



## Fiscal Note

### Legislative Council Staff

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## HB 26-1378: REPEAL BEHAVIORAL HEALTH RESOURCES

**Prime Sponsors:**

Rep. Sirota; Taggart  
Sen. Bridges; Kirkmeyer

**Fiscal Analyst:**

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**Fiscal note status:** The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2025-26 Long Bill budget package.

### Summary Information

**Overview. Budget package bill.** The bill repeals certain services and programs offered by the Behavioral Health Administration

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- State Transfers

**Appropriations.** For FY 2026-27, the bill requires and includes an appropriation reduction of \$5.2 million to the Behavioral Health Administration.

**Table 1  
State Fiscal Impacts**

Type of Impact	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0	\$0
State Expenditures	\$0	-\$5,150,805	-\$5,150,805
Transferred Funds	\$24,115	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	-1.0 FTE	-1.0 FTE

Fund sources for these impacts are shown in the tables below.

**Table 1A  
 State Expenditures**

<b>Fund Source</b>	<b>Current Year FY 2025-26</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
General Fund	\$0	-\$2,150,805	-\$2,150,805
Cash Funds	\$0	-\$3,000,000	-\$3,000,000
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>-\$5,150,805</b>	<b>-\$5,150,805</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>-1.0 FTE</b>	<b>-1.0 FTE</b>

**Table 1B  
 State Transfers**

<b>Fund Source</b>	<b>Current Year FY 2025-26</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
General Fund	\$24,115	\$0	\$0
Cash Funds	-\$24,115	\$0	\$0
<b>Net Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Summary of Legislation

This bill repeals the following services and programs offered by the Behavioral Health Administration (BHA):

- Safety Net Provider Application Support Services required by [HB 25-1045](#);
- Rural Behavioral Health Voucher Program required by [SB 21-137](#);
- Capacity-Building Grant Program initiated by [HB 19-1287](#) and continued by SB 21-137;
- High Risk Families Cash Fund initiated by [HB 19-1193](#) and further funded by SB 21-137; and
- Recovery Support Services Grant Program required by SB 21-137.

The bill reduces the BHA’s appropriation accordingly and requires any unexpended funds from the High Risk Families Cash Fund to be transferred to General Fund at the end of the current FY 2025-26.

## State Transfers

Based on current projections, the fiscal note estimates that on June 30, 2026, the High Risk Families Cash Fund will have \$24,115 in unexpended funds that will be transferred to the General Fund in FY 2025-26.

**State Expenditures**

The bill decreases state expenditures in the Behavioral Health Administration by \$5.2 million in FY 2026-27 and future years. These savings, incurred in the General Fund and the Marijuana Tax Cash Fund, are summarized in Table 2 and discussed below.

**Table 2  
 State Expenditures  
 Behavioral Health Administration**

<b>Cost Component</b>	<b>Current Year FY 2025-26</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
Personal Services	\$0	-\$77,333	-\$77,333
Operating Expenses	\$0	-\$1,280	-\$1,280
Application Support Services	\$0	-\$500,000	-\$500,000
Rural Behavioral Health Vouchers	\$0	-\$50,000	-\$50,000
Capacity-Building Grants (Cash Funded)	\$0	-\$3,000,000	-\$3,000,000
Recovery Support Services Grant	\$0	-\$1,500,499	-\$1,500,499
All Employee Insurance	\$0	-\$14,856	-\$14,856
Supplemental PERA	\$0	-\$6,838	-\$6,838
<b>Total Costs</b>	<b>\$0</b>	<b>-\$5,150,805</b>	<b>-\$5,150,805</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>-1.0 FTE</b>	<b>-1.0 FTE</b>

**Behavioral Health Administration**

The various program repealed under the bill reduce the BHA’s need for staff, contract, and grant and voucher funding as discussed below.

**Staff**

The BHA was appropriated 1.0 FTE to administer the Recovery Support Services Grant program. The bill repeals this appropriation, reducing personal services, operating, employee insurance, and supplemental employee retirement payments costs.

**Contract**

The BHA provides application support services to potential safety net providers through a \$500,000 annual contract, which will be discontinued under the bill.

## Grant and Vouchers Payments

The BHA distributes about \$4.6 million in grants and vouchers, which are repealed under the bill. Of this amount, about \$3.0 million is from the Capacity-Building Grant Program, which is statutorily allowed to distribute up to \$5 million but historically has been appropriated \$3 million from the Marijuana Tax Cash Fund. All other program costs are paid from the General Fund.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that the Section 6 containing the bill's appropriation adjustments only take effect if the Long Bill becomes law. Section 6 takes effect on the effective date of this bill or of the FY 2026-27 Long Bill, whichever is later.

## State Appropriations

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For FY 2026-27, the bill requires and includes a reduction in appropriations of \$5,150,805 and 1.0 FTE to the Behavioral Health Administration. Of this amount, \$3,000,000 is from the Marijuana Tax Cash Fund and the remaining \$2,150,805 and 1.0 FTE is from the General Fund.

In addition, the bill includes technical language making these reductions in appropriations conditional on sufficient appropriations being available in the applicable line items in the FY 2026-27 Long Bill.

## State and Local Government Contacts

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Joint Budget Committee Staff

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).