

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2013-14 STAFF BUDGET BRIEFING
DEPARTMENT OF PUBLIC HEALTH
AND ENVIRONMENT**

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

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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Department Overview

- 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
 - Provides testing, analysis, and results reporting of laboratory tests on specimens and samples submitted by other divisions, departments, and private clients.

- 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 emission 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;
 - Monitors the pollutant levels in rivers, streams, and other bodies of water;
 - Conducts surveillance of public and non-public drinking water sources to ensure compliance federal and state water quality standards; and
 - Reviews designs and specifications of new and/or expanding water treatment facilities.

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- 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; and
 - Regulates commercial radioactive materials in Colorado.

- 7) Consumer Protection Division
 - Certifies and inspects wholesale food distributors and dairy processors;
 - Oversees restaurant, child care facilities, and school inspections by done local public health departments (with a few exceptions where the state is responsible for these inspections); and
 - Administers four sustainability programs (including the Waste Tire Program and the Recycling Resources Opportunity 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; and
 - Assesses the threat risk from environmental contaminants on human health, and when needed, takes action to contain and/or nullifying these threats.

- 9) Prevention Services Division
 - Administers multiple disease prevention programs including the Tobacco Education, Prevention, and Cessation Program and the Cancer Cardiovascular Disease, and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Program;
 - Oversees the Nurse Home Visitor Program and Newborn Screen Programs;
 - Administers injury, suicide and violence prevention programs including the Tony Grampas Youth Services Program;
 - Operates the Primary Care Office and Oral Health Program; and
 - Administers the following two federal food assistance programs: Women, Infant and Children (WIC) and Child and Adult Care Food Program.

- 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) Emergency Preparedness and Response Division
 - Works with locals 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.

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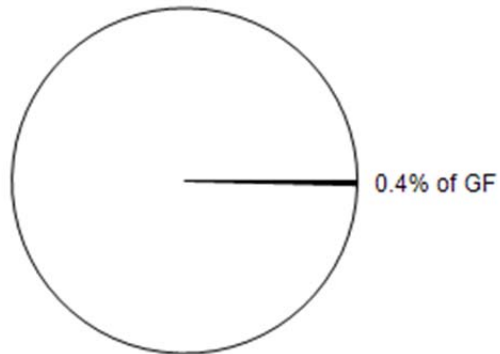
Department Budget: Recent Appropriations

Funding Source	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14 *
General Fund	\$27,460,904	\$27,473,436	\$30,725,111	\$31,354,622
Cash Funds	132,523,812	124,269,359	157,156,520	154,142,912
Reappropriated Funds	26,696,827	28,977,004	32,052,315	32,426,913
Federal Funds	<u>256,102,843</u>	<u>266,186,228</u>	<u>246,167,561</u>	<u>253,300,320</u>
Total Funds	\$442,784,386	\$446,906,027	\$466,101,507	\$471,224,767
Full Time Equiv. Staff	1,227.7	1,260.9	1,223.1	1,212.1

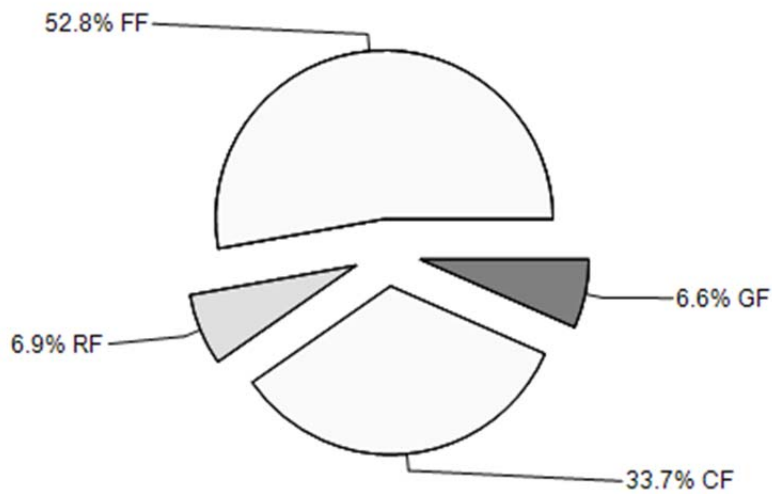
*Requested appropriation.

Department Budget: Graphic Overview

**Department's Share of Statewide
General Fund**

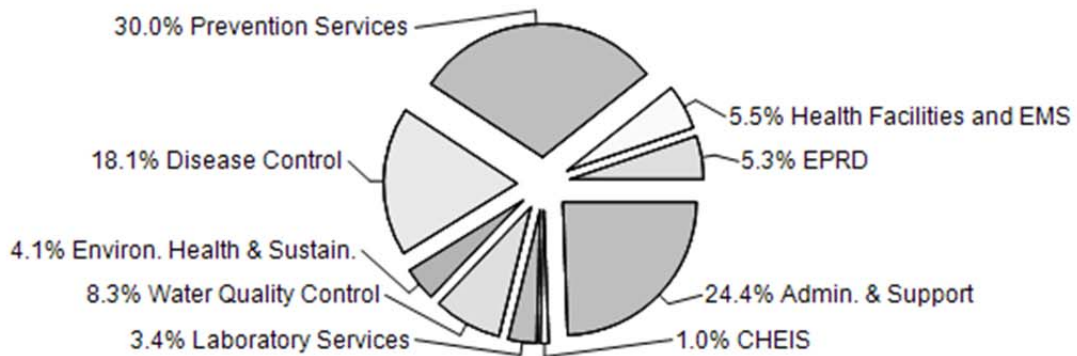


Department Funding Sources

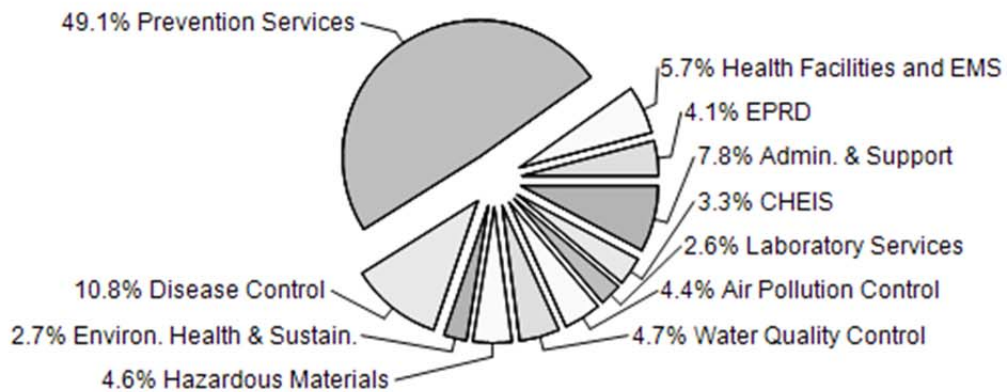


All charts are based on the FY 2012-13 appropriation.

Distribution of General Fund by Division



Distribution of Total Funds by Division



All charts are based on the FY 2012-13 appropriation.

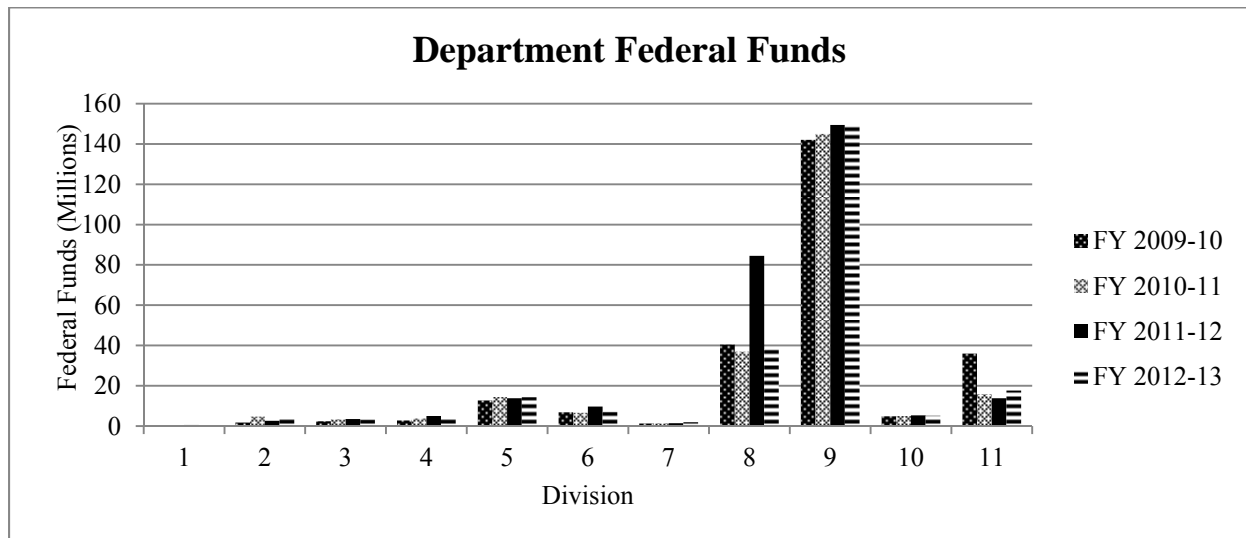
General Factors Driving the Budget

For FY 2012-13, funding for the Department consists of 6.7 percent General Fund (including appropriations from the General Fund Exempt Account), 32.7 percent cash funds, and 6.9 percent reappropriated funds, and 53.8 percent federal funds.

Federal Funds

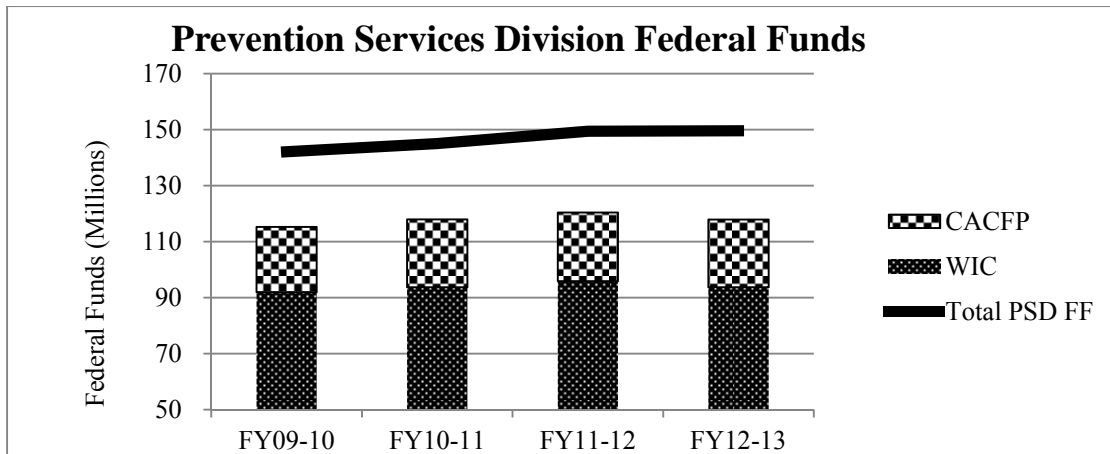
Federal funds account for more than one half of the Department's total appropriation, and each division receives some amount of federal funds for programs administered by that division. The majority of the federal funds shown the Department's Long Bill are for informational purposes only. Informational appropriation means the appropriation set in the Long Bill does not limit the amount of federal funds the Department can spend. Since the Department does not know the specific amount of federal funds each division will receive over the course of the fiscal year when the Long Bill is set, the appropriation is an estimate. The numbers in the FY 2012-13 Long Bill are based on the FY 2010-11 federal funds appropriation which was the most recent actual year in order to bring these numbers into closer alignment with what the Department actually receives.

The following table illustrates that while federal funds comprise 53.8 percent of the total department's budget, the majority of the federal funds are concentrated in five divisions: (5) Water Quality Control, (6) Hazardous Materials, (8) Disease Control and Environmental Epidemiology, (9) Prevention Services Division, and (11) Emergency Response and Preparedness. The remaining divisions, with the exception of (1) Administration and Support and (7) Consumer Protection are primarily cash funded.



Within the (9) Prevention Services Division, the majority of the federal funds is for the Women, Infant and Children, and the Adult and Child Food Care Program as illustrated in the following table. Overall, the federal funds appropriated for these two programs account for approximately one quarter of all funding for the department.

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With the upcoming possibility of sequestration, the impact on the Department is not yet quantifiable because it is not known to the Department which specific programs will be cut. Pursuant to the OMB report on sequestration put out in October, the average percentage cut will be 8.2 percent. Doing a quick search of the document showed a possible cut to the supplemental WIC program and no clearly apparent cuts to the Child and Adult Care Food Program. It is unclear what programs, services, and staff will have to be cut if sequestration comes true. The Department receives federal funds from more than 300 different sources. The federal agencies that provide the largest amount of federal funds to the Department include: the federal Departments of Agriculture, Defense, Energy, and Homeland Security; the Environmental Protection Agency; and the Department of Health and Human Services (including the Center for Disease Control and Medicaid).

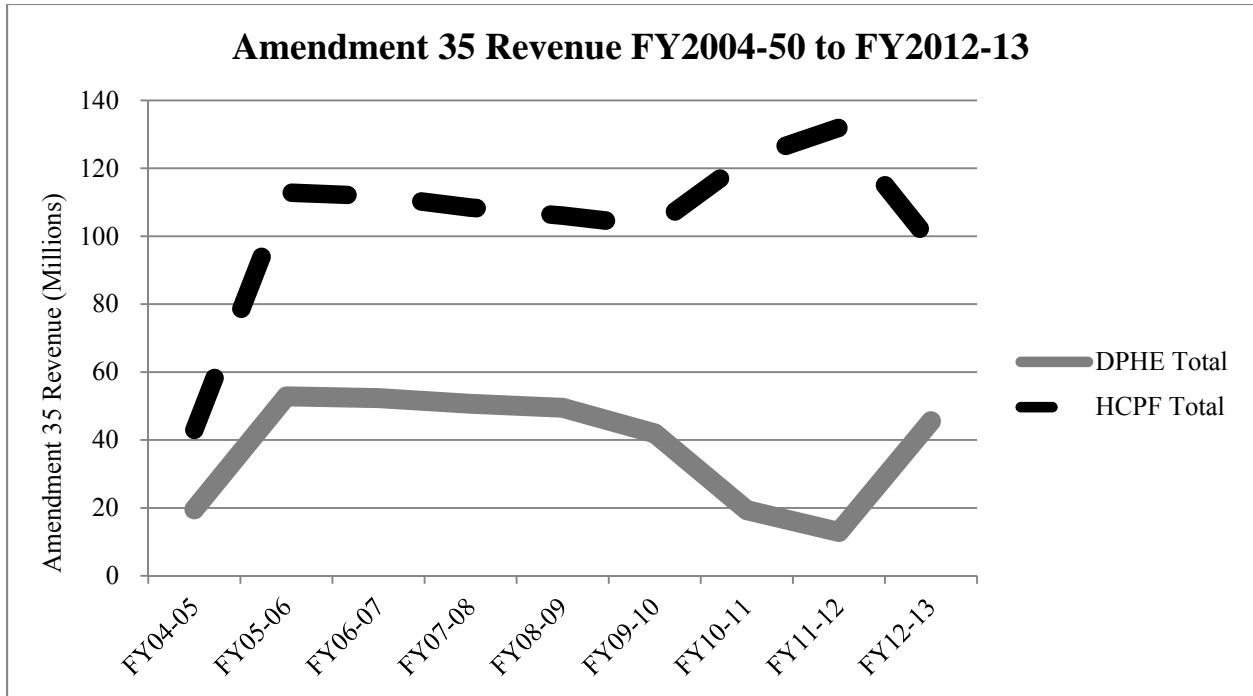
Amendment 35 Tobacco Tax Moneys

Amendment 35 was approved by voters in 2004, and imposed a 64¢ tax on each pack of cigarettes sold in Colorado and related taxes on other tobacco products. In the Department, Amendment 35 tax revenues support the following program:

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

Appropriations for these programs are driven by a statutorily defined formula and the amount of revenue generated by the tax each fiscal year. The following graph illustrates how the Amendment 35 dollars are divided between The Departments of Health Care Policy and Financing and Public Health and Environment.

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During FY 2010-11 and FY 2011-12 the General Assembly passed legislation which transferred \$25.6 million in FY 2010-11 and \$33.0 million in FY 2011-12 to the Department of Health Care and Policy Financing (HCPF). The money was used in HCPF to offset General Fund dollars to help offset the General Fund shortfall in these fiscal years.

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Summary: FY 2012-13 Appropriation & FY 2013-14 Request

Department of Public Health and Environment						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	\$462,258,351	\$27,843,155	\$156,195,320	\$32,052,315	\$246,167,561	1,221.6
HB 12-1294 (Health facilities)	183,730		183,730	0	0	2.4
HB 12-1326 (Dental program)	3,022,800	3,022,800	0	0	0	1.0
Other legislation	636,626	(140,844)	777,470	0	0	(1.9)
TOTAL	\$466,101,507	\$30,725,111	\$157,156,520	\$32,052,315	\$246,167,561	1,223.1
FY 2013-14 Requested Appropriation:						
FY 2012-13 Appropriation	\$466,101,507	\$30,725,111	\$157,156,520	\$32,052,315	\$246,167,561	1,223.1
R-1 Financial Risk Management	0	0	0	154,453	(154,453)	0.0
R-2 Lean Resources	0	0	0	300,107	(300,107)	0.0
R-3 Local Public Health Agency Funding	375,466	375,466	0	0	0	0.0
R-4 Preventive Health Funding	(251,000)	0	0	0	(251,000)	2.4
NPI-1 : OIT enterprise management	22,432	0	0	22,432	0	0.0
NPI-2: Capitol Complex upgrades	2,019	0	0	2,019	0	0.0
NPI-3: Employee engagement survey	1,371	0	0	1,371	0	0.0
Centrally appropriated line items	10,769,034	409,248	1,383,422	447,631	8,528,733	0.0
Amendment 35 revenue adjustment	(3,541,603)	0	(3,248,803)	(292,800)	0	0.0
Annualize prior year legislation	(1,333,757)	(79,916)	(680,025)	(292,124)	(281,692)	(13.4)
IT common policy adjustments	(745,987)	(75,287)	(385,917)	123,939	(408,722)	0.0
Annualize prior year funding	(174,715)	0	(82,285)	(92,430)	0	0.0
TOTAL	\$471,224,767	31,354,622	\$154,142,912	\$32,426,913	\$253,300,320	1,212.1
Increase/(Decrease)	\$5,123,260	\$629,511	(\$3,013,608)	\$374,598	\$7,132,759	(11.0)
Percentage Change	1.1%	2.0%	(1.9%)	1.2%	2.9%	(0.9%)

Description of Requested Changes

R-1 Financial Risk Management: The request includes \$154,453 reappropriated funds from indirect cost recoveries and 2.0 FTE offset by a reduction of a like amount of federal funds and federally funded FTE to provide permanent funding for the Department's new Financial Risk Management process.

R-2 Lean Resources: The request includes \$300,107 reappropriated funds from indirect cost recoveries and 2.0 FTE offset by a reduction of a like amount of federal funds and federally funded FTE to formalize and sustain the Department's Lean continuous improvement methodology.

R-3 Local Public Health Agency Funding: The request includes two parts: (1) an increase of \$375,466 General Fund to increase state funds provided to local public health agencies, and (2) the consolidation of two line items into one line item to enable the Department to utilize a single funding distribution methodology to local public health agencies.

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R-4 Preventive Health Funding: The request includes an increase of \$251,000 General Fund and 2.4 FTE to offset the loss of federal Preventive health Block Grant Funds for the Environmental Epidemiology, Communicable Disease, and Sexually Transmitted Infection Programs. The requested increase of General Fund is offset by a reduction of General Fund dollars to the Ryan White AIDS Drug Assistance and Immunization Programs.

NPI-1: OIT enterprise management: The request includes an increase of \$22,432 reappropriated funds from indirect cost recoveries for FY 2013-13 to fund the Department's share of an executive branch information technology asset management program and corresponding data system. *This request item will be addressed in a separate staff briefing for the Governor's Office of Information Technology scheduled for December 10, 2012.*

NPI-2: Capitol Complex upgrades: The request includes an increase of \$2,019 reappropriated funds from indirect cost recoveries for FY 2013-14 to fund the Department's share of building maintenance and upgrades in the State's Capitol Complex. *This request item will be addressed in a separate staff briefing for the Department of Personnel and Administration scheduled for December 10, 2012.*

NPI-3: Employee engagement survey: The request includes an increase of \$1,371 reappropriated funds from indirect cost recoveries for FY 2013-14 to fund the Department's share of a survey to gauge employees' attitudes towards their work, their work environment, overall satisfaction, and trends developing within the workforce. *This request item will be addressed in a separate staff briefing for the Department of Personnel and Administration scheduled for December 10, 2012.*

Centrally appropriated line items: The request includes adjustment to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential, workers' compensation; administrative law judges; and payments to risk management and property funds. In addition the request includes \$1.5 million, of which \$113,624 is General Fund for salary survey and \$1.2 million, of which \$91,000 is General Fund for merit pay.

Amendment 35 revenue adjustment: The request includes a reduction based on the FY 2013-14 projection of Amendment 35 tobacco tax revenue.

Annualize prior year legislation: The request includes adjustments related to prior year Legislation, including the transfer of life safety code staff from the Department to the Department of Public Safety pursuant to H.B. 12-1268.

IT common policy adjustments: The request includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments. *This request item will be addressed in a separate staff briefing for the Governor's Office of Information Technology scheduled for December 10, 2012.*

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Annualize prior year funding: The request includes adjustments related to prior year budget actions, including the annualization of one-time operating funds for 13.0 oil and gas FTE, and the annualization of Tobacco Education Funds matched with federal Medicaid dollars for Quit Line services to Medicaid eligible clients.

Issue: Rocky Mountain Arsenal Litigation Expenses

The Natural Resources Damage Recovery Fund in the Department of Public Health and Environment is holding \$17.0 million given to the State through the settle with the U.S. Army and Shell Oil Company for damages they caused to the State's natural resources by their actions at the Rocky Mountain Arsenal. State statute requires the funds used to pay for the litigation which resulted in the \$17.0 million settlement be repaid before the funds can be accessed. IN 2010 when the repayment language was added to statute the anticipated repayment date was 2015. Based on current rates, the loan isn't anticipated to be repaid until 2019.

SUMMARY:

- The State sued the United States Army and Shell Oil Company in 1983 for compensation for damages caused to the State's natural resources as a result of the activities that occurred at the Rocky Mountain Arsenal.
- The litigation was finally settled in 2008, with the State receiving \$27.4 million, of which \$7.4 million was paid by the U.S. Army and \$20.0 million was paid by Shell Oil Company, \$10.0 million was deposited into Colorado Natural Resources Foundation Fund and \$17.4 million was deposited into the Natural Resources Damage Recovery Fund.
- The cost of the litigation and damage assessment done by the Department of Law on behalf of the Colorado Natural Resource Trustees was funded through a loan from the General Fund and the Hazardous Substance Response Fund. In 2010 a statutory requirement was added requiring the interest earned on the \$17.4 million be used to repay the loan to both funds before the \$17.4 million can be distributed.
- At the time of the statutory requirement, it was anticipated the loan would be repaid by 2015. Current projections shown the loan will not be repaid until 2019 due to the dramatic decrease of interest rates.

RECOMMENDATION:

Staff recommends the Committee sponsor legislation that does two things: (1) authorizes sources other than the interest from the principle on the settlement funds be able to repay loan from the Hazardous Substance Response Fund and General Fund and (2) eliminates the requirement that the funds in the Natural Resource Damage Recovery Fund be subject to appropriation.

DISCUSSION:

History of the Rocky Mountain Arsenal

The following is a brief history of activities at the Rocky Mountain Arsenal (Arsenal), and the legal actions taken by the state.

1942: The Arsenal was purchased by the United States Army (Army).

1942-1950: The Army used the Arsenal to do the following: manufacture chemical warfare agents and incendiary munitions, including napalm, mustard gas, incendiary bombs, and Sarin nerve agent; demilitarize obsolete chemical and other World War II ordnances; and test fire various smoke and high explosive mortar rounds¹.

1947 – The Army leased portions of the Arsenal to private industries for the manufacturing and processing of chemicals.

1952-1982: Shell Chemical Company, a division of Shell Oil Company, purchased on-site operational rights and manufacture herbicides and pesticides at the Arsenal.

1953-1957: The Army manufactured and stock piled GB (Sarin) nerve agent at the Arsenal.

Through 1969 – The Army continued to fill chemical munitions.

1970-1982: The Army used the Arsenal for disposal and destruction by caustic neutralization and incineration of chemical weapons materials including: TC anti-crop agents, mustard gas, other explosives, GB nerve agent, and relation munitions casing².

December 9, 1983 – the State of Colorado sued the Army and Shell Oil Company "for damages to the State's natural resources due to releases or threatened release of hazardous substances from the Rocky Mountain Arsenal" in United States District Court³.

1984 – Pursuant to the requirements of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) also known as Superfund, the Army began an investigation of the Rocky Mountain Arsenal.

November 25, 1985 – the State of Colorado added to the suit filed in 1983, claims for recovery of response costs including: investigative activities, site cleanup, removal and remediation actions, and for all other costs of response incurred and to be incurred by Colorado.⁴

¹"Conflict Resolution Consortium." Matthew Green http://www.colorado.edu/conflict/full_text_search/AllCRCDocs/94-58.htm

² Ibid.

³ United States District Court, Civil Action NO. 83-C-2386, "Consent Decree Between Shell Oil Company and the State of Colorado.

⁴ Ibid.

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1987 – As a result of the Army's investigation, the Arsenal was placed on the National Priorities List of Superfund sites due to the contamination of pesticides, insecticides, heavy metals, chemical warfare materials, and biological warfare agents.

January 19, 1990 – Then Governor Roy Romer designated the Executive Directors of the Departments of Natural Resources and Public Health and Environment and the Attorney General as Colorado's Natural Resources Trustees pursuant to the requirements of CERCLA.

July 10, 1990 - Colorado filed an amended complaint alleging three additional claims against Shell Oil: two claims for natural resource damages relief under CERCLA, and one for the recovery of response costs under CERCLA⁵.

Fall 2007 – Colorado released a proposed assessment for determining natural resources damages for injuries remaining after completion of remedial actions and for the time period from the passage of CERCLA in 1980 to the estimated remediation completion date of 2010. The assessment focused on injuries to wildlife and ground water, but noted alleged interim air injuries that occurred in the late 1980s.⁶

June 24, 2008 – United States District Court issued a consent decree settling the lawsuit filed by the State of Colorado against Shell Oil Company⁷.

November 20, 2008 – United States District Court issued a consent decree between the U.S. Army and the State of Colorado settling the portion of the lawsuit filed against the U.S. Army.

Colorado's Natural Resource Trustees

Colorado's Natural Resource Trustees were initially appointed in January 1990 pursuant to Section 107 (f) of CERCLA, 42 U.S.C. SS 9607 (f). Then Governor Romer appointed the Attorney General, Executive Directors of the Departments of Natural Resources and Public Health and Environment or their designees as the Trustees. Under CERCLA the Trustees are responsible for litigation of the state's natural resource damage claims (i.e. suing on the states behalf) and administering the funds received from any litigation. As noted in the above time line, the lawsuit was initially filed in 1983 prior to the appointment of the Trustees, and evolved over time as the scope of the issues at the Arsenal became apparent and the Trustees became involved in the process.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

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Consent Decree Settlements

In order to avoid prolonging the complicated litigation that was the lawsuit filed by Colorado against both Shell Oil Company and the U.S. Army, the parties agreed to consent decrees issued by the United States District Court. There are two separate consent decrees, one between Shell Oil Company and the State, and one between the U.S. Army and the State. The following table summarizes the four settlement terms outlined in the two consent decrees. Overall, the total estimated monetary benefit to the State, local governments, and nonprofit organizations' working to mitigate the impacts from the Arsenal was approximately \$35.0 million dollars.

Summary of Estimate Monetary Value of Rocky Mountain Arsenal Consent Decrees		
Settlement Description	Responsible Party	Monetary Value
Payment for costs to mitigate natural resource damages U.S. Army to the Natural Resource Damage Recovery Fund housed in CDPHE	Shell Oil	\$10,000,000
Donation to Greenway Project via the Colorado Natural Resources Foundation Fund housed in DNR	U.S. Army	\$7,400,000
Credit not paid the completed Klein water treatment plant located just north of 72 nd and Quebec.	Shell Oil	\$10,000,000
Donation of 100 acres of land north of the Arsenal to the Greenway Project	U.S. Army	\$6,600,000
	Shell Oil	> \$1,000,000
Estimated Total Monetary Value to State of Consent Decree		>\$35,000,000

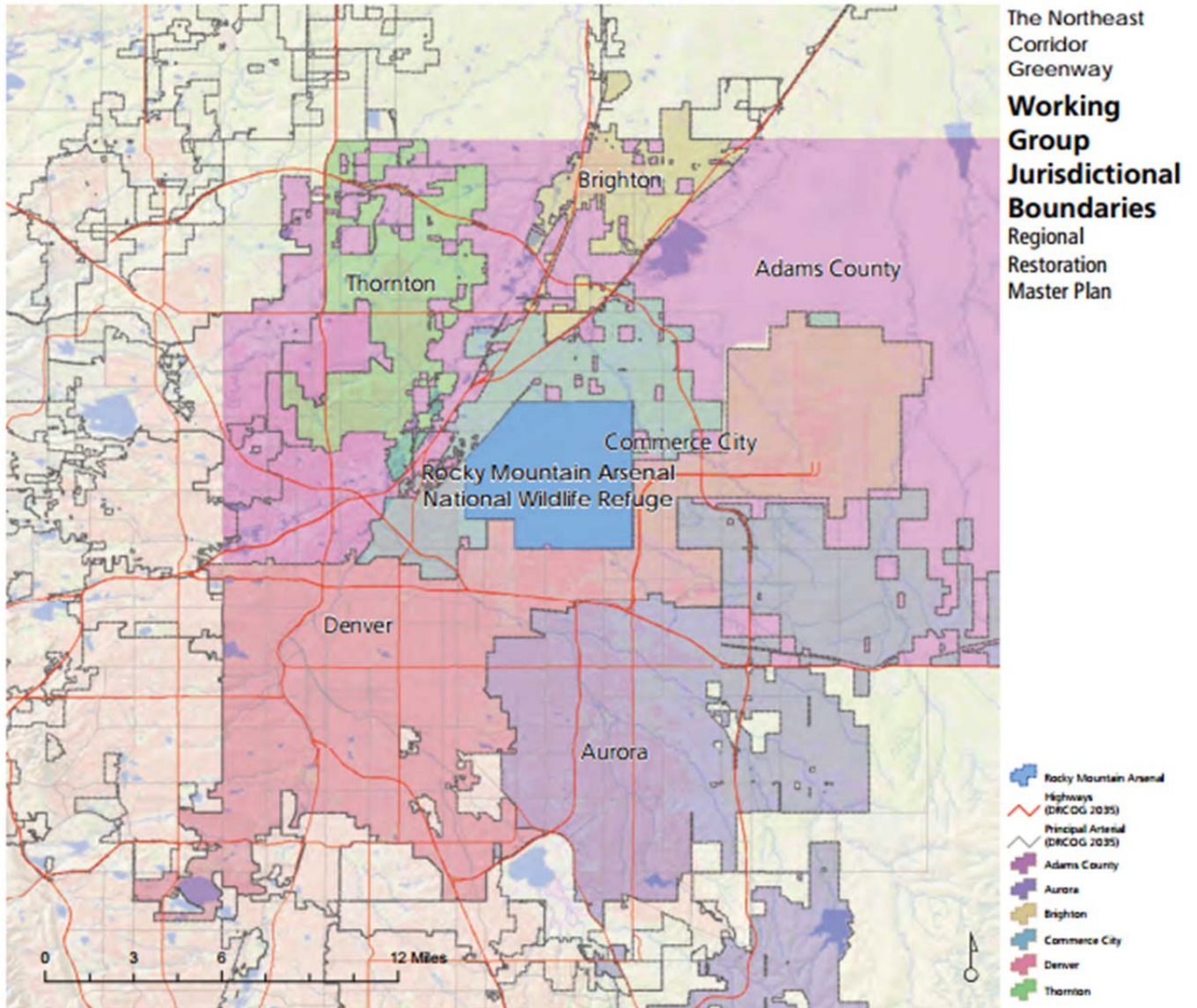
Northeast Greenway Corridor and Greenway Project

The consent decree with Shell Oil Company defined the impacted area surrounding the Arsenal as the Northeast Greenway Corridor. The Corridor is an inter-jurisdictional partnership comprised of the following parties:

- Adams County;
- City of Aurora;
- City of Brighton;
- Commerce City;
- City of Thornton
- City and County of Denver;
- Office of The Colorado Attorney General; and
- The Sand Creek Regional Greenway

The map, provided by the Corridor, on the following page shows the jurisdictional boundaries of the members of the partnership.

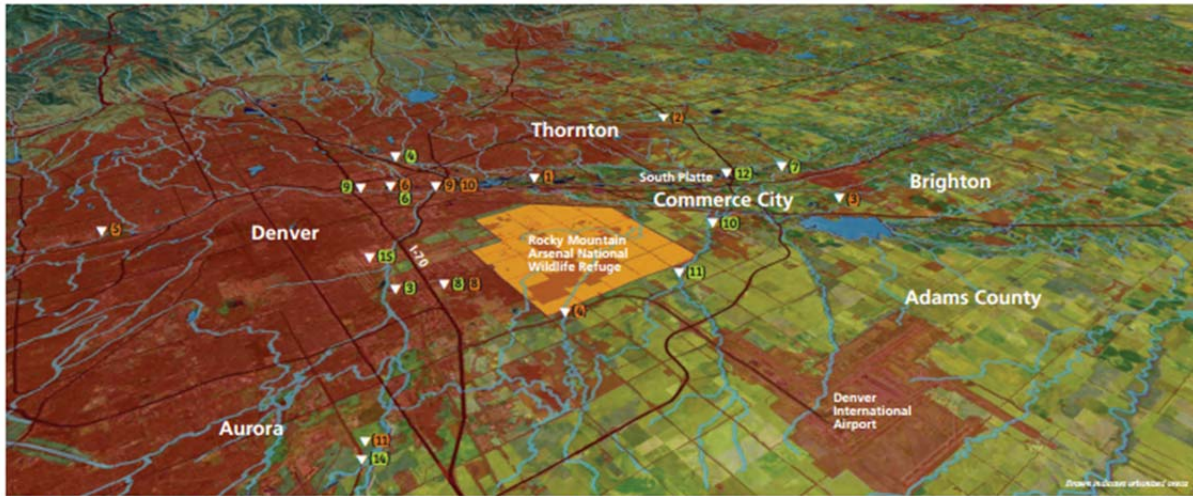
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The Corridor developed the Greenway Projection Regional Restoration Master Plan, called the Greenway Project to create a network of urban greenways, trails and open spaces on lands near the Arsenal. There are two types of projects included in the Master Plan, foundation projects and recovery fund projects. As shown in the following map, there are eleven foundation projects and fifteen proposed recovery fund projects.

Greenway Projects and Proposed Projects



FOUNDATION FUND PROJECTS		RECOVERY FUND SUBMITTALS		
1 88th Avenue	6 Heron Pond	1 Aquifer Storage*	6 Heron Pond Expansion	11 Second Creek Corridor
2 Big Dry Creek	7 Invasive Species Removal*	2 Bird Habitat*	7 Ken Mitchell	12 South Platte
3 Eagle Preservation	8 Montbello	3 Bluff Lake Habitat	8 Montbello Open Space	13 Suburban Area Restoration*
4 First Creek	9 Sand Creek 1	4 Clear Creek Cleanup	9 Platte Farm	14 Triple Creek
5 Grant Frontier	10 Sand Creek 2	5 Community Initiative*	10 Second Creek Cleanup	15 Westerly/Sand Creek Confluence
	11 Triple Creek			<small>*snapped</small>

Regional Restoration Master Plan | The Northeast Greenway Corridor

Foundation Projections

In July 2012 the Trustees approved funding for the eleven foundation projects proposed by the Greenway Corridor. These projects are funded with the \$10.0 million donated by Shell Oil Company and credited to the Natural Resources Foundation Fund housed in the Department of Natural Resources. These dollars were designated for restoration, replacement, or acquisition of the natural resources injuries caused by the release of hazardous substances at or from the Arsenal. The eleven projects are summarized in Appendix F.

Recovery Fund Submittals

The Master Plan shows fifteen project submittals for the \$17.4 million in the Natural Resources Damages Recovery Fund, collectively called the Recovery Fund Submittals. The Trustees are prohibited by Section 25-16-104.7, C.R.S. from disbursing the \$17.4 million until the loans for the costs of damage assessment and litigation fees, from the Hazardous Substance Response Fund and General Fund are repaid.

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Brief History of Natural Resources Damages Recovery Fund

The Natural Resources Damages Recovery Fund was created by S.B. 85-109 and was not substantially modified until the 2007 Session in which the General Assembly passed two bills impacted the Fund.

Senate Bill 07-110(Tapia/Buecher) was a JBC bill requiring any costs incurred through the assessment of natural resource damages and any associated costs of litigation be repaid to the fund from which the expenses were paid. House Bill 07-1357 was also a JBC bill which enabled assessment and litigation costs for the Rocky Mountain Arsenal lawsuit to be paid from the HSRF. The intent of H.B. 07-1357 was to reduce the need for General Fund dollars at a time when General Fund dollars were becoming scarce.

House Bill 10-1325 (Lambert/White) was another JBC bill which established the transfer of the interest earned on the \$17.4 million settlement moneys in the Fund to the HSRF and General Fund to repay the funds used in 2007 for damage assessment and litigation costs. At the time the bill was passed, it was projected it would take until 2015 to repay both the General Fund and the HRSF assuming a 2.38 percent interest rate. The following table shows through June 30, 2012 what is currently owed to the HSRF and General Fund.

Outstanding Loan Balances			
	HSRF	GF	TOTAL
Total Loan	\$1,657,577	\$1,004,873	\$2,662,451
FY 09-10 Payment	(263,810)	(159,641)	(423,451)
Balance	1,393,768	845,232	2,239,000
FY 10-11 Payment	(225,253)	(136,309)	(361,563)
Balance	1,168,514	708,923	1,877,438
FY 11-12 Payment	(156,419)	(94,655)	(251,073)
Current Balance	\$1,012,096	\$614,269	\$1,626,364

Due to the collapse of the economy, interest rates have fallen, and the interest rate assumption used at the time H.B. 10-1325 no longer holds true. Based on current interest rates, the repayment to the HSRF and General Fund is not projected to be complete until 2019, four years longer than was expected at the time the bill was passed. The longer the \$17.4 million sits in the Fund the buying power of those dollars decreases, especially as the real estate market recovers and property values increase.

Proposed Solution

Staff met with key members of the Northeast Greenway Corridor, the Department of Public Health and Environment, and the Department of Law to discuss possible solutions which will enable the loans to be repaid, but also allowing the \$17.4 million to be released out to the community. The various options discussed and dismissed included: (1) forgiving the loans, (2) allowing local governments/other entities to repay the loan for some guarantee of funding from the \$17.4 million, and (3) using the principle to repay the loan. Option one was dismissed because of the precedent this would set for future cases. Option two was dismissed because of

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the "pay to play" incentive this would create and possible disadvantage to entities which did not have the financial means to pay. Option three was quickly dismissed because of the prohibition set forth in CERCLA regarding the use of settlement dollars.

The proposed solution agreed upon was amending statute to allow other sources to repay the loans. The idea is that whatever percent of the \$17.4 million the entity receives, they are responsible for paying that percent of the loan. Therefore if entity A receives a grant of \$1.74 million from the Trustees, they would be responsible for repaying \$162,636 of the loans from local funds. The disadvantage of this solution is for small agencies, like small non-profits that cannot afford the repayment percentage. In order to create a fair playing field, it was proposed that through the request for proposals sent out by the Trustees, it be indicated the repayment was a requirement but for cases where this would cause a problem exceptions may be granted. Grantees would be encouraged, if possible, to partner with some of the large cities and counties where the projects will occur so that the repayment requirement would not be an issue.

Another issue was raised that the language in Section 25-16-104.7 (1), C.R.S. requires the funds in the Fund be appropriated by the General Assembly. This means that in order for the \$17.4 million to be distributed, the General Assembly would need to appropriate funds to the Department of Public Health and Environment even though these are custodial funds. The appropriation requirement was added when the Fund was created in 1985 when there were no Trustees. Now that Trustees have been appointed, the appropriation language is not required. **Therefore staff recommends the Committee sponsor legislation that does two things: (1) authorizes sources other than the interest from the principle on the settlement funds be able to repay loan from the Hazardous Substance Response Fund and General Fund and (2) eliminates the requirement that the funds in the Natural Resource Damage Recovery Fund be subject to appropriation.**

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving public health and environmental quality through two of the Department's Winnable Battles (1) clean air and (2) clean water.

Issue: Health Facilities Division and 2012 Legislation

During the 2012 Session, the General Assembly passed legislation transferring the life safety code inspections for health facilities from the Health Facilities and Emergency Medical Services Division to the Department of Public Safety. In order to transfer the inspection responsibilities, the Centers for Medicare and Medicaid must agree to the transfer by July 1, 2013. Transferring responsibilities will increase the costs of health facilities inspections and add a fourth department to the list of departments facilities must interact with.

SUMMARY:

- House Bill 12-1268 transferred the responsibilities for the life safety code inspections from the Health Facilities and Emergency Medical Services Division to the Department of Public Safety if the Centers for Medicare and Medicaid agree to the transfer.
- The transfer of the inspection responsibilities will increase costs by a total of \$282,670 total funds, of which \$26,708 is General Fund and 4.1 FTE.
- The General Assembly also passed H.B. 12-1294 which specifically directed the Departments of Human Services, Health Care Policy and Financing, and Public Health and Environment to streamline the facility inspection processes for group homes for people with developmental disabilities.

RECOMMENDATION:

Staff recommends the Department discuss the policy/program implications of concurrently implementing H.B. 12-1268 and H.B. 12-1294.

DISCUSSION:

House Bill 12-1268

House Bill 12-1268 transferred the life safety code inspections of health facilities from the Department of Public Health and Environment's Health Facilities and Emergency Medical Services Division to the Department of Public Safety in FY 2013-14. The transfer is contingent on the Centers for Medicare and Medicaid (CMS) approving the transfer because a majority of inspections done by DPS will be funded with Medicaid funds since a majority of the health facilities are Medicaid funded. The following table on the following page shows the number and type of facilities impacted by the changes in H.B. 12-1268.

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Licensed Facilities Impacted by H.B. 12-1268			
Facility Type	Total Facilities	Medicaid Certified Facilities	Medicaid Facilities as Percent of Total
General Hospital	89	84	94%
Hospital Unit	5	0	0%
Psychiatric Hospital	11	9	82%
Community Clinic	54	0	0%
Rehabilitation Hospital	3	3	100%
Convalescent Center	11	0	0%
Community Mental Health Center	21	0	0%
Acute Treatment Unit	5	0	0%
Group Homes for People with Developmental Disabilities	185	185	100%
Intermediate Care Facilities	20	20	100%
Nursing Care Facility	216	211	98%
Hospice Care	84	60	71%
Assisted Living Residence	573	333	58%
Dialysis Treatment Clinic	69	68	99%
Ambulatory Surgical Center	107	101	94%
Birth Center	1	0	0%
Total	1,454	1,074	74%

Potential Issues with H.B. 12-1268

Staff spoke with the Colorado Hospital Association which was the primary supporter of H.B. 12-1268 to better understand the motivation behind the bill. The Association cited numerous unresolved issues with the Health Facilities Division including poor communication, lack of feedback from the Division on plan reviews, and inconsistent inspectors. The Association felt that moving the life safety code inspection requirements out of the Health Facilities Division would provide a clean slate for developing better channels of communication and consistencies from inspector to inspector. Staff understands the value of having all life safety code inspections done by inspectors who understand that regardless of the facility type, the building and safety codes don't change. Staff questions if H.B. 12-1268 is the most effective and efficient method to transferring the inspection responsibilities because of the following four issues:

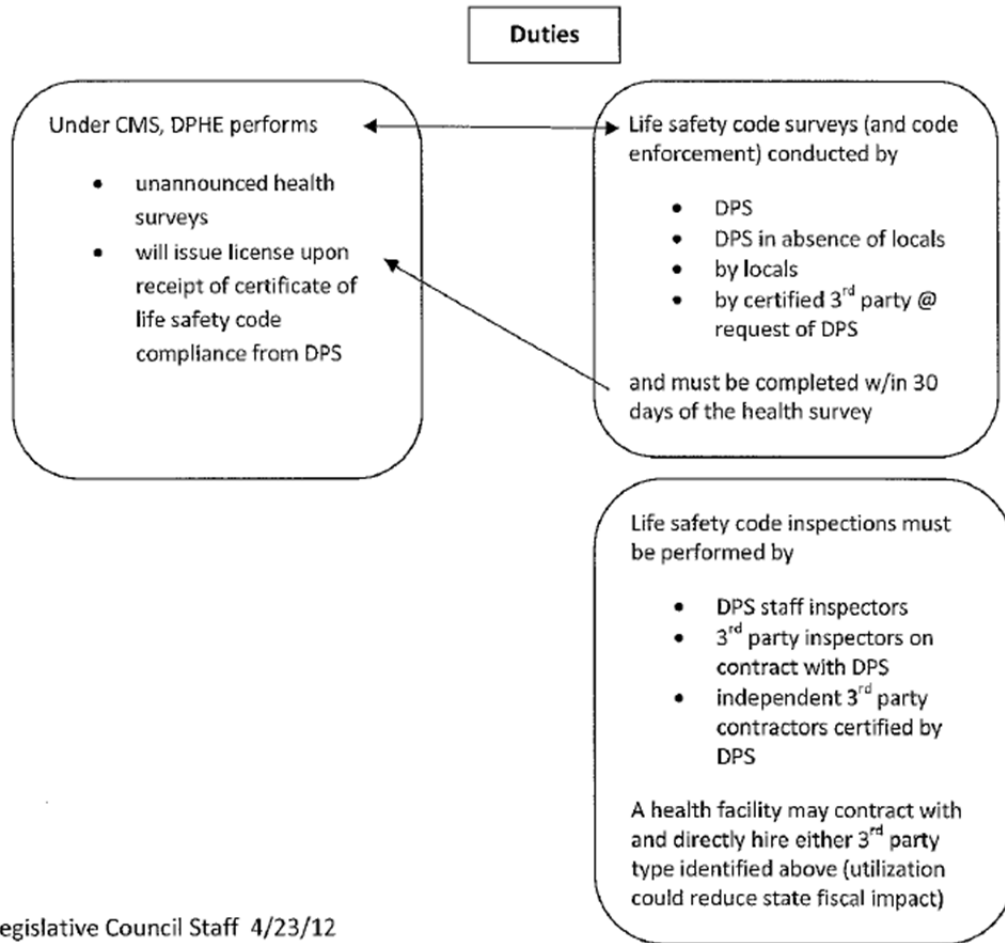
1. Fragmentation of health facility inspections;
2. Reconciling the intent of H.B. 12-1268 with the intent of H.B. 12-1294;
3. Timing requirements set for in the bill; and
4. Additional costs to facilities and the General Fund.

Fragmentation of Health Facility Inspections

The transfer of inspection responsibilities adds another layer to the inspection process because prior to H.B. 12-1268 life safety code and health survey inspections were done by one inspector in one inspection. Following the transfer, facilities will have an inspection done by the Health Facilities Division for health survey and CMS certification, then have a separate inspection from

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the Department of Public Safety or a third party inspector for compliance with the life safety code requirements. The following diagram prepared by the fiscal note analyst for H.B. 12-1268 shows the inspection layers added by the transfer.



Reconciling the intent of H.B. 12-1268 with the intent of H.B. 12-1294

The legislative declaration of H.B. 12-1294 stated that the current system of health facility regulation was overly burdensome and inefficient and indicated that savings were likely if the regulation of health facilities was streamlined. Section 12 of H.B. 12-1294 (Section 27-10.5-109 (2) (b), C.R.S.) required the Departments of Human Services, Public Health and Environment, and Health Care Policy and Financing to develop a plan, by December 31, 2012, to resolve the redundant, monitoring, compliance, auditing certification, and licensing requirements associated with the regulation of group homes for individuals with developmental disabilities. The Departments are instructed to study the feasibility of implementing a single, consolidated survey and methods for conducting simultaneous surveys.

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While the Legislature expressed the desire to see a streamlined process for regulating group homes for individuals with developmental disability in H.B. 12-1204, the Legislation also fragmented the regulation of group homes further by adding inspections done by the Department of Public Safety or a third party inspector.

Timing requirements set forth in the bill

There are three important deadlines in H.B. 12-1268:

1. October 1, 2012 - Pursuant to Section 24-33.5-1201 (5) (e), C.R.S. by October 1, 2012 the Department of Public Safety (DPS) must submit an application to the federal Department of Health and Human Services (HHS) requesting approval to modify the CMS certification agreement.
2. June 30, 2013 –DPS must notify the Reviser of Statutes in writing that HHS has granted the agreement modifications.
3. July 1, 2013 – If #2 is satisfied, the transfer occurs on July 1, 2013.

On September 25, 2012 the Governor submitted a request for approval to modify the CMS certification agreement to transfer of the authority to conduct plan reviews and building, fire, and life safety standards to DPS. The letter satisfied Section 24-33.5-1201 (5) (e), C.R.S. but is not sufficient to satisfy the June 30, 2013 deadline because the letter is similar to the bill summary, while the modifications to the agreement are like the actual bill language. CDPHE is unwilling to modify the agreement with CMS without tentative approval from CMS.

The optimistic response time to the letter is six months, leaving only three months to modify and receive approval from CMS on the modifications in order to meet the deadlines set forth in the bill. If the agreement has not been modified by June 30, 2013, the transfer does not occur.

Additional costs to facilities and the General Fund

The overall cost of the transfer is \$282,670 total funds, of which \$26,708 is General Fund and 4.1 FTE primarily for the additional coordination required to ensure inspections are conducted in the correct order.

Public Safety requires an additional \$158,980 total funds, of which \$26,708 is net General Fund and two additional FTE; (1) 1.0 management FTE to coordinate inspection timing with CDPHE and (2) 1.0 FTE inspector for local level inspections. The Department of Public Health and Environment requires an additional \$123,690 cash funds and 2.1 FTE for the following: (1) 0.4 FTE to modify licensure rules and fees, (2) 0.3 FTE to coordinate the receipt of certificates of compliance from DPS, and (3) 1.4 FTE to coordinate survey scheduling with DPS.

The Committee should be aware that the FY 2013-14 request includes the transfer of funding and staff, but if the Revisor has not been notified by the time the Long Bill is drafted staff does not plan to include the transfer in the Long Bill pursuant to the policy of writing the Long Bill to current law. Staff talked with the Controller's Office and determined that the language used in Section 27-33.5-1201, C.R.S. regarding the transfer of personnel was sufficient to transfer the spending authority if the Revisor was notified after the passage of the Long Bill. JBC staff would make adjustments to appropriations in the following year.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving public health quality by creating a more efficient, effective, and customer-oriented department.

Issue: Local Public Health Funding

The passage of S.B. 08-194, "Concerning Public Health" changed the organization of local public health services creating public health agencies to provide local public health and environmental services that matched the needs of the population being serviced, and required the State Board of Health to identify core public health services in rule. As a result of the change to local public health agencies and the identification of core public health service, the Office of Planning and Partnerships reformulated the formula used to allocate state funds for local public health services, and identified the need for additional state funds.

SUMMARY:

- Senate Bill 08-194, "Concerning Public Health" eliminated local public health departments and nursing services and created public health agencies.
- In 2011, the State Board of Health adopted seven statewide core public health services.
- The Office of Planning and Partnerships reformulated the local public health funding formula used to determine how state funds are allocated out to the locals to account for the populations served by the new local public health agencies, and what core services were provided by the agencies.
- State funding for local public health is comprised of General Fund dollars and a portion of the revenue from the state's tobacco master settlement agreement. As the revenue from the settlement declines, and there is no increase in General Fund dollars, the state is contributing less to local public health services. There is a statutory requirement that county governments contribute \$1.50 per capita regardless of the financial constraints the counties are experiencing.

RECOMMENDATION:

Staff recommends the Department explain during the hearing what is the basis for the requested \$0.05 per capita increase.

DISCUSSION:

Senate Bill 08-194

During the 2008 Session the General Assembly passed S.B. 08-194 (Hagedorn/McGihon) which had three primary components:

1. Eliminated local health departments and nursing services, and created local public health agencies;
2. Defined the duties of local public health agencies and local boards of health; and,
3. Required the State Board of Health to:
 - a. Establish minimum qualifications for public health directors;

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- b. Define core public health services and quality standards
- c. Determine the funding formula for public health agencies.

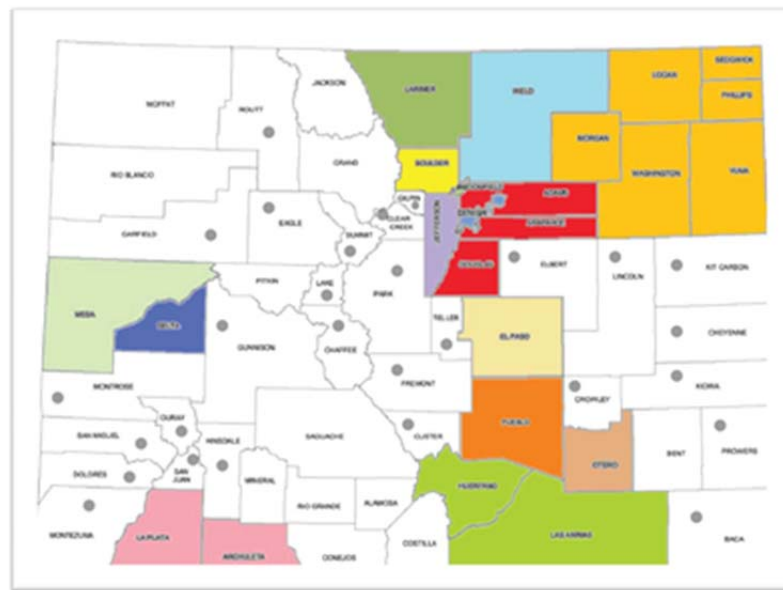
Local Public Health Structure

The first major component of S.B. 08-194 was to eliminate local public health departments and nursing services, and create in their place, local public health agencies. The following provides a brief discussion of the structure prior to S.B. 08-194 and after the passage of S.B. 08-194.

Local Public Health Structure Prior to S.B. 08-194

The evolution of local public health services from the late 1800s to the early 1900s was driven by the growth of public health nursing services, the American Red Cross, Visiting Nurse Association, and the Colorado Tuberculosis Association. It wasn't until 1922 that the State Board of Health added a division of public nursing, and local public health departments began to develop in the more populated areas of the state. The 1948 Colorado Legislative Session saw the passage of a bill which created eight county health units responsible for providing services to eighteen counties. From 1948 to 2008 the number of health units grew to fifteen local health departments serving 24 counties and 85.0 percent of the state population. The counties in color on the following map, provided by the Office of Planning and Partnerships, represent the local health departments.

Colorado's structure in 2008, prior to the Act...



Colors: Organized Health Departments White: Nursing Services ●: Environmental Services

The remaining counties, shown as white counties in the map, were served by one of the thirty nine nursing services. Nursing services only provide services deemed necessary by the local board of health. The primary difference between the two is that all local health departments

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The following table shows how the local public health agencies are distributed across the state. As stated previously, prior to 2008, 24 counties and 85.0 percent of the population were served by fifteen local health departments.

Population Served by LPHA	Number of Agencies	Number of Counties Served	Percent of Total CO Population Served
1 million +	1	3	25.90%
100,000-999,999	8	8	57.60%
50,000-99,999	6	12	7.00%
10,000-49,999	18	19	7.50%
< 9,999	21	22	2.10%
Total	54	64	100%

Core Public Health Services:

Senate Bill 08-194 required the State Board of Health (the Board) to establish by rule core public health services. The Board had to ensure that the rules complied with Section 25-1-501, C.R.S., met local needs, and would be available statewide.

Core Services Prior to 2008

In 1984 the Board established a set of basic services that should be provided by all local health units including:

- epidemiology and control of communicable and preventable Diseases;
- preventive health services;
- environmental health services;
- health promotion and education;
- vital records and health statistics;
- public health laboratory services; and,
- emergency medical services.

The Board also set forth optional services depending on the needs of the region being served. These services included: oral health, child/adult protection program, substance abuse control, certified home health care, school health services, additional environmental health services, monitoring of Long-Term Care facilities, disaster planning and emergency response, hospital discharge planning, and special health services for high-risk groups. Both the basic and optional services were never formalized in rule and existed merely as recommendations by the Board on services that should be provided.

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Process to Develop Rules Establishing Core Public Health Services⁸:

The process began with: (1) a review of best practices used by other states and nationally to standards public health services, (2) consideration of the 10 Essential Public Health Services as developed by the national Core Public Health Functions Steering Committee in 1994,⁹ and (3) development of criteria for the voluntary accreditation of local public health agencies.

The Department conducted an inclusive and multi-faceted stakeholder involvement process, and received input from stakeholders in the local and state public health community through the Public Health Improvement Steering Committee (Committee). The Committee consisted of representatives from local public health agencies, environmental and public health officials, Department leadership, Colorado Counties, Inc., and the Colorado Association of Local Public Health Officials. During the summer of 2009, draft rules were released to a focus group of 350 public health professionals. The Committee approved the draft rules in September 2009 and the rules were discussed by county commissioners at the November 2009 Colorado Counties, Inc. meeting.

The draft rules were released for broad consideration and use by members of the public health community during 2010. In mid-September, 2011, Department staff presented informal comments and proposed changes to the rule to both the Committee and the Colorado Association of Local Public Health Officials. Both groups approved the Department's response to the comments and the changes incorporated into the rule. In October 2011 the Board formally adopted the rule outlining the following services as core public health services:

1. Assessment, Planning and Communication - All agencies are required to use assessment and planning methodologies to identify, evaluate and understand community health problems, priority populations, and potential threats, and use this knowledge to determine what strategies are needed to engage partners and improve health.
2. Vital Records and Statistics - All agencies are required to record and report vital events (e.g. births and deaths) in compliance with Colorado statutes, Board of Health Regulations, and Office of the State Registrar of Vital Statistics policies.
3. Communicable Disease Prevention, Investigation, and Control - All agencies are required to track the incidence and distribution of disease in the population and prevent and control vaccine-preventable diseases, zoonotic, vector, air-borne, water-borne and food-borne illnesses, and other diseases that are transmitted person-to-person.

⁸ The following information is from the October 19, 2011 Draft Statement of Basis and Purpose and Specific Statutory Authority for 6 CCR 1014-7 and from Section 4 of State Board of Health rule 6 CCR 1014-7.

⁹ 1. Monitor health status to identify and solve community health problems.
2. Investigate and diagnose health problems and health hazards in the community.
3. Inform, educate, and empower individuals about health issues.
4. Mobilize public and private collaboration and action to identify and solve health problems.
5. Develop policies, plans, and programs that support individual and community health efforts.
6. Enforce laws and regulations that protect health and promote safety.
7. Link people to needed personal health services and assure the provision of health care.
8. Encourage a competent public health workforce.
9. Evaluate effectiveness, accessibility, and quality of personal and population-based health services.
10. Contribute to research into insightful and innovative solutions to health problems.

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4. Prevention and Population Health Promotion - All agencies are required to develop, implement, and evaluate strategies (policies and programs) to enhance and promote healthy living, quality of life and wellbeing while reducing the incidence of preventable (chronic and communicable) diseases, injuries, disabilities and other poor health outcomes across the life-span.
5. Emergency Preparedness and Response - All agencies are required to prepare and respond to emergencies with a public health or environmental health implication in coordination with local, state and federal agencies and public and private sector partners.
6. Environmental Health - Recognizing that significant responsibility for environmental quality management and oversight lies with state and federal agencies, all agencies are required to participate in the protection and improvement of air, water, land, and food quality by identifying, investigating, and responding to community environmental health concerns, reducing current and emerging environmental health risks, preventing communicable diseases, and sustaining the environment.
7. Administration and Governance - All agencies are required to establish and maintain programs, personnel, facilities, information technology, and other resources necessary to deliver core public health services throughout the agency's jurisdiction.

Local Public Health Funding Formula

Once the jurisdictions of local public health agencies were set and the core services were established, the Office of Planning and Partnership commenced retooling the funding formula. To ensure participation from all impacted stakeholders, the Office created the Formula Work Group which was comprised of seven department program managers and thirteen leaders from local public health agencies. The Work Group used five guiding principles when developing the formula:

1. Support the effective and efficient statewide delivery of core public health services, recognizing that the allocated funds available are incapable of providing adequate funding to solely support all services in all jurisdictions.
2. Mitigate the immediate impact of any excessive change.
3. Be easily explained and implemented.
4. Foster shared services and regional approaches.
5. Consider the population served by each agency, the additional costs involved in operation small or rural agencies and scope of services provided by each agency.

The Work Group also had to deal with the following challenges:

1. Accounting for provision of core services;
2. Consideration of agencies that serve small populations;
3. Urban verse rural verses frontier verses resort communities;
4. Difference in local organizational structure;
5. Capacity;
6. Regional structures (more than one county);

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The funding formula that resulted from the Work Group was utilized in FY 2012-13, and has three buckets:

1. Base – a set amount of funds provided to the local public health agency depending on the provision of the core public health services.
2. Regional distribution - \$12,000 per county
3. Per capita – for the population of all the counties served by the agency, ranges from \$1.15 to \$1.30 per person

The following table compares the formula used prior to FY 2012-13 to the new formula.

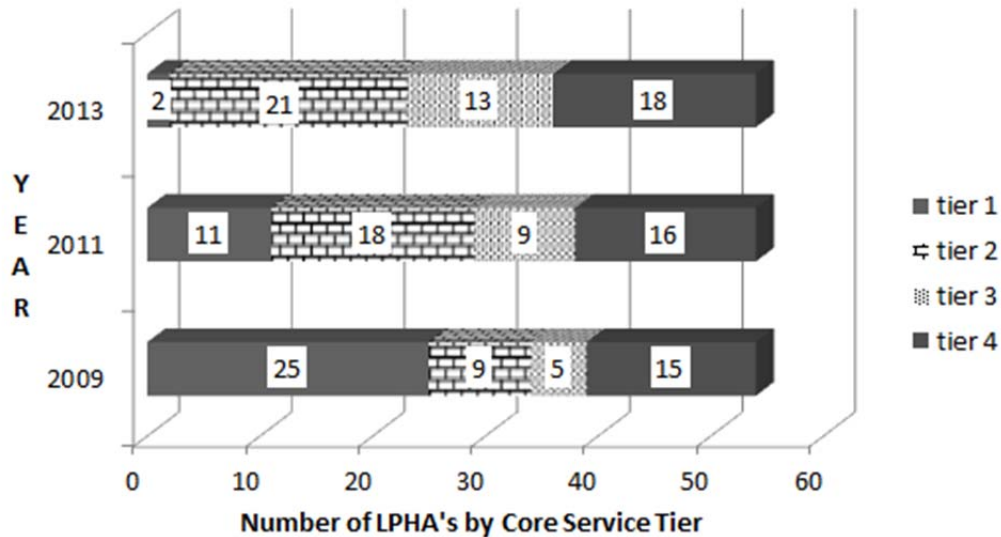
Comparison of New and Old Funding Formulas		
Bucket	Old Formula	New Formula
Base	\$67,500 for health department \$11,573 for a nursing service	Varies depending on Tier
Regional	\$10,000 per county + \$0.05 per capita for formal district	\$12,000 per county
Per Capita*	\$1.16 for health district \$1.40 for nursing service	\$1.15 to \$1.30

The tier level of an agency determines the amount the agency receives in the base bucket. An agency's tier level is based on the number of core public health services the local public health agency provides. The following table summarizes each tier and the FY 2012-13 base buckets.

FY 2012-13 Base Funding Pursuant to New Local Public Health Funding Formula			
Tier	Description	Base	Use
1	Small agency which operates similar to an old nursing service, does not offer all core services.	\$12,000	Provision of select core services
2	Small agency that does not offer all core services but pays other agencies for the provision of core services not offer.	\$15,000	Provision of select core services, plus funding paid to other agencies for remaining core services.
3	Serves mid-size populations, provides all core services. Uses additional consumer protection contract dollars (provided through a separate line item in FY 12-13) which is based on the number of facilities	\$17,000	For FY 12-13 base funding was solely for provision of core services
4	Provides all core services at highest level, and provides core services to other agencies.	\$67,500	Provision of core services

The base bucket is adjustable from year to year to ensure that the funding for agencies that change tiers is adjusted commensurate with either the additional or subtraction of core services. The following table provided by the Office illustrates the anticipated movement of agencies across the tiers from 2009 to 2013.

Agency Movement by Tier



The formula used in FY 2012-13, did impact the funding for a majority of agencies as shown in the table below. The two agencies that lost more than \$10,000 in funding were Garfield and Eagle counties because since they were both former nursing services with populations greater than 50,000 the reduction to the per capita funding was fairly significant. The Tri-County Health Department was the biggest loser of \$30,000. Prowers County was one of the large gainers because they now provide environmental health services to four additional counties. El Paso County was the other large gainer due to the population growth of the county.

Changes in agency funding that result from changes to the Funding Formula, decreased FY 2012/2013 funds, and 2012 population figures		
	Loss Number of agencies (%)	Gain Number of agencies (%)
\$0 - \$5,000	16 (29.63%)	22 (40.74%)
\$5,001 - \$10,000	11 (20.37%)	0
\$10,001 - \$20,000	2 (3.70%)	0
\$20,001 - \$30,000	0	2 (3.7%)
> \$30,001	1 (1.85%)	0

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FY 2013-14 Request

The Department has submitted a two part request for FY 2013-14:

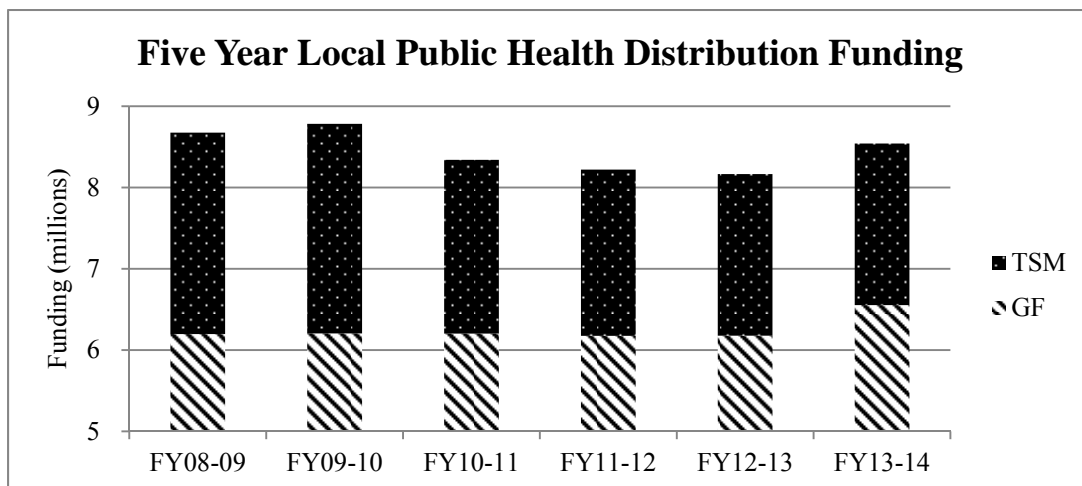
1. Consolidate the two existing line items; and
2. Increase funding for local public health agencies by \$375,466 General Fund

Part one of the request is a result of creating local public health agencies in place of the health departments and nursing services. The Environmental Services Not Provided by Local Health Departments line item is used by smaller agencies that do not have the funds to conduct public health inspections like restaurant inspections. Prior to S.B. 08-194 this funding was utilized by smaller local public health departments, but since local health departments and nursing services have been combined, differentiating out these dollars does not make sense.

Part two of the request is to increase the per capita funding bucket from the FY 2012-13 level of \$1.18 per capita to \$1.23 per capita. Staff is concerned that this is one of the two main components of the request but there is no detail/justification as to why the \$0.05 per capita is the appropriate increase. Pursuant to Section 25-1-512 (1) (b) (I), C.R.S. each county must contribute at least \$1.50 per capita for local public health services. The following table shows that more than half of the agencies are contributing significantly more than the required \$1.50, and **staff recommends the Department explain in the hearing what the basis for the \$0.05 per capita increase was and why some other increase amount was not selected.**

Local Contributions	
Agencies	Dollar Range Per Capita
17	\$1.50 - \$10
18	\$10 - \$20
10	\$20 - \$30
4	\$30 - \$50
4	\$60 - \$80

State funding for the local public health agencies comes from two different sources, General Fund and revenue from the Tobacco Master Settlement. The following table shows the appropriation for local public health agencies over the past five years.



The General Fund appropriations have remained relatively constant, what has not stayed constant is the funds from the Tobacco master settlement which have continually decreased. With an increase in General Fund dollars, the state's share of support for the provision of local public health services will continue to decline, which statute requires counties to maintain their level of financial contribution to local public health services.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving public health and environmental quality through eight of the Department's Winnable Battles.

Issue: Pesticide Discharge Permitting Program

The Water Quality Control Division is in the process of developing a pesticide discharge permitting program pursuant to the requirements of the Federal Clean Water Act. Currently the Division is unable to dedicate resources or charge fees for work associated with developing the program because of statutory constraints.

SUMMARY:

- Through a ruling from the Sixth Circuit Court, the Environmental Protection Agency and all delegated state agencies were required to develop a permit that satisfied the requirements of the Federal Clean Water Act regarding the discharge of pesticides near water.
- The Department of Agriculture applied for and received an \$80,000 Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) discretionary funding with the purpose of sending these funds to the Department of Public Health and Environment to enable CDPHE to hire 0.7 FTE charged with developing Colorado's pesticide permitting program.
- The Department is in the process of sending out a survey designed to identify the number of decision makers that will be subject to regulation under the pesticide permitting program.
- The Department will submit an updated response to the request for information on February 1, 2013 with additional information on the number of decision makers, what the fee for the program would be, and the program would look like in the first couple of years.

DISCUSSION:

Historical Information on the Pesticide Permit Requirements

The Environmental Protection Agency (EPA) exempted pesticides from the permitting requirements of the Federal Clean Water Act via a final rule on November 27, 2006. In response to the EPA rule, the National Cotton Council of America sued the EPA in federal court, claiming the EPA did not have the authority to exempt pesticides; only Congress had the authority to grant exemptions to the federal Clean Water Act. The National Cotton Council of America, et al. verses EPA was assigned to the Sixth Circuit Court. Lawyers argued the case on April 29, 2008, and the three judge panel filed their decision on January 7, 2009. The Judges (Guy, Suhrheinrich and Cole) ruled that the final EPA rule was not a reasonable interpretation of the Clean Water Act and vacated the rule. The Judges based their ruling on the Clean Water Act requirement that permits are needed for all biological pesticide applications and chemical pesticide applications that leave a residue in water when such applications are made in or over, including near, waters of the United States. Since the Clean Water Act was created by Congress, only Congress has the authority to modify the act.

The Department of Justice, acting on behalf of EPA, opted not to appeal the ruling and requested, and was granted, a two year stay of the ruling. The stay provided the EPA with time to develop and issue pesticide application permit rules, and allowed states time, once the EPA

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issued rules, to develop state permits, provide outreach and education to the impacted community. On November 4, 2011 the Water Quality Control Division issued a temporary short-term two year general permit.

Comparison of NPDES permits to FIFRA permits

The question has been raised as to why the Water Quality Control Division is responsible for issuing these permits and not the Department of Agriculture. There are two types of pesticide discharge permits, National Pollutant Discharge Elimination System pesticide permits (NPDES permits) and Federal Insecticide, Fungicide, and Rodenticide Act pesticide permits (FIFRA permits). The Water Quality Control Division has been delegated as the authority to administer the Clean Water Act in Colorado, and the NPDES permit falls under the requirements of the Clean Water Act. Therefore the responsibility for issuing the NPDES permit lies with the Water Quality Control Division and not the Department of Agriculture. The following table illustrates the similarities and differences of these two permits.

Comparison the NPDES and FIFRA Permits		
	NPDES Permit	FIFRA Permit
Delegated Authority	CDPHE, Water Quality Control Division	Department of Agriculture
Governing Act	Clean Water Act	Federal Insecticide, Fungicide, and Rodenticide Act
Regulated Entity	Decision Maker – the entity responsible for making the decisions on which, when, and where pesticides are applied.	Applicator which is the entity responsible for the actual application of the pesticides.
Purpose	Regulate the discharge of pesticides on or near bodies of water	Regulate the discharge of pesticides

NPDES Permit Request for Information

Pursuant to Section 25-8-502 (1) (b) (I), C.R.S. the Division is prohibited from assessing a fee that is not outlined in Sections 25-8-502 (1) (b) (I) (A) through 25-8-502 (1) (b.6) (III), C.R.S. Since there was no companion legislation authorizing the Division to assess a fee for the issuance of the NPDES permit, the Division had no way to add the resources need to develop and implement even a minimal permitting program in 2011. In order to identify what resources the Division required to establish an adequate NPDES permit program, the General Assembly sent the following request for information:

Department of Public Health and Environment, Water Quality Control Division -- The Department is requested to submit a report on the National Pollutant Discharge Elimination System pesticide permit program. This report is requested to include a summary of the Water Quality Division's work, in collaboration with the Department of Agriculture, on establishing a pesticide permit. The report is requested to include a description of the permit options explored, funding options, staffing needs, and associated workload numbers for the upcoming fiscal year and out-years. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2012.

In order to assist the Division with preparing the response to the RFI and ensure that complaints were being received and investigated, the Department of Agriculture (DOA) applied for, and

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received a one-time grant of \$80,000 federal FIFRA discretionary funds for FFY 2012-13. These funds were transferred from DOA to the Division on October 1, 2012 which used the funds to hire a temporary staff person tasked with the following projects:

1. Preparing the response to the General Assembly's request for information;
2. Developing a survey designed to estimate the number of decision makers who will require the NPDES permit; and
3. Overseeing the NPDES program implementation including: permit development, providing technical support to permit holders, conducting inspection, taking enforcement actions where appropriate, and documenting and investigating complaints and, if needed, third party lawsuits.

Due to the timing of the federal funds, the Division was unable to send the survey out prior submitting the response to the request for information, and will submit an updated response incorporating the survey results by February 1, 2013.

Decision Maker Survey

The survey is essential to determining the size and complexity of the NPDES program because the number of decision makers in Colorado is currently unknown. A survey done by the Department of Agriculture in March 2010 found 1,413 decision makers would be subject to the NPDES permit. This survey was limited because it sought the known players like local municipalities, pesticide applicators, weed control districts, but did not account for programs which do some form of pesticide applications at or near water but may not be decision makers like irrigations districts and the Department of Transportation.

Another attempt to estimate the size of Colorado's NPDES program used the assumptions used by EPA to determine the size of the universe for the four states/territories where the EPA is the principal regulator. EPA assumed approximately 10.0 percent of pesticide applications would occur in the states/territories directly regulated by EPA based on the fact that approximately 10 percent of the population lives in those areas. Using the same assumptions based on population percentages, 6,000 applicators would be subject to Colorado's NPDES permit. The primary flaw with this estimate is the assumption that the number of applicators translates into an equal number of decision makers.

While neither estimate is correct, the large variation in the number of NPDES permits in Colorado illustrates the need for a survey designed specifically to capture the number of decision makers in Colorado.

Necessary Components of Colorado's NPDES Program

The following activates are fundamental components to the NPDES Program:

- Permitting – the temporary permit is a general permit which can be issued for a maximum of five years and covers all pesticide applicators and decision makers in the state. There is no fee associated with this permit and no application required.
- Compliance Assistance – there has been significant demand from the community for assistance understanding and ensuring compliance with the pesticide permit requirements. The Division anticipates that as the NPDES Program evolves, there will be increasing demand for assistance from the community. Pursuant to the Clean Water Act,

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the Division must respond to inquiries, and foresees the need for focused outreach and compliance assistance efforts through education.

- Compliance Assurance – to ensure decision makers are complying with the terms of the permit, the Division needs to be able to receive and respond to complaints, conduct inspections, and take formal enforcement actions when needed.

Timeline for Developing the NPDES Program

The Division has proposed the following timeline for developing and implementing the NPDES Program:

- December 3, 2012 – distribute the survey.
- January 3, 2013 – close the survey.
- February 1, 2013 – report the results to the JBC as an update to the November 1 response.
- July 1, 2013 – Start permit renewal stakeholder process assuming funding is provided.
- December 2013 – extend the current temporary NPDES permit until 2014.
- July 1, 2014 – implement the NPDES Program.

NPDES Program Funding

The ability of the Division to develop and implement the NPDES program is reliant on the General Assembly appropriating funds to the Division, because of the statutory prohibition on charging fees for the work associated with the NPDES program. The following questions were put forth by the Division as points that should be considered when determining the appropriate fee level:

1. Who should have to submit an application?
2. Who should pay the fee?
3. What type of fee should be charged?
4. How will the fees be adjusted to account for the evolving nature of the universe?

Staff anticipates making a recommendation on funding for the NPDES Program and any associated legislation during the Department's figure setting presentation once information from the survey has been collected, analyzed and reported.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving environmental quality through two of the Department's Clean Water Winnable Battle.

Issue: Water Quality Control Division FTE Needs

The Water Quality Control Division is currently in an unwinnable situation, where demand for services is increasing but the ability of the Division to hire additional staff to keep up with the increases in demand is nonexistent.

SUMMARY:

- The Clean Water Program is responsible for protecting and improving the quality of the state waters and is understaffed by 23.4 FTE.
- The Drinking Water Program is responsible for assuring the quality of drinking water in the state and is understaffed by 3.5 FTE.
- The Operations Program primarily provides operational and administrative support to the Clean Water and Drinking Water Programs and is understaffed by 5.0 FTE.

RECOMMENDATION:

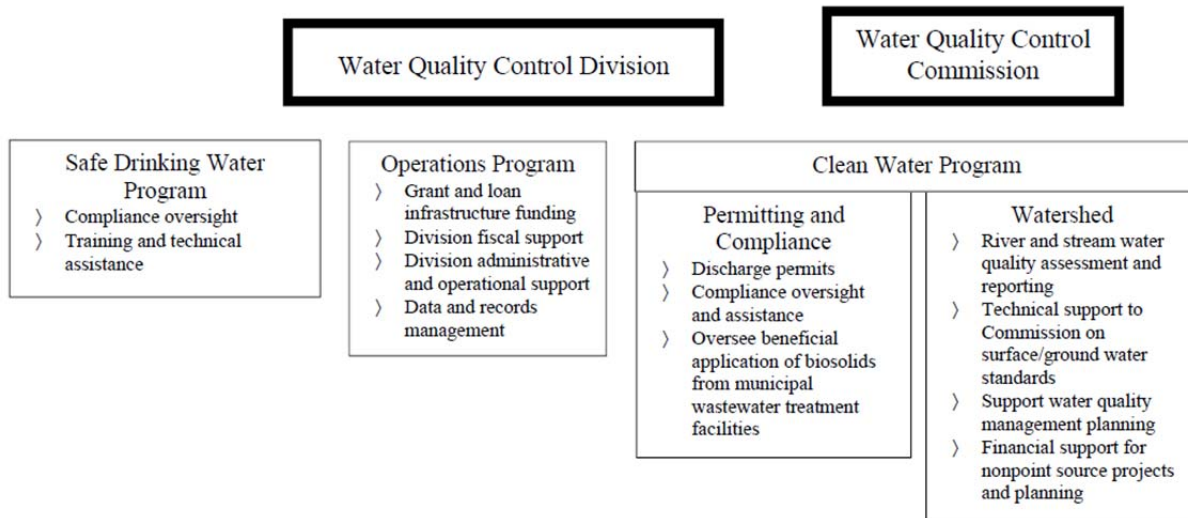
Staff recommends the Department discuss how inadequate staffing levels in the Water Quality Control Division impact the Division's ability to meet program requirements set forth by the Environment Protection Agency and state statute and possible consequences if the Division remains understaffed.

DISCUSSION:

Structure of the Water Quality Control Division

The Water Quality Control Division is comprised of three programs, the Safe Drinking Water Program, the Clean Water Program, and the Operations Program. The Water Quality Control Commission is comprised of nine members, ranging from Durango, to Wellington, to Glenwood Springs, and Denver. The Commission, in accordance with policies established by the General Assembly through the Water Quality Control Act, is responsible for developing specific state water quality policies. The Commission adopts water quality classifications and standards for surface and ground waters of the state, as well as various regulations aimed at achieving compliance with those classifications and standard. The following graphic summarizes the composition of the Division.

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Staff Needs of the Division

In an effort to identify the staffing needs of the Division, the General Assembly sent the following request for information to the Water Quality Control Division:

Department of Public Health and Environment, Water Quality Control Division -- The Department is requested to submit a report on the Water Quality Control Division. This report is requested to include a summary of the Division's current and anticipated workload levels, including the impact of existing and proposed federal and state program requirements, as well as the associated funding and staffing needs based on the workload levels. This report is requested to include information on the upcoming fiscal year and out-years.

The Department's response submitted to the General Assembly on November 1, 2012 clearly outlined the programmatic needs of the Division. The following table summarizes the needs of the Division for FY 2013-14.

Summary of Year 1 Water Quality Control Division FTE Needs	
Program	FTE Need
Clean Water	23.4
Drinking Water	3.5
Operations	5.0
Total	31.9

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Clean Water Program

The following table summarizes the needs of the Clean Water Program.

Clean Water Program			
Section/Unit	Classification	Description	FTE Need
Permits Section	Permits	Maintain current permit backlog.	1.0
	Permits	Reduce permit backlog.	2.3
	Inspection	Conduct construction sector inspections.	3.1
	Inspection	Conduct industrial sector (stormwater) inspections.	2.9
	Measure compliance	Municipal sector (stormwater MS4) audits.	2.4
	Measure compliance	Reuse sector inspections and audits.	0.5
	<i>Subtotal</i>		<i>12.2</i>
Compliance & Enforcement Unit	Compliance Oversight	Review self-reported data and determine compliance.	1.8
	Formal Enforcement Actions	Develop, issue, and follow up on formal enforcement actions.	2.8
	<i>Subtotal</i>		<i>4.6</i>
Environmental Data Unit	Water Quality Status	Assess water quality data, determine standards attainment, and report information.	2.0
	Water Quality Status	Implement Control Regulation 85 monitoring provisions.	0.5
	Water Quality Status	Implement aquatic biological and Control Regulation 85 nutrient criteria assessments.	0.5
	<i>Subtotal</i>		<i>3.0</i>
Standards Unit	Water Quality Protection	Develop and implement policy and guidance document for discharger specific variance program.	0.3
	Water Quality Protection	Implement policy and guidance for discharger specific variance program.	1.0
	Water Quality Protection	Support Control Regulations 85 (nutrients) and 31 (basic standards) implementation.	0.2
	Water Quality Protection	Develop site-specific standards (e.g., copper, ammonia, and temperature).	0.6
	<i>Subtotal</i>		<i>2.1</i>
Restoration & Protection Unit	Water Quality Restoration	Manage nonpoint source pollutant projects.	1.0
	Water Quality Restoration	Implement Control Regulation 85 nonpoint source management provisions.	0.5
	<i>Subtotal</i>		<i>1.5</i>
Clean Water Program Total FTE Need			23.4

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Drinking Water Program Needs

The following table summarizes the needs of the Drinking Water Program.

Drinking Water Program			
Section/Unit	Classification	Description	FTE Need
Compliance	Administrative	Address enforcement backlog and compliance support.	1.0
Assurance/Enforcement	Compliance	Compliance specialists to assist EPA required lead/copper and public notice rules.	2.5
Drink Water Program Total FTE Need			3.5

Operations Program Needs

The following table summarizes the needs of the Operations Program.

Operations Program			
Section/Unit	Classification	Description	FTE Need
	Operations	Data management	1.0
Operations	Operations	Record management	2.0
	Community communication	Community Relations Liaison	1.0
Operations Program Total FTE Need			5.0

Going Forward

The Division is currently in an unwinnable situation, where demand for services is increasing but the ability of the Division to hire additional staff to keep up with the increases in demand is nonexistent. Therefore while the demands on the Division continue to increase as the number of regulations, requirements, applicants, inspections increase, and the number of staff remains unchanged, the Division's ability to conduct inspections at a rate deemed acceptable by the EPA and enabling the Division to establish a presence in the community, process applications in a timely manner to encourage industries to do business in Colorado decreases.

For at least the last four years the General Assembly has required the Division to submit a response to questions about the work load need of the Division, and for the last four years the Division has indicated in the response the need for staff is significant and is not going away.

Staff believes it is the responsibility of the General Assembly to provide the Division with the ability to charge for and properly staff the programs responsible for ensuring the quality of state waters.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving environmental quality through two of the Department's Clean Water Winnable Battle.

Issue: Uranium Mills

The Radiation Control Program is responsible for the oversight of the decommissioning of the Cotter Corporation Uranium Mill and the construction of the proposed Energy Fuels uranium mill. The General Assembly appropriated funds in FY 2011-12 and FY 2012-13 for work associated with these projects, but both projects have experienced unforeseen issues resulting in delays in completing the work for which the funds were appropriated for.

SUMMARY:

- The Cotter Corporation Canon City uranium mill has not milled uranium since 2007, and the official decision by Cotter Corporation to fully decommission the mill was made in 2011. Funds appropriated in FY 2011-12 to expedite work associated with decommissioning the mill were not used due to work pause issued by the Department.
- The Radiation Program approved the Energy Fuels applications for a new uranium mill in 2011. Funds were appropriated by the General Assembly for the work associated with construction plan review and construction oversight starting in FY 2011-12. A lawsuit brought by the lead plaintiff, Sheep Mountain Alliance, has resulted in the license being voided and funds appropriated for construction review and oversight to be unspent.

RECOMMENDATION:

Staff recommends the Department discuss the following at the hearing:

- anticipated restart date for work associated with the decommissioning of the Cotter uranium mill and the impact on the funding needs for FY 2012-13 and FY 2013-14; and
- anticipated FY 2012-13 and FY 2013-14 needs of the Radiation Program for license application review and, if needed, construction document review and oversight of the Energy Fuels uranium mill.

DISCUSSION:

Radiation Program

Pursuant to the Radiation Control Act established in Section 25-11-101 through 305, C.R.S. the Radiation Program housed in the Hazardous Materials and Waste Management Division is responsible for the regulation, inspection and oversight of uranium mills in Colorado. The Program is responsible for review of licensure documents, issuance of licenses, review and approval of design and construction documents, oversight of construction activities and directing clean-up activities. This issue focuses on two projects occurring at two different uranium mills.

Cotter Corporation Cañon City Mill

The Cotter Corporation Cañon City Mill ceased milling operations in 2007, and following research and analysis on the feasibility of refurbishing and reopening the mill, Cotter Corporation determined it was not economically feasible to restart milling operations. In December 2011 Cotter officially notified the Radiation Program of the intent to fully

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decommission and decontaminate the mill. Official decommissioning and decontamination of the mill requires: (1) the deconstruction and burial of the actual mill facilities and any additional equipment that came in contact with the radioactive materials generated by milling activities, (2) continued cleanup efforts of the unlined tailings ponds, and (3) eventual capping of the lined ponds for permanent closure with non-contaminated soil.

The Program was appropriated, through a supplemental for FY 2011-12, \$219,000 cash funds for oversight of six remediation projects ready to go in March 2012 and that needed to occur during the summer work season. The projects included constructing a new pond to capture any runoff water so no contaminated water left the mill lands, lining a pond located within the Lincoln Park Community, and addressing ground water issues including monitoring of water contamination in the community.

On March 28, 2012 the Department sent a work pause letter to the Cotter Corporation which stated, "CDPHE is pausing the ongoing document reviews and public processes related to the Cotter Cañon City Mill. The pause impacts currently scheduled Cotter projects, in that documents previously received and in reviewed will not receive a response from CDPHE until the pause is ended." The letter continues, "During the pause, the Governor's Office and Executive Director of CDPHE will work towards reformation of the Community Advisory Group to improve its effectiveness and community representation. The pause is expected to last two to three months until the reformation is well underway and the project road map under discussion between CDPHE and EPA is available." The Department is still in the process of reforming the Community Advisory Group and has not yet restarted the document reviews.

Due to the work pause, funds appropriated for FY 2011-12 were not expended. If the work pause is lifted during FY 2012-13, staff estimates that the Program will require a supplemental appropriation equal to the FY 2011-12 supplemental appropriation because the majority of work will be done by contractors who can quickly start reviewing documents and overseeing the work. The following table summarizes the funds appropriated and requested for the work associated with fully decommissioning the Cotter Cañon City Mill.

Cotter Mill 3-Year Funding Appropriations				
Mill	Activity	Hours	Cost per Hour	Total Cost
FY 2011-12 Appropriation				
	Document review	760	\$150	\$114,000
	Decommission oversight	700	\$150	105,000
	<i>Subtotal for FY 2011-12</i>	<i>1,460</i>		<i>\$219,000</i>
FY 2012-13 Appropriation				
	Decommission oversight	1,400	\$150	\$210,000
FY 2013-14				
	Decommission oversight	1,400	\$150	\$210,000
Cotter Mill 3-Year Total		4,260		\$639,000

Energy Fuels Proposed Uranium Mill

Timeline

November 18, 2009 - Energy Fuels Corporation submitted a fifteen volume application for licensure to the Radiation Program.

January and February 2010 – two required official public hearings, first in Nucla and the second in Montrose on the proposed uranium mill.

April 20, 2010 – the County of Montrose published its review of an environmental assessment submitted by Energy Fuels to CDPHE, which started the 270 clock for CDPHE to approve, approve with conditions, or deny the application by January 17, 2011.

January 5, 2011 - the Program approved the application with conditions. Energy Fuels requested a hearing on license approval with the Program pursuant to Section 24-4-105, C.R.S.

February 4, 2011 - the Sheep Mountain Alliance along with the Towns of Telluride and Ophir (plaintiffs) sued the Program and Energy Fuels in an effort to void the license.

March 7, 2011 – Upon consideration of the hearing with Energy Fuels, the Program issued a final license.

June 13, 2012 - Denver District Judge McMullen ruled in favor of the Program on ten of eleven claims made by the Sheep Mountain Alliance, but required the Program to void the license, hold another public hearing within 75 days of July 5, 2012, and reevaluate license application within 270 days of July 5, 2010. See Appendix G for a summary of the claims and the court's ruling on each claim.

October 18, 2012 – Energy Fuels reaches a settlement San Miguel County and the Towns of Telluride and Ophir on two issues. On the first issue, Energy Fuels agrees to provide some long-term monitoring of the dust from the proposed mill. On the second issue, all parties agree to only observe the court order public hearing and not directly participate.

November 13-15, 2012 – Court ordered public hearing in Nucla.

April 27, 2013 - Statutory deadline to approve, approve with conditions, or deny license application.

Funding for Construction Oversight

The proposed mill site is approximately twelve miles west of Naturita in the Paradox Valley, and will process up to 500 tons of ore per day. The workload required for appropriate review and approval of construction documentation by the Program was significant enough to trigger the need for additional funding. Prior to the filing of the lawsuit, Energy Fuels notified the Program upon licensure approval, that construction would have begun in the first quarter of 2012, thus prompting the Program to seek supplemental funding for FY 2011-12. The General Assembly approved the funding for the document review and construction oversight of the uranium mill starting in FY 2011-12 as shown in the following table. What is uncertain at this point, and staff

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recommends the Department discuss at the hearing, is how the funding needs for FY 2012-13 and FY 2013-14 will be impacted based on the timeline dictated by the court ruling.

Energy Fuels 3-Year Funding Appropriations				
Mill	Activity	Hours	Cost per Hour	Total Cost
FY 2011-12 Appropriation				
	Document review	500	\$150	\$75,000
	Construction oversight	450	\$150	\$67,500
	<i>Subtotal for FY 2011-12</i>	<i>950</i>		<i>\$142,500</i>
FY 2012-13 Appropriation				
	Document review	200	\$150	\$30,000
	Construction oversight	200	\$150	\$172,500
	<i>Subtotal for FY 2012-13</i>	<i>400</i>		<i>\$202,500</i>
FY 2013-14				
	Construction oversight	700	\$150	\$105,000
Energy Fuels 3-Year Total		2,050		\$450,000

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

This briefing issue addresses the objective of improving public health and environmental quality through two of the Department's Winnable Battles (1) clean air and (2) clean water.

Issue: Program Updates – Dental Assistance Program and Tobacco Tax Grant Programs

This issue provides the Committee with brief update on two programs: the Dental Assistance Program and the two Amendment 35 tobacco tax funded grant programs. The Dental Assistance Program was able to restart in FY 2012-13 using the \$3.0 million appropriated by the General Assembly in FY 2012-13. The Program had not been funded since FY 2009-10 due to the economic slowdown. The State Auditor's Office conducted a performance audit of the Tobacco Prevention and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Programs and made six recommendations to the Legislative Audit Committee during the August 2012 meeting.

SUMMARY:

- House Bill 12-1326 appropriated \$3.0 million General Fund to the Dental Assistance Program in FY 2012-13. This appropriation was the first time the Program was funded since FY 2009-10. Since the Program was not funded for three years, it took four months for the Program to approve and begin disbursing funds. On November 1, 2012 the Dental Advisory Committee approved \$3.0 million worth of grants to nineteen providers for FY 2012-13.
- The August 2012 performance audit of the two primary Amendment 35 tobacco tax grant programs questioned the use of grant dollars for policy initiatives. The audit also raised concerns over the lack of an electronic grants management system.

RECOMMENDATION:

Regarding the Amendment 35 performance audit - Staff recommends the Department explain why the audit stated that a need for a computer system to manage tobacco grants has been known since 2008 but, now at the end of 2012 there is still no system in place.

DISCUSSION:

Dental Assistance Program

The General Assembly passed H.B. 12-1326 which appropriated \$3,022,800 and 1.0 FTE to the Department of Public Health and Environment to expand the Dental Assistance Program (Program). The Program provides grants to dental providers for services to individuals who are 60 years or older, and eligible for the Old Age Pension program or Medicaid, but not receiving long-term care services through Medicaid. The Program is overseen by the Dental Advisory Committee.

Due to the General Fund shortfall in FY 2010-11 the General Assembly eliminated all funding for the Dental Assistance Program, saving \$397,531 General Fund. Since the Program was not funded for three years, all appointments to the Committee were set to expire in July 1, 2012. The funding provided in H.B. 12-1326 required reactivation of the Committee. Since all appointments for the Committee were set to expire in July 2012, the Oral Health Program which

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houses the Dental Assistance Program had to submit reappointment recommendations to the State Board of Health. The majority of positions were reappointed by August 2012. The two positions that remain unfilled must be filled by individuals receiving services, and the Program anticipates filling these positions with the next couple of months.

By September 2012 the Committee put forth proposed rules to the State Board of Health for approval. At the September 19 State Board of Health meeting the rules were approved, and became final on October 30, 2012 after the requirement waiting period.

In order to keep the process moving, the Dental Advisory Committee sent out the request for grant applications on September 12, conducted a webinar to provide potential grantees with information in late September, and set October 15, 2012 as the application deadline. The Committee received 20 applications, and on November 1, 2012 granted out the full \$2,935,234 to nineteen grantees. Contracts are anticipated to start by mid-November and an estimated 3,800 clients will be served in FY 2012-13.

At the November meeting the Committee recommended a plan to expand coverage so all counties will be covered by services provided through the Dental Assistance Program (currently only Kiowa and Gilpin counties are not covered). The main reason these two counties are not covered is the reimbursement levels specified in the rules. The current rules for the Program include fees that were set back before funding for the Program was eliminated. The reason the rules adopted in September did not include a fee change was because it would have taken an additional 3-6 months for a rules change request and input from local governments pursuant to Executive Order D 2011-005. The Department anticipates that revised fees will be presented to the State Board of Health for approval in February.

Amendment 35 Audit

The Legislative Audit Committee at their August 2012 meeting discussed the results of the Amendment 35 Tobacco Tax Funded Grant Programs performance audit. The audit looked at the grant-making processes of the Tobacco Education, Prevention and Cessation Program and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Program to determine if the moneys from the Amendment 35 tobacco tax were being used for their intended purposes. The auditors made six recommends (included in Appendix H). This issue focuses on recommendations one and six. It is important to note that the audit occurred during the two fiscal years when a majority of the funding for these program was diverted to the Department of Health Care Policy and Financing, and any issues that are not resolved by FY 2012-13, when the full amount of tobacco tax dollars resumes flowing through these programs, will only be exacerbated.

Recommendation one stated the Department should seek a legal opinion on the use of tobacco tax funds for policy initiatives. The statute and the constitution do not explicitly prohibit the use of tobacco tax dollars for policy initiatives but the language does not explicitly allow the funds to be used by grantees for the passage of policy initiatives. The Department responded by saying the use of funds for policy initiatives was an allowable, evidence-based program pursuant to statutory language and would not be seeking a legal opinion. The auditors did not seek an

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official opinion for the audit, but have notified the Audit Committee that an official opinion was requested and will be presented to the Committee at the December hearing.

Recommendation six stated the need for the Department to improve the tracking of grant data for these two programs by using an electronic tracking system. The Department agreed with the recommendation and indicated that the Programs had identified the need for a data system in 2008, have been working on implementation of an automated end-to-end process flow solution, and would be implementing the system by July 2013. The system will track all applications, awards, contract amounts, and progress reporting. When JBC staff inquired in mid-October as to the status of the grants management system, the Department responded that there was no system in place for these Programs and a review of possible systems would occur in November. This contradicted what the Department had said in the audit, so staff asked the audit staff who worked on this audit, what the implication of not having a computer system in place was on the ability of the Programs to implement the agreed to recommendation. The response from the audit staff was, without the grants management system, the issues identified in the audit would most likely continue.

Staff recommends the Department explain why the audit stated that a need for a computer system to management tobacco grants has been known since 2008 but, now at the end of 2012 there is still no system in place.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S STRATEGIC PLAN:

For the Dental Assistance Program – the briefing issue addresses the objective of improving public health quality through the Department's oral health winnable battle. For the Amendment 35 Tobacco Tax Audit – the briefing issue addresses the objective of improving public health quality by creating a more efficient, effective, and customer-oriented department.

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Appendix A: Number Pages

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
Christopher Urbina, Executive Director

(1) ADMINISTRATION AND SUPPORT

This division provides departmental policy direction, and department-wide support services including: accounting, budgeting, facilities management, procurement, internal auditing, and human services.

(A) Administration

Personal Services	<u>4,779,952</u>	<u>4,690,988</u>	<u>4,722,496</u>	<u>5,085,407</u> *
FTE	60.1	59.0	58.0	62.0
Reappropriated Funds	4,761,340	4,633,693	4,703,664	5,066,575
Federal Funds	18,612	57,295	18,832	18,832
Retirements	<u>481,145</u>	<u>481,145</u>	<u>281,918</u>	<u>281,918</u>
Reappropriated Funds	481,145	481,145	281,918	281,918
Health, Life, and Dental	<u>2,506,915</u>	<u>1,656,762</u>	<u>4,245,505</u>	<u>8,798,345</u> *
General Fund	466,160	576,203	595,660	693,051
Cash Funds	1,697,037	709,006	2,859,482	3,014,251
Reappropriated Funds	343,718	371,553	790,363	819,947
Federal Funds	0	0	0	4,271,096
Short-term Disability	<u>62,375</u>	<u>71,658</u>	<u>70,682</u>	<u>158,497</u> *
General Fund	8,830	11,579	10,603	12,200
Cash Funds	40,744	45,611	45,611	53,812
Reappropriated Funds	12,801	14,468	14,468	15,990
Federal Funds	0	0	0	76,495

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
S.B. 04-257 Amortization Equalization Disbursement	<u>984,537</u>	<u>1,131,454</u>	<u>1,368,509</u>	<u>3,075,072</u>	*
General Fund	134,762	180,994	189,702	236,649	
Cash Funds	651,555	721,531	897,523	1,043,993	
Reappropriated Funds	198,220	228,929	281,284	310,697	
Federal Funds	0	0	0	1,483,733	
 S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>716,872</u>	<u>908,448</u>	<u>1,175,282</u>	<u>2,776,108</u>	*
General Fund	97,245	144,468	162,245	213,642	
Cash Funds	475,092	579,802	771,309	942,494	
Reappropriated Funds	144,535	184,178	241,728	280,491	
Federal Funds	0	0	0	1,339,481	
 Salary Survey	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,476,276</u>	
General Fund	0	0	0	113,624	
Cash Funds	0	0	0	501,222	
Reappropriated Funds	0	0	0	143,563	
Federal Funds	0	0	0	717,867	
 Merit Pay	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,183,989</u>	
General Fund	0	0	0	91,128	
Cash Funds	0	0	0	401,985	
Reappropriated Funds	0	0	0	115,140	
Federal Funds	0	0	0	575,736	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Shift Differential	<u>0</u>	<u>0</u>	<u>4,568</u>	<u>16,434</u>	
General Fund	0	0	49	328	
Cash Funds	0	0	4,519	4,109	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	11,997	
Workers' Compensation	<u>330,463</u>	<u>303,605</u>	<u>423,647</u>	<u>508,359</u>	
Reappropriated Funds	330,463	303,605	423,647	508,359	
Operating Expenses	<u>1,299,607</u>	<u>1,262,589</u>	<u>1,262,707</u>	<u>1,302,028</u>	*
Reappropriated Funds	1,299,607	1,262,589	1,262,707	1,302,028	
Legal Services	<u>1,889,275</u>	<u>2,073,307</u>	<u>2,195,986</u>	<u>2,195,986</u>	
Cash Funds	67,240	0	0	0	
Reappropriated Funds	1,822,035	2,073,307	2,195,986	2,195,986	
Administrative Law Judge Services	<u>44,128</u>	<u>8,651</u>	<u>1,680</u>	<u>46,977</u>	
Reappropriated Funds	44,128	8,651	1,680	46,977	
Payment to Risk Management and Property Funds	<u>51,806</u>	<u>86,714</u>	<u>93,098</u>	<u>99,162</u>	*
Cash Funds	9,069	9,069	0	0	
Reappropriated Funds	42,737	77,645	93,098	99,162	
Vehicle Lease Payments	<u>346,270</u>	<u>320,002</u>	<u>409,061</u>	<u>409,061</u>	
General Fund	1,081	1,081	1,081	1,081	
Cash Funds	206,596	189,469	302,892	302,892	
Reappropriated Funds	54,512	54,406	75,841	75,841	
Federal Funds	84,081	75,046	29,247	29,247	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Leased Space	<u>5,812,535</u>	<u>5,685,640</u>	<u>6,345,164</u>	<u>6,345,164</u>	
Cash Funds	171,621	173,905	170,254	170,254	
Reappropriated Funds	5,624,760	5,502,553	6,169,452	6,169,452	
Federal Funds	16,154	9,182	5,458	5,458	
Capitol Complex Leased Space	<u>33,037</u>	<u>31,686</u>	<u>24,873</u>	<u>34,164</u>	*
Reappropriated Funds	33,037	31,686	24,873	34,164	
Utilities	<u>512,997</u>	<u>523,142</u>	<u>563,218</u>	<u>563,218</u>	
Cash Funds	111,103	120,832	161,324	161,324	
Reappropriated Funds	390,727	390,727	390,727	390,727	
Federal Funds	11,167	11,583	11,167	11,167	
Building Maintenance and Repair	<u>271,858</u>	<u>271,858</u>	<u>271,858</u>	<u>271,858</u>	
Reappropriated Funds	271,858	271,858	271,858	271,858	
Reimbursement for Members of the State Board of Health	<u>4,406</u>	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	
General Fund	4,406	4,500	4,500	4,500	
Indirect Costs Assessment	<u>500,125</u>	<u>542,440</u>	<u>559,818</u>	<u>559,818</u>	
Cash Funds	207,941	302,282	300,657	300,657	
Reappropriated Funds	95,759	8,325	110,000	110,000	
Federal Funds	196,425	231,833	149,161	149,161	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
SUBTOTAL - (A) Administration	20,628,303	20,054,589	24,024,570	35,192,341	46.5%
<i>FTE</i>	<u>60.1</u>	<u>59.0</u>	<u>58.0</u>	<u>62.0</u>	<u>6.9%</u>
General Fund	712,484	918,825	963,840	1,366,203	41.7%
Cash Funds	3,637,998	2,851,507	5,513,571	6,896,993	25.1%
Reappropriated Funds	15,951,382	15,899,318	17,333,294	18,238,875	5.2%
Federal Funds	326,439	384,939	213,865	8,690,270	3963.4%
(B) Office of Health Disparities					
Personal Services	<u>403,862</u>	<u>261,664</u>	<u>271,569</u>	<u>271,569</u>	
<i>FTE</i>	<u>5.7</u>	<u>3.6</u>	<u>4.3</u>	<u>4.3</u>	
General Fund	49,675	49,323	50,539	50,539	
Reappropriated Funds	354,187	212,341	221,030	221,030	
Operating Expenses	<u>31,474</u>	<u>25,065</u>	<u>65,579</u>	<u>65,579</u>	
General Fund	6,931	6,672	6,672	6,672	
Reappropriated Funds	24,543	18,393	58,907	58,907	
Health Disparities Grants	<u>685,850</u>	<u>3,714,989</u>	<u>3,252,863</u>	<u>2,960,063</u>	
Reappropriated Funds	685,850	3,714,989	3,252,863	2,960,063	
SUBTOTAL - (B) Office of Health Disparities	1,121,186	4,001,718	3,590,011	3,297,211	(8.2%)
<i>FTE</i>	<u>5.7</u>	<u>3.6</u>	<u>4.3</u>	<u>4.3</u>	<u>0.0%</u>
General Fund	56,606	55,995	57,211	57,211	0.0%
Reappropriated Funds	1,064,580	3,945,723	3,532,800	3,240,000	(8.3%)

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(C) Local Public Health Planning and Support					
Assessment, Planning, and Support Program	<u>540,534</u>	<u>541,086</u>	<u>671,121</u>	<u>671,121</u>	
FTE	5.1	6.3	8.4	8.4	
General Fund	306,536	304,195	308,652	308,652	
Cash Funds	17,000	18,014	139,303	139,303	
Federal Funds	216,998	218,877	223,166	223,166	
Distributions to Local Public Health Agencies	<u>8,099,292</u>	<u>7,981,128</u>	<u>7,924,220</u>	<u>0</u>	*
General Fund	5,962,731	5,935,190	5,935,190	0	
Cash Funds	2,136,561	2,045,938	1,989,030	0	
Environmental Health Services Not Provided by Local Health Departments	<u>239,762</u>	<u>239,324</u>	<u>241,239</u>	<u>0</u>	*
General Fund	239,762	239,324	241,239	0	
Distributions to Local Public Health Agencies for Provisions of Public and Environmental Health Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,540,925</u>	*
General Fund	0	0	0	6,551,895	
Cash Funds	0	0	0	1,989,030	
Non-Appropriated Federal Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>(93,907)</u>	*
FTE	0.0	0.0	0.0	(1.0)	
Federal Funds	0	0	0	(93,907)	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
SUBTOTAL - (C) Local Public Health Planning and Support	8,879,588	8,761,538	8,836,580	9,118,139	3.2%
<i>FTE</i>	<u>5.1</u>	<u>6.3</u>	<u>8.4</u>	<u>7.4</u>	(11.9%)
General Fund	6,509,029	6,478,709	6,485,081	6,860,547	5.8%
Cash Funds	2,153,561	2,063,952	2,128,333	2,128,333	0.0%
Federal Funds	216,998	218,877	223,166	129,259	(42.1%)
TOTAL - (1) Administration and Support	30,629,077	32,817,845	36,451,161	47,607,691	30.6%
<i>FTE</i>	<u>70.9</u>	<u>68.9</u>	<u>70.7</u>	<u>73.7</u>	4.2%
General Fund	7,278,119	7,453,529	7,506,132	8,283,961	10.4%
Cash Funds	5,791,559	4,915,459	7,641,904	9,025,326	18.1%
Reappropriated Funds	17,015,962	19,845,041	20,866,094	21,478,875	2.9%
Federal Funds	543,437	603,816	437,031	8,819,529	1918.1%

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(2) CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION

The Health Statistics and Vital Records Section maintains data for all births, deaths, marriages, and marriage dissolutions; tracks data for internal and external use; and provides records to other agencies and the public.

(A) Health Statistics and Vital Records

Personal Services	<u>2,893,604</u>	<u>3,114,317</u>	<u>3,025,956</u>	<u>3,025,956</u>
FTE	45.3	49.1	45.8	45.8
Cash Funds	1,679,160	1,761,775	1,775,917	1,775,917
Reappropriated Funds	3,514	0	5,887	5,887
Federal Funds	1,210,930	1,352,542	1,244,152	1,244,152
Operating Expenses	<u>243,866</u>	<u>320,121</u>	<u>948,866</u>	<u>758,866</u>
Cash Funds	50,326	50,253	755,326	565,326
Federal Funds	193,540	269,868	193,540	193,540

SUBTOTAL - (A) Health Statistics and Vital Records	3,137,470	3,434,438	3,974,822	3,784,822	(4.8%)
FTE	<u>45.3</u>	<u>49.1</u>	<u>45.8</u>	<u>45.8</u>	<u>(0.0%)</u>
Cash Funds	1,729,486	1,812,028	2,531,243	2,341,243	(7.5%)
Reappropriated Funds	3,514	0	5,887	5,887	0.0%
Federal Funds	1,404,470	1,622,410	1,437,692	1,437,692	0.0%

(B) Medical Marijuana Registry

Personal Services	<u>1,929,233</u>	<u>1,919,021</u>	<u>1,928,192</u>	<u>1,928,192</u>
FTE	11.6	25.9	38.8	38.8
Cash Funds	1,929,233	1,919,021	1,928,192	1,928,192
Operating Expenses	<u>172,110</u>	<u>264,693</u>	<u>218,910</u>	<u>172,110</u>
Cash Funds	172,110	264,693	218,910	172,110

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Transfer to Department of Regulatory Agencies for Medical Marijuana Cash Funds	0	0	0	0	
SUBTOTAL - (B) Medical Marijuana Registry	2,101,343	2,183,714	2,147,102	2,100,302	(2.2%)
<i>FTE</i>	<u>11.6</u>	<u>25.9</u>	<u>38.8</u>	<u>38.8</u>	<u>0.0%</u>
Cash Funds	2,101,343	2,183,714	2,147,102	2,100,302	(2.2%)

(C) Information Technology Services

Personal Services	<u>327,472</u>	<u>205,504</u>	<u>320,931</u>	<u>320,931</u>	
FTE	1.7	1.9	2.8	2.8	
Cash Funds	70,000	24,845	70,849	70,849	
Reappropriated Funds	202,187	180,659	250,082	250,082	
Federal Funds	55,285	0	0	0	
Operating Expenses	<u>732,633</u>	<u>763,975</u>	<u>765,146</u>	<u>765,146</u>	
Cash Funds	103,927	103,927	103,927	103,927	
Reappropriated Funds	628,706	660,048	661,219	661,219	
Purchase of Services from Computer Center	<u>5,047,363</u>	<u>4,711,006</u>	<u>5,335,037</u>	<u>5,040,367</u> *	
General Fund	248,229	283,248	302,199	226,912	
Cash Funds	735,568	695,918	1,082,327	842,850	
Reappropriated Funds	1,682,687	3,731,840	2,043,006	2,252,566	
Federal Funds	2,380,879	0	1,907,505	1,718,039	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Multiuse Network Payments	<u>588,112</u>	<u>687,082</u>	<u>642,876</u>	<u>456,672</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	345,560	480,741	481,194	456,672	
Federal Funds	242,552	206,341	161,682	0	
Management and Administration of OIT	<u>301,608</u>	<u>524,564</u>	<u>466,051</u>	<u>236,406</u>	
Cash Funds	0	22,305	146,440	0	
Reappropriated Funds	250,076	418,372	262,037	236,406	
Federal Funds	51,532	83,887	57,574	0	
Communication Services Payments	<u>6,382</u>	<u>6,898</u>	<u>28,273</u>	<u>15,237</u>	
Reappropriated Funds	6,382	6,898	28,273	15,237	
COFRS Modernziation	<u>0</u>	<u>0</u>	<u>699,370</u>	<u>699,370</u>	
Reappropriated Funds	0	0	699,370	699,370	
SUBTOTAL - (C) Information Technology Services	7,003,570	6,899,029	8,257,684	7,534,129	(8.8%)
<i>FTE</i>	<u>1.7</u>	<u>1.9</u>	<u>2.8</u>	<u>2.8</u>	<u>0.0%</u>
General Fund	248,229	283,248	302,199	226,912	(24.9%)
Cash Funds	909,495	846,995	1,403,543	1,017,626	(27.5%)
Reappropriated Funds	3,115,598	5,478,558	4,425,181	4,571,552	3.3%
Federal Funds	2,730,248	290,228	2,126,761	1,718,039	(19.2%)

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(D) Indirect Cost Assessment					
Indirect Cost Assessment	<u>1,458,980</u>	<u>1,495,430</u>	<u>1,190,366</u>	<u>1,190,366</u>	
Cash Funds	799,766	789,689	753,421	753,421	
Reappropriated Funds	23,528	15,564	31,369	31,369	
Federal Funds	635,686	690,177	405,576	405,576	
SUBTOTAL - (D) Indirect Cost Assessment	1,458,980	1,495,430	1,190,366	1,190,366	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	799,766	789,689	753,421	753,421	0.0%
Reappropriated Funds	23,528	15,564	31,369	31,369	0.0%
Federal Funds	635,686	690,177	405,576	405,576	0.0%
TOTAL - (2) Center for Health and Environmental Information	13,701,363	14,012,611	15,569,974	14,609,619	(6.2%)
<i>FTE</i>	<u>58.6</u>	<u>76.9</u>	<u>87.4</u>	<u>87.4</u>	<u>0.0%</u>
General Fund	248,229	283,248	302,199	226,912	(24.9%)
Cash Funds	5,540,090	5,632,426	6,835,309	6,212,592	(9.1%)
Reappropriated Funds	3,142,640	5,494,122	4,462,437	4,608,808	3.3%
Federal Funds	4,770,404	2,602,815	3,970,029	3,561,307	(10.3%)

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(3) LABORATORY SERVICES

This Division provides testing and analyses for various health and environmental programs. Programs who utilize services provided by this Division include: chemistry and microbiology, newborn screening, and radioactive materials certification.

(A) Director's Office

Personal Services	<u>348,418</u>	<u>463,467</u>	<u>508,847</u>	<u>508,847</u>	
FTE	5.1	5.7	5.5	5.5	
Cash Funds	348,418	463,467	472,550	472,550	
Federal Funds	0	0	36,297	36,297	
Operating Expenses	<u>22,414</u>	<u>15,482</u>	<u>22,421</u>	<u>22,421</u>	
Cash Funds	22,414	15,482	22,421	22,421	
Indirect Cost Assessment	<u>1,351,968</u>	<u>1,423,520</u>	<u>1,619,588</u>	<u>1,619,588</u>	
Cash Funds	863,119	905,266	1,153,204	1,153,204	
Reappropriated Funds	0	1,693	0	0	
Federal Funds	488,849	516,561	466,384	466,384	
SUBTOTAL - (A) Director's Office	1,722,800	1,902,469	2,150,856	2,150,856	0.0%
FTE	<u>5.1</u>	<u>5.7</u>	<u>5.5</u>	<u>5.5</u>	<u>0.0%</u>
Cash Funds	1,233,951	1,384,215	1,648,175	1,648,175	0.0%
Reappropriated Funds	0	1,693	0	0	0.0%
Federal Funds	488,849	516,561	502,681	502,681	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(B) Chemistry and Microbiology					
Personal Services	<u>3,741,712</u>	<u>4,829,858</u>	<u>4,927,419</u>	<u>4,927,419</u>	
FTE	52.3	57.7	52.3	52.3	
General Fund	744,316	817,785	743,576	743,576	
Cash Funds	1,201,730	1,936,161	2,378,416	2,378,416	
Reappropriated Funds	95,299	89,309	93,509	93,509	
Federal Funds	1,700,367	1,986,603	1,711,918	1,711,918	
Operating Expenses	<u>3,631,337</u>	<u>3,859,169</u>	<u>4,341,026</u>	<u>4,341,026</u>	
General Fund	316,278	314,813	314,817	314,817	
Cash Funds	2,187,770	2,581,243	2,898,920	2,898,920	
Reappropriated Funds	140,119	140,115	140,119	140,119	
Federal Funds	987,170	822,998	987,170	987,170	
SUBTOTAL - (B) Chemistry and Microbiology	7,373,049	8,689,027	9,268,445	9,268,445	0.0%
FTE	<u>52.3</u>	<u>57.7</u>	<u>52.3</u>	<u>52.3</u>	(0.0%)
General Fund	1,060,594	1,132,598	1,058,393	1,058,393	0.0%
Cash Funds	3,389,500	4,517,404	5,277,336	5,277,336	0.0%
Reappropriated Funds	235,418	229,424	233,628	233,628	0.0%
Federal Funds	2,687,537	2,809,601	2,699,088	2,699,088	0.0%

(C) Certification

Personal Services	<u>667,642</u>	<u>695,572</u>	<u>754,875</u>	<u>754,875</u>
FTE	11.0	10.8	11.0	11.0
Cash Funds	439,507	511,279	523,580	523,580
Federal Funds	228,135	184,293	231,295	231,295

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Operating Expenses	<u>74,706</u>	<u>1,294,273</u>	<u>74,707</u>	<u>74,707</u>	
Cash Funds	60,482	54,634	60,483	60,483	
Reappropriated Funds	0	1,200,000	0	0	
Federal Funds	14,224	39,639	14,224	14,224	
SUBTOTAL - (C) Certification	742,348	1,989,845	829,582	829,582	0.0%
<i>FTE</i>	<u>11.0</u>	<u>10.8</u>	<u>11.0</u>	<u>11.0</u>	<u>0.0%</u>
Cash Funds	499,989	565,913	584,063	584,063	0.0%
Reappropriated Funds	0	1,200,000	0	0	0.0%
Federal Funds	242,359	223,932	245,519	245,519	0.0%
TOTAL - (3) Laboratory Services	9,838,197	12,581,341	12,248,883	12,248,883	0.0%
<i>FTE</i>	<u>68.4</u>	<u>74.2</u>	<u>68.8</u>	<u>68.8</u>	<u>(0.0%)</u>
General Fund	1,060,594	1,132,598	1,058,393	1,058,393	0.0%
Cash Funds	5,123,440	6,467,532	7,509,574	7,509,574	0.0%
Reappropriated Funds	235,418	1,431,117	233,628	233,628	0.0%
Federal Funds	3,418,745	3,550,094	3,447,288	3,447,288	0.0%

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(4) AIR POLLUTION CONTROL DIVISION

The Division enforces air quality regulations adopted by the Air Quality Control Commission and is responsible for providing air quality management services that contribute to the protection and improvement of public health, ecosystem integrity, and aesthetic values for odor and visibility.

(A) Administration

Program Costs	<u>412,874</u>	<u>415,425</u>	<u>417,743</u>	<u>417,743</u>	
FTE	3.8	3.7	4.5	4.5	
Cash Funds	287,314	282,804	290,283	290,283	
Federal Funds	125,560	132,621	127,460	127,460	
Indirect Cost Assessment	<u>2,515,297</u>	<u>2,584,221</u>	<u>2,976,008</u>	<u>2,976,008</u>	
Cash Funds	2,042,297	1,923,566	2,500,473	2,500,473	
Federal Funds	473,000	660,655	475,535	475,535	

SUBTOTAL - (A) Administration	2,928,171	2,999,646	3,393,751	3,393,751	0.0%
FTE	<u>3.8</u>	<u>3.7</u>	<u>4.5</u>	<u>4.5</u>	<u>0.0%</u>
Cash Funds	2,329,611	2,206,370	2,790,756	2,790,756	0.0%
Federal Funds	598,560	793,276	602,995	602,995	0.0%

(B) Technical Services

Personal Services	<u>2,883,564</u>	<u>2,998,398</u>	<u>3,086,715</u>	<u>3,086,715</u>	
FTE	31.9	33.5	34.7	34.7	
Cash Funds	1,816,370	1,818,871	1,981,451	1,981,451	
Federal Funds	1,067,194	1,179,527	1,105,264	1,105,264	
Operating Expenses	<u>387,594</u>	<u>476,813</u>	<u>414,659</u>	<u>410,939</u>	
Cash Funds	294,036	300,241	321,101	317,381	
Federal Funds	93,558	176,572	93,558	93,558	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Local Contracts	<u>734,476</u>	<u>1,387,765</u>	<u>1,036,710</u>	<u>1,036,710</u>	
Cash Funds	513,887	567,638	816,121	816,121	
Federal Funds	220,589	820,127	220,589	220,589	
SUBTOTAL - (B) Technical Services	4,005,634	4,862,976	4,538,084	4,534,364	(0.1%)
<i>FTE</i>	<u>31.9</u>	<u>33.5</u>	<u>34.7</u>	<u>34.7</u>	0.0%
Cash Funds	2,624,293	2,686,750	3,118,673	3,114,953	(0.1%)
Federal Funds	1,381,341	2,176,226	1,419,411	1,419,411	0.0%

(C) Mobile Sources

Personal Services	<u>2,521,737</u>	<u>2,624,315</u>	<u>2,512,544</u>	<u>2,512,544</u>	
FTE	29.3	29.5	29.3	29.3	
Cash Funds	2,341,866	2,297,666	2,331,094	2,331,094	
Federal Funds	179,871	326,649	181,450	181,450	
Operating Expenses	<u>354,351</u>	<u>331,452</u>	<u>363,515</u>	<u>363,515</u>	
Cash Funds	318,163	265,400	327,327	327,327	
Federal Funds	36,188	66,052	36,188	36,188	
Diesel Inspection/Maintenance Program	<u>696,878</u>	<u>629,662</u>	<u>642,817</u>	<u>642,817</u>	
FTE	6.4	6.6	6.6	6.6	
Cash Funds	696,878	629,662	642,817	642,817	
Mechanic Certification Program	<u>2,450</u>	<u>2,036</u>	<u>7,000</u>	<u>7,000</u>	
Cash Funds	2,450	2,036	7,000	7,000	
Local Grants	<u>77,597</u>	<u>61,289</u>	<u>77,597</u>	<u>77,597</u>	
Cash Funds	77,597	61,289	77,597	77,597	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
SUBTOTAL - (C) Mobile Sources	3,653,013	3,648,754	3,603,473	3,603,473	0.0%
<i>FTE</i>	<u>35.7</u>	<u>36.1</u>	<u>35.9</u>	<u>35.9</u>	<u>(0.0%)</u>
Cash Funds	3,436,954	3,256,053	3,385,835	3,385,835	0.0%
Federal Funds	216,059	392,701	217,638	217,638	0.0%
(D) Stationary Sources					
Personal Services	<u>6,376,181</u>	<u>6,364,764</u>	<u>7,420,896</u>	<u>7,420,896</u>	
FTE	78.3	83.4	92.3	92.3	
Cash Funds	4,939,169	4,859,564	5,924,391	5,924,391	
Federal Funds	1,437,012	1,505,200	1,496,505	1,496,505	
Operating Expenses	<u>405,017</u>	<u>408,364</u>	<u>461,540</u>	<u>416,900</u>	
Cash Funds	387,664	345,563	444,187	399,547	
Federal Funds	17,353	62,801	17,353	17,353	
Local Contracts	<u>854,275</u>	<u>750,077</u>	<u>906,546</u>	<u>906,546</u>	
Cash Funds	669,796	651,575	722,067	722,067	
Federal Funds	184,479	98,502	184,479	184,479	
Preservation of the Ozone Layer	<u>226,218</u>	<u>220,771</u>	<u>228,739</u>	<u>228,739</u>	
FTE	2.0	2.0	2.0	2.0	
Cash Funds	226,218	220,771	228,739	228,739	
SUBTOTAL - (D) Stationary Sources	7,861,691	7,743,976	9,017,721	8,973,081	(0.5%)
<i>FTE</i>	<u>80.3</u>	<u>85.4</u>	<u>94.3</u>	<u>94.3</u>	<u>0.0%</u>
Cash Funds	6,222,847	6,077,473	7,319,384	7,274,744	(0.6%)
Federal Funds	1,638,844	1,666,503	1,698,337	1,698,337	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
TOTAL - (4) Air Pollution Control Division	18,448,509	19,255,352	20,553,029	20,504,669	(0.2%)
<i>FTE</i>	<u>151.7</u>	<u>158.7</u>	<u>169.4</u>	<u>169.4</u>	<u>0.0%</u>
Cash Funds	14,613,705	14,226,646	16,614,648	16,566,288	(0.3%)
Federal Funds	3,834,804	5,028,706	3,938,381	3,938,381	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
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(5) WATER QUALITY CONTROL DIVISION

The Division enforces water quality regulations adopted by the Water Quality Control Commission and the State Board of Health through stream classifications and standards, discharge permits, site application reviews, technical assistance, and drinking water surveillance.

(A) Administration

Personal Services	883,048	1,103,785	898,729	898,729	
FTE	11.6	14.3	11.6	11.6	
General Fund	562,770	558,548	569,411	569,411	
Cash Funds	190,364	187,445	191,902	191,902	
Federal Funds	129,914	357,792	137,416	137,416	
Operating Expenses	<u>42,979</u>	<u>22,603</u>	<u>42,892</u>	<u>42,892</u>	
General Fund	18,834	18,747	18,747	18,747	
Cash Funds	3,459	3,459	3,459	3,459	
Federal Funds	20,686	397	20,686	20,686	
Indirect Cost Assessment	<u>2,109,965</u>	<u>2,247,765</u>	<u>2,049,741</u>	<u>2,049,741</u>	
Cash Funds	833,853	683,567	911,888	911,888	
Federal Funds	1,276,112	1,564,198	1,137,853	1,137,853	
SUBTOTAL - (A) Administration	3,035,992	3,374,153	2,991,362	2,991,362	0.0%
FTE	<u>11.6</u>	<u>14.3</u>	<u>11.6</u>	<u>11.6</u>	<u>0.0%</u>
General Fund	581,604	577,295	588,158	588,158	0.0%
Cash Funds	1,027,676	874,471	1,107,249	1,107,249	0.0%
Federal Funds	1,426,712	1,922,387	1,295,955	1,295,955	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(B) Clean Water Program					
Personal Services	<u>6,722,639</u>	<u>6,843,063</u>	<u>6,799,553</u>	<u>6,791,023</u>	
FTE	78.4	76.6	78.6	78.5	
General Fund	535,571	531,247	538,406	538,406	
Cash Funds	3,381,954	3,306,007	3,429,928	3,421,398	
Reappropriated Funds	35,614	37,671	37,998	37,998	
Federal Funds	2,769,500	2,968,138	2,793,221	2,793,221	
Operating Expenses	<u>1,111,752</u>	<u>995,258</u>	<u>1,080,555</u>	<u>1,080,555</u>	
General Fund	503,913	501,585	501,585	501,585	
Cash Funds	113,347	51,588	114,012	114,012	
Reappropriated Funds	1,675	1,675	1,675	1,675	
Federal Funds	492,817	440,410	463,283	463,283	
Local Grants and Contracts	<u>2,759,120</u>	<u>1,777,795</u>	<u>2,759,120</u>	<u>2,759,120</u>	
Federal Funds	2,759,120	1,777,795	2,759,120	2,759,120	
Water Quality Improvement	<u>983,760</u>	<u>111,336</u>	<u>167,196</u>	<u>167,196</u>	
Cash Funds	983,760	111,336	167,196	167,196	
SUBTOTAL - (B) Clean Water Program	11,577,271	9,727,452	10,806,424	10,797,894	(0.1%)
FTE	<u>78.4</u>	<u>76.6</u>	<u>78.6</u>	<u>78.5</u>	<u>(0.1%)</u>
General Fund	1,039,484	1,032,832	1,039,991	1,039,991	0.0%
Cash Funds	4,479,061	3,468,931	3,711,136	3,702,606	(0.2%)
Reappropriated Funds	37,289	39,346	39,673	39,673	0.0%
Federal Funds	6,021,437	5,186,343	6,015,624	6,015,624	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(C) Drinking Water Program					
Personal Services	<u>5,998,009</u>	<u>5,931,216</u>	<u>6,052,218</u>	<u>6,052,218</u>	
FTE	68.2	70.4	68.4	68.4	
General Fund	810,567	801,586	813,868	813,868	
Cash Funds	340,521	334,996	339,596	339,596	
Federal Funds	4,846,921	4,794,634	4,898,754	4,898,754	
Operating Expenses	<u>2,282,681</u>	<u>1,993,568</u>	<u>2,282,244</u>	<u>2,282,244</u>	
General Fund	94,887	94,449	94,449	94,449	
Cash Funds	1,750	1,750	1,750	1,750	
Federal Funds	2,186,044	1,897,369	2,186,045	2,186,045	
SUBTOTAL - (C) Drinking Water Program	8,280,690	7,924,784	8,334,462	8,334,462	0.0%
FTE	<u>68.2</u>	<u>70.4</u>	<u>68.4</u>	<u>68.4</u>	<u>0.0%</u>
General Fund	905,454	896,035	908,317	908,317	0.0%
Cash Funds	342,271	336,746	341,346	341,346	0.0%
Federal Funds	7,032,965	6,692,003	7,084,799	7,084,799	0.0%
TOTAL - (5) Water Quality Control Division	22,893,953	21,026,389	22,132,248	22,123,718	(0.0%)
FTE	<u>158.2</u>	<u>161.3</u>	<u>158.6</u>	<u>158.5</u>	<u>(0.1%)</u>
General Fund	2,526,542	2,506,162	2,536,466	2,536,466	0.0%
Cash Funds	5,849,008	4,680,148	5,159,731	5,151,201	(0.2%)
Reappropriated Funds	37,289	39,346	39,673	39,673	0.0%
Federal Funds	14,481,114	13,800,733	14,396,378	14,396,378	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
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(6) HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

The Division enforces the solid and hazardous waste regulations adopted by the Hazardous Waste Commission, providing for cradle-to-grave management of hazardous waste in Colorado to ensure that it does not contaminate the environment or endanger public health.

(A) Administration

Program Costs	<u>114,743</u>	<u>136,890</u>	<u>320,938</u>	<u>295,938</u>	
FTE	1.2	0.8	3.4	3.4	
Cash Funds	114,743	136,890	280,353	255,353	
Reappropriated Funds	0	0	39,400	39,400	
Federal Funds	0	0	1,185	1,185	
Legal Services	<u>124,181</u>	<u>183,162</u>	<u>171,652</u>	<u>171,652</u>	
Cash Funds	19,705	35,235	116,032	116,032	
Reappropriated Funds	466	242	386	386	
Federal Funds	104,010	147,685	55,234	55,234	
Indirect Cost Assessment	<u>1,814,054</u>	<u>1,984,292</u>	<u>2,198,110</u>	<u>2,198,110</u>	
Cash Funds	1,105,297	1,114,801	1,360,775	1,360,775	
Reappropriated Funds	35,724	33,091	50,000	50,000	
Federal Funds	673,033	836,400	787,335	787,335	
SUBTOTAL - (A) Administration	2,052,978	2,304,344	2,690,700	2,665,700	(0.9%)
FTE	<u>1.2</u>	<u>0.8</u>	<u>3.4</u>	<u>3.4</u>	<u>0.0%</u>
Cash Funds	1,239,745	1,286,926	1,757,160	1,732,160	(1.4%)
Reappropriated Funds	36,190	33,333	89,786	89,786	0.0%
Federal Funds	777,043	984,085	843,754	843,754	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(B) Hazardous Waste Control Program					
Personal Services	<u>3,256,886</u>	<u>3,561,826</u>	<u>4,131,343</u>	<u>4,131,343</u>	
FTE	31.8	31.3	31.5	31.5	
Cash Funds	1,243,040	1,328,651	2,122,569	2,122,569	
Federal Funds	2,013,846	2,233,175	2,008,774	2,008,774	
Operating Expenses	<u>199,760</u>	<u>158,020</u>	<u>205,387</u>	<u>205,387</u>	
Cash Funds	73,321	77,617	78,948	78,948	
Federal Funds	126,439	80,403	126,439	126,439	
SUBTOTAL - (B) Hazardous Waste Control Program	3,456,646	3,719,846	4,336,730	4,336,730	0.0%
FTE	<u>31.8</u>	<u>31.3</u>	<u>31.5</u>	<u>31.5</u>	(0.0%)
Cash Funds	1,316,361	1,406,268	2,201,517	2,201,517	0.0%
Federal Funds	2,140,285	2,313,578	2,135,213	2,135,213	0.0%
(C) Solid Waste Control Program					
Program Costs	<u>1,832,662</u>	<u>2,208,572</u>	<u>2,791,589</u>	<u>2,765,749</u>	
FTE	17.7	22.3	23.8	23.8	
Cash Funds	1,832,662	2,208,572	2,791,589	2,765,749	
Waste Tire Management Program	<u>82,963</u>	<u>473,214</u>	<u>1,013,621</u>	<u>1,013,621</u>	
FTE	0.9	2.2	2.1	2.1	
Cash Funds	82,963	473,214	1,013,621	1,013,621	
SUBTOTAL - (C) Solid Waste Control Program	1,915,625	2,681,786	3,805,210	3,779,370	(0.7%)
FTE	<u>18.6</u>	<u>24.5</u>	<u>25.9</u>	<u>25.9</u>	0.0%
Cash Funds	1,915,625	2,681,786	3,805,210	3,779,370	(0.7%)

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
(D) Contaminated Site Cleanups and Remediation Programs					
Personal Services	<u>3,218,165</u>	<u>5,434,142</u>	<u>3,892,269</u>	<u>3,892,269</u>	
FTE	21.7	22.5	21.4	21.4	
Cash Funds	481,976	461,057	1,158,327	1,158,327	
Federal Funds	2,736,189	4,973,085	2,733,942	2,733,942	
Operating Expenses	<u>428,568</u>	<u>709,019</u>	<u>464,991</u>	<u>464,991</u>	
Cash Funds	16,959	18,384	53,382	53,382	
Federal Funds	411,609	690,635	411,609	411,609	
Contaminated Sites Operation and Maintenance	<u>972,914</u>	<u>1,267,186</u>	<u>2,022,864</u>	<u>2,022,864</u>	
Cash Funds	972,910	1,191,752	1,559,186	1,559,186	
Federal Funds	4	75,434	463,678	463,678	
Transfer to the Department of Law for CERCLA Related Costs	<u>876,959</u>	<u>715,819</u>	<u>972,542</u>	<u>972,542</u>	
Cash Funds	876,959	715,819	972,542	972,542	
Uranium Mill Tailings Remedial Action Program	<u>216,155</u>	<u>215,201</u>	<u>219,656</u>	<u>219,656</u>	
FTE	2.5	2.6	3.1	3.1	
Reappropriated Funds	187,264	187,643	190,205	190,205	
Federal Funds	28,891	27,558	29,451	29,451	
Rocky Flats Program Costs	<u>146,060</u>	<u>141,732</u>	<u>150,769</u>	<u>150,769</u>	
FTE	1.2	1.3	2.3	2.3	
Federal Funds	146,060	141,732	150,769	150,769	
Rocky Flats Legal Services	<u>10,198</u>	<u>10,524</u>	<u>10,738</u>	<u>10,738</u>	
Federal Funds	10,198	10,524	10,738	10,738	

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Transfer to the Department of Law for Natural Resource Damage Claims at Rocky Mountain Arsenal Cash Funds	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	
	0	0	50,000	50,000	
SUBTOTAL - (D) Contaminated Site Cleanups and Remediation Programs	5,869,019	8,493,623	7,783,829	7,783,829	0.0%
<i>FTE</i>	<u>25.4</u>	<u>26.4</u>	<u>26.8</u>	<u>26.8</u>	<u>0.0%</u>
Cash Funds	2,348,804	2,387,012	3,793,437	3,793,437	0.0%
Reappropriated Funds	187,264	187,643	190,205	190,205	0.0%
Federal Funds	3,332,951	5,918,968	3,800,187	3,800,187	0.0%
(E) Radiation Management					
Personal Services	<u>2,016,888</u>	<u>2,297,649</u>	<u>2,401,283</u>	<u>2,393,783</u>	
FTE	24.5	24.6	24.2	24.2	
Cash Funds	1,765,652	2,059,704	2,154,889	2,147,389	
Federal Funds	251,236	237,945	246,394	246,394	
Operating Expenses	<u>295,849</u>	<u>378,671</u>	<u>297,958</u>	<u>297,958</u>	
Cash Funds	95,930	97,974	98,039	98,039	
Federal Funds	199,919	280,697	199,919	199,919	
SUBTOTAL - (E) Radiation Management	2,312,737	2,676,320	2,699,241	2,691,741	(0.3%)
<i>FTE</i>	<u>24.5</u>	<u>24.6</u>	<u>24.2</u>	<u>24.2</u>	<u>0.0%</u>
Cash Funds	1,861,582	2,157,678	2,252,928	2,245,428	(0.3%)
Federal Funds	451,155	518,642	446,313	446,313	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
TOTAL - (6) Hazardous Materials and Waste					
Management Division	15,607,005	19,875,919	21,315,710	21,257,370	(0.3%)
<i>FTE</i>	<u>101.5</u>	<u>107.6</u>	<u>111.8</u>	<u>111.8</u>	<u>0.0%</u>
Cash Funds	8,682,117	9,919,670	13,810,252	13,751,912	(0.4%)
Reappropriated Funds	223,454	220,976	279,991	279,991	0.0%
Federal Funds	6,701,434	9,735,273	7,225,467	7,225,467	0.0%

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(7) DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY

This Division is responsible for programs designed to protect the public from disease and injury through identification and control of environmental factors in food, drugs, medical devices, institutions, consumer products, and insect and rodent vectors affecting public health.

Personal Services	<u>2,367,608</u>	<u>2,288,323</u>	<u>2,390,782</u>	<u>2,390,782</u>
FTE	26.9	25.1	26.9	26.9
General Fund	1,126,429	1,113,613	1,124,900	1,124,900
Cash Funds	818,624	831,447	838,242	838,242
Reappropriated Funds	77,964	78,306	79,221	79,221
Federal Funds	344,591	264,957	348,419	348,419
Operating Expenses	<u>191,828</u>	<u>160,180</u>	<u>192,767</u>	<u>192,767</u>
General Fund	29,637	27,442	29,500	29,500
Cash Funds	97,452	88,010	98,158	98,158
Reappropriated Funds	9,338	9,016	9,708	9,708
Federal Funds	55,401	35,712	55,401	55,401
Sustainability Programs	<u>1,204,666</u>	<u>1,288,120</u>	<u>1,494,556</u>	<u>1,494,556</u>
FTE	10.1	10.0	10.1	10.1
Cash Funds	210,120	184,463	258,836	258,836
Federal Funds	994,546	1,103,657	1,235,720	1,235,720
Animal Feeding Operations Program	<u>449,817</u>	<u>456,782</u>	<u>470,288</u>	<u>470,288</u>
FTE	3.5	3.7	3.5	3.5
General Fund	100,000	99,526	99,538	99,538
Cash Funds	349,817	357,256	370,750	370,750

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Recycling Resources Economic Opportunity Program	<u>2,250,259</u>	<u>1,700,917</u>	<u>1,854,479</u>	<u>1,854,479</u>	
FTE	1.3	1.6	1.6	1.6	
Cash Funds	2,250,259	1,700,917	1,854,479	1,854,479	
Oil and Gas Consultation Program	<u>93,683</u>	<u>98,160</u>	<u>120,693</u>	<u>120,693</u>	
FTE	1.0	1.0	1.0	1.0	
Cash Funds	93,683	98,160	120,693	120,693	
Waste Tire Program	<u>3,127,520</u>	<u>3,908,459</u>	<u>5,134,982</u>	<u>5,134,982</u>	
FTE	0.9	1.0	1.0	1.0	
Cash Funds	3,127,520	3,908,459	5,134,982	5,134,982	
Indirect Costs Assessment	<u>227,749</u>	<u>212,700</u>	<u>990,904</u>	<u>990,904</u>	
Cash Funds	165,129	143,006	634,252	634,252	
Federal Funds	62,620	69,694	356,652	356,652	
TOTAL - (7) Division of Environmental Health and Sustainability	9,913,130	10,113,641	12,649,451	12,649,451	0.0%
<i>FTE</i>	<u>43.7</u>	<u>42.4</u>	<u>44.1</u>	<u>44.1</u>	<u>0.0%</u>
General Fund	1,256,066	1,240,581	1,253,938	1,253,938	0.0%
Cash Funds	7,112,604	7,311,718	9,310,392	9,310,392	0.0%
Reappropriated Funds	87,302	87,322	88,929	88,929	0.0%
Federal Funds	1,457,158	1,474,020	1,996,192	1,996,192	0.0%

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(8) DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION

This Division seeks to reduce illness and premature death through programs focused on preventing and controlling communicable diseases and related diseases.

(A) Administration, General Disease Control and Surveillance

Personal Services	<u>889,483</u>	<u>780,305</u>	<u>889,599</u>	<u>889,599</u>	*
FTE	10.1	8.5	10.1	12.5	
General Fund	545,504	533,820	545,620	761,620	
Federal Funds	343,979	246,485	343,979	127,979	
Operating Expenses	<u>288,922</u>	<u>250,846</u>	<u>329,429</u>	<u>329,429</u>	*
General Fund	223,133	222,102	257,102	292,102	
Cash Funds	0	0	6,538	6,538	
Federal Funds	65,789	28,744	65,789	30,789	
Immunization Personal Services	<u>2,674,581</u>	<u>2,746,111</u>	<u>2,659,441</u>	<u>2,643,021</u>	*
FTE	24.9	26.8	27.9	27.7	
General Fund	817,527	808,255	816,838	816,838	
Federal Funds	1,857,054	1,937,856	1,842,603	1,826,183	
Immunization Operating Expenses	<u>4,721,017</u>	<u>50,552,174</u>	<u>4,932,548</u>	<u>4,860,303</u>	*
General Fund	652,285	649,272	684,272	613,272	
General Fund Exempt	421,586	446,100	441,600	441,600	
Cash Funds	1,283,136	1,145,843	914,955	914,955	
Federal Funds	2,364,010	48,310,959	2,891,721	2,890,476	
Appropriation from the Tobacco Tax Cash Fund to the					
General Fund	<u>421,586</u>	<u>446,100</u>	<u>441,600</u>	<u>441,600</u>	
Cash Funds	421,586	446,100	441,600	441,600	

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Federal Grants	<u>3,180,347</u>	<u>2,717,571</u>	<u>3,282,035</u>	<u>3,282,035</u>	
FTE	18.2	25.1	18.3	18.3	
Federal Funds	3,180,347	2,717,571	3,282,035	3,282,035	
Indirect Cost Assessment	<u>2,167,982</u>	<u>2,439,898</u>	<u>2,563,476</u>	<u>2,563,476</u>	
Cash Funds	15,017	18,323	20,789	20,789	
Federal Funds	2,152,965	2,421,575	2,542,687	2,542,687	
SUBTOTAL - (A) Administration, General Disease Control and Surveillance	14,343,918	59,933,005	15,098,128	15,009,463	(0.6%)
<i>FTE</i>	<u>53.2</u>	<u>60.4</u>	<u>56.3</u>	<u>58.5</u>	<u>3.9%</u>
General Fund	2,238,449	2,213,449	2,303,832	2,483,832	7.8%
General Fund Exempt	421,586	446,100	441,600	441,600	0.0%
Cash Funds	1,719,739	1,610,266	1,383,882	1,383,882	0.0%
Federal Funds	9,964,144	55,663,190	10,968,814	10,700,149	(2.4%)

(B) Special Purpose Disease Control Programs

Sexually Transmitted Infections, HIV and AIDS Personal

Services	<u>3,569,596</u>	<u>3,578,617</u>	<u>3,763,175</u>	<u>3,763,175</u>	
FTE	44.7	44.5	44.7	44.7	
Cash Funds	63,523	13,186	75,652	75,652	
Federal Funds	3,506,073	3,565,431	3,687,523	3,687,523	

Sexually Transmitted Infections, HIV and AIDS

Operating Expenses	<u>5,196,585</u>	<u>4,400,253</u>	<u>5,226,101</u>	<u>5,226,101</u>	
Cash Funds	2,032,308	1,646,391	2,061,824	2,061,824	
Federal Funds	3,164,277	2,753,862	3,164,277	3,164,277	

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Ryan White Act Personal Services	<u>946,086</u>	<u>987,865</u>	<u>958,577</u>	<u>958,577</u>	
FTE	11.3	11.9	11.3	11.3	
General Fund	28,162	21,386	21,621	21,621	
Federal Funds	917,924	966,479	936,956	936,956	
Ryan White Act Operating Expenses	<u>18,857,032</u>	<u>20,712,137</u>	<u>18,426,727</u>	<u>18,246,727</u>	*
General Fund	1,357,404	1,357,404	1,357,404	1,177,404	
Cash Funds	3,555,725	3,111,081	3,125,420	3,125,420	
Federal Funds	13,943,903	16,243,652	13,943,903	13,943,903	
Tuberculosis Control and Treatment Personal Services	<u>1,440,975</u>	<u>1,652,359</u>	<u>1,459,475</u>	<u>1,443,055</u>	*
FTE	16.2	20.4	16.2	15.9	
General Fund	121,598	127,979	120,792	120,792	
Reappropriated Funds	0	0	0	0	
Federal Funds	1,319,377	1,524,380	1,338,683	1,322,263	
Tuberculosis Control and Treatment Operating Expenses	<u>3,468,257</u>	<u>3,225,676</u>	<u>3,462,752</u>	<u>3,461,507</u>	*
General Fund	1,191,913	1,186,408	1,186,408	1,186,408	
Reappropriated Funds	0	0	0	0	
Federal Funds	2,276,344	2,039,268	2,276,344	2,275,099	
SUBTOTAL - (B) Special Purpose Disease Control Programs	33,478,531	34,556,907	33,296,807	33,099,142	(0.6%)
FTE	<u>72.2</u>	<u>76.8</u>	<u>72.2</u>	<u>71.9</u>	(0.4%)
General Fund	2,699,077	2,693,177	2,686,225	2,506,225	(6.7%)
Cash Funds	5,651,556	4,770,658	5,262,896	5,262,896	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	25,127,898	27,093,072	25,347,686	25,330,021	(0.1%)

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(C) Environmental Epidemiology					
Birth Defects Monitoring and Prevention Program Costs	<u>342,276</u>	<u>375,369</u>	<u>418,437</u>	<u>418,437</u>	
FTE	2.9	3.0	4.7	4.7	
General Fund	117,433	115,217	117,656	117,656	
Cash Funds	63,569	98,646	133,389	133,389	
Federal Funds	161,274	161,506	167,392	167,392	
Environmental Epidemiology Federal Grants	<u>1,720,879</u>	<u>1,586,365</u>	<u>1,732,075</u>	<u>1,732,075</u>	
FTE	11.8	10.4	11.8	11.8	
Federal Funds	1,720,879	1,586,365	1,732,075	1,732,075	
SUBTOTAL - (C) Environmental Epidemiology	2,063,155	1,961,734	2,150,512	2,150,512	0.0%
FTE	<u>14.7</u>	<u>13.4</u>	<u>16.5</u>	<u>16.5</u>	<u>0.0%</u>
General Fund	117,433	115,217	117,656	117,656	0.0%
Cash Funds	63,569	98,646	133,389	133,389	0.0%
Federal Funds	1,882,153	1,747,871	1,899,467	1,899,467	0.0%
TOTAL - (8) Disease Control and Environmental Epidemiology Division	49,885,604	96,451,646	50,545,447	50,259,117	(0.6%)
FTE	<u>140.1</u>	<u>150.6</u>	<u>145.0</u>	<u>146.9</u>	<u>1.3%</u>
General Fund	5,054,959	5,021,843	5,107,713	5,107,713	0.0%
General Fund Exempt	421,586	446,100	441,600	441,600	0.0%
Cash Funds	7,434,864	6,479,570	6,780,167	6,780,167	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	36,974,195	84,504,133	38,215,967	37,929,637	(0.7%)

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(9) PREVENTION SERVICES DIVISION

This Division provides health care and related preventive services to people who have low incomes or limited access to health care. Additionally the division administers programs designed to reduce crime and violence among youth, control and prevent the causes of chronic disease and injury for all individuals regardless of income and/or race.

(A) Administration

Administration	<u>117,295</u>	<u>114,517</u>	<u>117,233</u>	<u>117,233</u>
FTE	1.1	1.3	2.0	2.0
General Fund	117,295	114,517	117,233	117,233
Indirect Cost Assessment	<u>3,174,877</u>	<u>3,139,137</u>	<u>3,598,339</u>	<u>3,598,339</u>
Cash Funds	724,493	411,754	985,656	985,656
Reappropriated Funds	13,230	0	137,347	137,347
Federal Funds	2,437,154	2,727,383	2,475,336	2,475,336

SUBTOTAL - (A) Administration	3,292,172	3,253,654	3,715,572	3,715,572	0.0%
FTE	<u>1.1</u>	<u>1.3</u>	<u>2.0</u>	<u>2.0</u>	<u>0.0%</u>
General Fund	117,295	114,517	117,233	117,233	0.0%
Cash Funds	724,493	411,754	985,656	985,656	0.0%
Reappropriated Funds	13,230	0	137,347	137,347	0.0%
Federal Funds	2,437,154	2,727,383	2,475,336	2,475,336	0.0%

(B) Chronic Disease Prevention Programs

Cancer Registry	<u>1,090,034</u>	<u>1,342,505</u>	<u>1,104,227</u>	<u>1,104,227</u>
FTE	11.6	14.5	11.6	11.6
General Fund	218,890	218,188	221,498	221,498
Federal Funds	871,144	1,124,317	882,729	882,729

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Transfer to the Health Disparities Grant Program Fund	<u>3,493,822</u>	<u>3,552,896</u>	<u>3,487,422</u>	<u>3,240,000</u>	
Cash Funds	3,493,822	3,552,896	3,487,422	3,240,000	
Transfer to the Department of Health Care Policy and Financing for Disease Management	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	
Cash Funds	2,000,000	2,000,000	2,000,000	0	
Transfer to the Department of Health Care Policy and Financing for Breast and Cervical Cancer Treatment	<u>936,892</u>	<u>1,215,340</u>	<u>936,892</u>	<u>936,892</u>	
Cash Funds	936,892	1,215,340	936,892	936,892	
Chronic Disease and Cancer Prevention Grants	<u>4,344,199</u>	<u>4,829,935</u>	<u>4,240,247</u>	<u>4,167,925</u> *	
FTE	26.5	37.3	24.5	23.9	
Cash Funds	429,010	119,344	305,656	305,656	
Federal Funds	3,915,189	4,710,591	3,934,591	3,862,269	
Breast and Cervical Cancer Screening	<u>7,008,105</u>	<u>5,776,776</u>	<u>6,779,433</u>	<u>6,387,193</u>	
FTE	0.7	8.8	2.7	2.7	
Cash Funds	4,006,132	2,033,529	3,775,348	3,383,108	
Federal Funds	3,001,973	3,743,247	3,004,085	3,004,085	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Program Administration	<u>0</u>	<u>426,161</u>	<u>664,325</u>	<u>695,004</u>	
FTE	0.0	4.4	8.5	8.5	
Cash Funds	0	426,161	664,325	695,004	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Grants	<u>6,431,398</u>	<u>2,279,170</u>	<u>13,984,816</u>	<u>13,344,996</u>	
Cash Funds	6,431,398	2,279,170	13,984,816	13,344,996	

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Tobacco Education, Prevention, and Cessation Program					
Administration	<u>790,113</u>	<u>361,142</u>	<u>695,004</u>	<u>695,004</u>	
FTE	9.1	3.4	9.1	9.1	
Cash Funds	790,113	361,142	695,004	695,004	
Tobacco Education, Prevention, and Cessation Grants					
Cash Funds	<u>6,880,389</u>	<u>5,158,772</u>	<u>23,472,310</u>	<u>23,426,095</u>	
Reappropriated Funds	0	0	1,373,470	1,281,040	
Oral Health Programs					
FTE	<u>1,569,290</u>	<u>1,257,994</u>	<u>4,576,588</u>	<u>4,551,342</u>	*
General Fund	5.5	7.4	6.5	6.3	
Cash Funds	179,764	178,538	3,202,743	3,202,743	
Federal Funds	222,078	199,418	200,298	200,298	
Federal Funds	1,167,448	880,038	1,173,547	1,148,301	
SUBTOTAL - (B) Chronic Disease Prevention					
Programs	34,544,242	28,200,691	61,941,264	58,548,678	(5.5%)
FTE	<u>53.4</u>	<u>75.8</u>	<u>62.9</u>	<u>62.1</u>	(1.3%)
General Fund	398,654	396,726	3,424,241	3,424,241	0.0%
Cash Funds	25,189,834	17,345,772	48,148,601	44,946,013	(6.7%)
Reappropriated Funds	0	0	1,373,470	1,281,040	(6.7%)
Federal Funds	8,955,754	10,458,193	8,994,952	8,897,384	(1.1%)
(C) Primary Care Office					
Primary Care Office	<u>771,802</u>	<u>4,791,464</u>	<u>1,110,633</u>	<u>1,110,633</u>	
FTE	2.2	4.9	3.2	3.2	
Cash Funds	295,719	3,821,725	302,842	302,842	
Federal Funds	476,083	969,739	807,791	807,791	

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SUBTOTAL - (C) Primary Care Office	771,802	4,791,464	1,110,633	1,110,633	0.0%
<i>FTE</i>	<u>2.2</u>	<u>4.9</u>	<u>3.2</u>	<u>3.2</u>	<u>0.0%</u>
Cash Funds	295,719	3,821,725	302,842	302,842	0.0%
Federal Funds	476,083	969,739	807,791	807,791	0.0%

(D) Family and Community Health

(1) Women's Health

Family Planning Program Administration	<u>1,094,811</u>	<u>387,136</u>	<u>1,063,664</u>	<u>991,704</u> *
FTE	12.6	4.2	12.6	12.0
General Fund	392,123	387,136	395,998	395,998
Reappropriated Funds	47,999	0	0	0
Federal Funds	654,689	0	667,666	595,706
Family Planning Purchase of Services	<u>5,148,905</u>	<u>4,931,718</u>	<u>5,138,214</u>	<u>5,138,214</u>
General Fund	1,229,003	1,223,026	1,223,326	1,223,326
Reappropriated Funds	5,014	0	0	0
Federal Funds	3,914,888	3,708,692	3,914,888	3,914,888
Family Planning Federal Grants	<u>348,669</u>	<u>351,360</u>	<u>341,967</u>	<u>341,967</u>
FTE	3.4	3.6	3.8	3.8
Federal Funds	348,669	351,360	341,967	341,967
Adult Stem Cells Cure Fund	<u>58,874</u>	<u>62,779</u>	<u>140,000</u>	<u>140,000</u>
Cash Funds	58,874	62,779	140,000	140,000
Maternal and Child Health	<u>3,703,586</u>	<u>4,659,370</u>	<u>3,706,749</u>	<u>3,638,614</u> *
FTE	14.7	12.4	14.3	13.7
Federal Funds	3,703,586	4,659,370	3,706,749	3,638,614

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Nurse Home Visitor Program	<u>13,152,160</u>	<u>12,623,268</u>	<u>16,324,606</u>	<u>16,324,606</u>	
FTE	2.9	3.1	3.0	3.0	
Cash Funds	13,152,160	12,418,625	13,037,008	13,037,008	
Federal Funds	0	204,643	3,287,598	3,287,598	
SUBTOTAL - (1) Women's Health	23,507,005	23,015,631	26,715,200	26,575,105	(0.5%)
FTE	<u>33.6</u>	<u>23.3</u>	<u>33.7</u>	<u>32.5</u>	<u>(3.6%)</u>
General Fund	1,621,126	1,610,162	1,619,324	1,619,324	0.0%
Cash Funds	13,211,034	12,481,404	13,177,008	13,177,008	0.0%
Reappropriated Funds	53,013	0	0	0	0.0%
Federal Funds	8,621,832	8,924,065	11,918,868	11,778,773	(1.2%)
(2) Children and Youth Health					
Health Care Program for Children with Special Needs	<u>1,165,619</u>	<u>1,348,414</u>	<u>1,196,606</u>	<u>1,196,606</u>	
FTE	12.0	15.6	12.4	12.4	
General Fund	680,842	664,314	697,467	697,467	
Federal Funds	484,777	684,100	499,139	499,139	
Health Care Program for Children with Special Needs					
Purchase of Services	<u>3,365,463</u>	<u>3,369,123</u>	<u>3,397,763</u>	<u>3,397,763</u>	
General Fund	1,856,473	1,847,899	1,847,899	1,847,899	
Cash Funds	0	0	40,874	40,874	
Federal Funds	1,508,990	1,521,224	1,508,990	1,508,990	
Genetics Counseling Personal Services	<u>76,700</u>	<u>76,603</u>	<u>79,360</u>	<u>79,360</u>	
FTE	1.0	1.0	1.0	1.0	
Cash Funds	76,700	76,603	79,360	79,360	

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Genetics Counseling Operating Expenses	<u>1,472,019</u>	<u>1,549,822</u>	<u>1,575,057</u>	<u>1,575,057</u>	
Cash Funds	1,472,019	1,549,822	1,575,057	1,575,057	
School-based Health Centers	<u>998,204</u>	<u>998,204</u>	<u>994,316</u>	<u>994,316</u>	
FTE	0.3	0.3	0.7	0.7	
General Fund	998,204	998,204	994,316	994,316	
Interagency Prevention Programs Coordination	<u>131,190</u>	<u>129,939</u>	<u>133,284</u>	<u>133,284</u>	
FTE	1.8	1.9	2.0	2.0	
General Fund	131,190	129,939	133,284	133,284	
Federal Grants	<u>1,703,108</u>	<u>1,108,651</u>	<u>2,553,351</u>	<u>2,553,351</u>	
FTE	9.1	7.0	9.0	9.0	
Federal Funds	1,703,108	1,108,651	2,553,351	2,553,351	
SUBTOTAL - (2) Children and Youth Health	8,912,303	8,580,756	9,929,737	9,929,737	0.0%
FTE	<u>24.2</u>	<u>25.8</u>	<u>25.1</u>	<u>25.1</u>	<u>0.0%</u>
General Fund	3,666,709	3,640,356	3,672,966	3,672,966	0.0%
Cash Funds	1,548,719	1,626,425	1,695,291	1,695,291	0.0%
Federal Funds	3,696,875	3,313,975	4,561,480	4,561,480	0.0%

(3) Injury, Suicide, and Violence Prevention

Colorado Children's Trust Fund Personal Services	<u>116,860</u>	<u>172,206</u>	<u>148,122</u>	<u>148,122</u>	
FTE	1.4	2.4	1.5	1.5	
Cash Funds	45,777	51,427	75,777	75,777	
Federal Funds	71,083	120,779	72,345	72,345	

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
Colorado Children's Trust Fund Operating Expenses	<u>858,414</u>	<u>751,809</u>	<u>1,027,997</u>	<u>1,027,997</u>	
Cash Funds	225,554	229,062	395,137	395,137	
Federal Funds	632,860	522,747	632,860	632,860	
Tony Gramscas Youth Services Programs	<u>3,765,294</u>	<u>3,555,968</u>	<u>3,575,764</u>	<u>3,575,764</u>	
FTE	3.0	2.8	3.0	3.0	
Cash Funds	3,765,294	3,555,968	3,575,764	3,575,764	
Suicide Prevention	<u>283,034</u>	<u>281,614</u>	<u>384,348</u>	<u>384,348</u>	
FTE	2.0	1.9	2.0	2.0	
General Fund	283,034	281,614	384,348	384,348	
Injury Prevention	<u>2,915,884</u>	<u>1,971,534</u>	<u>2,212,751</u>	<u>2,212,751</u>	
FTE	20.7	11.4	20.2	20.2	
Cash Funds	698,084	0	0	0	
Federal Funds	2,217,800	1,971,534	2,212,751	2,212,751	
Traumatic Brain Injury Services	<u>151,455</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Reappropriated Funds	151,455	0	0	0	
Department of Human Services Grant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Reappropriated Funds	0	0	0	0	
SUBTOTAL - (3) Injury, Suicide, and Violence Prevention	8,090,941	6,733,131	7,348,982	7,348,982	0.0%
FTE	<u>27.9</u>	<u>18.5</u>	<u>26.7</u>	<u>26.7</u>	<u>0.0%</u>
General Fund	283,034	281,614	384,348	384,348	0.0%
Cash Funds	4,734,709	3,836,457	4,046,678	4,046,678	0.0%
Reappropriated Funds	151,455	0	0	0	0.0%
Federal Funds	2,921,743	2,615,060	2,917,956	2,917,956	0.0%

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	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	Request vs. Appropriation
SUBTOTAL - (D) Family and Community Health	40,510,249	38,329,518	43,993,919	43,853,824	(0.3%)
<i>FTE</i>	<u>85.7</u>	<u>67.6</u>	<u>85.5</u>	<u>84.3</u>	<u>(1.4%)</u>
General Fund	5,570,869	5,532,132	5,676,638	5,676,638	0.0%
Cash Funds	19,494,462	17,944,286	18,918,977	18,918,977	0.0%
Reappropriated Funds	204,468	0	0	0	0.0%
Federal Funds	15,240,450	14,853,100	19,398,304	19,258,209	(0.7%)
(E) Nutrition Services					
Women, Infants, and Children Supplemental Food Grant	<u>93,710,533</u>	<u>95,869,953</u>	<u>93,670,878</u>	<u>93,670,878</u>	
FTE	18.2	18.0	17.4	17.4	
Federal Funds	93,710,533	95,869,953	93,670,878	93,670,878	
Child and Adult Care Food Program	<u>24,232,067</u>	<u>24,534,865</u>	<u>24,229,230</u>	<u>24,229,230</u>	
FTE	8.2	7.3	8.0	8.0	
Cash Funds	14,386	0	0	0	
Federal Funds	24,217,681	24,534,865	24,229,230	24,229,230	
SUBTOTAL - (E) Nutrition Services	117,942,600	120,404,818	117,900,108	117,900,108	0.0%
<i>FTE</i>	<u>26.4</u>	<u>25.3</u>	<u>25.4</u>	<u>25.4</u>	<u>(0.0%)</u>
Cash Funds	14,386	0	0	0	0.0%
Federal Funds	117,928,214	120,404,818	117,900,108	117,900,108	0.0%
TOTAL - (9) Prevention Services Division	197,061,065	194,980,145	228,661,496	225,128,815	(1.5%)
<i>FTE</i>	<u>168.8</u>	<u>174.9</u>	<u>179.0</u>	<u>177.0</u>	<u>(1.1%)</u>
General Fund	6,086,818	6,043,375	9,218,112	9,218,112	0.0%
Cash Funds	45,718,894	39,523,537	68,356,076	65,153,488	(4.7%)
Reappropriated Funds	217,698	0	1,510,817	1,418,387	(6.1%)
Federal Funds	145,037,655	149,413,233	149,576,491	149,338,828	(0.2%)

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(10) HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION

This Division establishes and enforces standards for the operation of health care facilities and emergency medical services. The programs administered by this Division focus on education, inspection, investigation and enforcement.

(A) Licensure

Health Facilities General Licensure Program	<u>3,026,293</u>	<u>3,522,533</u>	<u>3,880,305</u>	<u>3,350,779</u>	
FTE	36.3	42.8	39.1	32.9	
General Fund	264,263	264,209	266,543	193,512	
Cash Funds	2,762,030	3,258,324	3,613,762	3,157,267	
Medicaid/Medicare Certification Program	<u>8,099,796</u>	<u>8,344,401</u>	<u>8,320,010</u>	<u>7,746,194</u>	
FTE	94.5	94.7	94.5	87.4	
Reappropriated Funds	3,811,902	3,987,981	4,000,852	3,708,728	
Federal Funds	4,287,894	4,356,420	4,319,158	4,037,466	

SUBTOTAL - (A) Licensure	11,126,089	11,866,934	12,200,315	11,096,973	(9.0%)
FTE	<u>130.8</u>	<u>137.5</u>	<u>133.6</u>	<u>120.3</u>	<u>(10.0%)</u>
General Fund	264,263	264,209	266,543	193,512	(27.4%)
Cash Funds	2,762,030	3,258,324	3,613,762	3,157,267	(12.6%)
Reappropriated Funds	3,811,902	3,987,981	4,000,852	3,708,728	(7.3%)
Federal Funds	4,287,894	4,356,420	4,319,158	4,037,466	(6.5%)

(B) Emergency Medical Services

State EMS Coordination, Planning and Certification Program	<u>1,355,849</u>	<u>1,348,728</u>	<u>1,463,157</u>	<u>1,463,157</u>	
FTE	15.0	14.1	15.0	15.0	
Cash Funds	1,355,849	1,348,728	1,463,157	1,463,157	

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Distributions to Regional Emergency Medical and Trauma Councils (RETACs)	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>	
Cash Funds	1,785,000	1,785,000	1,785,000	1,785,000	
Emergency Medical Services Provider Grants	<u>6,228,601</u>	<u>6,480,993</u>	<u>6,793,896</u>	<u>6,793,896</u>	
Cash Funds	6,228,601	6,480,993	6,793,896	6,793,896	
Trauma Facility Designation Program	<u>186,820</u>	<u>343,743</u>	<u>383,237</u>	<u>383,237</u>	
FTE	1.3	2.3	2.1	2.1	
Cash Funds	186,820	343,743	383,237	383,237	
Federal Grants	<u>154,921</u>	<u>199,370</u>	<u>182,217</u>	<u>182,217</u>	
FTE	1.5	1.0	1.5	1.5	
Federal Funds	154,921	199,370	182,217	182,217	
Poison Control	<u>1,421,442</u>	<u>1,414,876</u>	<u>1,414,876</u>	<u>1,414,876</u>	
General Fund	1,421,442	1,414,876	1,414,876	1,414,876	
SUBTOTAL - (B) Emergency Medical Services	11,132,633	11,572,710	12,022,383	12,022,383	0.0%
<i>FTE</i>	<u>17.8</u>	<u>17.4</u>	<u>18.6</u>	<u>18.6</u>	<u>(0.0%)</u>
General Fund	1,421,442	1,414,876	1,414,876	1,414,876	0.0%
Cash Funds	9,556,270	9,958,464	10,425,290	10,425,290	0.0%
Federal Funds	154,921	199,370	182,217	182,217	0.0%

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(C) Indirect Cost Assessment					
Indirect Cost Assessment	<u>1,995,612</u>	<u>2,204,705</u>	<u>2,422,897</u>	<u>2,422,897</u>	
Cash Funds	929,012	925,981	1,099,415	1,099,415	
Reappropriated Funds	414,053	482,923	569,894	569,894	
Federal Funds	652,547	795,801	753,588	753,588	
SUBTOTAL - (C) Indirect Cost Assessment	1,995,612	2,204,705	2,422,897	2,422,897	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	929,012	925,981	1,099,415	1,099,415	0.0%
Reappropriated Funds	414,053	482,923	569,894	569,894	0.0%
Federal Funds	652,547	795,801	753,588	753,588	0.0%
TOTAL - (10) Health Facilities and Emergency					
Medical Services Division	24,254,334	25,644,349	26,645,595	25,542,253	(4.1%)
<i>FTE</i>	<u>148.6</u>	<u>154.9</u>	<u>152.2</u>	<u>138.9</u>	<u>(8.7%)</u>
General Fund	1,685,705	1,679,085	1,681,419	1,608,388	(4.3%)
Cash Funds	13,247,312	14,142,769	15,138,467	14,681,972	(3.0%)
Reappropriated Funds	4,225,955	4,470,904	4,570,746	4,278,622	(6.4%)
Federal Funds	5,095,362	5,351,591	5,254,963	4,973,271	(5.4%)

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(11) EMERGENCY PREPAREDNESS AND RESPONSE DIVISION

This Division is responsible for handling emergency preparedness, including preparation for a variety of man-made and natural disasters, food and water borne disease outbreaks, and terrorist attacks.

Emergency Preparedness and Response Program	<u>16,953,452</u>	<u>14,965,344</u>	<u>18,628,513</u>	<u>18,593,181</u> *	
FTE	37.8	34.1	36.1	35.6	
General Fund	1,757,179	1,726,649	1,619,139	1,619,139	
Federal Funds	15,196,273	13,238,695	17,009,374	16,974,042	
Indirect Cost Assessment	<u>670,343</u>	<u>622,816</u>	<u>700,000</u>	<u>700,000</u>	
Federal Funds	670,343	622,816	700,000	700,000	

TOTAL - (11) Emergency Preparedness and Response Division	17,623,795	15,588,160	19,328,513	19,293,181	(0.2%)
FTE	<u>37.8</u>	<u>34.1</u>	<u>36.1</u>	<u>35.6</u>	(1.4%)
General Fund	1,757,179	1,726,649	1,619,139	1,619,139	0.0%
Federal Funds	15,866,616	13,861,511	17,709,374	17,674,042	(0.2%)

TOTAL - Department of Public Health and Environment	409,856,032	462,347,398	466,101,507	471,224,767	1.1%
FTE	<u>1,148.3</u>	<u>1,204.5</u>	<u>1,223.1</u>	<u>1,212.1</u>	(0.9%)
General Fund	26,954,211	27,087,070	30,283,511	30,913,022	2.1%
General Fund Exempt	421,586	446,100	441,600	441,600	0.0%
Cash Funds	119,113,593	113,299,475	157,156,520	154,142,912	(1.9%)
Reappropriated Funds	25,185,718	31,588,828	32,052,315	32,426,913	1.2%
Federal Funds	238,180,924	289,925,925	246,167,561	253,300,320	2.9%

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

2011 Session Bills

S.J.R. 11-009: Declares a State fiscal emergency for FY 2011-12, which allows Amendment 35 tobacco-tax revenues to be used in FY 2011-12 for any health-related purpose. See S.B. 11-211 for appropriation details.

S.B. 11-076: For the 2011-12 state fiscal year only, reduces the employer contribution rate for the State and Judicial divisions of the Public Employees' Retirement Association (PERA) by 2.5 percent and increases the member contribution rate for these divisions by the same amount. In effect, continues the FY 2010-11 PERA contribution adjustments authorized through S.B. 10-146 for one additional year. Reduces the Department's appropriation by \$1,975,520 total funds, of which \$162,746 is General Fund, \$682,218 is cash funds, \$238,632 is reappropriated funds, and \$891,924 is federal funds.

S.B. 11-209: General appropriations act for FY 2011-12.

S.B. 11-211: Reduces the Amendment 35 FY 2011-12 appropriation to the Department of Public Health and Environment by \$33.0 million cash funds. Appropriates the \$33.0 million total funds to the Department of Health Care Policy and Financing (HCPF) and reduces the HCPF General Fund appropriations by an equal amount.

S.B. 11-224: Suspends growth of tobacco master settlement dollars going to the Nurse Home Visitor Program for two years and transfers the resulting savings to the General Fund. For FY 2011-12 and FY 2012-13 the Program will receive 14.0 percent (but no less than \$12,737,350 annually to meet federal funding requirements). Reduces the FY 2011-12 appropriation to the Nurse Home Visitor Program by \$797,627 cash funds.

S.B. 11-235: Allows private sector modeling contractors to conduct reviews of emissions modeling for air quality emission permits, under certain conditions, to expedite air quality permit processing. Requires the Air Pollution Control Division to select and contract with eligible contractors and requires applicants electing to use private contractors to pay the consulting costs as well as the Air Pollution Control Division's costs associated with an application. For FY 2011-12, appropriates \$194,377 cash funds from the Stationary Sources Control Fund to the Air Pollution Control Division.

H.B. 11-1026: Authorizes the Department of Public Health and Environment, Water Quality Control Division, to designate one or more nonprofit storm water management system administrators to assist in compliance activities for the state's Colorado Discharge Permit System, as part of the federally mandated National Pollutant Discharge Elimination System. Requires storm water management system administrators to demonstrate to state water quality regulators that they are sufficiently qualified and capable of enforcing appropriate water quality

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standards, with a minimum one-year track record of implementing a program prior to application. Allows for revocation of storm water management system administrator status if the State finds repeated compliance failures in a nonprofit's program. Requires establishment of an advisory board for each nonprofit storm water management system administrator. Authorizes the Department to expend moneys from the Water Quality Improvement Fund to provide grants for storm water management best practices training. For FY 2011-12, appropriates the following to the Water Quality Control Division: (1) \$49,436 cash funds from the Water Quality Control Fund and 0.6 FTE to implement the bill; and (2) \$50,000 cash funds from the Water Quality Improvement Fund to provide grants for storm water management training.

H.B. 11-1101: Exempts federally qualified health centers (FQHCs) from State licensure, on-site inspections, and construction plan reviews by the Department. Clarifies that FQHCs can continue to serve as general providers under the Colorado Indigent Care Program without a license from the Department. Reduces cash fund appropriations to the Department by \$24,581 for FY 2011-12.

H.B. 11-1281: Consolidates the Department of Higher Education's Nursing Teacher Loan Forgiveness Program into the Health Service Corps, a loan forgiveness program for health professionals that is operated by the Department of Public Health and Environment's Primary Care Office. Allows the Department of Higher Education to administer remaining obligations of the Nursing Teacher Loan Forgiveness Program until they are paid, and retains a \$227,000 balance in the Nursing Teacher Loan Forgiveness Fund (Fund) for this purpose. Provides \$250,000 tobacco settlement cash funds to the Primary Care Office and reducing \$250,000 from the Short-Term Innovative Health Program Grant Fund, beginning in FY 2011-12. Appropriations \$250,000 cash funds and 0.5 FTE to the Primary Care Office, and reduces \$161,600 General Fund in the Department of Higher Education

H.B. 11-1323: Exempts rural health clinics from state licensure, on-site inspections, and construction plan reviews by the Department. Clarifies that rural health care clinics can continue to serve as general providers under the Colorado Indigent Care Program though not licensed by the Department. Reduces cash fund appropriations to the Department by \$529 in FY 2011-12.

2012 Session Bills

H.B. 12-1034: Extends the Processors and End Users Cash Fund repeal date from July 1, 2012 to July 1, 2015, and requires annual appropriation of the money in the Fund. Prevents the state from reimbursing a tire processor if the tire processor is not an end user, or if the tire product has been sold and moved off site. Appropriates \$700,000 cash funds from the Processors and End Users Cash Fund to the Department for FY 2011-12.

H.B. 12-1041: Creates an electronic death registration system to allow persons responsible for reporting death information to the Office of the State Registrar of Vital Statistics to do so electronically. For FY 2012-13 appropriates \$743,940 cash funds from the Vital Statistics Records Cash Fund to the Department, and reappropriates \$78,940 to the Governor's Office of Information Technology for information technology management costs.

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H.B. 12-1099: Creates the Industrial Hemp Remediation Pilot Program to study how contaminated soils and water can be cleaned through the growth of industrial hemp. Creates the seven member industrial hemp remediation pilot program committee, which is responsible for designing the pilot program according to certain specifications, soliciting funding, selecting a secure, indoor growing site, and completing a final report. Appropriates \$25,000 cash funds from the Hemp Remediation Pilot Program Cash Fund to the Department for FY 2012-13.

H.B. 12-1126: Authorizes local boards of health to adopt certain On-site Water Treatment Systems (OWTS) rules and practices appropriate to local conditions. Repeals uniform, statewide criteria regarding the presumed density of OWTS installation, deferring to local rules. Clarifies that a permit variance complies with regulations that owners are under a duty to continue repairs when authorized to make emergency use of an OWTS. Finally, the bill clarifies that the OWTS fee applies to new, repaired, and upgraded systems, and removes criteria for local OWTS permit variances from statute and requires the Water Quality Control Commission to adopt minimum variance criteria by rule. Appropriates \$8,530 cash funds from the Water Quality Control Fund and 0.1 FTE to the Department for FY 2012-13.

H.B. 12-1194: Supplemental appropriations to the Department for FY 2011-12.

H.B. 12-1202: Allows the Department of Health Care Policy and Financing (HCPF) to use Tobacco Education Funds to draw down federal matching funds for expenses incurred by the Colorado Quit line for services provided to Medicaid eligible clients. For FY 2011-12, appropriations \$577,316 total funds to HCPF and reappropriates \$577,316 to the Department of Public Health and Environment (DPHE). Also reduces cash fund appropriation to the DPHE by \$288,658 in FY 2011-12.

H.B. 12-1246: Reverses the payday shift for state employees who are paid on a biweekly basis. Appropriations \$6,885 General Fund to the Department for FY 2012-13. For additional information, see the "Recent Legislation" section at the end of the Department of Personnel.

H.B. 12-1283: Consolidates Colorado's homeland security functions, personnel, and resources into a new Division of Homeland Security and Emergency Management (DHSEM) within the Department of Public Safety (DPS). For the Department of Public Health and Environment transfers 2.0 FTE to perform training and communications functions in the new Office of Preparedness within the DHSEM of DPS. Reduces the FY 2012-13 appropriation to the Department of Public Health and Environment by \$147,729 General Fund and 2.0 FTE in FY 2012-13. For additional information on H.B. 12-1283, see the "Recent Legislation" section at the end of the Department of Public Safety.

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H.B. 12-1294: Modifies the Department's authority concerning the licensing of health facilities by eliminating several facility types from licensure. Requires the Department to:

- establish a schedule for an extended survey cycle or a tiered inspection or survey system;
- apply the extended survey cycle or tiered inspection for health facilities that have been licensed for at least three years and that have not been the subject of any enforcement activity or complaints within the past three years;
- institute a performance incentive system to reduce renewal license fees for health facilities that have no specific deficiencies;
- impose no standards for construction that are more stringent than, or that do not comply with, national, state, and applicable local building and fire codes;
- conduct a fitness review when a health facility changes ownership;
- establish criteria for deeming that licensing requirements have been satisfied;
- allow the State Board of Health to increase provisional license and other fees by no more than the annual percentage change in the Denver-Boulder-Greeley Consumer Price Index;
- work jointly with DHS to resolve differing requirements for the regulation of any Program of All-inclusive Care for the Elderly (PACE) facility consistent with federal requirements; and
- work with the Departments of Public Health and Environment, Human Services, and Health Care Policy and Financing, in consultation with industry representatives, to resolve differing requirements for the regulation of community residential homes.

Clarifies that home care placement agencies are not licensed or certified by DPHE and subjects facilities that make such a claim to a civil penalty, and creates the Health Care Facility Stakeholder Forum. Expands the definition of "community clinic". Appropriates \$183,730 cash funds from the Health Facilities General Licensure Cash Fund and 2.4 FTE to the Department for FY 2012-13.

H.B. 12-1326: Allows seniors who are eligible for Medicaid, but not for Medicaid long-term care services, to receive services under the Dental Assistance Program in the Department of Public Health and Environment. Appropriates \$3,022,800 General Fund and 1.0 FTE to the Department for FY 2012-13. For additional information on H.B. 12-1326, see the "Recent Legislation" section at the end of the Department of Human Services.

H.B. 12-1335: General appropriations act for FY 2012-13.

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

Long Bill Footnotes

- 48 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: The Department is in compliance with this footnote.

Requests for Information

- 4 All Departments, Totals --** Every department is requested to submit to the Joint Budget Committee, by November 1, 2012, information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that were received in FY 2011-12. The Departments are also requested to identify the number of additional federal and cash funds FTE associated with any federal grants or private donations that are anticipated to be received during FY 2012-13.

Comment: In FY 2011-12 the Department received a total of \$17,376,162, additional cash reappropriated (Amendment 35 funds for the Health Disparities Program), and federal funds, of which \$10,840,497 was federal funds. A total of \$1,749,859 was used to fund an additional 27.3 FTE.

- 1 Department of Public Health and Environment, Water Quality Control Division --** The Department is requested to submit a report on the Water Quality Control Division. This report is requested to include a summary of the Division's current and anticipated workload levels, including the impact of existing and proposed federal and state program requirements, as well as the associated funding and staffing needs based on the workload levels. This report is requested to include information on the upcoming fiscal year and out-years. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2012.

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Comment: The Department submitted the response to the request for information on November 1, 2012. See the Water Quality Control Division FTE Needs issue for additional information on the response.

- 2 Department of Public Health and Environment, Air Pollution Control Division --**
The Department is requested to submit a report on the Air Pollution Control Division. This report is requested to include a summary of the Division's current and anticipated workload, including the impact of existing and proposed federal and state program requirements, as well as the associated funding and staffing needs, and the impact of the new resources added in FY 2012-13 on the backlog of permit applications and any additional resources need to completely eliminate the backlog. This report is requested to include information on the upcoming fiscal year and out-years. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2012.

Comment: The Department indicated in the response an additional need of \$746,482 cash funds and 7.0 FTE to address the workload demands of the Title V section and the non-oil and gas sector. The response stated: "Notwithstanding both the new FTE authorized during last year's legislative session, and the Division's process improvement, and resource prioritization efforts over the past several years, there continues to be a gap between the currently available resources and the APCD's workload with respect to non-oil and gas emission source sectors. With the continued growth of Colorado's population, and the promulgation of new and increasingly stringent federal air pollution requirements, the disparity between the amount of work that needs to be done and the resources available to the Division will continue to widen."

- 3 Department of Public Health and Environment, Hazardous Materials and Waste Management Division, Contaminated Site Cleanups and Remediation Programs --**
The Department is requested to submit a report on its CERCLA program. This report is requested to include detailed expenditures for the program, including out-year estimates by project and associated project financing. The report should also include an analysis of long-term funding needs of the State in responding to, litigating, and cleaning up CERCLA sites, including estimated long-term maintenance costs for these sites. The report should also provide information on the Hazardous Substance Response Fund balance and out-year fiscal estimates. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2012.

Comment: The Department submitted the response to the request for information on November 1, 2012. The following table provided in the response summarizes the out year program expenditures.

Table 2
Summary of Future HSRF-Financed State Match Obligations

Site	Remedial Action Costs		Operations & Maintenance Costs	
	Future Value	NPV	Future Value	NPV
California Gulch	\$1,300,000	\$1,095,323	\$700,000	\$368,298
Captain Jack Mill	\$565,000	\$496,9468	\$6,700,958	\$2,792,120
Chemical Sales	\$35,000	\$30,280	\$950,453	\$517,214
Clear Creek	\$2,649,586	\$2,254,657	\$44,624,887	\$24,283,788
Denver Radium—All Other	\$0	\$0	\$339,556	\$184,778
Denver Radium—Shattuck	\$0	\$0		
Nelson Tunnel	\$1,673,472	\$1,297,135	\$23,158,272	\$11,767,923
Sand Creek	\$0	\$0	\$211,035	\$83,709
Summitville	\$0	\$0	\$66,670,770	\$27,581,390
Standard Mine	\$744,811	\$622,433	\$4,224,529	\$2,088,709
Totals	\$6,967,869	\$5,769,774	\$147,580,460	\$69,667,910
Grand Totals:				
Future Value	\$154,548,329			
Net Present Value	\$75,437,684			

- 4 **Department of Public Health and Environment, Water Quality Control Division --**
The Department is requested to submit a report on the National Pollutant Discharge Elimination System pesticide permit program. This report is requested to include a summary of the Water Quality Division's work, in collaboration with the Department of Agriculture, on establishing a pesticide permit. The report is requested to include a description of the permit options explored, funding options, staffing needs, and associated workload numbers for the upcoming fiscal year and out-years. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2012.

Comment: The Department submitted the response to the request for information on November 1, 2012. See the Pesticide Discharge Permitting Program issue for more detailed information about the response.

Appendix D: Indirect Cost Assessment Methodology

Description of Indirect Cost Assessment Methodology

The Department of Public Health and Environment indirect cost assessment methodology is calculated based on three components: an “*Indirect Cost Pool*”, an “*Indirect Cost Base*”, and an “*Indirect Cost Rate*”.

The *Indirect Cost Pool* is comprised of centrally appropriated line items, outlined in **Table 1**, in the Administration and Information Technology Services subdivisions. For FY 2012-13 the Department’s Indirect Cost Pool is \$21,204,117.

Table 1		
Department of Public Health and Environment Indirect Cost Pool		
FY 2012-13		
Division	Line Item	Appropriation
(1) (A)	Administration	
	Personal Services	\$5,041,575
	POTS	1,139,866
	Retirements	281,918
	Workers Compensation	508,359
	Operating Expenses	1,302,028
	Legal Services	2,195,986
	Administrative Law Judge Services	46,977
	Payments to Risk Management	99,162
	Vehicle Lease Payments	23,733
	Leased Space	5,458,637
	Capitol Complex Leased Space	34,164
	Utilities	390,727
	Building Maintenance and Repair	271,858
	<i>Administration Subtotal</i>	<i>\$16,794,990</i>
(2) (C)	Information Technology Services	
	Personal Services	\$250,082
	Operating Expenses	661,219
	Communications Services Payments	15,237
	COFRS Modernization	699,370
	Purchase of Services from Computer Center	2,122,439
	Multiuse Network Payments	424,374
	Management of OIT	236,406
	<i>CHEIS Subtotal</i>	<i>\$4,409,127</i>
Total Indirect Cost Pool		\$21,204,117

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The *Indirect Cost Base* is comprised of the total appropriation for each division. For some divisions the total appropriation is adjusted to account for things like reappropriated funds from General Fund sources and appropriations for centrally appropriated lines. **Table 2a** summarizes the total appropriation for each division, and **Table 2b** notes which division totals are adjusted and why.

Table 2a				
Department of Public Health and Environment Indirect Cost Base				
Division	FY 2012-13 Appropriations			Division Total
	Cash Funds	Reapprop. Funds	Federal Funds	
Administraion	\$8,724,669	\$21,368,875	\$8,670,368	\$38,763,912
CHEIS	5,459,171	4,577,439	3,155,731	\$13,192,341
Labortory Services	5,059,388	233,628	1,827,700	\$7,120,716
Air Pollution Control	14,065,815	0	3,462,846	\$17,528,661
Water Quality Control	4,239,313	39,673	12,346,637	\$16,625,623
Hazardous Material and Waste Management	12,391,137	229,991	6,438,132	\$19,059,260
Environmental Health and Sustainability	8,676,140	88,929	1,639,540	\$10,404,609
Disease Control and Environmental Epidemiology	6,759,378	0	35,386,950	\$42,146,328
Prevention Services	64,167,832	1,281,040	146,863,492	\$212,312,364
Health Facilities and Emergency Medical Services	13,582,557	3,708,728	4,219,683	\$21,510,968
Emergency Response and Preparedness	0	0	16,974,042	\$16,974,042

Table 2b	
Department of Public Health and Environment Indirect Cost Base Adjustments	
Division	Division Total Adjustments
Administraion	Reduced centrally appropriated line items, Tobacco Master Settlement Funds, and indirect expenses
CHEIS	Reduced Indirect Expenses.
Labortory Services	Reduced RF that comes from GF Sources
Air Pollution Control	n/a
Water Quality Control	Reduced RF that comes from GF Sources
Hazardous Material and Waste Management	n/a
Environmental Health and Sustainability	Reduced RF that comes from GF Sources
Disease Control and Environmental Epidemiology	Adjusted for Tobacco Master Settlement funds.
Prevention Services	Adjusted for Tobacco Master Settlement funds, other non-indirect funds, and federal WIC funds.
Health Facilities and Emergency Medical Services	n/a
Emergency Response and Preparedness	n/a

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The *Indirect Cost Rate* has three components and is unique to the fund source, meaning cash fund sources have a different rate than federal fund sources. The Indirect Cost Rate is based on how the funds are used. There are onsite rates which are the highest and charged to funds used to pay for expenses which occur at the main campus, there are offsite rates which are slightly lower and charged to funds which cover expenses that occur at one of the satellite offices in Pueblo and Grand Junction, the lowest rate is charged to funds used for contracts and grants. **Table 3** summarizes the different rates used in FY 2012-13.

Table 3 Department fo Public Health and Environment FY 2012-13		
Indirect Cost Rates		
Fund Source	Rate Type	Rate
Cash Rate	On site	19.8%
	Off Site	13.9%
	Contract	1.4%
Federal Rate	On site	18.3%
	Off Site	11.8%
	Contract	1.0%

FY 2013-14 Indirect Cost Assessment Request

Due to the timing of the request to include the projected FY 2013-14 indirect cost assessments, the Department was unable to include that information in the November 1 request.

Appendix E: Change Requests' Relationship to Performance Measures

This appendix will show how the Department of Public Health and Environment indicates each change request ranks in relation to the Department's top priorities and what performance measures the Department is using to measure success of the request.

Change Requests' Relationship to Performance Measures			
R	Change Request Description	Goals / Objectives	Performance Measures
1	Permanent funding for the Department's new Financial Risk Management process.	Create a more efficient, effective, customer-oriented department.	N/A
2	Funding for the Department's Lean continuous improvement methodology.	Create a more efficient, effective, customer-oriented department.	N/A
3	Funding for local public health agencies.	Strengthen the integrated public and environmental health system.	N/A
4	Offset the loss of federal Prevent Health Block Grant funds with General Fund dollars.	Winnable Battle – Infectious Disease Prevention	For STI Medication funding – serve approximately 10,000 low income patients.

Appendix F: Greenway Corridor Foundation Projections

Adams County: 88th Avenue Project

\$1.75 million for 246-acre site to enhance riparian forest and habitat as well as the ecological integrity of two former gravel mines.

City of Thornton: Big Dry Creek

\$750,000 for 130-acre site near Interstate 25, including habitat restoration, for use as open space.

City of Brighton: Eagle Preservation

\$500,000 for 42 acres in the future 178-acre Prairie Lakes Regional Wildlife Center to return to a natural state and preserve water quality and habitat for birds and wildlife.

City of Denver: First Creek

\$500,000 to protect and enhance the First Creek riparian corridor including buffer around the stream, immediately upstream of the Rocky Mountain Arsenal Wildlife Refuge.

City of Denver: Grant Frontier

\$500,000 to restore and enhance riparian habitat on 1.75 miles of the South Platte River

City of Denver: Heron Pond

\$500,000 to create a 52-acre regional natural area on 20 acres of wetland and riparian habitat adjacent to the South Platte River.

Sand Creek Regional Greenway Partnership

\$50,000 to remove invasive species along waterways surrounding the Rocky Mountain Arsenal Wildlife Refuge to improve the ecological health of regional waterways, in partnership with Mile High Youth Corps.

City of Denver: Montbello Natural Area

\$500,000 to acquire and preserve 5.5 acres of remnant prairie on the edges of an existing pond in the Montbello neighborhood one mile south of the Rocky Mountain Arsenal Wildlife Refuge.

City of Commerce City: Sand Creek Project

\$1.5 million to create additional riparian and upland habitat on a 12-acre site in a heavily industrialized area near the confluence of Sand Creek and the South Platte River to create additional riparian and upland habitat.

City of Commerce City: Sand Creek Project 2

\$1.1 million for a 20-acre industrial site to remediate vegetate and create new riparian and upland habitat near the confluence of Sand Creek and South Platte River

City of Aurora: Triple Creek

\$2 million to acquire 265 acres along the Triple Creek to protect and replace habitat and prevent future development.

Appendix G: Court Rulings on the Lawsuit to Block the Energy Fuels Uranium Mill

On June 13, 2012 Denver District Judge McMullen made the following rulings on the plaintiff's claims:

Claim #1

Claim for Relief: Unlawfully Issuing a Radioactive Materials License without Conducting the Necessary Administrative Procedures. The Court ruled in favor of the plaintiffs.

Claim #2

Claim for Relief: Failure to Establish Financial Surety before Issuing Radioactive Materials License. The Court ruled against the plaintiff.

Claim #3

Claim for Relief: The Long Term Care Warranty Is Not Based On Required Actual Cost Estimates. The court disagreed with the plaintiff.

Claim #4

Claim for Relief: A Decommissioning Funding Plan Has Not Been Prepared to Ensure Adequate Financial Surety Remains in Place. The court disagreed with the plaintiff.

Claim #5

Claim for Relief: Issuing a License before Ensuring Criterion 8 Air Emissions Controls can achieve the "As Low as Reasonably Achievable Standard". The court disagreed with the plaintiff.

Claim #6

Claim for Relief: Ongoing Groundwater Contamination Prevents Issuance of a License at this Site. The court disagreed with the plaintiff.

Claims 7 & 8

The court did not address claims seven and eight because the claims were not presented in the plaintiffs opening briefing and therefore constituted a waiver of the claims. The court ruled against the plaintiffs for these claims.

Claim #9

Claim for Relief: Unlawfully Issuing, Amending and/or Modifying the License without Conducting the Necessary Administrative Procedures. In this argument the plaintiff contended that the January 17, 2011 date was the final date for issuing the license, and that by issuing the final, corrected license on March 7, 2011 the Department did not approve the license as a whole by the required time established in statute. – The court was not persuaded by this argument because Section 25-1-203 (3) (c) (V) (c), C.R.S. required the Program to approve, approve with conditions, or deny the application within 270 days of the towns approval which would put the date at January 17, 2011. The Program approved the application with conditions, but no records

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shows Energy Fuels agreed with the conditions, and under federal law (APA subsection 104 (11)), conditions which are not consented to, constitutes a denial of the application. Where an application is denied without a hearing, the applicant has 60 days to request a hearing. Hence the Department did issue the license within the 270 days but then had to wait 60 days to issue the final license, because issuing a license before the 60 day appeal period would have been in violation of federal law.

Appendix H: Amendment 35 Audit Recommendations

The following are the six recommendations made to the Department in the 2012 Performance Audit of the Amendment 35 Tobacco Tax Funded Grant Programs by the State Auditor's Office.

Recommendation #1

Seek a written Attorney General opinion on whether awarding Tobacco Prevention Program grant funds for policy initiatives complies with the intent of the State Constitution and statute. If these initiatives are determined to be outside the scope of the Constitution and statute, the Department should either discontinue its practice of funding policy initiatives or work with the General Assembly to seek the statutory authority to use grant funds for this purpose.

Department response: The Department disagreed with the recommendation.

Recommendation #2

Improve the process for assessing the risk and capacity of grant applicants during the grant selection process for the Tobacco Prevention and CCPD Programs by: (a) adopting Review Committee policies and processes for assessing grant applicants' past performance and financial capacity to administer grants, discussing grantee performance in Committee meetings, and providing training on the policies and procedures to Committee members and applicable Department staff; (b) providing the financial risk questionnaires and assessments to the Review Committees; and (c) reporting to the Review Committees information on grantee performance.

Department response: The Department agreed to implement (a) by January 2013, (b) by July 2012, and (c) by June 2013.

Recommendation #3

Improve processes for assessing the financial risk of applicants for the Tobacco Prevention and CCPD Programs' grants by: (a) revising the financial risk assessment factors and points assigned to each based on the concerns identified in this audit and revising the financial risk questionnaire to ensure it collects adequate information needed to conduct the assessment; and (b) ensuring there is a process for assessing the financial risk of all applicants and periodically reassessing the financial risk of grantees whose grants are renewed.

Department response: The Department agreed to implement (a) by July 2013, and (b) by May 2013.

Recommendation #4

Implement internal controls to ensure grant contracts for the Tobacco Prevention and CCPD Programs comply with the State Procurement Manual and the Department's *Guide to Best Practices in Contract Management* by: (a) improving contract drafting and review policies and procedures to ensure contracts accurately reflect the contract period and are reviewed by fiscal staff for completeness and accuracy; and (b) providing written guidance and training to applicable staff on the policies and procedures developed in part a., including processes for ensuring contracts are accurate and complete before they are executed.

Department response: The Department agreed to implement (a) by June 2013, and (b) by June 2013.

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Recommendation #5

Strengthen procedures for ensuring reimbursements paid to the Tobacco Prevention and CCPD Programs' grantees are allowable direct cost reimbursements that comply with grant contracts by: (a) implementing written policies and procedures for reviewing supporting documentation for a sample of reimbursements at least quarterly, based on the risk assessments, and revising contract language accordingly; and (b) conducting periodic desk reviews and site visits including at least one review or visit to grantees during the first 2 years of their grant and random reviews of other grantees annually.

Department response: The Department agreed to implement (a) by May 2013, and (b) by January 2013.

Recommendation #6

Improve tracking of grant data for the Tobacco Prevention and CCPD Programs by: (a) ensuring the implemented automated system captures the data necessary to facilitate analysis and reporting on grants; and (b) reconciling grant information in the automated system, hard-copy grant files, and COFRS on a periodic basis, and strengthening controls over hard copy grant file documentation.

Department response: The Department agreed to implement (a) by July 2013, and (b) by January 2013.