$5,734,126	2725.7%
End Users Fund	5,325,151	610,500	4,714,651	772.3%
Stationary Sources Fund	6,337,855	2,377,567	3,960,288	166.6%
Water Quality Improvement Fund	2,475,956	52,800	2,423,156	4589.3%
Recycling Resources Economic Opportunity Fund	1,565,770	514,426	1,051,344	204.4%
Emergency Medical Services Account	3,026,254	2,001,785	1,024,469	51.2%
Prevention, Early Detection, and Treatment Fund	4,500,622	3,723,223	777,399	20.9%
Radiation Control Fund	831,627	464,475	367,152	79.0%
Hazardous Waste Fees Fund	669,570	305,250	364,320	119.4%
Wholesale Food Manufacturing and Storage Protection Cash Fund	443,592	84,273	359,319	426.4%
Waste Tire Market Development Fund	334,902	50,325	284,577	565.5%
Food Protection Cash Fund	407,418	180,875	226,543	125.2%
Animal Feeding Operations Cash Fund	288,461	79,902	208,559	261.0%
Solid Waste Management Fund	840,825	648,450	192,375	29.7%
Biosolids Management Fund	211,928	30,577	181,351	593.1%
Home Care Agency Cash Fund	287,577	165,917	121,660	73.3%
AIDS and HIV Prevention Fund	306,054	289,012	17,042	5.9%
Total Excess Uncommitted Reserve	\$33,798,063	\$11,789,732	\$22,008,331	186.7%

Fourteen of the seventeen requests cited the fact that the fund's revenue was from statutorily set fees or from revenue sources outside the Department's control (i.e. Amendment 35 tobacco tax). Section 24-75-402 (1) (3.5), C.R.S. defines the maximum reserve as 16.5 percent of the amount expended from the cash fund during the fiscal year. Section 24-75-402 (3) (c), C.R.S. requires "the uncommitted reserves of a cash fund at the conclusion of a given fiscal year shall not exceed the maximum reserve for that fiscal year." Therefore, Section 24-75-402 (3) (c), C.R.S. does not exempt cash funds from the reserve requirement even if the revenue sources are outside of the Department's control. Staff understands why a fee might have been set statutorily, but based on the number of programs within the Department with statutory fees and the sizeable amount of

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uncommitted reserves of the associated funds; staff questions the feasibility of maintaining statutorily set fees in light of the numerous budget constraints. The following is a discussion of a number of the funds included in the above table. Staff will make a recommendation on each waiver request during figure setting.

Waste Tire Funds

All three funds for the Waste Tire Program are on this list, and the two funds with the largest uncommitted reserves are Waste Tire Program funds. The revenue for the Waste Tire Program is a \$1.50 fee charged on each waste tire (when a car gets new tires, the old tires are either dumped or recycled and the car owner pays a \$1.50 per tire fee to dispose of the tire). Effective January 1, 2018 the fee drops to \$0.55 per tire and the Market Development and End Users Funds are repealed. Should the \$1.50 fee continue for two more years if the demand for those services does not appear to exist based on the limited expenditures?

Stationary Sources Control Fund

A number of the fees credited to the Stationary Sources Control Fund are statutorily set but based on the language in Section 24-75-402 (3) (c), C.R.S. the fund is not exempt from the reserve requirement. Even with the addition of a significant number of FTE to the Air Pollution Control Division, funded with the Stationary Sources Control Fund over the last three years, the excess uncommitted reserves remain.

Water Quality Improvement Fund

This fund was discussed in the Water Treatment issue. One other option the Committee could consider is a statutory change to eliminate this fund and credit all fines collected as a result of water quality violations to the General Fund. This would eliminate the issue with the fund balance, as well as treat revenue from water quality violations similar to how other revenue from environmental violations are treated (i.e. fines imposed by the Air Pollution Control Division and Hazardous Material and Waste Management Division are credited to the General Fund and not industry specific cash funds).

Recycling Resources Economic Opportunity Fund

It is surprising to see this fund on the list requesting a waiver requirement since the General Assembly "paid back" \$1.5 million to this fund in FY 2015-16. The General Assembly made it a funding priority to provide sufficient resources to these grants, but it remains unclear if the additional funds translated into actionable grants and not excess uncommitted reserves.

Funds with Projected Problematic Ending Fund Balances

The following table summarizes the six funds with projected near zero, zero, or negative fund balances at the end of FY 2016-17. The table includes the ending FY 2015-16 balance and the FY 2016-17 targeted uncommitted reserve

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Department Cash Funds With Projected Insufficient Ending Balances			
	Ending FY 15-16 Balance	Ending FY 2016-17 Balance	FY 2016-17 Reserve Target
Laboratory Cash Fund	\$50,515	\$3,237	\$203,773
Newborn Screening Fund	1,027,511	(446,873)	1,392,252
Water Quality Control Fund	0	0	850,694
Trauma System Cash Fund	113,257	0	49,377
Medical Marijuana Cash Fund	425,146	(673,899)	478,020
Colorado Immunization Fund	43,912	(39,148)	54,881

Laboratory Cash Fund

The Laboratory Cash Fund is used to pay for the costs of testing microbiological specimens, and for certification of environmental and forensic laboratories. The Schedule 9 for the Laboratory Cash Fund provided no explanation for the steady decline in the fund balance from the FY 2013-14 ending balance of \$463,789. Staff recommends the Department discuss at their hearing what steps are being taken to ensure the Laboratory Cash Fund does not go negative.

Newborn Screening and Genetics Counseling Cash Fund

The Newborn Screening and Genetics Counseling Cash Fund is used to pay for newborn screening tests, follow up care for positive tests, including genetic counseling and educational programs. This fund was consistently listed on the State Auditor's Office list of funds out of compliance with the 16.5 percent allowable reserve for the last number of years. In order to address the continuing issue with allowable uncommitted reserve, the FY 2015-16 Long Bill included funding to add a disease to the screening panel, as well as funding to allow the lab to be open on Saturdays for newborn screenings. The rapid decline of the uncommitted reserves in the Newborn Screening Fund is confounding given the number of years which the fund appeared on the State Auditors list.

Trauma System Care Fund

Trauma System Care Fund is used for expenses associated with designating health care facilities as Trauma Centers. Revenue is from fees paid by health care facilities applying to become a trauma center. There is no explanation in the Schedule 9 on why the fund is showing a zero balance in FY 2016-17.

Medical Marijuana Program Cash Fund

The Medical Marijuana Program Cash Fund pays the costs of administering the medical marijuana registry. The fact that this fund is reflecting a negative balance in FY 2016-17 is not surprising for two reasons. First, the Department intentionally reduced the medical marijuana card fee so that the annual revenue was approximately \$1.0 million lower than ongoing expenditures. Second, during discussions with the Department on S.B. 15-014 (Medical Marijuana) which appropriated \$1.1 million from the Fund for a caregiver computer system, staff expressed concern that the Medical Marijuana Program Cash Fund could not support this expenditure. This concern was based on the information provided in last year's Schedule 9 which showed a FY 2015-16 ending reserve of \$1.2 million, excluding the costs of S.B. 15-014.

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The Department is now in a position where the medical marijuana registry fee should be raised, which would result in a TABOR revenue impact.

Colorado Immunization Fund

The Colorado Immunization Fund receives no revenue from the Tobacco Master Settlement Agreement for the Immunization Program. There is no reflection in the Department's request of an overall reduction to expenditures, based on Master Settlement Agreement revenue. Since the Long Bill appropriation is based on the January 2016 Legislative Council projection of Master Settlement Agreement funds, the projected lack of fund balance shown in the Schedule 9 is not an issue at this time. Staff will, during figure setting, ensure that the recommendation does not exceed available revenues.

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Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
Dr. Larry Wolk, Executive Director

(1) ADMINISTRATION AND SUPPORT

This division is comprised of three subdivisions: Administration, Office of Health Disparities, and Local Public Health Planning and Support.

(A) Administration

for centrally-appropriated personal services, and is primarily funded with reappropriated funds from departmental indirect cost recoveries.

Personal Services	<u>5,216,258</u>	<u>5,911,925</u>	<u>6,951,264</u>	<u>7,430,698</u> *
FTE	65.9	70.5	77.2	78.3
General Fund	0	0	74,286	76,961
Reappropriated Funds	5,014,689	5,582,011	6,819,678	7,028,209
Federal Funds	201,569	329,914	57,300	325,528
Leave Payouts	<u>481,145</u>	<u>481,145</u>	<u>481,145</u>	<u>738,344</u> *
Reappropriated Funds	481,145	481,145	481,145	738,344
Health, Life, and Dental	<u>4,478,614</u>	<u>3,945,140</u>	<u>6,981,851</u>	<u>10,623,757</u>
General Fund	689,576	630,642	1,103,512	1,195,990
Cash Funds	3,003,080	2,481,946	3,753,458	4,028,737
Reappropriated Funds	785,958	832,552	1,160,153	1,097,803
Federal Funds	0	0	964,728	4,301,227
Short-term Disability	<u>82,355</u>	<u>105,081</u>	<u>131,259</u>	<u>176,757</u>
General Fund	12,226	16,126	21,677	19,795
Cash Funds	54,089	70,720	71,684	63,956
Reappropriated Funds	16,040	18,235	22,018	19,134
Federal Funds	0	0	15,880	73,872

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
S.B. 04-257 Amortization Equalization Disbursement	<u>1,595,059</u>	<u>1,968,820</u>	<u>2,681,965</u>	<u>4,560,041</u>	
General Fund	234,990	301,919	448,010	510,563	
Cash Funds	1,049,100	1,325,199	1,481,662	1,651,263	
Reappropriated Funds	310,969	341,702	454,815	493,142	
Federal Funds	0	0	297,478	1,905,073	
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>1,439,394</u>	<u>1,845,769</u>	<u>2,582,084</u>	<u>4,512,541</u>	
General Fund	211,391	283,049	432,737	505,245	
Cash Funds	947,104	1,242,374	1,431,151	1,634,062	
Reappropriated Funds	280,899	320,346	439,310	488,005	
Federal Funds	0	0	278,886	1,885,229	
Salary Survey	<u>983,956</u>	<u>1,327,939</u>	<u>805,351</u>	<u>97,284</u>	
General Fund	136,839	203,751	111,743	10,776	
Cash Funds	658,504	894,137	379,129	59,038	
Reappropriated Funds	188,613	230,051	113,891	1,645	
Federal Funds	0	0	200,588	25,825	
Merit Pay	<u>600,659</u>	<u>454,048</u>	<u>585,020</u>	<u>0</u>	
General Fund	83,534	64,405	100,403	0	
Cash Funds	401,985	308,533	321,215	0	
Reappropriated Funds	115,140	81,110	95,762	0	
Federal Funds	0	0	67,640	0	

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Shift Differential	<u>4,568</u>	<u>5,099</u>	<u>5,546</u>	<u>23,038</u>	
General Fund	49	55	410	0	
Cash Funds	4,519	5,044	5,136	14,803	
Reappropriated Funds	0	0	0	160	
Federal Funds	0	0	0	8,075	
Workers' Compensation	<u>512,315</u>	<u>641,745</u>	<u>683,285</u>	<u>664,262</u>	
Reappropriated Funds	512,315	641,745	683,285	664,262	
Operating Expenses	<u>1,277,384</u>	<u>1,938,926</u>	<u>1,938,926</u>	<u>2,316,962</u>	*
Reappropriated Funds	1,277,384	1,938,926	1,938,926	2,316,962	
Legal Services	<u>2,512,287</u>	<u>2,788,545</u>	<u>2,700,849</u>	<u>2,700,849</u>	
Cash Funds	0	19,125	0	0	
Reappropriated Funds	2,512,287	2,769,420	2,700,849	2,700,849	
Toxicology Unit Legal Services	<u>135,018</u>	<u>39,855</u>	<u>25,178</u>	<u>0</u>	
General Fund	135,018	39,855	25,178	0	
Administrative Law Judge Services	<u>47,493</u>	<u>8,220</u>	<u>25,538</u>	<u>9,958</u>	*
Reappropriated Funds	47,493	8,220	25,538	9,958	
Payment to Risk Management and Property Funds	<u>99,120</u>	<u>110,909</u>	<u>133,949</u>	<u>195,176</u>	
Reappropriated Funds	99,120	110,909	133,949	195,176	

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Vehicle Lease Payments	<u>311,110</u>	<u>284,332</u>	<u>351,365</u>	<u>421,657</u>	*
General Fund	620	620	0	0	
Cash Funds	200,814	184,278	250,554	320,846	
Reappropriated Funds	41,550	40,873	67,621	67,621	
Federal Funds	68,126	58,561	33,190	33,190	
Leased Space	<u>6,163,673</u>	<u>6,203,302</u>	<u>6,378,000</u>	<u>6,526,245</u>	
Cash Funds	179,393	178,769	202,866	202,866	
Reappropriated Funds	5,907,643	5,996,134	6,161,634	6,309,879	
Federal Funds	76,637	28,399	13,500	13,500	
Capitol Complex Leased Space	<u>35,150</u>	<u>26,169</u>	<u>27,297</u>	<u>34,085</u>	
Reappropriated Funds	35,150	26,169	27,297	34,085	
Payments to OIT	<u>0</u>	<u>7,159,203</u>	<u>10,067,115</u>	<u>7,585,962</u>	*
General Fund	0	2,874	1,311,669	1,691,843	
Cash Funds	0	53,560	1,100,696	0	
Reappropriated Funds	0	7,102,769	7,654,750	5,894,119	
CORE Operations	<u>0</u>	<u>243,960</u>	<u>354,167</u>	<u>579,054</u>	
General Fund	0	0	29,466	29,466	
Reappropriated Funds	0	243,960	324,701	549,588	
Utilities	<u>533,984</u>	<u>532,928</u>	<u>563,651</u>	<u>563,651</u>	
Cash Funds	132,852	131,474	161,324	161,324	
Reappropriated Funds	390,611	390,191	390,727	390,727	
Federal Funds	10,521	11,263	11,600	11,600	

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Building Maintenance and Repair	<u>271,858</u>	<u>271,857</u>	<u>271,858</u>	<u>691,815</u> *	
Reappropriated Funds	271,858	271,857	271,858	691,815	
Reimbursement for Members of the State Board of Health					
General Fund	<u>4,200</u>	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	
General Fund	4,200	4,500	4,500	4,500	
Indirect Costs Assessment	<u>325,339</u>	<u>307,163</u>	<u>398,100</u>	<u>398,100</u>	
Cash Funds	<u>95,880</u>	<u>222,102</u>	<u>213,900</u>	<u>213,900</u>	
Reappropriated Funds	<u>94,262</u>	<u>3,068</u>	<u>3,700</u>	<u>3,700</u>	
Federal Funds	<u>135,197</u>	<u>81,993</u>	<u>180,500</u>	<u>180,500</u>	
SUBTOTAL - (A) Administration	27,110,939	36,606,580	45,129,263	50,854,736	12.7%
FTE	<u>65.9</u>	<u>70.5</u>	<u>77.2</u>	<u>78.3</u>	<u>1.4%</u>
General Fund	1,508,443	1,547,796	3,663,591	4,045,139	10.4%
Cash Funds	6,727,320	7,117,261	9,372,775	8,350,795	(10.9%)
Reappropriated Funds	18,383,126	27,431,393	29,971,607	29,695,183	(0.9%)
Federal Funds	492,050	510,130	2,121,290	8,763,619	313.1%

(B) Office of Health Equity

nt racial and ethnic groups across Colorado. The Office is funded by 2.4 percent of the Amendment 35 Tobacco Tax revenue, and a small amount of General Fund.

Personal Services	<u>271,568</u>	<u>276,377</u>	<u>291,275</u>	<u>297,400</u>
FTE	3.0	3.5	4.3	4.3
General Fund	50,538	52,564	57,013	59,391
Cash Funds	221,030	223,813	234,262	238,009
Reappropriated Funds	0	0	0	0

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Operating Expenses	<u>26,755</u>	<u>42,006</u>	<u>65,579</u>	<u>65,579</u>	
General Fund	6,672	6,672	6,672	6,672	
Cash Funds	20,083	35,334	58,907	58,907	
Reappropriated Funds	0	0	0	0	
Health Disparities Grants	<u>2,479,669</u>	<u>3,093,637</u>	<u>4,196,710</u>	<u>4,196,710</u>	
Cash Funds	2,479,669	3,093,637	4,196,710	4,196,710	
Necessary Document Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>300,000</u> *	
General Fund	0	0	0	300,000	
SUBTOTAL - (B) Office of Health Equity	2,777,992	3,412,020	4,553,564	4,859,689	6.7%
FTE	<u>3.0</u>	<u>3.5</u>	<u>4.3</u>	<u>4.3</u>	<u>0.0%</u>
General Fund	57,210	59,236	63,685	366,063	474.8%
Cash Funds	2,720,782	3,352,784	4,489,879	4,493,626	0.1%
Reappropriated Funds	0	0	0	0	0.0%

(C) Local Public Health Planning and Support

bsp;This subdivision is funded primarily with General Fund and cash funds from the Public Health Services Support Fund.

Assessment, Planning, and Support Program	<u>622,050</u>	<u>571,762</u>	<u>545,110</u>	<u>549,469</u>
FTE	5.3	6.2	8.4	8.4
General Fund	308,638	353,750	326,210	330,569
Cash Funds	93,959	0	0	0
Federal Funds	219,453	218,012	218,900	218,900
Distributions to Local Public Health Agencies	<u>8,513,222</u>	<u>8,389,745</u>	<u>8,786,252</u>	<u>8,786,252</u>
General Fund	6,531,478	6,531,478	7,027,228	7,027,228
Cash Funds	1,981,744	1,858,267	1,759,024	1,759,024

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SUBTOTAL - (C) Local Public Health Planning and Support	9,135,272	8,961,507	9,331,362	9,335,721	0.0%
<i>FTE</i>	<u>5.3</u>	<u>6.2</u>	<u>8.4</u>	<u>8.4</u>	<u>0.0%</u>
General Fund	6,840,116	6,885,228	7,353,438	7,357,797	0.1%
Cash Funds	2,075,703	1,858,267	1,759,024	1,759,024	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	219,453	218,012	218,900	218,900	0.0%
TOTAL - (1) Administration and Support	39,024,203	48,980,107	59,014,189	65,050,146	10.2%
<i>FTE</i>	<u>74.2</u>	<u>80.2</u>	<u>89.9</u>	<u>91.0</u>	<u>1.2%</u>
General Fund	8,405,769	8,492,260	11,080,714	11,768,999	6.2%
Cash Funds	11,523,805	12,328,312	15,621,678	14,603,445	(6.5%)
Reappropriated Funds	18,383,126	27,431,393	29,971,607	29,695,183	(0.9%)
Federal Funds	711,503	728,142	2,340,190	8,982,519	283.8%

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(2) CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION

This division is comprised of four subdivisions: Health Statistics and Vital Records, Medical Marijuana Registry, Information Technology Services, and Indirect Cost Assessment.

Information Technology Services

Personal Services	320,930	0	0	
FTE	1.8	0.0	0.0	These lines do not exist in the FY 15-16 Long Bill
Cash Funds	70,849	0	0	
Reappropriated Funds	250,081	0	0	
Purchase of Services from Computer Center	<u>5,203,931</u>	<u>0</u>	<u>0</u>	
General Fund	234,946	0	0	
Cash Funds	1,446,127	0	0	
Reappropriated Funds	2,331,526	0	0	
Federal Funds	1,191,332	0	0	
Operating Expenses	<u>765,146</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	
Cash Funds	103,927	0	0	
Reappropriated Funds	661,219	0	0	
Federal Funds	0	0	0	
Multiuse Network Payments	<u>641,970</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	
Cash Funds	0	0	0	
Reappropriated Funds	641,970	0	0	
Federal Funds	0	0	0	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Management and Administration of OIT	<u>352,987</u>	<u>0</u>	<u>0</u>		
General Fund	0	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	352,987	0	0		
Federal Funds	0	0	0		
Communication Services Payments	<u>16,691</u>	<u>0</u>	<u>0</u>		
General Fund	0	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	16,691	0	0		
Federal Funds	0	0	0		
CORE Operations	<u>699,370</u>	<u>0</u>	<u>0</u>		
General Fund	417,565	0	0		
Cash Funds	281,805	0	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		
Information Technology Security	<u>65,049</u>	<u>0</u>	<u>0</u>		
General Fund	2,478	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	62,571	0	0		
Federal Funds	0	0	0		

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - Information Technology Services	8,066,074	0	0	0.0%	
<i>FTE</i>	<u>1.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>	
General Fund	654,989	0	0	0.0%	
Cash Funds	1,902,708	0	0	0.0%	
Reappropriated Funds	4,317,045	0	0	0.0%	
Federal Funds	1,191,332	0	0	0.0%	

(A) Administration and Support

Program Costs	<u>0</u>	<u>0</u>	<u>504,867</u>	<u>510,262</u>	
<i>FTE</i>	0.0	0.0	4.7	4.7	
General Fund	0	0	33,707	35,354	
Cash Funds	0	0	213,315	217,063	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	257,845	257,845	
SUBTOTAL - (A) Administration and Support	0	0	504,867	510,262	1.1%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>4.7</u>	<u>4.7</u>	<u>0.0%</u>
General Fund	0	0	33,707	35,354	4.9%
Cash Funds	0	0	213,315	217,063	1.8%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	257,845	257,845	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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(B) Health Statistics and Vital Records

agencies. Data users include the Center for Disease Control, local public health agencies, and epidemiologists. This subdivision is primarily funded with cash funds from the Vital Statistics Records Cash Fund and federal funds.

Personal Services	<u>3,204,432</u>	<u>4,703,804</u>	<u>3,370,222</u>	<u>3,658,345</u> *
FTE	54.9	52.0	47.7	47.7
Cash Funds	1,741,007	3,315,391	2,144,605	2,432,728
Reappropriated Funds	5,888	9,400	5,887	5,887
Federal Funds	1,457,537	1,379,013	1,219,730	1,219,730
Operating Expenses	<u>666,376</u>	<u>773,366</u>	<u>266,394</u>	<u>456,394</u>
Cash Funds	466,182	525,131	72,794	262,794
Federal Funds	200,194	248,235	193,600	193,600
Necessary Document Assistance	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u> *
General Fund	0	0	300,000	0

SUBTOTAL - (B) Health Statistics and Vital Records	3,870,808	5,477,170	3,936,616	4,114,739	4.5%
FTE	<u>54.9</u>	<u>52.0</u>	<u>47.7</u>	<u>47.7</u>	<u>0.0%</u>
General Fund	0	0	300,000	0	(100.0%)
Cash Funds	2,207,189	3,840,522	2,217,399	2,695,522	21.6%
Reappropriated Funds	5,888	9,400	5,887	5,887	0.0%
Federal Funds	1,657,731	1,627,248	1,413,330	1,413,330	0.0%

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(C) Medical Marijuana Registry

Medical Marijuana Registry fee. The Medical Marijuana Registry is entirely cash funded by the Medical Marijuana Program Cash Fund and was not impacted by any of the 2013 Session legislation on the implementation of Amendment 64.

Personal Services	<u>1,928,192</u>	<u>1,823,851</u>	<u>1,852,713</u>	<u>1,852,713</u>	
FTE	31.2	24.4	24.3	24.3	
Cash Funds	1,928,192	1,823,851	1,852,713	1,852,713	
Operating Expenses	<u>79,929</u>	<u>163,915</u>	<u>171,228</u>	<u>171,228</u>	
Cash Funds	79,929	163,915	171,228	171,228	

SUBTOTAL - (C) Medical Marijuana Registry	2,008,121	1,987,766	2,023,941	2,023,941	0.0%
<i>FTE</i>	<u>31.2</u>	<u>24.4</u>	<u>24.3</u>	<u>24.3</u>	<u>(0.0%)</u>
General Fund	0	0	0	0	0.0%
Cash Funds	2,008,121	1,987,766	2,023,941	2,023,941	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(D) Health Data Programs and Information					
Cancer Registry	<u>0</u>	<u>994,649</u>	<u>1,202,637</u>	<u>1,202,637</u>	
FTE	0.0	14.3	10.2	10.2	
General Fund	0	97,990	213,828	213,828	
Federal Funds	0	896,659	988,809	988,809	
Birth Defects Monitoring and Prevention Program	<u>0</u>	<u>360,162</u>	<u>1,492,895</u>	<u>1,461,054</u>	
FTE	0.0	4.5	12.6	12.6	
General Fund	0	120,106	123,073	123,073	
Cash Funds	0	93,126	166,358	153,700	
Federal Funds	0	146,930	1,203,464	1,184,281	
Health Information Exchange	<u>0</u>	<u>84,138</u>	<u>453,516</u>	<u>453,516</u>	
General Fund	0	84,138	453,516	453,516	
Electronic Health Records for Local Public Health Agencies	<u>0</u>	<u>149</u>	<u>1,829,449</u>	<u>1,163,978</u>	
General Fund	0	149	1,829,449	1,163,978	
SUBTOTAL - (D) Health Data Programs and Information	0	1,439,098	4,978,497	4,281,185	(14.0%)
FTE	<u>0.0</u>	<u>18.8</u>	<u>22.8</u>	<u>22.8</u>	<u>0.0%</u>
General Fund	0	302,383	2,619,866	1,954,395	(25.4%)
Cash Funds	0	93,126	166,358	153,700	(7.6%)
Federal Funds	0	1,043,589	2,192,273	2,173,090	(0.9%)

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(E) Indirect Cost Assessment					
Indirect Cost Assessment	<u>1,756,423</u>	<u>1,545,431</u>	<u>2,745,400</u>	<u>2,745,400</u>	
Cash Funds	1,146,103	1,197,776	1,438,300	1,438,300	
Reappropriated Funds	14,455	0	0	0	
Federal Funds	595,865	347,655	1,307,100	1,307,100	
SUBTOTAL - (E) Indirect Cost Assessment	1,756,423	1,545,431	2,745,400	2,745,400	0.0%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	1,146,103	1,197,776	1,438,300	1,438,300	0.0%
Reappropriated Funds	14,455	0	0	0	0.0%
Federal Funds	595,865	347,655	1,307,100	1,307,100	0.0%
TOTAL - (2) Center for Health and Environmental Information	15,701,426	10,449,465	14,189,321	13,675,527	(3.6%)
<i>FTE</i>	<u>87.9</u>	<u>95.2</u>	<u>99.5</u>	<u>99.5</u>	<u>0.0%</u>
General Fund	654,989	302,383	2,953,573	1,989,749	(32.6%)
Cash Funds	7,264,121	7,119,190	6,059,313	6,528,526	7.7%
Reappropriated Funds	4,337,388	9,400	5,887	5,887	0.0%
Federal Funds	3,444,928	3,018,492	5,170,548	5,151,365	(0.4%)

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(3) LABORATORY SERVICES

air laboratories. This division is primarily funded with cash funds from the Newborn Screening and Genetic Counseling Cash Fund, the Laboratory Cash Fund, the Law Enforcement Assistance Fund, and federal funds.

Director's Office	<u>436,713</u>	<u>465,756</u>	<u>1,042,410</u>	<u>1,060,425</u>	
FTE	4.9	5.2	13.3	13.3	
General Fund	0	0	381,892	385,855	
Cash Funds	436,713	465,756	451,615	465,667	
Reappropriated Funds	0	0	138,346	138,346	
Federal Funds	0	0	70,557	70,557	
Chemistry and Microbiology Personal Services	<u>4,745,273</u>	<u>4,510,873</u>	<u>4,373,167</u>	<u>4,409,358</u>	
FTE	58.6	58.6	50.2	50.2	
General Fund	743,576	766,746	401,935	412,833	
Cash Funds	2,284,513	2,092,814	2,568,783	2,594,076	
Reappropriated Funds	139,515	58,748	152,706	152,706	
Federal Funds	1,577,669	1,592,565	1,249,743	1,249,743	
Chemistry and Microbiology Operating Expenses	<u>4,015,605</u>	<u>3,791,809</u>	<u>4,533,618</u>	<u>4,540,415</u>	
General Fund	314,067	321,389	321,389	321,389	
Cash Funds	2,567,154	2,600,960	3,357,653	3,364,450	
Reappropriated Funds	98,752	4,752	179,676	179,676	
Federal Funds	1,035,632	864,708	674,900	674,900	
Certification	<u>613,991</u>	<u>688,695</u>	<u>1,419,182</u>	<u>1,421,992</u>	
FTE	6.9	7.8	13.5	13.5	
Cash Funds	451,666	499,008	626,590	805,692	
Reappropriated Funds	0	0	176,292	0	
Federal Funds	162,325	189,687	616,300	616,300	

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Indirect Cost Assessment	<u>1,775,988</u>	<u>2,148,452</u>	<u>2,286,800</u>	<u>2,286,800</u>	
Cash Funds	1,266,158	1,538,464	1,558,100	1,558,100	
Federal Funds	509,830	609,988	728,700	728,700	
TOTAL - (3) Laboratory Services	11,587,570	11,605,585	13,655,177	13,718,990	0.5%
<i>FTE</i>	<u>70.4</u>	<u>71.6</u>	<u>77.0</u>	<u>77.0</u>	<u>(0.0%)</u>
General Fund	1,057,643	1,088,135	1,105,216	1,120,077	1.3%
Cash Funds	7,006,204	7,197,002	8,562,741	8,787,985	2.6%
Reappropriated Funds	238,267	63,500	647,020	470,728	(27.2%)
Federal Funds	3,285,456	3,256,948	3,340,200	3,340,200	0.0%

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(4) AIR POLLUTION CONTROL DIVISION

ts and inspections.

(A) Administration

This subdivision provides administrative support to the Air Quality Control Commission and manages the implementation of air programs by the other subdivisions.

Program Costs	<u>428,621</u>	<u>425,572</u>	<u>1,909,495</u>	<u>1,936,668</u>	
FTE	3.8	4.9	13.8	13.8	
Cash Funds	290,282	286,003	1,234,167	1,261,340	
Federal Funds	138,339	139,569	675,328	675,328	
Indirect Cost Assessment	<u>3,611,888</u>	<u>4,189,227</u>	<u>4,416,600</u>	<u>4,416,600</u>	
Cash Funds	2,955,730	3,461,923	3,615,900	3,615,900	
Federal Funds	656,158	727,304	800,700	800,700	

SUBTOTAL - (A) Administration	4,040,509	4,614,799	6,326,095	6,353,268	0.4%
FTE	<u>3.8</u>	<u>4.9</u>	<u>13.8</u>	<u>13.8</u>	<u>0.0%</u>
Cash Funds	3,246,012	3,747,926	4,850,067	4,877,240	0.6%
Federal Funds	794,497	866,873	1,476,028	1,476,028	0.0%

(B) Technical Services

This subdivision houses the Air Quality Monitoring; Modeling and Analysis; and Visibility and Risk Assessment programs.

Personal Services	<u>3,150,293</u>	<u>2,921,140</u>	<u>3,062,248</u>	<u>3,107,857</u>	
FTE	36.2	34.0	33.7	33.7	
Cash Funds	1,981,450	1,702,284	2,149,993	2,195,602	
Federal Funds	1,168,843	1,218,856	912,255	912,255	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Operating Expenses	<u>428,059</u>	<u>510,691</u>	<u>844,070</u>	<u>564,664</u>	
Cash Funds	294,510	291,980	593,347	313,941	
Federal Funds	133,549	218,711	250,723	250,723	
Local Contracts	<u>1,273,928</u>	<u>869,134</u>	<u>896,536</u>	<u>896,536</u>	
General Fund	0	0	94,298	94,298	
Cash Funds	617,628	523,862	567,638	567,638	
Federal Funds	656,300	345,272	234,600	234,600	
Front Range Air Pollution and Photochemistry Experiment	<u>700,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	189,000	0	0	0	
Cash Funds	511,000	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (B) Technical Services	5,552,280	4,300,965	4,802,854	4,569,057	(4.9%)
<i>FTE</i>	<u>36.2</u>	<u>34.0</u>	<u>33.7</u>	<u>33.7</u>	<u>0.0%</u>
General Fund	189,000	0	94,298	94,298	0.0%
Cash Funds	3,404,588	2,518,126	3,310,978	3,077,181	(7.1%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	1,958,692	1,782,839	1,397,578	1,397,578	0.0%

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(C) Mobile Sources					
is required when registering, renewing registrations, or selling vehicles within the program areas along Colorado's Front Range.					
Personal Services	<u>2,611,513</u>	<u>2,678,145</u>	<u>2,371,778</u>	<u>2,399,882</u>	
FTE	29.5	32.7	26.4	26.4	
Cash Funds	2,331,094	2,266,762	2,289,180	2,317,284	
Federal Funds	280,419	411,383	82,598	82,598	
Operating Expenses	<u>272,142</u>	<u>259,942</u>	<u>307,496</u>	<u>307,496</u>	
Cash Funds	231,559	254,558	230,240	230,240	
Federal Funds	40,583	5,384	77,256	77,256	
Diesel Inspection/Maintenance Program	<u>627,441</u>	<u>512,644</u>	<u>630,164</u>	<u>636,254</u>	
FTE	6.5	6.6	6.3	6.3	
Cash Funds	627,441	512,644	630,164	636,254	
Mechanic Certification Program	<u>3,651</u>	<u>5,043</u>	<u>7,000</u>	<u>7,000</u>	
Cash Funds	3,651	5,043	7,000	7,000	
Local Grants	<u>75,509</u>	<u>75,509</u>	<u>77,597</u>	<u>77,597</u>	
Cash Funds	75,509	75,509	77,597	77,597	
SUBTOTAL - (C) Mobile Sources	3,590,256	3,531,283	3,394,035	3,428,229	1.0%
FTE	<u>36.0</u>	<u>39.3</u>	<u>32.7</u>	<u>32.7</u>	<u>0.0%</u>
Cash Funds	3,269,254	3,114,516	3,234,181	3,268,375	1.1%
Federal Funds	321,002	416,767	159,854	159,854	0.0%

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(D) Stationary Sources

s that emit air pollutants. The subdivision houses the following three programs: the Inventory and Support Services Program, the Permits and Compliance Assurance Program, and the Hazardous and Toxic Control Program.

Personal Services	<u>7,462,710</u>	<u>8,041,299</u>	<u>8,264,588</u>	<u>8,381,467</u>	
FTE	96.2	91.1	99.6	99.6	
General Fund	228,223	344,886	0	0	
Cash Funds	5,924,391	6,067,747	6,954,253	7,071,132	
Federal Funds	1,310,096	1,628,666	1,310,335	1,310,335	
Operating Expenses	<u>528,758</u>	<u>1,837,661</u>	<u>376,908</u>	<u>326,531</u>	
General Fund	118,679	451,190	0	0	
Cash Funds	366,088	1,328,454	327,994	277,617	
Federal Funds	43,991	58,017	48,914	48,914	
Local Contracts	<u>665,761</u>	<u>623,065</u>	<u>820,567</u>	<u>820,567</u>	
Cash Funds	665,761	623,065	722,067	722,067	
Federal Funds	0	0	98,500	98,500	
Preservation of the Ozone Layer	<u>189,511</u>	<u>163,692</u>	<u>216,786</u>	<u>216,786</u>	
FTE	1.7	1.1	2.0	2.0	
Cash Funds	189,511	163,692	216,786	216,786	
Air Quality Dispersion Study	<u>484,052</u>	<u>378,137</u>	<u>331,762</u>	<u>0</u>	
Cash Funds	484,052	378,137	331,762	0	

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SUBTOTAL - (D) Stationary Sources	9,330,792	11,043,854	10,010,611	9,745,351	(2.6%)
<i>FTE</i>	<u>97.9</u>	<u>92.2</u>	<u>101.6</u>	<u>101.6</u>	<u>(0.0%)</u>
General Fund	346,902	796,076	0	0	0.0%
Cash Funds	7,629,803	8,561,095	8,552,862	8,287,602	(3.1%)
Federal Funds	1,354,087	1,686,683	1,457,749	1,457,749	0.0%
TOTAL - (4) Air Pollution Control Division	22,513,837	23,490,901	24,533,595	24,095,905	(1.8%)
<i>FTE</i>	<u>173.9</u>	<u>170.4</u>	<u>181.8</u>	<u>181.8</u>	<u>(0.0%)</u>
General Fund	535,902	796,076	94,298	94,298	0.0%
Cash Funds	17,549,657	17,941,663	19,948,088	19,510,398	(2.2%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	4,428,278	4,753,162	4,491,209	4,491,209	0.0%

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(5) WATER QUALITY CONTROL DIVISION

Department of Agriculture for groundwater protection.

B Administration

This subdivision, as requested for FY 2014-14 would provide funding for division-wide administrative and management support services.

Administration Program	<u>0</u>	<u>0</u>	<u>2,071,451</u>	<u>1,986,533</u>
FTE	0.0	0.0	19.4	19.4
General Fund	0	0	537,807	548,464
Cash Funds	0	0	399,781	379,565
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	1,133,863	1,058,504
Personal Services	<u>0</u>	<u>8,938,563</u>	<u>0</u>	<u>0</u>
FTE	0.0	108.7	0.0	0.0
General Fund	0	2,108,553	0	0
Cash Funds	0	3,678,436	0	0
Reappropriated Funds	0	37,998	0	0
Federal Funds	0	3,113,576	0	0
Operating Expenses	<u>0</u>	<u>1,918,731</u>	<u>0</u>	<u>0</u>
General Fund	0	787,534	0	0
Cash Funds	0	47,647	0	0
Reappropriated Funds	0	1,675	0	0
Federal Funds	0	1,081,875	0	0

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - B Administration	0	10,857,294	2,071,451	1,986,533	(4.1%)
<i>FTE</i>	<u>0.0</u>	<u>108.7</u>	<u>19.4</u>	<u>19.4</u>	<u>(0.0%)</u>
General Fund	0	2,896,087	537,807	548,464	2.0%
Cash Funds	0	3,726,083	399,781	379,565	(5.1%)
Reappropriated Funds	0	39,673	0	0	0.0%
Federal Funds	0	4,195,451	1,133,863	1,058,504	(6.6%)

(B) Clean Water Sectors

Commerce and Industry Sector	<u>0</u>	<u>0</u>	<u>2,149,419</u>	<u>2,175,672</u>
FTE	0.0	0.0	23.3	23.3
General Fund	0	0	545,187	555,781
Cash Funds	0	0	956,606	972,265
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	647,626	647,626
Construction Sector	<u>0</u>	<u>0</u>	<u>1,285,787</u>	<u>1,752,275</u>
FTE	0.0	0.0	15.3	20.3
General Fund	0	0	307,295	313,957
Cash Funds	0	0	617,354	1,077,180
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	361,138	361,138
Municipal Separate Storm Sewer System Sector	<u>0</u>	<u>0</u>	<u>260,132</u>	<u>263,433</u>
FTE	0.0	0.0	3.1	3.1
General Fund	0	0	62,171	63,507
Cash Funds	0	0	124,898	126,863
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	73,063	73,063

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Pesticides Sector	<u>0</u>	<u>0</u>	<u>160,000</u>	<u>160,991</u>	
FTE	0.0	0.0	1.0	1.0	
General Fund	0	0	142,400	143,391	
Cash Funds	0	0	17,600	17,600	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Public and Private Utilities Sector	<u>0</u>	<u>0</u>	<u>3,534,849</u>	<u>3,578,387</u>	
FTE	0.0	0.0	41.4	41.4	
General Fund	0	0	873,456	890,644	
Cash Funds	0	0	1,626,074	1,652,424	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	1,035,319	1,035,319	
Water Quality Certification Sector	<u>0</u>	<u>0</u>	<u>220,000</u>	<u>423,895</u>	
FTE	0.0	0.0	1.5	1.5	
General Fund	0	0	220,000	220,800	
Cash Funds	0	0	0	203,095	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
General Fund Subsidy	<u>0</u>	<u>0</u>	<u>245,457</u>	<u>1,208,007</u> *	
FTE	0.0	0.0	4.0	4.0	
General Fund	0	0	245,457	1,208,007	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - (B) Clean Water Sectors	0	0	7,855,644	9,562,660	21.7%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>89.6</u>	<u>94.6</u>	<u>5.6%</u>
General Fund	0	0	2,395,966	3,396,087	41.7%
Cash Funds	0	0	3,342,532	4,049,427	21.1%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	2,117,146	2,117,146	0.0%

(C) Clean Water Program

ctions, providing technical assistance, and as necessary, pursuing enforcement actions.

Local Grants and Contracts	<u>1,733,413</u>	<u>2,114,137</u>	<u>4,015,804</u>	<u>4,015,804</u>
General Fund	0	0	362,154	362,154
Cash Funds	0	623,040	0	0
Reappropriated Funds	0	0	39,673	39,673
Federal Funds	1,733,413	1,491,097	3,613,977	3,613,977
Water Quality Improvement	<u>149,510</u>	<u>81,691</u>	<u>167,196</u>	<u>767,196</u>
Cash Funds	149,510	81,691	167,196	767,196
Personal Services	<u>8,649,902</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	99.0	0.0	0.0	0.0
General Fund	1,849,173	0	0	0
Cash Funds	3,517,758	0	0	0
Reappropriated Funds	20,983	0	0	0
Federal Funds	3,261,988	0	0	0

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Operating Expenses	<u>1,967,591</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	841,402	0	0	0	
Cash Funds	70,472	0	0	0	
Reappropriated Funds	1,190	0	0	0	
Federal Funds	1,054,527	0	0	0	
Nutrients Grant Fund	<u>2,593,808</u>	<u>7,077,311</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	2,593,808	7,077,311	0	0	
Transfer to Nutrients Grant Fund	<u>0</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	
General Fund	0	2,000,000	0	0	
Transfer to Natural Disaster Grant Fund	<u>0</u>	<u>17,000,000</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	17,000,000	0	0	
SUBTOTAL - (C) Clean Water Program	15,094,224	28,273,139	4,183,000	4,783,000	14.3%
<i>FTE</i>	<u>99.0</u>	<u>0.0</u>	<u>NaN</u>	<u>0.0</u>	<u>(100.0%)</u>
General Fund	2,690,575	19,000,000	362,154	362,154	0.0%
Cash Funds	6,331,548	7,782,042	167,196	767,196	358.9%
Reappropriated Funds	22,173	0	39,673	39,673	0.0%
Federal Funds	6,049,928	1,491,097	3,613,977	3,613,977	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(D) Drinking Water Program					
o citizens.					
Personal Services	6,420,792	6,865,700	6,047,311	6,073,006	
FTE	67.3	72.4	64.4	64.4	
General Fund	890,560	935,216	854,346	872,968	
Cash Funds	339,596	348,312	343,161	350,234	
Federal Funds	5,190,636	5,582,172	4,849,804	4,849,804	
Operating Expenses	1,252,514	800,111	1,340,565	1,340,565	
General Fund	164,929	157,874	134,100	134,100	
Cash Funds	1,750	1,750	0	0	
Federal Funds	1,085,835	640,487	1,206,465	1,206,465	
SUBTOTAL - (D) Drinking Water Program	7,673,306	7,665,811	7,387,876	7,413,571	0.3%
FTE	67.3	72.4	64.4	64.4	0.0%
General Fund	1,055,489	1,093,090	988,446	1,007,068	1.9%
Cash Funds	341,346	350,062	343,161	350,234	2.1%
Federal Funds	6,276,471	6,222,659	6,056,269	6,056,269	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(E) Indirect Cost Assessments					
Indirect Cost Assessment	<u>2,742,351</u>	<u>3,389,618</u>	<u>3,346,300</u>	<u>3,496,985</u>	
Cash Funds	951,738	1,372,068	1,164,100	1,314,785	
Federal Funds	1,790,613	2,017,550	2,182,200	2,182,200	
SUBTOTAL - (E) Indirect Cost Assessments	2,742,351	3,389,618	3,346,300	3,496,985	4.5%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	951,738	1,372,068	1,164,100	1,314,785	12.9%
Federal Funds	1,790,613	2,017,550	2,182,200	2,182,200	0.0%
TOTAL - (5) Water Quality Control Division	25,509,881	50,185,862	24,844,271	27,242,749	9.7%
<i>FTE</i>	<u>166.3</u>	<u>181.1</u>	<u>173.4</u>	<u>178.4</u>	<u>2.9%</u>
General Fund	3,746,064	22,989,177	4,284,373	5,313,773	24.0%
Cash Funds	7,624,632	13,230,255	5,416,770	6,861,207	26.7%
Reappropriated Funds	22,173	39,673	39,673	39,673	0.0%
Federal Funds	14,117,012	13,926,757	15,103,455	15,028,096	(0.5%)

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(6) HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

e Program.

(A) Administration

Fund, and federal funds.

Program Costs	<u>140,569</u>	<u>161,337</u>	<u>2,394,095</u>	<u>2,403,463</u>	
FTE	0.6	0.9	19.0	19.0	
Cash Funds	134,526	161,337	1,535,307	1,544,675	
Reappropriated Funds	6,043	0	85,087	85,087	
Federal Funds	0	0	773,701	773,701	
Legal Services	<u>173,881</u>	<u>98,329</u>	<u>497,092</u>	<u>497,092</u>	
Cash Funds	18,976	16,970	342,352	342,352	
Reappropriated Funds	111	0	455	455	
Federal Funds	154,794	81,359	154,285	154,285	
Indirect Cost Assessment	<u>2,681,436</u>	<u>3,090,297</u>	<u>3,277,000</u>	<u>3,277,000</u>	
Cash Funds	1,718,962	2,063,213	2,104,300	2,104,300	
Reappropriated Funds	41,251	41,191	50,600	50,600	
Federal Funds	921,223	985,893	1,122,100	1,122,100	

SUBTOTAL - (A) Administration	2,995,886	3,349,963	6,168,187	6,177,555	0.2%
FTE	<u>0.6</u>	<u>0.9</u>	<u>19.0</u>	<u>19.0</u>	<u>(0.0%)</u>
Cash Funds	1,872,464	2,241,520	3,981,959	3,991,327	0.2%
Reappropriated Funds	47,405	41,191	136,142	136,142	0.0%
Federal Funds	1,076,017	1,067,252	2,050,086	2,050,086	0.0%

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(B) Hazardous Waste Control Program

and federal funds.

Personal Services	<u>3,998,340</u>	<u>3,959,414</u>	<u>3,997,911</u>	<u>4,033,077</u>	
FTE	32.8	30.4	25.9	25.9	
Cash Funds	1,561,775	1,597,885	1,924,781	1,959,947	
Federal Funds	2,436,565	2,361,529	2,073,130	2,073,130	
Operating Expenses	<u>176,760</u>	<u>129,426</u>	<u>136,549</u>	<u>136,549</u>	
Cash Funds	77,850	79,871	80,580	80,580	
Federal Funds	98,910	49,555	55,969	55,969	

SUBTOTAL - (B) Hazardous Waste Control Program	4,175,100	4,088,840	4,134,460	4,169,626	0.9%
FTE	<u>32.8</u>	<u>30.4</u>	<u>25.9</u>	<u>25.9</u>	(0.0%)
Cash Funds	1,639,625	1,677,756	2,005,361	2,040,527	1.8%
Federal Funds	2,535,475	2,411,084	2,129,099	2,129,099	0.0%

(C) Solid Waste Control Program

enforcing rules governing waste tire disposal and use. Funding for this subdivision is from cash funds, including the Solid Waste Management Fund, Waste Tire Prevention Fund, and Waste Tire Cleanup Fund.

Program Costs	<u>2,582,105</u>	<u>2,806,959</u>	<u>2,667,479</u>	<u>2,682,055</u> *	
FTE	22.6	24.3	20.2	22.2	
Cash Funds	2,582,105	2,806,959	2,667,479	2,682,055	

SUBTOTAL - (C) Solid Waste Control Program	2,582,105	2,806,959	2,667,479	2,682,055	0.5%
FTE	<u>22.6</u>	<u>24.3</u>	<u>20.2</u>	<u>22.2</u>	9.9%
Cash Funds	2,582,105	2,806,959	2,667,479	2,682,055	0.5%

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(D) Contaminated Site Cleanups and Remediation Programs

4) The Uranium Mill Tailings Remedial Action Program, which assists local governments in managing mill tailings that were not removed during the cleanup and are disturbed during road work or other renewal or building activities.

Personal Services	<u>3,794,965</u>	<u>3,561,869</u>	<u>5,159,294</u>	<u>4,979,294</u> *
FTE	19.5	23.7	20.8	18.8
Cash Funds	564,411	777,058	1,442,950	1,262,950
Federal Funds	3,230,554	2,784,811	3,716,344	3,716,344
Operating Expenses	<u>530,739</u>	<u>233,110</u>	<u>1,204,061</u>	<u>1,204,061</u>
Cash Funds	13,339	(7,794)	49,045	49,045
Federal Funds	517,400	240,904	1,155,016	1,155,016
Contaminated Sites Operation and Maintenance	<u>1,030,476</u>	<u>909,161</u>	<u>2,052,086</u>	<u>2,052,086</u>
Cash Funds	1,030,476	909,161	1,559,186	1,559,186
Federal Funds	0	0	492,900	492,900
Brownsfield Cleanup Program	<u>0</u>	<u>0</u>	<u>250,000</u>	<u>250,000</u>
General Fund	0	0	0	0
Cash Funds	0	0	250,000	250,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
Transfer to the Department of Law for CERCLA Related				
Costs	<u>528,117</u>	<u>423,497</u>	<u>713,142</u>	<u>713,142</u>
Cash Funds	528,117	423,497	713,142	713,142

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Uranium Mill Tailings Remedial Action Program	<u>240,589</u>	<u>248,108</u>	<u>168,534</u>	<u>171,259</u>	
FTE	2.9	2.4	2.5	2.5	
Cash Funds	0	52	0	0	
Reappropriated Funds	196,040	190,818	149,177	151,902	
Federal Funds	44,549	57,238	19,357	19,357	
Rocky Flats Program Costs	<u>185,933</u>	<u>140,082</u>	<u>119,803</u>	<u>119,803</u>	
FTE	1.0	1.3	2.1	2.1	
Federal Funds	185,933	140,082	119,803	119,803	
Rocky Flats Legal Services	<u>12,040</u>	<u>9,858</u>	<u>26,128</u>	<u>26,128</u>	
Federal Funds	12,040	9,858	26,128	26,128	
Transfer to the Department of Law for Natural Resource					
Damage Claims at Rocky Mountain Arsenal	<u>50,000</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	
Cash Funds	50,000	0	50,000	50,000	
SUBTOTAL - (D) Contaminated Site Cleanups and Remediation Programs	6,372,859	5,525,685	9,743,048	9,565,773	(1.8%)
FTE	<u>23.4</u>	<u>27.4</u>	<u>25.4</u>	<u>23.4</u>	(7.9%)
General Fund	0	0	0	0	0.0%
Cash Funds	2,186,343	2,101,974	4,064,323	3,884,323	(4.4%)
Reappropriated Funds	196,040	190,818	149,177	151,902	1.8%
Federal Funds	3,990,476	3,232,893	5,529,548	5,529,548	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(E) Radiation Management					
funds.					
Personal Services	2,468,616	2,385,732	1,909,396	1,710,896	
FTE	24.3	23.5	19.7	19.7	
Cash Funds	2,216,303	2,098,598	1,720,419	1,521,919	
Federal Funds	252,313	287,134	188,977	188,977	
Operating Expenses	<u>166,489</u>	<u>117,304</u>	<u>239,268</u>	<u>239,268</u>	
Cash Funds	83,985	(2,633)	74,615	74,615	
Federal Funds	82,504	119,937	164,653	164,653	
SUBTOTAL - (E) Radiation Management	2,635,105	2,503,036	2,148,664	1,950,164	(9.2%)
FTE	<u>24.3</u>	<u>23.5</u>	<u>19.7</u>	<u>19.7</u>	0.0%
Cash Funds	2,300,288	2,095,965	1,795,034	1,596,534	(11.1%)
Federal Funds	334,817	407,071	353,630	353,630	0.0%

(F) Waste Tire Program

and end users.

Waste Tire Program Administration and Cleanup					
Program Enforcement	<u>0</u>	<u>1,484,992</u>	<u>2,896,041</u>	<u>2,896,041</u>	
FTE	0.0	3.9	5.0	5.0	
General Fund	0	500,000	0	0	
Cash Funds	0	984,992	2,896,041	2,896,041	
Waste Tire Market Development	<u>231,001</u>	<u>166,344</u>	<u>311,534</u>	<u>311,534</u>	
FTE	0.3	0.0	0.0	0.0	
Cash Funds	231,001	166,344	311,534	311,534	

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Waste Tire Rebates	0	<u>1,202,355</u>	<u>3,852,039</u>	<u>3,852,039</u>	
Cash Funds	0	1,202,355	3,852,039	3,852,039	
Waste Tire Cleanup Program	<u>846,787</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	2.5	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	846,787	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Law Enforcement and Waste Tire Fire Prevention	<u>398,841</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	398,841	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Processors and End Users Rebate	<u>3,978,856</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.4	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	3,978,856	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - (F) Waste Tire Program	5,455,485	2,853,691	7,059,614	7,059,614	0.0%
<i>FTE</i>	<u>3.2</u>	<u>3.9</u>	<u>5.0</u>	<u>5.0</u>	<u>0.0%</u>
General Fund	0	500,000	0	0	0.0%
Cash Funds	5,455,485	2,353,691	7,059,614	7,059,614	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%
TOTAL - (6) Hazardous Materials and Waste Management Division	24,216,540	21,128,174	31,921,452	31,604,787	(1.0%)
<i>FTE</i>	<u>106.9</u>	<u>110.4</u>	<u>115.2</u>	<u>115.2</u>	<u>(0.0%)</u>
General Fund	0	500,000	0	0	0.0%
Cash Funds	16,036,310	13,277,865	21,573,770	21,254,380	(1.5%)
Reappropriated Funds	243,445	232,009	285,319	288,044	1.0%
Federal Funds	7,936,785	7,118,300	10,062,363	10,062,363	0.0%

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(7) DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY

ile home park operators, and camp ground operators.

Administration and Support	<u>0</u>	<u>0</u>	<u>856,130</u>	<u>856,338</u>	
FTE	0.0	0.0	7.5	7.5	
General Fund	0	0	484,367	484,575	
Cash Funds	0	0	270,049	270,049	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	101,714	101,714	
Environmental Health Programs	<u>2,520,694</u>	<u>2,640,321</u>	<u>2,614,798</u>	<u>2,533,061</u>	
FTE	28.0	25.5	22.3	22.1	
General Fund	1,124,899	1,126,383	642,859	627,001	
Cash Funds	799,911	870,185	1,409,820	1,343,192	
Reappropriated Funds	100,990	101,389	109,345	110,094	
Federal Funds	494,894	542,364	452,774	452,774	
Sustainability Programs	<u>886,370</u>	<u>756,979</u>	<u>841,511</u>	<u>841,511</u>	
FTE	7.2	6.8	8.6	8.6	
Cash Funds	233,118	197,638	248,790	248,790	
Federal Funds	653,252	559,341	592,721	592,721	
Animal Feeding Operations Program	<u>465,397</u>	<u>427,134</u>	<u>505,777</u>	<u>505,777</u>	
FTE	3.9	4.0	3.4	3.4	
General Fund	99,419	0	99,538	99,538	
Cash Funds	365,978	427,134	406,239	406,239	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Recycling Resources Economic Opportunity Program	<u>1,426,729</u>	<u>2,789,030</u>	<u>2,308,548</u>	<u>2,308,548</u>	
FTE	1.8	1.4	1.4	1.4	
Cash Funds	1,426,729	2,789,030	2,308,548	2,308,548	
Oil and Gas Consultation Program	<u>104,852</u>	<u>122,298</u>	<u>114,350</u>	<u>114,350</u>	
FTE	1.0	1.0	0.9	0.9	
Cash Funds	104,852	122,298	114,350	114,350	
Household Take-back Medication Program	<u>0</u>	<u>39,877</u>	<u>350,000</u>	<u>350,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	4,089	300,000	300,000	
Cash Funds	0	35,788	50,000	50,000	
Cottage Foods Program	<u>0</u>	<u>0</u>	<u>120,982</u>	<u>120,982</u>	
FTE	0.0	0.0	1.4	1.4	
General Fund	0	0	120,982	120,982	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Indirect Costs Assessment	<u>642,071</u>	<u>775,039</u>	<u>785,200</u>	<u>785,200</u>	
Cash Funds	401,661	535,113	491,100	491,100	
Federal Funds	240,410	239,926	294,100	294,100	
Transfer to Recycling Resources Economic Opportunity Fund	<u>0</u>	<u>1,500,000</u>	<u>0</u>	<u>0</u>	
General Fund	0	1,500,000	0	0	

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Operating Expenses	<u>203,143</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	26,830	0	0	0	
Cash Funds	93,020	0	0	0	
Reappropriated Funds	8,347	0	0	0	
Federal Funds	74,946	0	0	0	
TOTAL - (7) Division of Environmental Health and Sustainability	6,249,256	9,050,678	8,497,296	8,415,767	(1.0%)
<i>FTE</i>	<u>41.9</u>	<u>38.7</u>	<u>45.5</u>	<u>45.3</u>	<u>(0.4%)</u>
General Fund	1,251,148	2,630,472	1,647,746	1,632,096	(0.9%)
Cash Funds	3,425,269	4,977,186	5,298,896	5,232,268	(1.3%)
Reappropriated Funds	109,337	101,389	109,345	110,094	0.7%
Federal Funds	1,463,502	1,341,631	1,441,309	1,441,309	0.0%

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(8) DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION

unding for this division include General Fund, cash funds from the tobacco master settlement agreement, and federal funds.

(A) Administration, General Disease Control and Surveillance

ization clinics.

Program Costs	<u>1,205,355</u>	<u>1,160,148</u>	<u>2,768,722</u>	<u>2,863,558</u> *
FTE	7.9	11.3	33.1	33.9
General Fund	1,053,722	1,116,805	1,208,226	1,303,062
Cash Funds	0	0	7,008	7,008
Federal Funds	151,633	43,343	1,553,488	1,553,488
 Immunization Personal Services	 <u>3,285,043</u>	 <u>3,615,358</u>	 <u>3,364,091</u>	 <u>3,334,240</u>
FTE	31.6	36.3	25.9	25.3
General Fund	670,038	829,312	1,319,455	1,289,604
Federal Funds	2,615,005	2,786,046	2,044,636	2,044,636
 Immunization Operating Expenses	 <u>51,415,016</u>	 <u>49,610,256</u>	 <u>48,522,112</u>	 <u>48,066,984</u>
General Fund	640,731	684,272	1,375,987	937,468
General Fund Exempt	425,570	0	427,593	410,984
Cash Funds	868,028	875,978	868,330	868,330
Federal Funds	49,480,687	48,050,006	45,850,202	45,850,202
 Appropriation from the Tobacco Tax Cash Fund to the				
General Fund	<u>424,078</u>	<u>423,600</u>	<u>427,593</u>	<u>410,984</u>
General Fund	0	423,600	0	0
Cash Funds	424,078	0	427,593	410,984

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Federal Grants	<u>2,174,581</u>	<u>2,847,205</u>	<u>1,333,092</u>	<u>1,333,092</u>	
FTE	19.2	19.8	9.2	9.2	
Federal Funds	2,174,581	2,847,205	1,333,092	1,333,092	
Indirect Cost Assessment	<u>2,992,346</u>	<u>3,070,086</u>	<u>3,379,900</u>	<u>3,379,900</u>	
Cash Funds	32,880	53,959	84,200	84,200	
Federal Funds	2,959,466	3,016,127	3,295,700	3,295,700	
SUBTOTAL - (A) Administration, General Disease					
Control and Surveillance	61,496,419	60,726,653	59,795,510	59,388,758	(0.7%)
FTE	<u>58.7</u>	<u>67.4</u>	<u>68.2</u>	<u>68.4</u>	<u>0.3%</u>
General Fund	2,364,491	3,053,989	3,903,668	3,530,134	(9.6%)
General Fund Exempt	425,570	0	427,593	410,984	(3.9%)
Cash Funds	1,324,986	929,937	1,387,131	1,370,522	(1.2%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	57,381,372	56,742,727	54,077,118	54,077,118	0.0%

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(B) Special Purpose Disease Control Programs

This subdivision is responsible for disease control programs which work to control and prevent certain communicable diseases including sexually transmitted infections, HIV and AIDS, and tuberculosis.

Sexually Transmitted Infections, HIV and AIDS Personal

Services	<u>3,796,019</u>	<u>3,160,315</u>	<u>3,247,911</u>	<u>3,247,911</u>
FTE	45.1	33.7	39.9	39.9
Cash Funds	46,988	94,118	94,236	94,236
Federal Funds	3,749,031	3,066,197	3,153,675	3,153,675

Sexually Transmitted Infections, HIV and AIDS

Operating Expenses	<u>4,335,485</u>	<u>3,152,953</u>	<u>5,734,106</u>	<u>5,734,106</u>
Cash Funds	1,721,306	1,454,062	2,154,272	2,154,272
Federal Funds	2,614,179	1,698,891	3,579,834	3,579,834

Ryan White Act Personal Services

FTE	12.9	22.0	10.2	10.2
General Fund	21,621	0	22,018	22,018
Cash Funds	0	18,691	0	0
Federal Funds	1,267,621	2,107,821	885,678	885,678

Ryan White Act Operating Expenses

General Fund	<u>1,357,404</u>	<u>1,451,065</u>	<u>1,451,065</u>	<u>1,451,065</u>
Cash Funds	2,304,272	3,073,708	4,077,488	3,814,455
Federal Funds	16,561,953	15,552,134	17,142,233	17,142,233

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Tuberculosis Control and Treatment Personal Services	<u>1,858,439</u>	<u>902,010</u>	<u>1,824,888</u>	<u>1,824,888</u>	
FTE	20.0	9.1	13.1	13.1	
General Fund	120,792	122,609	122,609	122,609	
Federal Funds	1,737,647	779,401	1,702,279	1,702,279	
Tuberculosis Control and Treatment Operating Expenses	<u>2,631,595</u>	<u>1,500,170</u>	<u>3,229,337</u>	<u>3,229,337</u>	
General Fund	1,186,408	1,188,487	1,188,761	1,188,761	
Federal Funds	1,445,187	311,683	2,040,576	2,040,576	
SUBTOTAL - (B) Special Purpose Disease Control Programs	34,134,409	30,918,867	37,614,724	37,351,691	(0.7%)
FTE	<u>78.0</u>	<u>64.8</u>	<u>63.2</u>	<u>63.2</u>	0.0%
General Fund	2,686,225	2,762,161	2,784,453	2,784,453	0.0%
Cash Funds	4,072,566	4,640,579	6,325,996	6,062,963	(4.2%)
Federal Funds	27,375,618	23,516,127	28,504,275	28,504,275	0.0%

(C) Environmental Epidemiology

. Once a child is identified as eligible for the program, they are referred to a community provider of early intervention services, with the goal of reducing and/or preventing secondary disabilities.

Cannabis Health Environmental and Epidemiological

Training, Outreach, and Surveillance	<u>80,519</u>	<u>290,411</u>	<u>320,388</u>	<u>667,000</u> *
FTE	0.8	2.9	4.0	4.0
General Fund	0	290,411	0	0
Cash Funds	80,519	0	320,388	667,000

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Oil and Gas Health Activities	<u>0</u>	<u>0</u>	<u>355,846</u>	<u>293,699</u>	
FTE	0.0	0.0	3.0	3.0	
General Fund	0	0	0	0	
Cash Funds	0	0	355,846	293,699	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Environmental Epidemiology Federal Grants	<u>1,926,833</u>	<u>2,075,174</u>	<u>683,103</u>	<u>683,103</u>	
FTE	14.1	18.5	5.8	5.8	
General Fund	0	0	0	0	
Federal Funds	1,926,833	2,075,174	683,103	683,103	
Birth Defects Monitoring and Prevention Program Costs	<u>322,820</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	3.0	0.0	0.0	0.0	
General Fund	117,656	0	0	0	
Cash Funds	67,410	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	137,754	0	0	0	
SUBTOTAL - (C) Environmental Epidemiology	2,330,172	2,365,585	1,359,337	1,643,802	20.9%
FTE	<u>17.9</u>	<u>21.4</u>	<u>12.8</u>	<u>12.8</u>	<u>0.0%</u>
General Fund	117,656	290,411	0	0	0.0%
Cash Funds	147,929	0	676,234	960,699	42.1%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	2,064,587	2,075,174	683,103	683,103	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
TOTAL - (8) Disease Control and Environmental					
Epidemiology Division	97,961,000	94,011,105	98,769,571	98,384,251	(0.4%)
<i>FTE</i>	<u>154.6</u>	<u>153.6</u>	<u>144.2</u>	<u>144.4</u>	<u>0.1%</u>
General Fund	5,168,372	6,106,561	6,688,121	6,314,587	(5.6%)
General Fund Exempt	425,570	0	427,593	410,984	(3.9%)
Cash Funds	5,545,481	5,570,516	8,389,361	8,394,184	0.1%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	86,821,577	82,334,028	83,264,496	83,264,496	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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(9) PREVENTION SERVICES DIVISION

This division is comprised of the following five subdivisions: Administration, Chronic Disease Prevention Programs, Primary Care Office, Family and Community Health, and Nutrition Services.

(A) Administration

This subdivision provides administrative services to the other division programs. Funding is General Fund, various division cash funds, and federal funds.

Administration	<u>117,233</u>	<u>120,232</u>	<u>2,540,611</u>	<u>2,588,305</u>	
FTE	2.0	1.1	31.7	31.7	
General Fund	117,233	120,232	370,956	397,608	
Cash Funds	0	0	512,436	533,478	
Reappropriated Funds	0	0	15,020	15,020	
Federal Funds	0	0	1,642,199	1,642,199	
Indirect Cost Assessment	<u>4,182,389</u>	<u>4,400,264</u>	<u>4,789,500</u>	<u>4,789,500</u>	
Cash Funds	1,070,393	1,150,777	1,311,700	1,311,700	
Reappropriated Funds	299	18,205	0	0	
Federal Funds	3,111,697	3,231,282	3,477,800	3,477,800	
Transfer to CAHC Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>424,000</u>	*
General Fund	0	0	0	424,000	
Colorado Commission on Affordable Health Care	<u>0</u>	<u>400,000</u>	<u>25,000</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	400,000	25,000	0	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - (A) Administration	4,299,622	4,920,496	7,355,111	7,801,805	6.1%
<i>FTE</i>	<u>2.0</u>	<u>1.1</u>	<u>31.7</u>	<u>31.7</u>	<u>(0.0%)</u>
General Fund	117,233	520,232	395,956	821,608	107.5%
Cash Funds	1,070,393	1,150,777	1,824,136	1,845,178	1.2%
Reappropriated Funds	299	18,205	15,020	15,020	0.0%
Federal Funds	3,111,697	3,231,282	5,119,999	5,119,999	0.0%

(B) Chronic Disease Prevention Programs

th programs, and tobacco cessation, education, and prevention programs. Funding is cash funds from the tobacco settlement and tobacco tax revenue, and federal funds.

Cancer Registry	<u>1,157,780</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	13.6	0.0	0.0	0.0
General Fund	221,498	0	0	0
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	936,282	0	0	0
Transfer to the Health Disparities Grant Program Fund	<u>3,372,882</u>	<u>3,388,800</u>	<u>3,420,744</u>	<u>3,420,744</u>
Cash Funds	3,372,882	3,388,800	3,420,744	3,420,744
Chronic Disease and Cancer Prevention Grants	<u>4,971,999</u>	<u>5,808,369</u>	<u>4,892,403</u>	<u>4,892,403</u>
FTE	32.5	37.3	27.1	27.1
Cash Funds	0	0	305,656	305,656
Federal Funds	4,971,999	5,808,369	4,586,747	4,586,747

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Breast and Cervical Cancer Screening	<u>6,317,070</u>	<u>4,935,530</u>	<u>7,792,504</u>	<u>7,797,188</u>	*
FTE	11.6	13.3	7.2	7.2	
Cash Funds	3,838,891	2,281,670	4,423,683	4,428,367	
Federal Funds	2,478,179	2,653,860	3,368,821	3,368,821	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Program Administration	<u>781,699</u>	<u>690,188</u>	<u>558,481</u>	<u>563,165</u>	
FTE	7.8	7.7	6.7	6.7	
Cash Funds	781,699	690,188	558,481	563,165	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Grants	<u>12,456,330</u>	<u>9,239,828</u>	<u>14,313,422</u>	<u>14,313,422</u>	
Cash Funds	12,456,330	9,239,828	14,313,422	14,313,422	
Tobacco Education, Prevention, and Cessation Program Administration	<u>804,217</u>	<u>782,324</u>	<u>538,811</u>	<u>550,521</u>	
FTE	6.9	7.3	6.9	6.9	
Cash Funds	804,217	782,324	538,811	550,521	
Tobacco Education, Prevention, and Cessation Grants	<u>24,041,591</u>	<u>20,524,072</u>	<u>22,572,897</u>	<u>22,572,897</u>	
Cash Funds	23,719,156	20,401,944	21,287,171	21,287,171	
Reappropriated Funds	322,435	122,128	1,285,726	1,285,726	
Oral Health Programs	<u>4,489,593</u>	<u>2,894,858</u>	<u>1,201,546</u>	<u>1,203,527</u>	
FTE	9.4	8.9	4.1	4.1	
General Fund	3,111,524	1,802,424	264,422	266,403	
Cash Funds	194,170	214,841	189,469	189,469	
Federal Funds	1,183,899	877,593	747,655	747,655	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Marijuana Education Campaign	0	<u>5,665,002</u>	<u>2,150,000</u>	<u>4,650,000</u>	
FTE	0.0	4.7	3.7	3.7	
Cash Funds	0	5,665,002	2,150,000	4,650,000	
Transfer to the Department of Health Care Policy and Financing for Disease Management	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	2,000,000	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Transfer to the Department of Health Care Policy and Financing for Breast and Cervical Cancer Treatment	<u>936,892</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	936,892	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (B) Chronic Disease Prevention					
Programs	61,330,053	53,928,971	57,440,808	59,963,867	4.4%
FTE	<u>81.8</u>	<u>79.2</u>	<u>55.7</u>	<u>55.7</u>	0.0%
General Fund	3,333,022	1,802,424	264,422	266,403	0.7%
Cash Funds	48,104,237	42,664,597	47,187,437	49,708,515	5.3%
Reappropriated Funds	322,435	122,128	1,285,726	1,285,726	0.0%
Federal Funds	9,570,359	9,339,822	8,703,223	8,703,223	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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(C) Primary Care Office

Funding for the Office is cash funds from the tobacco settlement revenue and federal funds.

Primary Care Office	<u>2,098,646</u>	<u>2,766,170</u>	<u>2,747,603</u>	<u>2,751,471</u>
FTE	5.4	4.4	3.3	3.4
General Fund	0	0	1,872,762	1,874,251
Cash Funds	1,464,452	2,039,722	246,341	248,720
Federal Funds	634,194	726,448	628,500	628,500

SUBTOTAL - (C) Primary Care Office	2,098,646	2,766,170	2,747,603	2,751,471	0.1%
<i>FTE</i>	<u>5.4</u>	<u>4.4</u>	<u>3.3</u>	<u>3.4</u>	<u>3.0%</u>
General Fund	0	0	1,872,762	1,874,251	0.1%
Cash Funds	1,464,452	2,039,722	246,341	248,720	1.0%
Federal Funds	634,194	726,448	628,500	628,500	0.0%

(D) Family and Community Health

on includes General Fund, federal funds.

(1) Women's Health

Family Planning Program Administration	<u>395,998</u>	<u>406,498</u>	<u>1,539,482</u>	<u>1,543,445</u>
FTE	3.9	4.0	9.9	9.9
General Fund	395,998	406,498	355,412	359,375
Federal Funds	0	0	1,184,070	1,184,070
Family Planning Purchase of Services	<u>4,683,401</u>	<u>4,654,013</u>	<u>4,812,226</u>	<u>7,323,361</u> *
General Fund	1,223,326	1,223,326	1,223,326	3,734,461
Federal Funds	3,460,075	3,430,687	3,588,900	3,588,900

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Family Planning Federal Grants	<u>173,581</u>	<u>146,113</u>	<u>184,300</u>	<u>184,300</u>	
FTE	1.4	1.1	2.0	2.0	
Federal Funds	173,581	146,113	184,300	184,300	
Maternal and Child Health	<u>6,333,366</u>	<u>4,821,738</u>	<u>6,139,809</u>	<u>6,139,809</u>	
FTE	26.3	21.4	9.5	9.5	
Federal Funds	6,333,366	4,821,738	6,139,809	6,139,809	
Adult Stem Cells Cure Fund	<u>0</u>	<u>21</u>	<u>0</u>	<u>0</u>	
Cash Funds	0	21	0	0	
Nurse Home Visitor Program	<u>544,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	544,100	0	0	0	
SUBTOTAL -	12,130,446	10,028,383	12,675,817	15,190,915	19.8%
FTE	<u>31.6</u>	<u>26.5</u>	<u>21.4</u>	<u>21.4</u>	<u>(0.0%)</u>
General Fund	1,619,324	1,629,824	1,578,738	4,093,836	159.3%
Cash Funds	0	21	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	10,511,122	8,398,538	11,097,079	11,097,079	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(2) Children and Youth Health					
Health Care Program for Children with Special Needs	<u>1,073,983</u>	<u>1,162,327</u>	<u>1,119,618</u>	<u>1,122,590</u>	
FTE	11.8	12.9	14.4	14.4	
General Fund	697,467	706,227	663,518	666,490	
Federal Funds	376,516	456,100	456,100	456,100	
Health Care Program for Children with Special Needs					
Purchase of Services	<u>3,043,988</u>	<u>3,075,470</u>	<u>3,075,399</u>	<u>3,075,399</u>	
General Fund	1,847,899	1,847,899	1,847,899	1,847,899	
Cash Funds	0	0	0	0	
Federal Funds	1,196,089	1,227,571	1,227,500	1,227,500	
Genetics Counseling Program Costs	<u>0</u>	<u>0</u>	<u>1,656,195</u>	<u>1,656,195</u>	
FTE	0.0	0.0	1.0	1.0	
General Fund	0	0	0	0	
Cash Funds	0	0	1,656,195	1,656,195	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
School-based Health Centers	<u>3,829,569</u>	<u>4,675,229</u>	<u>5,183,982</u>	<u>5,188,539</u>	
FTE	2.5	2.8	2.4	2.4	
General Fund	3,829,569	4,675,229	5,183,982	5,188,539	
Federal Grants	<u>740,176</u>	<u>916,755</u>	<u>884,604</u>	<u>884,604</u>	
FTE	6.6	6.2	7.5	7.5	
Federal Funds	740,176	916,755	884,604	884,604	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Child Fatality Prevention	<u>456,962</u>	<u>643,419</u>	<u>560,205</u>	<u>566,149</u>	
FTE	3.1	2.6	2.9	2.9	
General Fund	456,962	643,419	560,205	566,149	
Healthy Kids Colorado Survey	<u>0</u>	<u>682,614</u>	<u>781,789</u>	<u>781,789</u>	
FTE	0.0	1.7	1.5	1.5	
Cash Funds	0	682,614	781,789	781,789	
Genetics Counseling Personal Services	<u>1,629,186</u>	<u>1,589,899</u>	<u>0</u>	<u>0</u>	
FTE	0.9	1.0	0.0	0.0	
Cash Funds	1,629,186	1,589,899	0	0	
SUBTOTAL -	10,773,864	12,745,713	13,261,792	13,275,265	0.1%
FTE	<u>24.9</u>	<u>27.2</u>	<u>29.7</u>	<u>29.7</u>	<u>(0.0%)</u>
General Fund	6,831,897	7,872,774	8,255,604	8,269,077	0.2%
Cash Funds	1,629,186	2,272,513	2,437,984	2,437,984	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	2,312,781	2,600,426	2,568,204	2,568,204	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(3) Injury, Suicide, and Violence Prevention					
Suicide Prevention	<u>384,385</u>	<u>441,226</u>	<u>436,035</u>	<u>439,007</u>	
FTE	1.9	2.6	2.6	2.6	
General Fund	384,385	441,226	436,035	439,007	
Injury Prevention	<u>1,719,464</u>	<u>1,738,868</u>	<u>1,679,900</u>	<u>1,679,900</u>	
FTE	11.7	11.6	9.4	9.4	
Federal Funds	1,719,464	1,738,868	1,679,900	1,679,900	
Colorado Children's Trust Fund Operating Expenses	<u>569,336</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	569,336	0	0	0	
SUBTOTAL -	2,673,185	2,180,094	2,115,935	2,118,907	0.1%
FTE	<u>13.6</u>	<u>14.2</u>	<u>12.0</u>	<u>12.0</u>	<u>0.0%</u>
General Fund	384,385	441,226	436,035	439,007	0.7%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	2,288,800	1,738,868	1,679,900	1,679,900	0.0%
SUBTOTAL - (D) Family and Community Health	25,577,495	24,954,190	28,053,544	30,585,087	9.0%
FTE	<u>70.1</u>	<u>67.9</u>	<u>63.1</u>	<u>63.1</u>	<u>(0.0%)</u>
General Fund	8,835,606	9,943,824	10,270,377	12,801,920	24.6%
Cash Funds	1,629,186	2,272,534	2,437,984	2,437,984	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	15,112,703	12,737,832	15,345,183	15,345,183	0.0%

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(E) Nutrition Services					
e centers. These programs are entirely federally funded.					
Women, Infants, and Children Supplemental Food Grant	<u>86,413,186</u>	<u>87,140,111</u>	<u>94,112,138</u>	<u>94,112,138</u>	
FTE	17.3	16.8	16.9	16.9	
Federal Funds	86,413,186	87,140,111	94,112,138	94,112,138	
Child and Adult Care Food Program	<u>25,617,571</u>	<u>26,400,362</u>	<u>24,628,468</u>	<u>24,628,468</u>	
FTE	8.2	8.3	7.8	7.8	
Federal Funds	25,617,571	26,400,362	24,628,468	24,628,468	
SUBTOTAL - (E) Nutrition Services	112,030,757	113,540,473	118,740,606	118,740,606	0.0%
FTE	<u>25.5</u>	<u>25.1</u>	<u>24.7</u>	<u>24.7</u>	0.0%
Federal Funds	112,030,757	113,540,473	118,740,606	118,740,606	0.0%
TOTAL - (9) Prevention Services Division	205,336,573	200,110,300	214,337,672	219,842,836	2.6%
FTE	184.8	177.7	178.5	178.6	0.1%
General Fund	12,285,861	12,266,480	12,803,517	15,764,182	23.1%
Cash Funds	52,268,268	48,127,630	51,695,898	54,240,397	4.9%
Reappropriated Funds	322,734	140,333	1,300,746	1,300,746	0.0%
Federal Funds	140,459,710	139,575,857	148,537,511	148,537,511	0.0%

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(10) HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION

This division is comprised of three subdivisions: Licensure, Emergency Medical Services, and Indirect Cost Assessment.

(A) Operations Management

Administration and Operations	0	2,117,419	2,275,194	2,214,849 *	
FTE	0.0	24.0	24.5	23.5	
General Fund	0	128,392	137,314	64,791	
Cash Funds	0	1,805,079	2,074,776	2,086,954	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	183,948	63,104	63,104	

SUBTOTAL - (A) Operations Management	0	2,117,419	2,275,194	2,214,849	(2.7%)
<i>FTE</i>	0.0	24.0	24.5	23.5	(4.1%)
General Fund	0	128,392	137,314	64,791	(52.8%)
Cash Funds	0	1,805,079	2,074,776	2,086,954	0.6%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	183,948	63,104	63,104	0.0%

(B) Health Facilities Programs

ment of Health Care Policy and Financing.

Home and Community Survey	0	1,348,999	1,537,195	1,670,747	
FTE	0.0	16.3	14.4	14.4	
General Fund	0	63,409	72,121	74,102	
Cash Funds	0	1,180,225	1,465,074	1,596,645	
Reappropriated Funds	0	105,365	0	0	

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Nursing Facility Survey	0	488,447	514,523	539,496	
FTE	0.0	9.4	5.5	5.5	
General Fund	0	66,404	54,669	55,660	
Cash Funds	0	422,043	459,854	483,836	
Medicaid/Medicare Certification Program	7,675,018	8,350,834	8,294,715	8,358,311	
FTE	81.8	81.9	92.4	92.4	
Reappropriated Funds	3,610,082	4,200,426	4,257,734	4,321,330	
Federal Funds	4,064,936	4,150,408	4,036,981	4,036,981	
Transfer to Department of Public Safety	487,848	522,593	741,747	741,747	
Reappropriated Funds	180,340	243,968	361,973	361,973	
Federal Funds	307,508	278,625	379,774	379,774	
Health Facilities General Licensure Program	3,379,828	0	0	0	
FTE	40.3	0.0	0.0	0.0	
General Fund	234,786	0	0	0	
Cash Funds	3,145,042	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (B) Health Facilities Programs	11,542,694	10,710,873	11,088,180	11,310,301	2.0%
FTE	122.1	107.6	112.3	112.3	0.0%
General Fund	234,786	129,813	126,790	129,762	2.3%
Cash Funds	3,145,042	1,602,268	1,924,928	2,080,481	8.1%
Reappropriated Funds	3,790,422	4,549,759	4,619,707	4,683,303	1.4%
Federal Funds	4,372,444	4,429,033	4,416,755	4,416,755	0.0%

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(C) Emergency Medical Services

ion is primarily cash funds from the Emergency Medical Services Account of the Highway Users Tax Fund.

State EMS Coordination, Planning and Certification

Program	<u>1,256,134</u>	<u>1,314,559</u>	<u>1,319,231</u>	<u>1,323,554</u>
FTE	12.7	14.1	10.6	10.6
General Fund	1,256,134	36,699	41,334	43,315
Cash Funds	0	1,277,860	1,277,897	1,280,239

Distributions to Regional Emergency Medical and Trauma Councils (RETACs)

Cash Funds	<u>1,784,342</u>	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>
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Emergency Medical Services Provider Grants

Cash Funds	<u>6,458,691</u>	<u>6,129,363</u>	<u>6,693,896</u>	<u>8,443,896</u> *
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Trauma Facility Designation Program

FTE	<u>388,483</u>	<u>405,424</u>	<u>360,237</u>	<u>367,262</u>
Cash Funds	2.9	1.8	1.8	1.8
	388,483	405,424	360,237	367,262

Federal Grants

FTE	<u>278,885</u>	<u>144,472</u>	<u>99,400</u>	<u>99,400</u>
Federal Funds	0.9	0.0	0.0	0.0
	278,885	144,472	99,400	99,400

Poison Control

General Fund	<u>1,414,876</u>	<u>1,414,876</u>	<u>1,535,140</u>	<u>1,535,140</u>
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SUBTOTAL - (C) Emergency Medical Services	11,581,411	11,193,694	11,792,904	13,554,252	14.9%
<i>FTE</i>	<u>16.5</u>	<u>15.9</u>	<u>12.4</u>	<u>12.4</u>	<u>(0.0%)</u>
General Fund	2,671,010	1,451,575	1,576,474	1,578,455	0.1%
Cash Funds	8,631,516	9,597,647	10,117,030	11,876,397	17.4%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	278,885	144,472	99,400	99,400	0.0%

(D) Indirect Cost Assessment

Indirect Cost Assessment	<u>2,593,362</u>	<u>2,975,222</u>	<u>3,171,900</u>	<u>3,171,900</u>	
Cash Funds	1,194,333	1,559,903	1,460,800	1,460,800	
Reappropriated Funds	505,920	569,894	555,700	555,700	
Federal Funds	893,109	845,425	1,155,400	1,155,400	
SUBTOTAL - (D) Indirect Cost Assessment	2,593,362	2,975,222	3,171,900	3,171,900	0.0%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	1,194,333	1,559,903	1,460,800	1,460,800	0.0%
Reappropriated Funds	505,920	569,894	555,700	555,700	0.0%
Federal Funds	893,109	845,425	1,155,400	1,155,400	0.0%

TOTAL - (10) Health Facilities and Emergency Medical Services Division	25,717,467	26,997,208	28,328,178	30,251,302	6.8%
<i>FTE</i>	<u>138.6</u>	<u>147.5</u>	<u>149.2</u>	<u>148.2</u>	<u>(0.7%)</u>
General Fund	2,905,796	1,709,780	1,840,578	1,773,008	(3.7%)
Cash Funds	12,970,891	14,564,897	15,577,534	17,504,632	12.4%
Reappropriated Funds	4,296,342	5,119,653	5,175,407	5,239,003	1.2%
Federal Funds	5,544,438	5,602,878	5,734,659	5,734,659	0.0%

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(11) OFFICE OF EMERGENCY PREPAREDNESS AND RESPONSE

aredness activities statewide. The division is funded by General Fund and matching federal funds.

Administration and Support	<u>0</u>	<u>0</u>	<u>924,633</u>	<u>924,633</u>
FTE	0.0	0.0	12.1	12.1
General Fund	0	0	299,297	299,297
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	625,336	625,336
 Emergency Preparedness and Response Program	 <u>18,582,750</u>	 <u>14,826,232</u>	 <u>14,319,822</u>	 <u>14,319,822</u>
FTE	34.5	31.1	20.6	20.6
General Fund	1,599,553	1,528,075	1,076,616	1,076,616
Federal Funds	16,983,197	13,298,157	13,243,206	13,243,206
 State Directed Emergency Preparedness and Responses				
Activities	<u>0</u>	<u>0</u>	<u>213,645</u>	<u>213,645</u>
FTE	0.0	0.0	2.4	2.4
General Fund	0	0	213,645	213,645
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
 Indirect Cost Assessment	 <u>682,675</u>	 <u>656,156</u>	 <u>799,400</u>	 <u>799,400</u>
Federal Funds	682,675	656,156	799,400	799,400

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TOTAL - (11) Office of Emergency Preparedness and Response					
	19,265,425	15,482,388	16,257,500	16,257,500	0.0%
<i>FTE</i>	<u>34.5</u>	<u>31.1</u>	<u>35.1</u>	<u>35.1</u>	<u>(0.0%)</u>
General Fund	1,599,553	1,528,075	1,589,558	1,589,558	0.0%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	17,665,872	13,954,313	14,667,942	14,667,942	0.0%
TOTAL - Department of Public Health and Environment					
	493,083,178	511,491,773	534,348,222	548,539,760	2.7%
<i>FTE</i>	<u>1,234.0</u>	<u>1,257.5</u>	<u>1,289.3</u>	<u>1,294.5</u>	<u>0.4%</u>
General Fund	37,611,097	58,409,399	44,087,694	47,360,327	7.4%
General Fund Exempt	425,570	0	427,593	410,984	(3.9%)
Cash Funds	141,214,638	144,334,516	158,144,049	162,917,422	3.0%
Reappropriated Funds	27,952,812	33,137,350	37,535,004	37,149,358	(1.0%)
Federal Funds	285,879,061	275,610,508	294,153,882	300,701,669	2.2%

Appendix B: **Recent Legislation Affecting Department Budget**

2014 Session Bills

S.B. 14-029 (Architectural Paint Stewardship Program): Creates a statewide paint stewardship program for the recycling, reuse, and disposal of post-consumer architectural paint. Requires each producer to implement or participate in a Paint Stewardship Program that has been approved by the Department's Executive Director. Establishes minimum requirements for a Paint Stewardship Program (Program), and requires each program to be self-funded through a paint stewardship fee that a producer charges to retailers and distributors for each container of paint sold. Creates the Paint Stewardship Program Cash Fund. Each producer is responsible for education and outreach to communicate to retailers and consumers about the program. Prohibits the Program from charging the fee directly to customers for the collection of paint. Appropriates \$84,045 cash funds from the Paint Stewardship Program Cash Fund and 0.9 FTE to the Department for FY 2014-15.

S.B. 14-050 (Financial Assistance in Colorado Hospitals): Requires hospitals to alert patients on each billing statement that financial assistance may be available and provide contact information. If a hospital discovers an omission of the required information, the hospital must correct the error and inform the patient and the Department of the omission and take corrective action. Requires the Department to promulgate rules, investigate complaints, and monitor each licensed hospital for noncompliance and conduct periodic reviews of hospital compliance. Requires corrective action within 90 days. Allows the Department to fine a hospital up to \$5,000 based on the severity of the offense, for failure to implement the corrective action in 90 days, and makes information concerning investigations and complaints available to the public. Creates the Hospital Financial Assistance Standards Committee which must meet within 60 days of the effective date of the bill and develop recommendations for uniform standards within 120 days. Appropriates \$49,161 General Fund and 0.8 FTE to the Department for FY 2014-15.

S.B. 14-051 (Access to Adoption Records and Birth Certificates): Eliminates different standards of access to adoption records for adoptees, birth parents, and adoptive parents, as well as their descendants, based on the law in existence on the date the adoption was finalized. Requires the Department to update the birth parents contact preference form. Clarifies that a birth certificate is not to be released if the birth parent had previously provided a contact preference form stating that release of the birth certificate is prohibited. Appropriates \$34,120 cash funds from the Vital Statistics Records Cash Fund and 0.6 FTE to the Department for FY 2014-15.

S.B. 14-073 (Brownfield Contaminated Land Income Tax Credit): Allows the Department to authorize \$3.0 million in tax credits each year the credit is available. No credit shall be allowed for any costs exceeding \$1.5 million dollars on any individual project. Requires a certificate from the Department verifying the project to claim the income tax credit. Appropriates \$20,000

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cash funds from the Hazardous Substance Response Fund to the Department of Public Health and Environment for FY 2014-15.

S.B. 14-088 (Suicide Prevention Commission): Creates the Suicide Prevention Commission (Commission) to provide leadership and make recommendations. Requires the Executive Director to appoint no more than twenty-five members to the Commission, and requires the Department to provide administrative support. Allows the Department to accept gifts, grants, and donations from public and private entities which are credited to the newly created Suicide Prevention Coordination Cash Fund. Repeals the Commission on September 1, 2024. Appropriates \$73,972 General Fund and 0.9 FTE to the Department for FY 2014-15.

S.B. 14-180 (Transfer Senior Dental Program to HCPF): Transfers the Dental Assistance Program for Seniors, also known as the Old Age Pension (OAP) Dental Program, from the Department of Public Health and Environment (DPHE) to the Department of Health Care Policy and Financing (HCPF) as of July 1, 2015. Renames the program the Colorado Dental Health Care Program for Low-Income Seniors. Modifies the eligibility criteria to align with other dental benefits for seniors and targets services to economically disadvantaged seniors. Provides funds to qualified grantees, including Area Agencies on Aging, community organizations, Local Public Health Agencies, federally qualified health centers, and private dental practices. Requires HCPF to award grants to qualified grantees on or after July 1, 2015, and to establish rates for dental services under the program. Grantees are required to provide outreach, identify eligible seniors and dental care providers, and pay claims for services. Creates the Senior Dental Advisory Committee. Reduces the appropriation in the DPHE by \$55,000 General Fund and increases the appropriation in HCPF by \$55,000 General Fund and 0.8 FTE for FY 2014-15.

S.B. 14-187 (Colorado Commission Affordable Health Care): Establishes the Colorado Commission on Affordable Health Care which must study the drivers of health care costs and evidence-based cost containment strategies, and make recommendations for action. The Commission will have twelve voting members, representing various public and private sector health care experts and five nonvoting members from state government. Allows the Commission to create small advisory committees to study specific areas and coordinate with other Colorado entities studying health care costs as appropriate. Requires the Commission to provide two annual reports to the General Assembly in FY 2014-15 and FY 2015-16 and a final report by June 30, 2016, and repeals the Commission on July 1, 2017. Creates the Colorado Commission on Affordable Health Care Cash Fund (Fund) within the Department and appropriates \$400,000 General Fund to the Fund for FY 2014-15.

S.B. 14-192 (Uranium Processing Groundwater Protection): Requires uranium and thorium mines that are not using conventional open or underground mining techniques to obtain a radioactive materials license from the Department. Requires a radioactive materials license for mines using underground aqueous extraction of ore. Eliminates the statutory deadline for the Department to make an initial draft decision on a license application for a facility, site, or shipment for disposal of radioactive waste. Increases the amount an applicant must pay to the board of county commissioners of the county in which the radioactive waste is proposed to be received for storage, processing or disposal from \$50,000 to \$50,000 plus an adjustment for inflation since 2003. Requires, when remediating radioactive contamination to groundwater

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wells, all groundwater wells be restored to at least the numeric groundwater standards as established by the Water Quality Control Commission. Requires the licensee: to remediate any release affecting groundwater wells in the most expedited manner reasonably possible using the best available active restoration and groundwater monitoring technologies; to provide notice to the Department as soon as practicable upon discovery of any spill or release involving toxic or radioactive materials; and provide an initial written report within seven days after the discovery. Requires the Department to post these reports on its website no later than seven days after receipt of the information. Appropriates \$30,986 cash funds from the Radiation Control Fund and 0.4 FTE to the Department for FY 2014-15.

S.B. 14-215 (Disposition of Legal Marijuana Related Revenue): Creates the Marijuana Tax Cash Fund and identifies within the Department of Public Health and Environment the following allowable uses of the Fund:

- Obtaining health data through surveys or other means regarding marijuana and other drug use and monitoring the health effects of marijuana, including changes in drug use patterns and the emerging science and medical information relevant to the health effects associated with marijuana use; and
- Developing and implementing marijuana education and prevention campaigns.

Appropriates \$6,587,169 cash funds from the Marijuana Tax Cash Fund and 5.2 FTE to the Department for FY 2014-15.

H.B. 14-1002 (Water Infrastructure Natural Disaster Grant Fund): Creates the continuously-appropriated Natural Disaster Grant Fund in the Department for grants to local governments, including local governments accepting grants on behalf of and in coordination with not-for-profit public water systems, to recover from the September 2013 floods. Priority is given to applicants that have the lowest financial ability to pay for the necessary construction, improvements, renovation, or reconstruction of water infrastructure. Grant funds are available for two fiscal years; on September 1, 2015, any remaining funds are to be transferred to the Nutrients Grant Fund. Appropriates \$17.0 million General Fund to the Natural Disaster Grant Fund for FY 2014-15.

H.B. 14-1042 (Birth Parent Access to Relinquishment Records): Requires that a custodian of records relating to the relinquishment of a child provide to the child's relinquishing birth parent to whom the document pertains a copy of the relinquishment records in the possession of the custodian that are signed by the relinquishing birth parent or by a parent, guardian, custodian, or legal guardian on behalf of the birth parent and any of the records in which the relinquishing birth parent is named. Appropriates \$14,423 cash funds to the Department for FY 2014-15.

H.B. 14-1045 (Breast and Cervical Cancer Treatment): Extends the Breast and Cervical Cancer Prevention and Treatment Program in the Department of Health Care Policy and Financing (HCPF) through July 1, 2019. Eliminates the transfer of Amendment 35 revenues from the Department of Public Health and Environment (DPHE) to HCPF. Makes net zero

appropriation changes in DPHE to eliminate the transfer and increases the appropriation by a like amount to the DPHE breast and cervical cancer screening program.

H.B. 14-1207 (Household Medication Take-Back Program): Creates the Household Medication Take-Back Program (Program) to collect and dispose of unused household medications. Requires the Program to allow individuals to dispose of unused household medications at approved collection sites, and for carriers to transport the unused medications from approved collection sites to disposal locations. Creates the Household Medication Take-Back Cash Fund. Exempts collection sites, carriers, and disposal locations acting in good faith from liability for incidents arising from the collection, transport, or disposal of household medications. Allows the Solid and Hazardous Waste Commission to adopt rules for the implementation of the Program. Clarifies that nothing in the bill prohibits the operation of existing medication take-back and disposal programs regulated by the Department. Appropriates \$55,000 total funds, of which \$5,000 is General Fund and \$50,000 is cash funds from the Household Medication Take-Back Cash Fund, to the Department for FY 2014-15.

H.B. 14-1336 (Long Bill): General appropriations act for FY 2014-15.

H.B. 14-1352 (Update Waste Tire Management System): Repeals and reenacts the state's waste tire laws into a new part of the solid waste statutes and makes changes to the Waste Tire Program. Modifies the distribution of the \$1.50 per tire waste tire fee, consolidates several cash funds, creates three new cash funds, and specifies how the moneys in each cash fund are to be used. Reduces the waste tire fee to \$0.55 per tire beginning January 1, 2018, and repeals the End Users and Processors Rebate Program at that time. Requires the Department to administer and collect the waste tire fee, among other duties, in lieu of the Department of Revenue (DOR). Establishes new regulations for waste tire haulers, generators, processors, end users, collection facilities, mobile processors, used tire sellers, and waste tire monofills. Repeals the Waste Tire Advisory Committee.

Between July 1, 2014, and December 31, 2017, the \$1.50 per tire waste tire fee is distributed to the newly-created funds as follows:

- 65.0 percent to the End Users Fund;
- 30.0 percent to the Waste Tire Administration, Enforcement, and Cleanup Fund; and
- 5.0 percent to the Waste Tire Market Development Fund.

Beginning January 1, 2018, the fee is distributed entirely to the Waste Tire Administration, Enforcement, and Cleanup Fund, and the other two funds are repealed. Allows the rebate to be paid to end users, retailers who sell tire-derived products and Colorado processors of waste tires who sell tire-derived products to out-of-state end users. Requires the Commission to set the monthly rebate amount, which is payable from the End Users Fund, not to exceed \$80 per ton, and in an amount that is the same each month for each successive 12-month period. Additionally, the rules governing administration of the rebate must specify that, if the weight of the waste tires submitted for a rebate in any one month multiplied by the amount of the rebate exceeds the balance of the End Users Fund, the fee will be reduced; and requires the Department to notify end users of the date on which the balance of the End Users Fund is anticipated to be

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insufficient to pay all of the rebates that were applied for. Until rules are promulgated by the Commission, the rebate amount is set at \$40 per ton. Appropriates \$882,343 total funds, of which \$500,000 is General Fund and \$382,343 is cash funds, and 1.0 FTE to the Department for FY 2014-15.

H.B. 14-1360 (Sunset Review Licensure of Home Care Agencies): Continues the regulation of home care agencies and home care placement agencies until September 1, 2019, and implements the recommendations of the sunset report. Allows HCPF-certified Community-Centered Boards (CCBs) or services agencies that provide in-home personal care services to obtain a home care agency license. Prohibits the Department from conducting inspections related to a home care agency license renewal, or from assessing fees for a new or renewal home care agency license, for certified CCBs until July 1, 2016. Until that date, requires the Department and HCPF to establish a work group with CCBs and recipients of Medicaid Home- and Community-Based Services (HCBS) waivers to identify gaps or conflicts between home care agency license requirements and HCBS provider requirements. Requires the work group to submit recommendations for resolving gaps or conflicts to the State Board of Health and the Medical Services Board. Requires the Boards to adopt rules regarding the gaps and conflicts by July 1, 2016. Requires the Departments to report on the progress of these requirements during the 2014 and 2015 annual SMART Act presentations to the joint committees of reference. Appropriates \$307,983 total funds, of which \$197,983 is cash funds from the Home Care Agency Cash Fund and \$110,000 is reappropriated funds from HCPF, and 2.1 FTE to the Department for FY 2014-15.

2015 Session Bills

S.B. 15-014 (Medical Marijuana): Requires the Colorado Medical Board, in consultation with the Department of Public Health and Environment (DPHE) and physicians who specialize in medical marijuana, to establish guidelines for physicians who make medical marijuana recommendations. Creates four different types of primary caregiver relationships: a parent child primary caregiver, an advising primary caregiver, a transporting primary caregiver, and a cultivating primary caregiver. Defines "significant responsibility for managing the well-being of a patient."

Requires DPHE to adopt rules regarding guidelines for primary caregivers to give informed consent to patients that the products they cultivate or produce may contain contaminants and that the THC levels are not verified. Requires DPHE to convene a group of interested parties including representatives from the state licensing authority, primary caregivers, patients, marijuana testing laboratory licensees, and any other interested persons to explore laboratory testing options for unlicensed medical marijuana.

Requires all transporting and cultivating primary caregivers to register with the state medical marijuana licensing authority (Department of Revenue (DOR)). Places registration requirements on a cultivating primary caregiver and transporting primary caregivers. DOR may verify patient registration numbers and extended plant count numbers with the state health agency to confirm that a patient does not have more than one primary caregiver, or does not have both a designated caregiver and medical marijuana center, cultivating medical marijuana on his or her behalf at any

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given time. Prohibits registering as a primary caregiver if the person is licensed as medical or retail marijuana business. A cultivating or transporting primary caregiver shall maintain a list of his or her patients including the registry identification card number of each patient and a recommended total plant count at all times.

Requires DOR and DPHE to share the minimum amount of information necessary to ensure that a medical marijuana patient has only one caregiver and is not using a primary caregiver and a medical marijuana center. Encourages patients cultivating more than six medical marijuana plants for their own medical use to register with the state licensing authority. Prohibits a patient and primary caregiver from cultivating more than 99 plants. A cultivating primary caregiver who grows more than 36 plants must register with the state licensing authority including the location of his or her cultivation operation, the patient registration identification number for each of the primary caregiver's patients, and any extended plant count numbers and their corresponding patient registry numbers. DOR must verify the location of extended plant counts for primary caregiver cultivation operations and homebound patient registration for transporting caregivers to a local government or law enforcement agency upon receiving a request for verification. The location of the cultivation operation shall comply with all applicable local laws, rules, or regulations. Sunsets the medical marijuana program on September 1, 2019. Adds an exception to the student possession policy for medical marijuana. Permits moneys in the Marijuana Tax Cash Fund to be used to fund the implementation of any costs for law enforcement audits. The appropriations in S.B. 15-014 are summarized in the following table.

Summary of Appropriations in S.B. 15-014				
Department	Medical Marijuana Cash Fund	Marijuana Tax Cash Fund	Reappropriated Funds	Total Funds
Public Safety	\$0	\$60,000	\$0	\$60,000
Public Health and Environment	1,068,560	0	0	1,068,560
Revenue	0	113,704	0	113,704
FTE	0.0	1.0	0.0	1.0
Office of Information Technology	0	0	1,068,560	1,068,560
Department of Law	0	0	56,706	56,706
FTE	0.0	0.0	0.3	0.3
Total Funds	\$1,068,560	\$173,704	\$1,125,266	\$2,367,530

S.B 15-158 (Supplemental Bill): Supplemental appropriations to the Department of Public Health and Environment to modify FY 2014-15 appropriations included in the FY 2014-15 Long Bill (H.B. 14-1336).

S.B. 15-189 (Repeal Consolidated Tobacco Program Reporting Requirements): Repeals requirements that the State Board of Health and the Department of Public Health and Environment annually report on the operation and effectiveness of tobacco settlement programs. Reduces the Department's FY 2015-16 appropriation by \$25,000 reappropriated funds from various tobacco-settlement supported programs.

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S.B. 15-234 (Long Bill): General appropriations act for FY 2015-16. Includes provisions modifying appropriations to the Department of Public Health and Environment for FY 2014-15.

S.B. 15-247 (Tobacco Settlement Funded Drug Assistance Program): Augments the scope of services of the AIDS Drug Assistance Program to include funding for preventative and non-drug-related health services by renaming it the Drug Assistance Program (Program) and allowing money in the Drug Assistance Program Fund (Fund) to be used for assistance with indicated screening, general medical, preventative, and pharmaceutical costs for qualifying individuals of lower income who have medical or preventative needs concerning AIDS or HIV, viral hepatitis, or a sexually transmitted infection. The act also:

- Specifies that any moneys received in excess of a federal price agreement are a donation;
- Expands the duties of the existing subcommittee of the governor's advisory group on HIV and AIDS policy that currently only provides advice and recommendations to DPHE concerning which pharmaceutical products should be listed on the drug formulary for the program to include the provision of advice regarding income and other eligibility requirements and uses for funding for the program;
- Provides prioritization criteria for enrollment in the program among eligible applicants if the program is reaching its fiscal limitations; and
- Eliminates end of fiscal year transfers of unexpended and unencumbered money in the Fund to the Tobacco Litigation Settlement Cash Fund, and requires all such money to remain in the program fund.

Appropriates a total of \$863,033 cash funds to the Department of Public Health and Environment for FY 2015-16, including \$263,033 cash funds from the AIDS Drug Assistance Program Fund and \$600,000 informational cash funds from the moneys received in excess of a federal price agreement.

H.B. 15-1083 (Patient Contribution Rehabilitation Services): Requires the Colorado Commission on Affordable Health Care to conduct a study concerning the costs for physical rehabilitation services, and report its findings to the committees of reference. Appropriates \$25,000 General Fund to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1102 (Colorado Cottage Foods Act Expansion): Expands the exemption from state inspection standards to include flour, fruit empanadas, tortillas, and pickled vegetables that have an equilibrium pH value of 4.6 or lower. Separates the foods into two tiers and requires the State Board of Health to promulgate rules for the production and sale of tier two foods. Requires a producer to display a placard, sign, or card at the point of sale indicating that the product was produced in a home kitchen that is not subject to state licensure or inspection. Appropriates \$120,982 General Fund and 1.4 FTE to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1232 (Emergency Use of Epinephrine Auto-injectors): Permits entities and organizations other than schools to acquire and stock epinephrine auto-injectors. Health care practitioners may prescribe, and a health care practitioner or pharmacist may dispense, epinephrine auto-injectors in the name of an authorized entity where allergens capable of causing anaphylaxis may be present. Requires training for individuals who will use an epinephrine auto-injector and clarifies when they may use an injector. Outlines where injectors may be stored, requires reporting on incidents where auto-injectors are used. Creates exemptions from civil and criminal liability for certain individuals. Appropriates \$23,736 General Fund and 0.4 FTE to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1249 (Recodify Water Pollution Control Fees): Repeals and reenacts statutory fees for clean water and drinking water programs in the Water Quality Control Division (WQCD) of the Department of Public Health and Environment (DPHE). Reorganizes water quality permit fees into five sectors: commerce and industry, construction, pesticide application, public and private utilities, and animal agriculture. Authorizes new fees of \$275 annually for pesticide application activities and permits the Water Quality Control Commission to establish fees for certifications related to projects affecting regulated water quality standards in jurisdictional waters of the United States, known as 401 certifications, by rule.

Restructures construction permit fees and fees applicable to recreational hot springs, with associated fee changes, and creates a new category for recreation and amusement services distinguishes hot springs pool operations from general manufacturing and industrial discharges. On July 1, 2016, certain construction permit activities are re-categorized, with adjusted fees for stormwater-only permits based on affected acreage, and fees for dewatering and other groundwater-related permits based on complexity. Increased revenue from construction permits is dedicated to compliance assurance activities related to Colorado's delegated authority under federal water quality statutes.

Extends animal agriculture sector fees through the end of FY 2017-18. Repeals and reenacts basic procedures for the Colorado Discharge Permit System (CDPS). Requires the DPHE to provide an annual report on CDPS activities to the legislative agriculture committees, and an annual report on CDPS fees to the Joint Budget Committee. Appropriates \$18,868 cash funds and reduces \$17,600 General Fund appropriated to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1281 (Newborn Heart Defect Screening Pulse Oximetry): Requires that all newborns born in a Colorado facility below an elevation of 7,000 feet on or after January 1, 2016, be screened for congenital health defects using pulse oximetry prior to being released from the birthing center. Requires the Newborn Screening Committee within the Department of Public Health and Environment (DPHE) to evaluate whether or not the pulse oximetry testing in birthing facilities at or above elevations of 7,000 feet meet the DPHE newborn screening criteria. Each facility must report pulse oximetry screening results to the Newborn Screening Committee. Appropriates \$32,386 cash funds to the Department of Public Health and Environment for FY 2015-16.

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H.B. 15-1283 (Marijuana Reference Library and Lab Testing Access): Requires the Department of Public Health and Environment to develop and maintain a marijuana laboratory testing reference library (reference library), or contract with an organization that represents marijuana testing laboratories for the development and maintenance of the reference library. Laboratories licensed by the Department of Revenue are required to provide materials for the reference library; except that no licensee is required to provide testing protocols. Requires the library to contain a catalog of methodologies for marijuana testing in the areas of potency, homogeneity, contaminants, and solvents, and be completed by December 31, 2015. Requires DPHE or the contractor to be responsible for proficiency testing and remediating problems with licensed laboratories.

Creates a new license in the medical marijuana code for medical marijuana testing facilities. Permits a retail marijuana laboratory licensee to test industrial hemp from a registered entity or person. Creates process validation for edible marijuana products and other marijuana products in multi-serving packages for a ten milligram serving in a one hundred milligram package, including homogeneity, potency, solvents, and pesticides. Permits the use of moneys from the Marijuana Tax Cash Fund for the reference library. Appropriates \$23,850 cash funds to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1367 (Retail Marijuana Taxes): Refers a ballot issue to voters in November 2015, asking whether the State may retain and spend revenue collected from the Proposition AA excise and special sales taxes on retail marijuana in FY 2014-15. Creates a \$58.0 million Proposition AA Refund Account (Refund Account) in the General Fund. Contingent on voter approval of the ballot issue, the act makes several appropriations to the Department of Human Services for FY 2015-16, as detailed in the following table. For additional information, see the "Recent Legislation" section at the end of the Department of Revenue.

Appropriations to Department of Public Health and Environment That Are Contingent on Voter Approval		
Program	Fund Source	Dollar Amount
Marijuana Education Campaign	CF - Proposition AA Refund Account	\$2,500,000
Poison Control Centers	CF - Proposition AA Refund Account	<u>1,000,000</u>
	Total	\$3,500,000

Appendix C: Update on Long Bill Footnotes & Requests for Information

FY 2014-15 Long Bill Footnotes added after the FY 2014-15 Long Bill

68a Department of Public Health and Environment, Air Pollution Control Division, Stationary Sources, Operating Expenses -- It is the intent of the General Assembly that \$1,300,000 of the appropriation be used to pay for costs associated with the Front Range Air Pollution and Photochemistry Experiment.

Comment: This footnote was added in S.B. 15-158 (FY 2014-15 Supplemental Bill). The Department used the \$1.3 million total funds to pay for the costs of the Front Range Air Pollution and Photochemistry Experiment in FY 2014-15.

69a Department of Public Health and Environmental, Disease Control and Environmental Epidemiology Division, Administration, General Disease, Control, and Surveillance, Immunization Operating Expenses -- Of this appropriation, \$44,658 remains available through June 30, 2016.

Comment: This footnote was added through Section 14 of S.B. 15-234 (FY 2015-16 Long Bill Appropriation) which appropriated uncommitted excess funds in the Colorado Immunization Fund for improvements to the Colorado Immunization Information System. Since the improvements will occur in FY 2014-15 and FY 2015-16 the roll forward authority was provided to these funds in order to eliminate the need for General Fund in FY 2015-16. Without the roll forward authority these funds would have exceeded the allowable fund balance of the Colorado Immunization Fund and been swept into the larger Tobacco Litigation Settlement Cash Fund pursuant to Section 25-4-2301, C.R.S.

FY 2015-16 Long Bill Footnotes

65 Department of Public Health and Environment, Air Pollution Control Division, Stationary Sources, Air Quality Dispersion Study – It is the intent of the General Assembly that the appropriation be used for the purpose of collecting data that will be used to conduct a health risk assessment.

Comment: This footnote was added to express the General Assembly's intent that the data collected from the Air Quality Dispersion Study be used in an assessment and not simply collected with no future use. The Department understands the purpose of this footnote.

66 Department of Public Health and Environment, Hazardous Materials and Waste Management Division, Contaminated Site Cleanups and Remediation Programs,

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Brownsfield Cleanup Program-- This appropriation remains available until the completion of the project or the close of FY 2017-18, whichever comes first.

Comment: This footnote was added as a result of moving this appropriation from the capital construction section of the Long Bill. Due to the unpredictable nature of the work associated with these grants, this footnote ensures the work will not be impacted due to the timing of the fiscal year. This footnote provides the Department with the authority to expend the funds in this line item through June 30, 2018.

- 67 Department of Public Health and Environment, Disease Control and Environmental Epidemiology Division, Administration, General Disease, Control and Surveillance, Immunization Operating Expenses -- \$850,000 of the appropriation may roll forward for expenditure in FY 2016-17.

Comment: This footnote is tied to the appropriation for system improvements to the Colorado Immunization Information System and addresses the concern that the system improvements may take longer than one year. This footnote provides the Department with the authority to expend the funds in this line item through June 30, 2017.

- 68 Department of Public Health and Environment, Prevention Services Division, Chronic Disease Prevention Programs, Transfer to Health Disparities Grant Program Fund – It is the intent of the General Assembly that if actual Amendment 35 revenues are higher than the appropriation, the transfer to the Health Disparities Grant Program Fund of 3.2 percent of Amendment 35 revenue be increased by a like amount.

Comment: This footnote provides the Department the authority to transfer the constitutionally required 3.2 percent of Amendment 35 revenue credited to the Prevention, Early Detection, and Treatment Fund to the Health Disparities Program Fund, regardless of the appropriation in the Long Bill. This footnote provides the Department the authority to comply with constitutional requirements without exceeding the Long Bill appropriation if actual Amendment 35 revenues are higher than the projected amount used to set the Long Bill appropriation.

- 69 Department of Public Health and Environment, Prevention Services Division, Family and Community Health, Women's Health, Family Planning Program Administration; Family Planning Purchase of Services; and Family Planning Federal Grants -- Pursuant to Article V, Section 50, of the Colorado Constitution, no public funds shall be used by the State of Colorado, its agencies or political subdivisions to pay or otherwise reimburse, either directly or indirectly, any person, agency or facility for the performance of any induced abortion, provided however, that the General Assembly, by specific bill, may authorize and appropriate funds to be used for those medical services necessary to prevent the death of either a pregnant woman or her unborn child under circumstances where every reasonable effort is made to preserve the life of each.

Comment: This footnote reiterates the Colorado constitutional restriction on using state funds for abortion services. The Department is in compliance with this footnote.

- 70 Department of Public Health and Environment, Prevention Services Division, Family and Community Health, Children and Youth Health, School-based Health Centers -- It is the intent of the General Assembly that the appropriation be used for the purpose of assisting the establishment, expansion, and ongoing operations of school-based health centers in Colorado.

Comment: This footnote reiterates the statutory requirements of how funding for school-based health centers may be used. The Department is in compliance with this footnote.

Requests for Information

1. Department of Public Health and Environment, Water Quality Control Division, Clean Water Sectors -- The Department is requested to submit a monthly report for expenditures by fund source for each of the clean water sectors.

Response: The Department has not provided this report. The Department has indicated that issues with CORE have prevented the Department from pulling the requested information.

2. Department of Public Health and Environment, Disease Control and Environmental Epidemiology Division, Administration, General Disease Control, and Surveillance, Immunization Personal Services -- The Department is requested to submit a report to the Joint Budget Committee by November 1, 2015 regarding efforts to develop and implement a program similar to the federal Vaccines for Children Program involving the Children's Health Plan Plus and the Immunization Program.

Response: On October 6, 2015 the Department of Health Care Policy and Financing and Public Health and Environment provided information which indicated that based on two significant changes to the Children's Health Plan Plus the feasibility of a program similar to the federal Vaccines for Children Program was not feasible from both financial and operational standpoints. The two changes which occurred since the request for information was sent are:

- Significant reduction in the number of children eligible for the Children's Health Plan Plus primarily due to the expansion of Medicaid; and
- Effective October 2015, Colorado's federal match rate for the CHP+ program will increase from 65.71% to 88.50% which significantly minimizes any financial benefit.

Background included in the Departments' response:

In April 2014, an analysis from HCPF's actuary indicated that HCPF could realize an annual cost savings of approximately \$800,000 - \$840,000 (30.0 percent to 35.0 percent) in state and federal funds if vaccines for CHP+ patients are purchased off the federal contract used to buy Vaccines for Children (VFC) vaccines instead of commercial market rates.

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Based on the change in caseload and federal match rate, HCPF estimates the new cost savings would be increased to \$1,551,589 million in state and federal funds in FY 2016-17. However, savings to the state would only an estimated \$178,434 in cash funds, with \$161,800 in savings accruing to the Hospital Provider Fee Cash Fund, and \$16,634 in savings accruing to the Children’s Basic Health Plan Trust Fund; there would be no General Fund savings.

HCPF noted also that the CHP+ program faces an uncertain future because Congress has only authorized federal funding for the program through September 2017. Even if funding is appropriated, federal statutory authorization of the CHP+ program expires after September 2019.

Therefore based on the changes in federal Medicaid law, the subsequent decreased cost savings to the state and the uncertainty of the future of the CHP+ Program, both Departments have determined that moving forward with this project may no longer be the best course of action. As such, CDPHE proposes to return back to the State General Fund, \$56,549 and the one health professional III allocated to the CDPHE Immunization Branch starting in FY 2015-16 for this project.

3. Department of Public Health and Environment, Disease Control and Environmental Epidemiology, Environmental Epidemiology, Oil and Gas Health Activities -- The Department is requested to submit to the Joint Budget Committee by November 1, 2015 a summary of the status of the Health Concern Information Line and website, as well as the Mobile Air Quality Monitoring Unit. The report should include a summary of the activity on the website, the information line, and the mobile unit.

Response: The Program will employ three positions within the Environmental Epidemiology, Occupational Medicine and Toxicology branch. These three will address citizen health concerns and maintain the Clearinghouse of information. Two positions have been hired and have been working to develop and implement the Program – a preventive medicine physician (program manager) and a toxicologist. The third position will be a case-manager/health professional. Interviews are currently underway, and this position will be hired by mid November.

Department's Work on the Health Concern Response

- A two-tier system is used to respond to citizens:
 - Initial contact from citizens and gathering of basic information from them may be considered ‘Tier 0.’ This will occur via the call-line, website or partners – see those sections below.
 - Tier 1 includes contact of concerned citizens by the Program case manager, answering questions, recording key information, and describing how this information will be combined with other health concerns to increase general knowledge about potential health impacts of oil and gas operations.
- Implementation

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- All data collection forms are designed and implemented.
 - Answers to frequently asked questions and talking points have been written for staff use.
 - Tier 2 may include involvement of the Program physician or toxicologist, communication with citizens' health care providers, reviewing their medical records, conducting mobile air quality monitoring, and/or working with oil and gas inspectors from partner agencies and programs. Each citizen with a health concern deemed Tier 2 will receive an individual report summarizing the information collected and actions taken to investigate their concern.
 - General criteria for escalation to Tier 2 have been implemented.
 - Legal requirements relative to collection, transfer and storage of personal medical information have been reviewed and addressed.
 - Preliminary criteria for mobile air monitoring have been written.
 - Key partner relationships have been established and procedures for sharing information have been agreed upon and implemented.
 - A template for the individual report has been written and is in use.
4. Department of Public Health and Environment, Totals -- The Department is requested to submit to the Joint Budget Committee by November 1, 2015 an updated strategic plan to most efficiently manage the grant programs administered by the Department. The plan should include an overview of the grant programs and the current methods used to track applications, make grant decisions, pay out grants fund, and the financial and performance standards used to monitor grantees. The plan should also include the proposed changes to improve and standardize Department methods and a timeline for implementing the proposed changes.

Response: The Department is dedicated to improving current processes for grants management. A standardized Scope of Work development process was implemented department wide January 1, 2015 for the development of grants and contracts. The process has been incorporated into the grant Request for Application (RFA) template. This standardization improves the efficiency of the review and evaluation process of the applications. The RFA template has been standardized as well. Both of these improvements have made the grants process more efficient and strengthened the evaluation process ultimately resulting in stronger awards.

The Department was recently notified that the OSC anticipates implementation of the CORE module soon and plans to form work groups this fall comprised of representatives from interested departments. These work groups are anticipated to develop standardized processes for the use of the module, test the module to ensure functionality and contribute to the planning for agency training prior to implementation. The Department is eager to participate in these work groups and is awaiting more information.

The Contract Monitoring Compliance Officer position was filled November 2014 however the position became vacant September 1, 2015. Recruitment efforts are underway to fill the position with an anticipated hire date of December 2015. Resources

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within the Procurement and Contracts Section have been reassigned to ensure the implementation of the Contract Monitoring Program is communicated to division staff, implemented as planned, and training is provided to division staff prior to implementation.

The Contract Monitoring Program was finalized in September 2015 with implementation scheduled for January 1, 2016. The first training course for division monitoring staff will be an overview of the full program. Sessions for this course are scheduled to begin in November 2015 with multiple session offerings through December 2015. Additional courses are in development to ensure detailed training is provided for all components of the program. All course offerings are anticipated to be available to staff in the first 6 months of 2016

Appendix D: SMART Act Annual Performance Report

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Office of State Planning and Budgeting is required to publish an Annual Performance Report for the Department of Public Health and Environment by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2014-15 report dated November 3, 2014 can be found at the following link:

<https://sites.google.com/a/state.co.us/colorado-performance-management/department-performance-plans/public-health-and-environment/fy-2014-15-performance-plan-and-evaluation-reports>

Pursuant to Section 2-7-204 (3) (a) (I), C.R.S., the Department of Public Health and Environment is required to develop a performance plan and submit that plan to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2015-16 plan can be found at the following link:

<https://sites.google.com/a/state.co.us/colorado-performance-management/department-performance-plans/public-health-and-environment/fy-2015-16-performance-plan-and-evaluation-reports>