

JOINT BUDGET COMMITTEE



STAFF BUDGET BRIEFING & SUPPLEMENTAL COMMON POLICY RECOMMENDATIONS FY 2023-24

FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS (ARPA FUNDS)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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JANUARY 16, 2023

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Attachment – FY 2023-24 Appropriations Report, Appendix D2

SUMMARY

- Colorado received \$3.8 billion in federal Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan Act of 2021 (ARPA funds) that under federal law must be “obligated” by December 31, 2024 and expended by December 31, 2026. These funds are subject to appropriation. As of the end of the 2023 legislative session, \$3.68 billion of this total had been allocated by the General Assembly through transfers and appropriations. Many of these allocations were expected to be available for use through December 31, 2026.
- On November 20, 2023, the federal government issued a new interim final rule defining the term “obligation”.¹ Based on the definition included in this rule, the Governor’s Office and legislative staff believe that the **State should attempt to fully *expend* all ARPA funds before the December 31, 2024 obligation deadline.**
- To achieve this goal, the Governor’s Office has proposed changes to existing appropriations and statutory provisions, as well as new appropriations, in four categories:

Swaps: Exchange all ARPA appropriations that might be expended after December 31, 2024 (up to \$1.5 billion) with existing General Fund personal services appropriations for FY 2023-24. The goal is to expend the ARPA funds as quickly as possible (virtually all in state FY 2023-24), thereby freeing up General Fund that can be used for programs that were previously expected to use ARPA Funds through December 31, 2026. The Governor’s Office indicates that it will submit a proposal in the first week of February that finalizes the amount that needs to be “swapped”. This will include a conservative estimate of ARPA funds that will not be expended before December 31, 2024 but that are authorized for use beyond this. The estimate will incorporate current law and JBC votes on ARPA Roll-forwards and “Recaptures” (described below).

Roll-forwards: The Governor’s Office submitted a statewide supplemental budget request that extends spending authority for 26 ARPA-funded programs through December 31, 2026. *If the “swaps” described above are implemented, these extensions will ultimately use General Fund.*

- For many of these programs, statute authorizes the program through December 31, 2026, but, consistent with guidance from the Office of Legislative Legal Services, the appropriations clause only extends through December 30, 2024. The request in these cases is to align the appropriations clause with statutory provisions.
- In other cases, existing law and appropriations may reflect legislative intent to end the program or expenditures earlier than the deadline now sought by the Executive Branch.

Regardless, for all 26 roll-forward requests, the JBC and General Assembly will need to make a policy decision about whether spending for these programs should continue beyond December 31, 2024, with the understanding that such an extension will result in the use of General Fund. The total roll-forward amount requested across all programs is \$341.7 million.

Recapture/Reinvestment: The Governor’s November 1, 2023 request and January 2, 2024 request also describe, in overview letters, a total of \$70.8 million for programs that have either already reverted ARPA appropriations because the program and spending authority ended before

¹ https://home.treasury.gov/system/files/136/Obligation_Interim_Final_Rule_2023.pdf

the beginning of FY 2023-24 (\$12.4 million) or are expected to revert ARPA appropriations, because the Executive Branch has determined that the program cannot spend the funds quickly enough, is concerned about technical obstacles, or simply does not believe the program is sufficiently valuable (\$58.4 million, as of January 2, 2024 submission). The Governor’s Office has proposed alternative uses of these dollars, some of which the General Assembly has acted on.

Amounts not Yet Allocated: Of the total \$3.8 billion in ARPA funds, the General Assembly previously allocated \$3.68 billion. As of the 2023 legislative session, the JBC and General Assembly expected that the balance would be appropriated for personal services in the Department of Human Services in FY 2024-25. The Governor’s January 2, 2024 letter still reflects essentially this strategy, indicating that \$5.45 million remaining in the ARPA Behavioral and Mental Health Cash Fund and \$147.6 million in the ARPA Revenue Loss Restoration Cash Fund will be used in the FY 2024-25 Long Bill for the first five months of the year. However, based on conversations with the Governor’s Office, *staff hopes to use as much ARPA money as possible in FY 2023-24 and only extend into FY 2024-25 to the extent there are not sufficient General Fund appropriations to “swap” in FY 2023-24.*

RECOMMENDATION

At this stage in the process, the Staff recommendation is as follows:

- 1 Staff recommends that the JBC authorize JBC and Office of Legislative Legal Services (OLLS) staff to begin work with the Governor’s Office and Controller on a bill draft to effectuate the proposed ARPA “swaps” and other changes that will be required for the State to expend ARPA appropriations by December 31, 2024. All parties involved are still attempting to determine the best way to implement these changes, and staff believes that beginning a bill draft now is the best way to clarify the path forward, ensure that those entities most affected can weigh in, and minimize the risk of errors.
- 2 Staff recommends that the Committee establish a default common policy to **approve** both roll-forward and ARPA program **reduction** requests *as a starting-point* for JBC staff. However, staff responsible for all affected departments will return with a coordinated presentation at the end of January in which staff will review each of the proposed changes, respond to JBC questions about particular programs, and identify any staff-recommended or Committee-initiated deviations from the default common policy.
- 3 Staff recommends that any further decisions about *alternative* uses of ARPA funds (the “reinvestment” proposals) be handled as follows: (1) Retain the two instances where the JBC or General Assembly has already taken action to use the funds in FY 2023-24 (HB 23B-1001 - \$14.9 million) and an interim FY 2023-24 Public Safety supplemental on migrant services (\$5.0 million); (2) For the balance of ARPA reversions/projected underexpenditures (\$70.8 million-\$14.9 million-\$5.0 million=\$50.9 million), the Committee should ensure that the ARPA funds are “swapped” (used to free-up one-time General Fund) but should not attempt to commit to any further specific uses in the Long Bill or new legislation at this time. Instead, related decisions and bills should be treated as using General Fund appropriations. “Swapping” these ARPA funds in FY 2023-24 will free up one-time General Fund, which can be identified in total in the JBC’s FY 2024-25 budget package, but accounting for specific new uses in multiple bills adds excessive

complexity for both the JBC and the General Assembly and adds to the risk that ARPA funds will not be expended by the deadline.

DISCUSSION

BACKGROUND ON ARPA FUNDS AND EVOLVING FEDERAL GUIDANCE

Appendix D2 of the FY 2023-24 Appropriations Report (attached) identifies the General Assembly's approach to using the \$3.8 billion in ARPA funds received in 2021 and lists all specific bills and appropriations where these funds have been allocated so far. The complexity of the structure and the General Assembly's current predicament is the result of evolving information about how the funds can be used and under what timeframes.

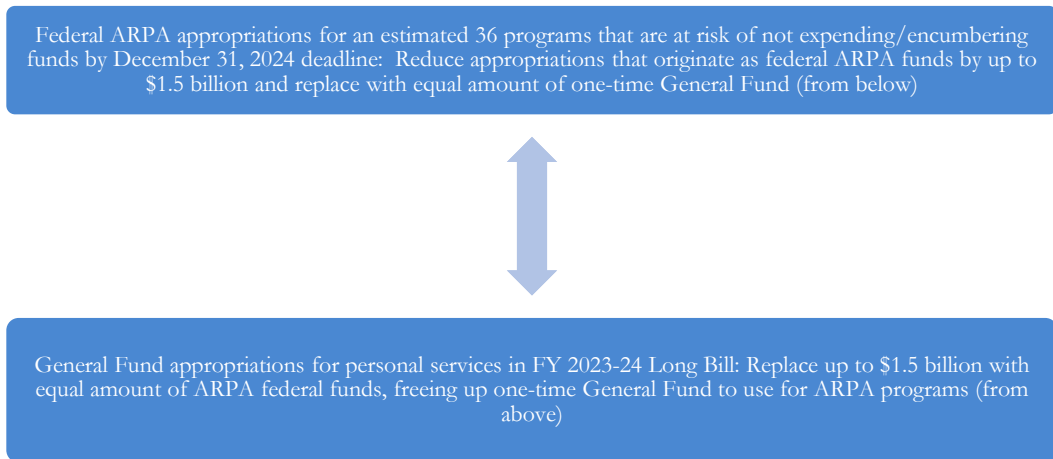
- When funds were received in the 2021 legislative session, the General Assembly anticipated that most of the funds would need to be used within the confines of federally-specified uses for responding to the public health emergency. To that end, the General Assembly deposited the funds into new cash funds based on policy “buckets” (economic recovery and relief; workers and employers; behavioral and mental health; and affordable housing, etc.) and convened committees during the 2021 interim to make recommendations on the use of the money in each category.
- At the end of January 2022, the Controller informed the JBC that the State had calculated that its reduction in revenue due to COVID-19 would comprise \$3.65 billion of the total funds allocated to Colorado, greatly increasing the State's flexibility in use of the funds. However, both the Governor's Office and the General Assembly decided to proceed with the policy and cash funds structure originally developed. Multiple bills were then adopted during the 2022 session to appropriate and transfer funds consistent with the purposes of the cash funds, recommendations of the interim committees, and ongoing changes to federal guidance on use of funds, including the adoption of Treasury's January 27, 2022 final rule on use of the funds.²
- By the beginning of the 2023 legislative session, most of the ARPA funds had been allocated, save for \$315.4 million that remained primarily in the Revenue Loss Restoration Cash Fund. After FY 2023-24 Long Bill appropriations and other adjustments, the JBC expected to use the final balance of \$144.8 million in the FY 2024-25 Long Bill.
- During the 2023 legislative session and through early November 2023, the Governor's Office indicated that based on various guidance received from federal Treasury, the State understood that it had flexibility to define the use of the term “obligated” (which is not used in Colorado state law) and that this would assist the State in using its funds through the December 31, 2026 expenditure deadline. However, on November 20, 2023, the federal government issued a new interim final rule defining the term “obligated”. The Governor's Office and the OLLS concur that under the new guidance, “obligated” should generally be treated as equivalent to the State's legal term “encumbered”, which allows very limited use of funds beyond the year for which the funds are appropriated.

² <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds> and <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/eligible-uses>

“SWAPPING” FUNDS CONCEPT

To understand the most recent proposal from the Executive Branch, it is important to recognize that all of the State’s remaining ARPA funds may be used for a very broad purpose: “for the provision of government services”. *This makes the ARPA funds essentially identical to one-time State General Fund, except that the funds must be obligated (encumbered) by December 31, 2024 and expended by December 31, 2026.*

The federally-clarified restrictions on the timeframes for using ARPA funds now appear too aggressive for many of the programs created by the General Assembly. Given this, conceptually, it makes sense to spend the ARPA funds as quickly as possible in lieu of General Fund, thus freeing up one-time General Fund to use over a longer timeframe for the new ARPA programs created in the last few years. Several states did this earlier. However, given that it is now January 2024 and the federal obligation deadline is December 31, 2024, effectuating this change mid-fiscal year will be very challenging.



Staff rationale for recommending some version of the proposed “swap”:

- Fundamentally, it is not in the State’s interest to lose the one-time federal funds. Since 2022, JBC Staff has advocated using the ARPA funds as quickly as possible, freeing up one-time General Fund for use over a longer timeframe. While the mechanics are now far more difficult, the proposal is consistent with approaches JBC Staff has recommended in the past.
- Legislators put many hours in to researching and developing the package of programs that have been funded with one-time ARPA funds. Even if some programs have taken longer than planned to get off the ground and will require a General Fund “swap” at the tail end, Staff would like to see these programs achieve their intended legislative goals. Further, staff is dubious that either staff or legislators have sufficient time to seriously reconsider most of the General Assembly’s earlier decisions about the billions appropriated for ARPA programs.
- Under current state law, ARPA funds that have not been obligated or expended by December 30, 2024 are to be transferred to the Unemployment Insurance Trust Fund. While this is preferable to returning the funds to the federal government, staff believes most members of the General

Assembly would prefer to see previously-approved legislative initiatives completed than to have up to \$1.5 billion deposited to the Unemployment Insurance Trust Fund.

- Staff would like to begin working on related legislation as quickly as possible. The more thoughtful the General Assembly can be in tackling this issue in a bill, the less likely a special session will be required in fall 2024 to fix ARPA-related problems.

Key components of a bill draft:

- **Adjust appropriations and statutory provisions to replace at risk federal ARPA funds with General Fund.** This is expected to affect at least 36 appropriations and transfers in bills enacted in the 2021, 2022, and 2023 legislative sessions. The total amount is still uncertain and will be finalized in early February 2024, but could be up to \$1.5 billion. (Note that both the funds reduced and those added may be shown as cash funds, but the key issue is whether the funds originate as federal ARPA funds or state General Fund.)
- **Appropriate to each state department a “pot” (centrally appropriated amount) of federal ARPA funds for use in FY 2023-24** that is based on (a) the total ARPA funds that need to be expended (from the changes above); and (b) the maximum General Fund personal services appropriations in the department that are available for replacement. **Require that for every ARPA dollar spent from a Department’s “pot”, its General Fund is reduced by the same amount.** Based on these provisions, accounting staff will make end-of-year adjustments to each department’s line item personal services expenditures to reflect the change in fund source.

There are many details that must be addressed. For example:

- How will FY 2023-24 General Fund reductions, that are based on using federal funds from a “pot” in lieu of existing General Fund line item appropriations, be characterized for purposes of writing a balanced budget?
- How will General Fund reserve requirements be treated?
- Should all General Fund saved in FY 2023-24 and used to replace ARPA funds be passed through a new cash fund to facilitate balancing? Will this necessitate any changes to the existing legacy fund structure for ARPA funds?
- How will contingencies be addressed? If FY 2023-24 ARPA expenditures don’t come out as expected, will the Executive Branch be able to spend the funds in FY 2024-25 before the General Assembly comes back into regular session?

If the JBC approves the staff recommendation, staff expects to return in mid-February with an initial bill draft for the ARPA funds and a final proposal from the Executive Branch on the amounts to be swapped and affected departments and programs.

ROLL-FORWARDS

Through a statewide supplemental request, OSPB has provided a list of programs originally approved as ARPA-funded programs for which it would like spending authority extended beyond the current legal authorization. All of these are currently active programs, with spending authority through at least FY 2023-24.

- For many of these programs, statute authorizes the program through December 31, 2026, but, consistent with guidance from the Office of Legislative Legal Services, the appropriations clause only extends through December 30, 2024. The request in these cases is to align the appropriations clause with statutory provisions.
- In other cases, existing law and appropriations may reflect legislative intent to end the program or expenditures earlier than the deadline now sought by the Executive Branch.

Staff recommends a default common policy to approve these requests, anticipating that, in addition to the roll-forward, these programs will be subject to the “swap”, i.e., appropriations will ultimately be modified so that any amounts spent beyond December 31, 2024 will be from the General Fund.

- Staff recommends approval as the default based on the legislative effort involved in crafting these programs.
- However, **staff will provide a coordinated briefing later in January when JBC Staff and committee members can discuss the individual requests in more detail** and determine if there should be deviations from the common policy.
- In most cases, if the JBC chooses not to roll-forward funds, it should plan to reduce the related ARPA appropriation to make those funds available for other uses.

ROLL-FORWARD REQUESTS - CURRENTLY ARPA - WOULD BECOME GENERAL FUND				
DEPARTMENT	PROJECT NAME	ROLL FORWARD AMOUNT (\$)	STATE BILL	APPROPRIATION CLAUSE CITATION
CDHS	Round 2: Additional Funding to Anti-Domestic Violence Organizations	\$1,489,788	SB 22-183	Section 6 (4)(b)
BHA	Behavioral Health Care Workforce: Innovative Recruitment Strategies & Retention Grants	3,300,000	SB 22-181	Section 6(1)(b)
BHA	Substance Use Workforce Stability Grant Program	10,500,000	HB 22-1281	Section 4 (1) (b)
CDHS	Crime Victims Services, Round Two Flexible Financial Assistance for Survivors of Domestic Violence	3,623,098	SB 22-183	Section 6 (4)(b)
CDHS	Accessible, Culturally Responsive, and Trauma-Informed (ARCTI) Training	260,000	SB 22-183	Section 6 (4)(b)
BHA	Criminal Justice Intervention Detection & Redirection Grant Program	32,000,000	SB 22-196	Section 12(1)(a)(b)
BHA	Behavioral Health Continuum Gap Community Investment Grants	21,100,000	HB 22-1281	Section 4 (1) (a)
BHA	Behavioral Health Care Workforce: Learning Academy	4,900,000	SB 22-181	Section 6(1)(g)(i)
BHA	Residential Substance Use Treatment Beds for Children and Youth	2,200,000	HB 22-1283	Section 8(1)(a)
BHA	Children Youth and Family Behavioral Services Grants	25,200,000	HB 22-1281	Section 4 (1) (a)
BHA	Round 2: Care Coordination Infrastructure	12,200,000	SB 22-177	Section 3
BHA	Fentanyl Accountability And Prevention, Technical Assistance to Jails For Medication Assisted Treatment	1,400,000	HB 22-1326	Section 56 (1)(f)
BHA	Round 2: Crisis System for Colorado Residents	1,200,000	HB 22-1283	Section 8(1)(a)
BHA	Colorado Land-Based Tribe Behavioral Health Services Grant Program	5,000,000	SB 22-148	Section 3
CDHE	Teacher Stipends (Removing Barriers to Educator Prep)	20,500,000	HB 22-1220	Section 9 (2)(a)

ROLL-FORWARD REQUESTS - CURRENTLY ARPA - WOULD BECOME GENERAL FUND				
DEPARTMENT	PROJECT NAME	ROLL FORWARD AMOUNT (\$)	STATE BILL	APPROPRIATION CLAUSE CITATION
CDHE	Behavioral Health Workforce Credential Pathways \$15 million from SB 22-181, which is a pass-through to CCCS by way of CDHE	15,000,000	SB 22-181	Section 8 (1)
CDHS	Mental Health Transitional Living Homes Operations	22,700,000	HB 22-1303	Section 5 (1)(c)
CDHS	Youth And Family Behavioral Health Care, Neuro-Psych Facility at Fort Logan	31,400,000	HB 22-1283	Section 9/10
CDHS	Increase Residential Behavioral Health Beds, Behavioral Health Beds-Fort Logan	11,800,000	HB 22-1303	Section 4/6/7
CDHS	Increase Residential Behavioral Health Beds, Increase Residential Behavioral Health Beds-State Facilities	9,400,000	HB 22-1303	Section 4/Section 5 (1)(a)(b)/Section 8
BHA	Behavioral Health Care Workforce: Behavioral Health Aide	1,800,000	SB 22-181	Section 6 (1)(d)(f)
BHA	Behavioral Health Care Workforce: Peer Support Professionals	6,000,000	SB 22-181	Section 6(1)(e)
BHA	Behavioral Health Care Workforce: Workforce Expansion	16,400,000	SB 22-181	Section 6(1)(a)(b)(c)(d)(f)(h)
CDLE	State Employee Insurance Premiums	7,300,000	HB22-1133	Section 3 (4)(a)
DNR	Republican and Rio Grande Basin Groundwater Sustainability	60,000,000	SB 22-028	Section 3(1)
DNR	Wildfire Prevention Watershed Restoration	15,000,000	HB 22-1379	Section 1(I thr V)
TOTAL		\$341,672,886		

REDUCTION ADJUSTMENTS (“RECAPTURE/REINVESTMENT”)

In the Governor’s January 2, 2024 letter, he also identified ARPA programs that are expected to underspend and for which the Governor’s Office is proposing to repurpose funds to other uses. **The Governor’s Office did not submit formal budget requests or schedules to reduce appropriations for these programs, but JBC Staff recommends making the related reductions.**

Making formal changes to appropriations will assist the General Assembly in tracking ARPA appropriations and ensure that the JBC and General Assembly are aware of and engaged in decisions about which programs will be cut. Staff notes that, even if the General Assembly chooses not to reduce these appropriations, the Governor’s Office could still restrict the use of the appropriation, since an appropriation is a ceiling and not a floor.

Staff recommends a default common policy to make appropriation and statutory changes to implement these reductions to ARPA funds. The total amount would be included in “swap” calculations (i.e., expended in FY 2023-24 to free up General Fund). The General Fund may then be appropriated as the General Assembly deems fit, which may or may not match the Governor’s proposals. Consistent with the approach for the roll-forwards:

- Staff recommends approval as the default, since it is difficult to require expenditures that the Executive Branch cannot or does not wish to make.
- However, **staff will provide a coordinated briefing later in January when JBC Staff and committee members can discuss the individual requests in more detail** and determine if there should be deviations from the common policy.

The following list reflects active appropriations with spending authority through at least FY 2023-24 that are proposed to be reduced. The Governor’s Office has not submitted formal decision items to

cut these appropriations, so no specific explanation has been given thus far. However, staff presumes that the Executive Branch has determined that the programs cannot spend the funds quickly enough, is concerned about technical obstacles, or simply does not believe the programs are sufficiently valuable.

RECAPTURE (REDUCTION) AMOUNTS				
DEPT	PROJECT NAME	AMOUNT TO REDUCE (\$)	STATE BILL	APPROPRIATION CLAUSE CITATION
CDHS	Mental Health Transitional Living Homes Capital (Increase Residential Behavioral Health Beds - Contract Beds)	\$11,400,000	HB 22-1303	Section 5 (1)(c) PAGE 298-HOUSE BILL 22-1329 CAPITAL CONSTRUCTION, Office of Behavioral Health Transitional Housing
CDHS	OCFMH Office of Behavioral Health Transitional Housing Capital Construction (Round 1: State Capital Facilities Project Funding)	2,300,000	HB 22-1329	
CDPHE	Health Statistics and Vital Records, Personal Services (Department of Public Health and Environment Revenue Replacement for FY 2023-24)	1,000,000	SB 23-214	PAGE 217-SENATE BILL 23-214
CDPHE	Healthcare Workforce Recruitment and Re-engagement Effort	3,880,000	SB 22-226	Section 12(1)(b)
CDHE	COSI Back to Work	663,719	SB 21-232	Section 2 (1)
CDHS	Survivor Capacity at Culturally Specific Community Organizations	495,000	SB 22-183	Section 6 (4)(b)
CDHS	OCYF In-home and Residential Respite Care / In-Home and Residential Respite Care Services for Foster Care Children and Youth	7,800,000	HB 22-1283	Section 7
DOLA	SLFRF Emergency Rental Assistance	8,000,000	SB 23-124	Section 2 (2)
BHA	I Matter Program	480,000	HB 22-1243	Section 4 (4)
CDHE	Colorado Opp. Scholarship- Finish What You Started	5,647,030	HB 21-1330	Section 16 (1)
CDHS	Mental Health Transitional Living Homes Operations	10,879,818	HB 22-1303	Section 5 (1)(c)
CDHS	Behavioral Health Care Workforce: Behavioral Health Aide	1,700,000	SB 22-181	Section 6 (1)(d)(f)
CDEC	Employer-Based Child Care	1,530,000	SB 22-213	Section 8 (1)(b)
CDEC	CDEC Recruitment and Retention	2,580,000	SB 22-213	Section 8 (1)(c)
TOTAL		\$58,355,567		

AMOUNTS THAT HAVE REVERTED – SUBJECT TO “SWAP”

The Governor’s Office has provided a list of ARPA funds that have already reverted, because spending authority ended in FY 2022-23 or before. Staff recommends:

- Include these funds in the General Fund “swap”, i.e., they should be appropriated for personal services in FY 2023-24, “freeing up” General Fund for other purposes.
- Do not make changes to prior year appropriations. Consistent with the usual practice when funds revert, staff does not believe the General Assembly should adjust prior year appropriations to align with the reversion, though it needs to include the funds in “swap” calculations.

REVERSIONS AS OF THE END OF FY 2022-23				
DEPT	PROJECT NAME	REVERSION	STATE BILL	APPROPRIATION CLAUSE CITATION
CDE	Concurrent Enrollment (Reversion)	\$450,000	SB 21-268	Section 41 (1)(a)
CDHS	Food Pantry Assistance Grant Program (Reversion)	290,000	SB 21-027	Section 4 (2)
JUD	Round 1: Local VALE Fund Grant Program (Non-Profit Victim Assistance) (Reversion)	60,327	SB 21-292	Section 9(3)
CDHE	Health-Care Professionals Training on Opioid Risks and Alternatives (Reversion)	50,000	SB 21-137	Section 37 (6)(a)(I)

REVERSIONS AS OF THE END OF FY 2022-23				
DEPT	PROJECT NAME	REVERSION	STATE BILL	APPROPRIATION CLAUSE CITATION
BHA	Jail Based Behavioral Health Services (Reversion)	300,000	SB 21-137	Section 37 (9)(a)(X)
BHA	Community Transition Services for Guardianship (Reversion)	5,900	SB 21-137	Section 37 (9)(a)(IX)
BHA	Colorado Crisis System Services for Youth (Reversion)	2,590,000	SB 21-137	Section 37 (9)(a)(III)
BHA	County-Based Behavioral Health Grant Program (Reversion)	1,670,000	SB 21-137	Section 37 (9)(a)(VIII)
BHA	Mental Health Treatment for Children, Youth, and Families (Reversion)	362,000	SB 21-137	Section 37 (9)(a)(IV)
BHA	Substance Use Disorder Treatment for Children, Youth, and Families (Reversion)	710,548	SB 21-137	Section 37 (9)(a)(IV)
BHA	Community Mental Health Centers - COVID 19 PPE (Reversion)	270,000	SB 21-137	Section 37 (9)(a)(XI)
BHA	Community Mental Health Centers - COVID 19 Mental Health (Reversion)	996,000	SB 21-137	Section 37 (9)(a)(XI)
JUD	Round 1: Local VALE Fund Grant Program (Local Gov Victim Assistance) (Reversion)	150,000	SB 21-292	Section 9(3)
JUD	Family Violence Justice Fund Grant Program (Reversion)	597,195	SB 21-292	Section 9(9)
DPA	Round 1: Division of Human Resources Stimulus Staffing (FY 2022-23) (Reversion)	101,193	HB 22-1329	HB22-1329
CDPHE	Round 2: CTC/EITC Outreach - Prevention Services Division (Reversion)	200,000	SB 22-182	Section 2 (3)(d)
CDEC	Early Childhood Mental Health Consultation (ECMH) Evaluation (Reversion)	159,000	SB 21-137	Section 37 (11)
BHA	San Miguel County-Based Behavioral Grant Program (Reversion)	150,000	SB 21-137	Section 37 (9)(a)(VIII)
DPS	Stockpile for Declared Disaster Emergencies (Reversion)	1,840,000	HB 22-1352	Section 3 (1)
CDPHE	LPHA Reversions from SB21-243 (Distributions to Local Public Health Agencies: Payroll)	1,450,000	SB21-243	Section 3(1)(a)
TOTAL		\$12,402,163		

PROPOSED “REINVESTMENTS”

The Governor’s November 1, 2023 and January 2, 2024 letters identify proposed “reinvestment” of funds from the combined impact of the reversions that have already occurred (\$12.4 million) and the reductions proposed above (\$58.4 million) as part of a “Recapture/Reinvestment” strategy.

The JBC and General Assembly have thus far taken action on two of these items.

- H.B. 23B-1001 (Emergency Rental Assistance Grant Program) includes a transfer in FY 2023-24 of \$14,900,000 from ARPA funds in the Revenue Loss Restoration Cash Fund to the Housing Development Fund in the Department of Local Affairs. Staff’s understanding is that this will be used in FY 2023-24.
- On December 20, 2023, the JBC approved an interim “1331” supplemental for the Department of Public Safety for FY 2023-24 for \$4,926,100 from the Revenue Loss Restoration Fund (ARPA Funds) for Migrant Support (funds deposited to the Urgent Incident Response Fund).

The Governor has provided a list of proposed uses for the recaptured funds in his January 2, 2024 letter (Attachment 3, pages 3 and 4).³ Some of these are requests going through the JBC’s budget

³ <https://drive.google.com/file/d/1Gq-oEW1445vrME8q0dM-s2TY71RUm2Ha/view>

process. Others are placeholders for bills or anticipated future submissions. The staff recommendation is as follows:

- **Make no changes to the already-approved ARPA appropriations in H.B. 23B-1001 and proceed with the supplemental appropriation to the Department of Public Safety for migrant support as approved in the interim supplemental.**
- **Incorporate the balance remaining after the ARPA reductions, known reversion amounts, and the actions already taken (\$50.9 million, as shown below) in the General Fund “swap” so that \$50.9 million ARPA funds is appropriated for FY 2023-24 personal services, freeing up that amount of one-time General Fund.**
- **Make one-time General Fund appropriations for whatever programs are desired, using the resulting General Fund savings.** However, there is no need to tie the reductions to a range of specific new expenditures. **For any request that is included as a budget initiative and that is mentioned in the Governor’s letter, staff will analyze the request, and, if recommending approval of the request, will recommend a General Fund appropriation.** In most cases, the requests have been submitted as General Fund initiatives.

REINVESTMENT/RECAPTURE SUMMARY	
<i>Reductions & Reversions (from above)</i>	
Reduction/Recapture	(\$58,355,567)
Reversion	(12,402,163)
<i>Increases Already Approved</i>	
HB23B-1001 (Rental Assist)	14,900,000
Migrant Support 1331	4,926,100
Balance Available - Other 1x Purposes	(\$50,931,630)

AMOUNTS NOT YET ALLOCATED

Of the total \$3.8 billion in ARPA funds, the General Assembly previously allocated \$3.68 billion. JBC records indicate that \$139,367,418 in the Revenue Loss Restoration Fund and \$5,452,240 in the Behavioral and Mental Health Cash Fund had not been allocated as of the end of the 2023 legislative session. As of the 2023 legislative session, the JBC and General Assembly expected that the balance would be appropriated for personal services in the Department of Human Services in FY 2024-25. The Governor’s January 2, 2024 letter still reflects essentially this strategy, indicating that \$5.45 million remaining in the ARPA Behavioral and Mental Health Cash Fund and \$147.6 million in the ARPA Revenue Loss Restoration Cash Fund (a higher figure than JBC Staff calculations) will be used in the FY 2024-25 Long Bill for the first five months of the year.

The Governor’s Office indicates that it will submit its final proposal for fund “swaps” in early February 2024. As part of this, JBC staff anticipates:

- Staff will be able to fully reconcile with the Governor’s Office regarding the ARPA funds that must still be expended; and
- **Staff will include unspent amounts in the FY 2023-24 General Fund “swap” to the extent feasible. If there are not sufficient General Fund personal services appropriations in FY 2023-24 to absorb the ARPA funds that must be “swapped” then some appropriations in FY 2024-25 may be required.**

D2. FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND MONEY

This appendix provides an overview of legislative decisions on the use of federal Coronavirus State Fiscal Recovery Fund money received by the State of Colorado under the American Rescue Plan Act of 2021.

LEGAL OVERVIEW - FEDERAL LAW AND POLICY

The federal American Rescue Plan Act (ARPA), signed into law on March 11, 2021, provides significant funding to assist state and local governments in addressing the health and economic impacts of the coronavirus pandemic. This includes \$3,828,761,790 awarded to the Colorado state government from the Coronavirus State Fiscal Recovery Fund.

- Colorado’s Coronavirus State Fiscal Recovery Fund money is subject to appropriation by the General Assembly, as reflected in the decision by the General Assembly to adopt legislation placing the federal funds received into state cash funds and the decision by the Governor to sign this legislation. This differs from most funds received by the State from the federal government.¹
- The federal government transferred the full \$3,828,761,790 award to the State on May 18, 2021. Colorado received the funding in a single tranche, rather than two tranches, because its unemployment rate in May 2021 was more than 2.0 percentage points higher than its February 2020 unemployment rate.
- The State may use the funds for costs incurred from March 3, 2021 through December 31, 2024. A cost is considered to be incurred if the state has an obligation for the cost by December 31, 2024. Obligations must be expended by December 31, 2026.
- The ARPA law specifies that the funds may be expended:
 - “a) **To respond to the public health emergency or its negative economic impacts**, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - b) **To respond to workers performing essential work during the COVID-19 public health emergency** by providing premium pay to eligible workers;
 - c) **For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency** relative to revenues collected in the most recent full fiscal year prior to the emergency; and
 - d) **To make necessary investments in water, sewer, or broadband infrastructure.**”

The law also specifies that eligible uses do **not** include:

- “depositing funds into any pension fund” or
- “directly or indirectly offset[ing] a reduction in the net tax revenue of [the] State or territory resulting from a change in law, regulation, or administrative interpretation.”

On January 27, 2022, the federal Department of the Treasury issued its Final Rule for the Coronavirus State and Local Fiscal Recovery Funds. This revised an Interim Final Rule, which was issued May 10, 2021. The final rule and other guidance help clarify how Colorado may use these funds. The materials may be found here:

¹ Most federal funds are considered to be custodial funds that are under the control of the executive branch. (Office of Legislative Legal Services, *Control over Federal Funds*, November 18, 2011.

<https://leg.colorado.gov/sites/default/files/olls-11-13-20.pdf>)

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>.

In a memo dated January 31, 2022, the State Controller informed the Joint Budget Committee that the State had calculated that its reduction in revenue due to the COVID–19 public health emergency would comprise \$3.65 billion of the \$3.8 billion in federal funds allocated to Colorado. Specifically, at the end of January 2022, the State calculated and reported to federal authorities a total revenue loss of \$3,694,653,249, including \$1,139,220,251 for CY 2020 and \$2,555,432,998 for CY 2021.² Because of this calculation, and as described in H.B. 22-1411, **almost all of the federal funds allocated to Colorado may be used “for the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency”**. As specified in federal rules, the calculation was based on a comparison of Colorado’s pre-pandemic trend in revenue growth from FY 2015-16 to FY 2018-19 (7.367 percent) and the revenue that would have been received if this trend had continued (the “counterfactual trend”) compared to its actual revenue for CY 2020 and CY 2021. This calculation enables the State to use most of the funds received with fewer restrictions than if the funds were expended under the other categories of allowed federal uses. Nonetheless, most funds have been allocated by the General Assembly in ways that respond to the public health emergency and its negative economic consequences. Additional calculations in January 2023 do not reflect revenue loss for CY 2022.

Local governments in Colorado also received allocations of federal Coronavirus Fiscal Recovery Fund money. This appendix addresses only funds received by and subject to appropriation and administration by the state government.

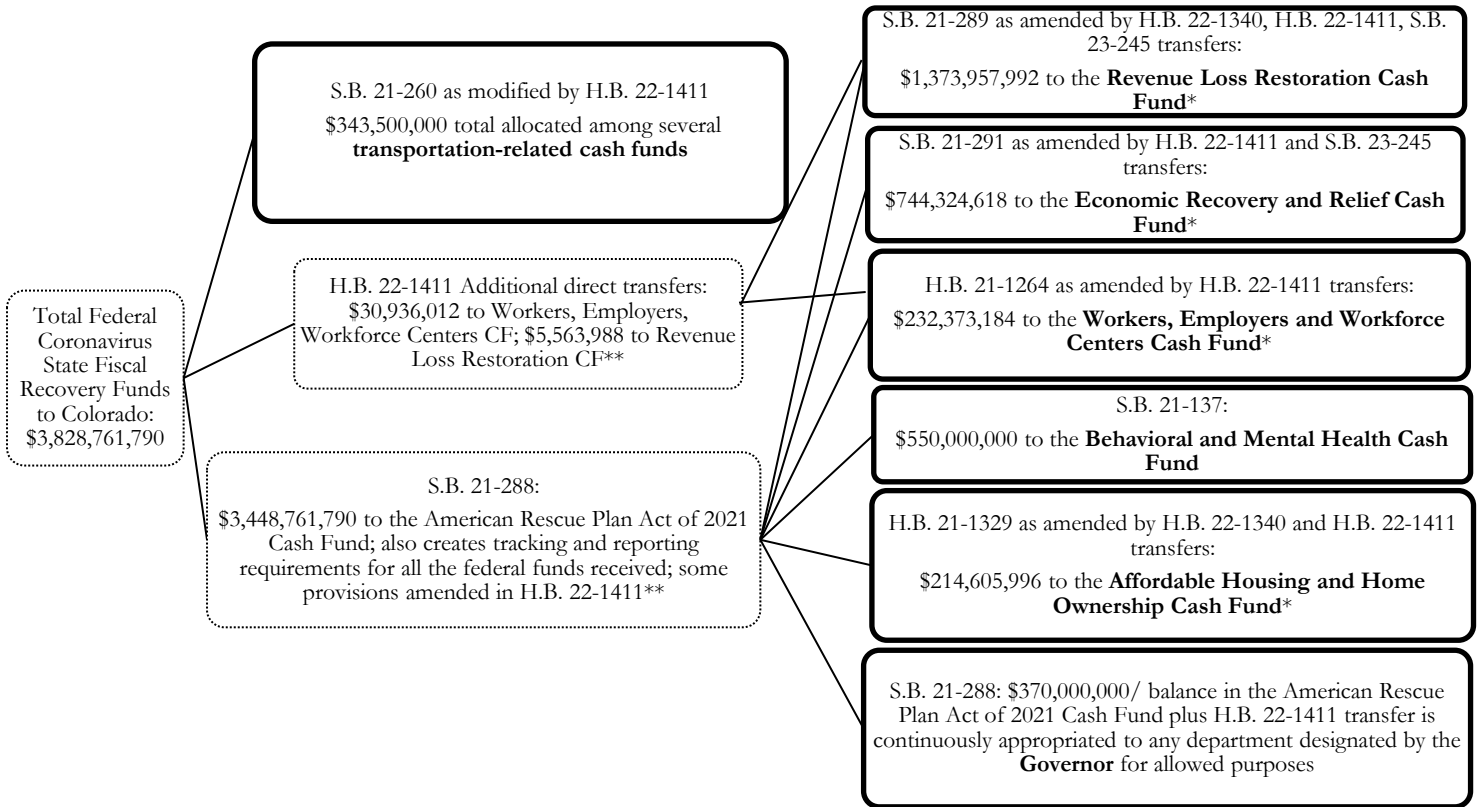
COLORADO LEGISLATIVE FRAMEWORK

During the 2021 regular legislative session, the General Assembly adopted multiple bills that established an overall framework for the use of the federal Coronavirus State Fiscal Recovery Fund money by transferring the money into cash funds with discrete purposes. More specific uses were determined during the 2021 and 2022 legislative sessions and were reflected in FY 2020-21, FY 2021-22, and FY 2022-23 appropriations and transfers. Uses were informed by the work of several 2021 legislative interim task forces. Further adjustments were adopted during the 2023 legislative session to modify prior year actions and provide FY 2023-24 appropriations.

The following chart shows the allocation of all of the federal funds into state cash funds as of the end of the 2023 legislative session, including six new cash funds that were created specifically to hold the federal funds and several existing transportation-related funds. All \$3.8 billion federal Coronavirus State Fiscal Recovery Funds received by Colorado were deposited into these cash funds during the 2021 legislative session, but most of the allocations were modified through transfers included in H.B. 22-1340 (Capital-related Transfers of Money) and H.B. 22-1411 (Money from Coronavirus State Fiscal Recovery Fund). During the 2023 legislative session, an additional change was included in S.B. 23-245 (Transfer to Revenue Loss Restoration Cash Fund).

² <https://leg.colorado.gov/sites/default/files/arpa-02-01-22.pdf>

FEDERAL FUNDS DEPOSITED INTO STATE CASH FUNDS AS OF END OF 2023 LEGISLATIVE SESSION
 (BOXES IN BOLD REFLECT FINAL ALLOCATIONS TO CASH FUNDS)



*State General Fund dollars were also deposited into these four cash funds. The amounts shown include only federal funds deposited. A separate table shows the use of money deposited in the cash funds, including both federal funds and state General Fund.

FY 2020-21, FY 2021-22, FY 2022-23, AND FY 2023-24 APPROPRIATIONS AND TRANSFERS FOR SPECIFIC PURPOSES

In addition to establishing a broad legislative framework for the use of the Coronavirus State Fiscal Recovery Funds, the General Assembly also determined more specific uses for most of the federal funds during the 2021, 2022, and 2023 regular legislative sessions. In some cases this was accomplished through transfers of funds into cash funds from which state departments have authority to spend for specific purposes. In other cases, this was accomplished through legislative appropriations from the new cash funds created: the Revenue Loss Restoration Cash Fund, the Economic Recovery and Relief Cash Fund, the Workers Employers and Workforce Centers Cash Fund, the Behavioral and Mental Health Cash Fund, and the Affordable Housing and Home Ownership Cash Fund. Most programs that received appropriations also received authority to roll-forward unspent funds for at least one additional fiscal year. However, even when departments are authorized to roll-forward unexpended amounts for multiple future years, they remain bound by federal requirements that all funds must be obligated by December 31, 2024, and all obligated funds must be expended by December 31, 2026. State law enacted in S.B. 21-288 and amended in H.B. 22-1411 establishes state requirements, including earlier spending deadlines for sub-recipients, to ensure state compliance with these provisions. Under state statutory provisions, amounts not obligated by December 30, 2024 are transferred to the state's Unemployment Compensation Fund.

The table below summarizes legislative appropriations and transfers from funds originating as federal Coronavirus State Fiscal Recovery Funds for specific programs and services. In some cases, state General Fund was also deposited into the cash funds created to hold the federal Coronavirus State Fiscal Recovery Funds and was used for related purposes. The table therefore also includes a column showing appropriations and transfers of these General Fund amounts. For additional information on the provisions of individual bills, please see the bill description in Appendix A or the bill text and Legislative Council Staff fiscal note available on the General Assembly's website: <http://leg.colorado.gov/bills>.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS			
	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
Transportation-related Cash Funds			
S.B. 21-260 Sustainability of the Transportation System, as amended by H.B. 22-1411 Money From Coronavirus State Fiscal Recovery Fund	\$343,500,000	\$0	Includes the following transfers to funds in the Dept. of Transportation with continuous spending authority: \$182,160,000 to the State Highway Fund, including \$22,160,000 for the Revitalizing Main Streets Program and \$500,000 for acquiring and developing the Burnham Yard Rail Property; and \$161,340,000 to the Multimodal Transportation and Mitigation Options Fund.
S.B. 21-260 Sustainability of the Transportation System, as amended by H.B. 22-1411	0	36,500,000.00	Amount deposited to the HUTF. Classified as federal funds in S.B. 21-260 but reclassified in H.B. 22-1411 as General Fund
Subtotal	\$343,500,000	\$36,500,000	
Revenue Loss Restoration Cash Fund			
S.B. 21-289 Revenue Loss Restoration Cash Fund	\$0	\$0	This bill creates the fund, but no money was appropriated from the fund during the 2021 legislative session in this bill or other legislation.
S.B. 22-234 Unemployment Compensation	600,000,000	0	Total amount transferred to Title XII Repayment Fund in the Dept. of Labor and Employment, which is continuously appropriated to the Division of Unemployment Insurance to repay federal Unemployment Insurance advances.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
H.B. 22-1133 Family & Medical Leave Insurance, as amended by S.B. 23-234 State Employee Insurance Premiums	22,000,000	0	Total of \$57.0 million initially transferred to the Family and Medical Leave Insurance Fund (FAMLI Fund) in the Dept. of Labor and Employment to prepay the State's share of premiums for state employee coverage for the Family and Medical Leave Insurance Program. Under S.B. 23-234, of this amount \$35.0 million transfers back to the Revenue Loss Restoration Fund when the FAMLI Fund has a balance of \$100.0 million (anticipated in FY 2023-24) and any remaining unspent balance is to be transferred back to the Revenue Loss Restoration Fund after publication of the FY 2023-24 Comprehensive Annual Financial Report for the State (in FY 2024-25).
H.B. 22-1176 Judicial supplemental	9,073,128	0	FY 2021-22 supplemental appropriation to Judicial Department for IT infrastructure.
H.B. 22-1329 Long Bill operating appropriations for Personnel & Judicial (continuations in FY 2023-24 described below under S.B. 23-214)	407,869	0	FY 2022-23 appropriations of \$293,501 to the Department of Personnel and \$114,368 to the Judicial Department. Amounts were continued at the same level for FY 2023-24 (described under S.B. 23-214).
H.B. 22-1329 Long Bill capital construction appropriations	365,957,992	0	H.B. 22-1340 (Capital-related Transfers of Money) transferred \$350,394,004 from the Affordable Housing and Home Ownership Cash Fund to the Revenue Loss Restoration Cash Fund. These funds and an additional \$15,563,988 were then appropriated for capital construction and capital IT projects in H.B. 22-1329 (the Long Bill)
H.B. 22-1335 Transfer to Judicial IT Cash Fund	24,131,390	0	Total amount is transferred to the Judicial IT Cash Fund, which is subject to annual appropriation to the Judicial Department for IT infrastructure upgrades.
H.B. 22-1352 Stockpile for disaster emergencies, continued in S.B. 23-214 Long Bill	3,763,454	0	Total amount is appropriated to the Department of Public Safety for emergency management and related administration. \$1,881,727 appropriated in H.B. 22-1352; same amount (\$1,881,727) continued for FY 2023-24 in S.B. 23-214 (Long Bill)
S.B. 23-245 Transfer to Revenue Loss Restoration Cash Fund and S.B. 23-124 Local Affairs Supplemental	8,000,000	0	Total amount is transferred to the Revenue Loss Restoration Fund in S.B. 23-124 and appropriated in S.B. 23-124 to the Department of Local Affairs for low income rental subsidies. Transfer is from the Digital Inclusion Grant Program Fund (see description of H.B. 21-1289 under Economic Recovery and Relief Cash Fund for additional information on the fund source).
S.B. 23-214 Long Bill operating appropriations not related to H.B. 22-1352 or capital construction	160,180,917	0	Appropriations include: continuation of \$293,501 to Dept. of Personnel and \$114,368 to Judicial Department originally in H.B. 22-1329; \$5,002,336 for Fort Lyon in Department of Local Affairs; \$130,377,154 for Office of Behavioral Health in Department of Human Services; and \$24,393,558 various health programs in Department of Public Health and Environment.
S.B. 23-214 Long Bill capital construction appropriations	41,075,824	0	Appropriations for higher education controlled maintenance projects included in the FY 2023-24 Long Bill.
S.B. 23-246 State Emergency Reserve	0	10,000,000	Transfers \$10.0 million General Fund from the Revenue Loss Restoration Cash Fund to the State Emergency Reserve.
Subtotal	\$1,234,590,574	\$10,000,000	
Economic Recovery and Relief Cash Fund			
S.B. 21-291 Economic Recovery & Relief Cash Fund	\$40,000,000	\$0	Total amount is appropriated to the Governor's Office for assistance to businesses affected by the pandemic or its negative economic impacts.
S.B. 21-027 Emergency Supplies for CO Babies and Families	5,000,000	0	Total amount is appropriated to the Dept. of Human Services for the Food Pantry Assistance Grant Program.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
S.B. 21-243 CDPHE Approp Public Health Infrastructure	21,090,149	0	Includes the following appropriations to the Dept. of Public Health and Environment: \$10,000,000 for distributions to local public health agencies; and \$11,090,149 for administration and support costs, including the addition of 121.4 FTE, in the Division of Disease Control and Public Health Response.
S.B. 21-292 Federal COVID Funding for Victim's Services	15,000,000	0	Includes the following appropriations: \$3,000,000 to the Dept. of Public Safety for the Forensic Nurse Examiners Telehealth Program; \$1,500,000 to the Dept. of Public Safety for the State Victim Compensation Program; \$3,000,000 to the Victims and Witnesses Assistance and Law Enforcement Fund in the Judicial Dept.; \$1,500,000 to the Victims Assistance and Law Enforcement Fund in the Dept. of Public Safety; \$500,000 to the Address Confidentiality Program Fund in the Dept. of Personnel; \$4,750,000 to the Colorado Domestic Abuse Program Fund in the Dept. of Human Services; \$750,000 to the Judicial Dept. for Family Violence Justice Grants.
H.B. 21-1288 Colorado Startup Loan Program as modified H.B. 22-1411 Money From Coronavirus State Fiscal Recovery Fund	0	0	\$10.0 million originating as federal funds was appropriated to the Colorado Startup Loan Program Fund in the Office of the Governor, but the appropriation was modified to eliminate these funds in H.B. 22-1411 and instead provide a direct General Fund appropriation.
H.B. 21-1289 Funding for Broadband Deployment, as amended by H.B. 22-1172 Gov.-Lt. Gov.-OSPB Supplemental, S.B. 23-245 Transfer to Revenue Loss Restoration Fund, and S.B. 23-116 Gov. – Lt. Gov – OSPB Supplemental	67,000,000	0	Transfers \$35,000,000 to the Digital Inclusion Grant Program Fund, which is reduced to \$27,000,000 through an \$8,000,000 transfer from the Digital Inclusion Grant Program Fund to the Revenue Loss Restoration Fund in S.B. 23-245. The balance of \$27,000,000 is appropriated to the Governor's Office of Information Technology; Transfers \$35,000,000 to the Broadband Stimulus Account in the Broadband Administrative Fund and appropriates this to the Governor's Office of Information Technology; Transfers \$5,000,000 to the Interconnectivity Grant Program Fund and appropriates this to the Dept. of Local Affairs.
S.B. 22-028 Groundwater Compact Compliance Fund	60,000,000	0	Appropriates the total amount to the two groundwater compact compliance and sustainability fund, and appropriates this amount from the fund to the Colorado Water Conservation Board in the Department of Natural resources for compact compliance and groundwater resource sustainability and conservation.
S.B. 22-182 Economic Mobility Program	4,000,000	0	Total is transferred to new Economic Mobility Program Fund in the Dept. of Public Health and Environment (CDPHE), and \$1,799,570 of this transfer is appropriated to the Department for FY 2022-23 for maternal and child health programs.
S.B. 22-183 Crime Victims Services	35,000,000	0	Transfers \$32,000,000 to the Colorado Crime Victim Services Fund, which is continuously appropriated to the Department of Public Safety; and transfers \$3,000,000 to the Victims and Witness Assistance and Law Enforcement Fund in the Judicial Department for distribution to district attorneys' offices for victims and witness programs.
S.B. 22-200 Rural Provider Stimulus Grant	10,000,000	0	Total is transferred to new Rural Provider Access and Affordability Fund, which is continuously appropriated to the Department of Health Care Policy and Financing. Of the total \$4.8 million is for grants for health-care affordability projects, \$4.8 million is for grants for health-care access projects, and up to \$400,000 is for administration.
S.B. 22-211 Repurpose The Ridge View Campus	45,000,000	0	Total is appropriated to the Department of Local Affairs to repurpose the Ridge View campus into a supportive residential community for people experiencing homelessness, with transitional housing and a continuum of care for substance use recovery treatment and an on-side federally-qualified health care center. Funding is to support planning and contracted services.
S.B. 22-213 Support for Child Care Programs	49,500,000	0	Total is appropriated to the new Department of Early Childhood, including: \$16.0 million for the Emerging and Expanding Child Care Grant Program, \$10.0 million for the Employer-based Child Care Facility Grant Program, \$15.0 million for the Early Care and Education Recruitment and Retention Grant and Scholarship Program, \$7.5 million for the Family, Friend, and Neighbor Training and Support Program, and \$1.0 million for the Home Visiting Grant Program.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
S.B. 22-226 Programs To Support Health-care Workforce as amended by H.B. 23-1246	61,000,000	0	\$35,000,000 is appropriated to the Department of Public Health and Environment for emergency preparedness, immunization operating, and prevention services primary care; and \$26,000,000 is appropriated to the Department of Higher Education for allocation to the community college system. Amended in H.B. 23-1246 to make funds available for obligation through December 30, 2024 and for expenditure through December 31, 2026.
H.B. 22-1176 Judicial supplemental	58,689	0	FY 2021-22 supplemental appropriation to the Judicial Department
H.B. 22-1220 Removing Barriers to Educator Preparation	52,000,000	0	Total is appropriated to the Department of Higher Education, including \$39.0 million for the Student Educator Stipend Program, \$3.0 million for the Educator Test Stipend Program, and \$10.0 million for the Temporary Educator Loan Forgiveness Program.
H.B. 22-1259 Modifications To Colorado Works Program	25,000,000	0	Appropriates \$3,500,000 to the Dept. of Human Services for the employment opportunities with wages program. Transfers \$21,500,000 to the Long-term Works Reserve for increases in basic cash assistance.
H.B. 22-1329 Long Bill operating appropriations	71,478	0	FY 2022-23 appropriation to the Judicial Department
H.B. 22-1356 Small Community-based Nonprofit Grant Program	35,000,000	0	Total is appropriated to Dept. of Local Affairs for community-based nonprofit infrastructure grants
H.B. 22-1369 Child First Mental Health	2,000,000	0	Total is appropriated to Dept. of Early Childhood for the children's mental health program.
H.B. 22-1377 Homeless Response Grants	105,000,000	0	Total is transferred to a new Connecting Coloradans Experiencing Homelessness with Services, Recovery Care, and Housing Supports Fund. The funds are continuously appropriated to the Department of Local Affairs.
H.B. 22-1378 Regional Metro Campus	50,000,000	0	Total is transferred to the Regional Navigation Campus Cash Fund, which is continuously appropriated to the Department of Local Affairs for grants to Denver-metropolitan local governments and community nonprofits to develop a regional navigation campus in the Denver-metro area to respond to and prevent homelessness.
H.B. 22-1379 Wildfire Prevention Watershed Restoration	20,000,000	0	Provides the following transfers: \$3,000,000 to the Healthy Forests and Vibrant Communities Fund, which is continuously appropriated to the Colorado State Forest Service at Colorado State University in the Department of Higher Education; \$2,000,000 to Wildfire Mitigation Capacity Development fund in the Department of Natural Resources, and \$15,000,000 to the Colorado Water Conservation Board (CWCB) Construction Fund in the Department of Natural Resources. Amounts transferred to the CWCB Construction Fund are appropriated to the Department for watershed restoration and flood mitigation project grants.
H.B. 22-1380 Critical Services For Low-income Households	14,000,000	0	Appropriates \$6,000,000 to the Department of Human Services and \$8,000,000 to the Department of Agriculture. Dept. of Human Services appropriations include: \$3.0 million for IT system interoperability, \$2.0 million for fuel assistance payments; and \$1.0 million for electronic benefits transfers. Dept. of Agriculture appropriations include: \$1.0 million for community food access, and \$7.0 million for small food businesses.
H.B. 22-1386 Competency Beds	28,562,828	0	Total is appropriated to the Department of Human Services Office of Behavioral Health for purchased inpatient bed capacity.
H.B. 22-1409 (Community Revitalization Grant Program Funding as amended by H. B. 22-1411 Money from Coronavirus State Fiscal Recovery Fund	0	4,478,042	Transfers \$4,478,042 originating as General Fund to the Community Revitalization Grant Program Fund in the Governor's Office of Economic Development. The fund is continuously appropriated to the Office to provide grants to for-profit and nonprofit entities and local governments to support creative projects that revitalize or construct mixed-use commercial centers.
S.B. 23-214 Long Bill	41,474	0	Total appropriated to the Judicial Department for General Courts Administration.
Subtotal	\$744,324,618	\$4,478,042	
Workers, Employers, and Workforce Centers Cash Fund			

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
H.B. 21-1264 Fund Workforce Dev. Increase Worker Skills	\$75,000,000	\$0	Includes the following appropriations: \$25,000,000 to the Dept. of Labor and Employment for the Reskilling, Upskilling, and Next-skilling Workers Program, \$35,000,000 to the Dept. of Labor and Employment for Work Force Innovation Act programs; \$10,000,000 to the Dept. of Higher Education for career and technical education equipment, facility, and instruction capacity funding; \$5,000,000 to the Dept. of Education for the Adult Education and Literacy Grant Program.
H.B. 21-1330 Higher Ed Student Success	51,500,000	0	Includes the following appropriations to the Dept. of Higher Education: \$49,000,000 to the Colorado Opportunity Scholarship Initiative Fund for distribution to institutions of higher education for student scholarships and support services; \$1,500,000 to the Colorado Opportunity Scholarship Initiative Fund to implement a Student Aid Applications Completion Grant Program; \$1,000,000 for the Colorado Re-engaged Initiative and the Associate Degree Completion Program.
S.B. 21-268 Public School Finance, as amended by H.B. 22-1171 Education Supplemental	1,750,000	1,750,000	As amended, includes the following appropriations to the Dept. of Education: \$1,750,000 for the Career Development Success Program originating as federal funds, and \$1,750,000 for the Concurrent Enrollment Expansion and Innovation Grant Program originating as General Fund.
S.B. 21-232 COSI Displaced Workers, as amended H.B. 22-1192 Displaced Workers Grant	15,000,000	0	Total amount is appropriated to the Department of Higher Education for the Colorado Opportunity Scholarship Initiative's Displaced Workers Grant program.
S.B. 22-192 Stackable Credentials	0	1,000,000	Total appropriated to the Credentials to Support Colorado Jobs Cash Fund in the Department of Higher Education; \$475,275 is appropriated from the fund to the Department of Higher Education for FY 2022-23 to develop and implement stackable credentials.
H.B. 22-1349 Postsecondary Student Success Data System	0	3,000,000	Total appropriated to the Department of Higher Education for the student success data system.
H.B. 22-1350 Regional Talent Collaboratives Act	89,123,184	1,876,816	Total of \$91,000,000, including both the amount originating as federal funds and the amount originating as General Fund, transferred to Regional Talent Development Initiative Grant Program Fund in the Governor's Office of Economic Development for regional talent collaboratives grants.
Subtotal	\$232,373,184	\$7,626,816	
Behavioral and Mental Health Cash Fund			
S.B. 21-137 Behavioral Health Recovery Act	\$99,330,000	\$0	<i>Dept. of Health Care Policy and Financing:</i> Appropriates \$250,000 for training health-care and behavioral health-care professional in substance use screening, brief intervention, and referral to treatment; <i>Dept. of Higher Education:</i> Appropriates \$1,000,000 for the Center for Research into Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center for training and education for health-care professionals and other services; \$1,000,000 for the University of Colorado School of Medicine for the regional health connector workforce program; and \$630,000 for the University of Colorado School of Medicine for practice consultation services for health-care providers eligible to provide medication for opioid use disorder;

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
			<p><i>Dept. of Human Services:</i> Appropriates \$10,000,000 for managed service organizations for increasing access to substance use disorder treatment and recovery; \$2,000,000 services for school-aged children and parents by community mental health center school-based clinicians; \$5,000,000 for Colorado crisis system services in response to COVID-19 impacts on the behavioral health of Colorado residents; \$2,000,000 for behavioral health and substance use disorder treatment for children, youth, and their families; \$1,000,000 for a mental health awareness campaign; \$18,000,000 for the behavioral health workforce development program; \$26,000,000 for behavioral health statewide care coordination infrastructure, \$9,000,000 for the county-based behavioral health grant program; \$500,000 for guardianship services for individuals transferring out of mental health institutes; \$5,000,000 for jail based behavioral health services; \$3,250,000 for community mental health centers for COVID-19 response; \$5,000,000 for a pilot program for residential placement of children and youth with high acuity physical, mental, or behavioral health needs; \$3,000,000 to the high-risk families cash fund in the Dept. of Human Services; \$500,000 for the early childhood mental health consultation program; \$300,000 for the Office of the Ombudsman for Behavioral Health Access to Care;</p> <p><i>Dept. of Public Health and Environment:</i> Appropriates \$1,700,000 for loan repayments for participants in the Colorado Mental Health Services Corps and scholarships for addiction counselors; \$1,000,000 for the opiate antagonist bulk purchase fund; \$2,000,000 for the HIV and AIDS Prevention Grant Program; and \$1,200,000 for school-based health centers.</p>
S.B. 22-147 Behavioral Healthcare Services for Children	11,100,000	0	Includes the following appropriations: \$4,600,000 to the Department of Higher Education for allocation to the University of Colorado for pediatric consultation; \$5,000,000 to the Dept. of Education for the Behavioral Health Care Professional Matching Grant Program; and \$1,500,000 to the Dept. of Public Health and Environment for school-based health centers.
S.B. 22-148 Tribal Facility	5,000,000	0	Total is appropriated to the Department of Human Services for the Colorado-based Tribe Behavioral Health Services Grant Program.
S.B. 22-177 Care Coordination	12,200,000	0	Appropriates \$12,200,000 to the Department of Human Services for behavioral health administration care coordination infrastructure.
S.B. 22-181 Workforce Investments	72,000,002	0	Includes the following appropriations: \$36,806,984 to the Dept. of Human Services for behavioral health care provider workforce development, planning, education, and related costs; \$20,000,000 to the Dept. of Public Health and Environment for behavioral health care provider and candidate loan repayment and scholarships for addiction counselors; and \$15,193,018 to the Dept. of Higher Education for department and community college system behavioral health care workforce development activities.
S.B. 22-183 Crime Victims Services	6,000,000	0	Transfers \$6,000,000 to the State Domestic Violence and Sexual Assault Services Fund, which is continuously appropriated to the Department of Human Services to reimburse a nongovernmental agency, federally recognized Indian Tribe, or coalition for services to domestic violence and sexual assault crime victims.
S.B. 22-196 Health Needs of Persons in Criminal Justice System as continued in S.B. 23-214 Long Bill for Public Safety	63,465,390	0	Includes the following appropriations: \$50,700,000 to the Dept. of Human Services for behavioral health administration program costs to address health needs of persons in the criminal justice system; \$3,000,000 to the Dept. of Corrections for the mental health subprogram; \$3,500,000 to the Dept. of Public Safety for behavioral health information grants, IT services, and related expenses; and \$4,000,000 to the Judicial Department for adult pretrial diversion programs. S.B. 23-214 Long Bill continues \$2,265,390 of the total in the Department of Public Safety for FY 2023-24.
H.B. 22-1243 School Security and School Behavioral Health Services Funding	8,000,000	0	Makes the following appropriations: \$2,000,000 to the Dept. of Education for the Behavioral Health Care Professional Matching Grant Program and \$6,000,000 to the Dept. of Human Services for the Temporary Youth Mental Health Services Program.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
H.B. 22-1281 Community Behavioral Health Grant Program	90,000,000	0	Total amount is appropriated to the Dept. of Human Services, including \$75.0 million for the Behavioral Health Care Continuum Gap Grant Program and \$15.0 million for the Substance Use Workforce Stability Grant Program
H.B. 22-1283 Youth and Family Residential Care	54,667,949	0	Makes the following appropriations to the Dept. of Human Services: \$11,628,023 for child welfare respite and residential programs; \$7,500,000 to expand substance use residential beds for adolescents; \$2,500,000 for the crisis response service system; \$35,000,000 for capital costs and \$539,926 for building maintenance costs for a youth neuro-psych facility at the Colorado Mental Health Institute at Fort Logan.
H.B. 22-1302 Primary Care Behavioral Health Integrations	35,000,000	0	Makes the following appropriations to the Department of Health Care Policy and Financing: \$31,750,000 for the Primary Care and Behavioral Health Statewide Integration Grant Program and \$3,000,000 for a universal contract for behavioral health services. Also appropriates \$250,000 to the Department of Higher Education for allocation to the Regents of the University of Colorado for a regional health connector workforce program.
H.B. 22-1303 Increase Residential Behavioral Health Beds	57,844,419	0	Total is appropriated to the Department of Human Services for the following purposes: \$3,692,111 for capital construction costs related to renovating existing properties to create mental health residential facilities; \$6,991,567 for capital construction costs related to renovation of inpatient beds at the Colorado Mental Health Institute at Fort Logan (CMHIFL); \$6,578,266 for operation of additional beds at CMHIFL; \$39,854,179 for mental health facility oversight, operating costs, contract beds, and renovation of mental health residential facilities; \$728,296 for administrative costs.
H.B. 22-1326 Fentanyl	29,000,000	0	Appropriates \$3,000,000 to the Department of Human Services for jail-based behavioral health services related to integrated behavioral health services. Provides the following appropriations to cash funds administered by the Department of Public Health and Environment (CDPHE): \$19,700,000 to the Opiate Antagonist Bulk Purchase Fund and \$6,000,000 to the Harm Reduction Grant Program Cash Fund. Also appropriates \$300,000 to CDPHE for prevention services administration.
H.B. 22-1386 Competency Beds	800,000	0	Total is appropriated to the Department of Human Services Office of Behavioral Health for purchased inpatient bed capacity.
H.B. 23-1153 Pathways to Behavioral Health Care	140,000	0	Total is appropriated to the Department of Human Services for Behavioral Health Administration
Subtotal	\$544,547,760	\$0	
Affordable Housing and Home Ownership Cash Fund			
S.B. 21-242 Housing Dev Grants Hotel Tenancy, as amended H.B. 22-1411 Money from Coronavirus State Fiscal Recovery Fund	\$105,996	\$1,894,004	Total amounts (federal funds and General Fund) is transferred to the Housing Development Grant Fund in the Dept. of Local Affairs for rental assistance and tenancy support services for individuals experiencing homelessness through grants and loans to local governments and nonprofit organizations for the rental, acquisition, or renovation of underutilized hotels, motels, and other underutilized properties. Original transfer was \$30.0 million but most was transferred back to the Affordable Housing and Home Ownership Cash Fund in H.B. 22-1411; \$28.0 million was then transferred directly to the Housing Development Grant Fund from the General Fund.
H.B. 21-1271 DOLA Innovative Affordable Housing Strategies	35,000,000	0	Includes the following transfers and appropriations to the Dept. of Local Affairs: \$30,000,000 transferred to the Colorado Heritage Communities Fund and appropriated for the Local Government Affordable Housing Development Incentive Grant Program; and \$5,000,000 transferred to the Colorado Heritage Communities Fund and appropriated for the Local Government Planning Grant Program.

APPROPRIATIONS AND TRANSFERS FOR EXPENDITURE BY STATE AGENCIES: AMOUNTS ORIGINATING AS FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS AND RELATED GENERAL FUND ALLOCATIONS

	FEDERAL FUNDS APPROPRIATION OR TRANSFER	GENERAL FUND APPROPRIATION OR TRANSFER	DEPARTMENT, SPECIFIC PROGRAM OR FUND
H.B. 21-1329 ARPA Money to Invest Affordable Housing, as amended H.B. 22-1411 Money from Coronavirus State Fiscal Recovery Fund	1,500,000	98,500,000	Includes the following appropriations: \$98,500,000 to the Dept. of Local Affairs for programs or services of the type and kind financed through the Housing Investment Trust Fund or the Housing Development Grant Fund to support programs or services that benefit populations disproportionately affected by the COVID-19 public health emergency and focusing on addressing housing insecurity, lack of affordable or workforce housing, or homelessness; \$1,500,000 to the Judicial Dept. for the Eviction Legal Defense Grant Program. Appropriations to the Department of Local Affairs initially originated from federal funds, but the appropriation was modified in H.B. 22-1411 to originate from the General Fund.
S.B. 22-146 CHFA Middle Income Access	0	25,000,000	Appropriates \$25,000,000 originating as General Fund to the Department of Local Affairs to contract with the Colorado Housing and Finance Authority (CHFA) for the Middle Income Access Program.
S.B. 22-159 Housing Revolving Loan Fund	0	150,000,000	Transfers \$150,000,000 originating as General Fund to the Transformational Affordable Housing Revolving Loan Fund in the Department of Local Affairs, which is continuously appropriated to the Department to provide flexible, low-interest, and below-market rate loan funding to assist in completion of eligible housing projects.
S.B. 22-160 Loan Program Resident-owned Communities	0	35,000,000	Transfers \$35,000,000 originating as General Fund to the Mobile Home Park Resident Empowerment Loan and Grant Program Fund, which is continuously appropriated to the Department of Local Affairs for grants and loans to mobile home park residents that are intended to help stabilize rents, including through facilitating resident purchases of properties.
H.B. 22-1282 Innovative Housing Incentive	0	40,000,000	Transfers \$40,000,000 originating as General Fund to the Innovative Housing Incentive Program Fund, which is continuously appropriated to the Governor's Office of Economic Development for grants and loans to manufacturers of innovative housing.
H.B. 22-1304 State Grants Investments Local Affordable Housing	178,000,000	0	Transfers \$138,000,000 originating as federal funds to the Local Investments in Transformational Affordable Housing Fund in the Department of Local Affairs; transfer \$40,000,000 originating as federal funds to the Infrastructure and Strong Communities Grant Program Fund in the Department of Local Affairs.
H.B. 22-1409 Community Revitalization Grant Program Funding as amended by H. B. 22-1411 Money from Coronavirus State Fiscal Recovery Fund	0	14,800,000	Transfers \$14,800,000 originating as General Fund to the Community Revitalization Grant Program Fund in the Governor's Office of Economic Development. The fund is continuously appropriated to the Office to provide grants to for-profit and nonprofit entities and local governments to support creative projects that revitalize or construct mixed-use commercial centers.
Subtotal	\$214,605,996	\$365,194,004	
Governor - Flexible			
S.B. 21-288 American Rescue Plan Act of 2021 Cash Fund	\$300,000,000	\$0	After any legislative transfers from the American Rescue Plan Act of 2021 Cash Fund that are enacted during the 2021 regular legislative session, the lesser of \$300,000,000 or the remaining balance in the fund is continuously appropriated to any department designated by the Governor for any allowable purpose under the American Rescue Plan Act of 2021.
H.B. 22-1411 Money from Coronavirus State Fiscal Recovery Fund	70,000,000	0	Provides an additional transfer of \$70.0 million to the American Rescue Plan Act of 2021 Cash Fund for the flexible uses outlined in S.B. 21-288. These funds are also continuously appropriated to any department designated by the Governor.
H.B. 22-1342 Emergency Fund*	0	65,405,391	Transfers interest earnings from federal Coronavirus State Fiscal Recovery Funds to the State Emergency Fund- amount shown is through January 2023
Subtotal	\$370,000,000	\$65,405,391	
TOTAL Designated in 2021, 2022, and 2023 Legislative Sessions	\$3,683,942,132	\$489,204,253	

*Amount shown is interest on the Coronavirus State Fiscal Recovery Funds. It is shown in the General Fund column, because it is not restricted in the same manner as the funds originally provided by federal authorities.

Based on the amounts outlined in the table above, the following federal Coronavirus State Fiscal Recovery Fund money will be available for appropriation and transfer to state agencies in the 2024 legislative session.

2021, 2022, AND 2023 LEGISLATIVE SESSION ALLOCATION OF CORONAVIRUS STATE FISCAL RECOVERY FUND MONEY AND BALANCES REMAINING FOR USE IN 2024 LEGISLATIVE SESSION			
	TRANSFER TO CASH FUND BASED ON 2021, 2022, 2023 SESSION LEGISLATION	TRANSFERS AND APPROPRIATIONS FOR SPECIFIC USES AS OF END OF LEGISLATIVE SESSION	BALANCE REMAINING FROM FEDERAL FUNDS
Transportation-related Cash Funds	\$343,500,000	\$343,500,000	\$0
Revenue Loss Restoration Cash Fund	1,373,957,992	1,234,590,574	139,367,418
Economic Recovery and Relief Cash Fund	744,324,618	744,324,618	0
Workers, Employers, and Workforce Centers Cash Fund	232,373,184	232,373,184	0
Behavioral and Mental Health Cash Fund	550,000,000	544,547,760	5,452,240
Affordable Housing and Home Ownership Cash Fund	214,605,996	214,605,996	0
Balance in American Rescue Plan Act of 2021 Cash Fund	370,000,000	370,000,000	0
TOTAL	\$3,828,761,790	\$3,683,942,132	\$144,819,658

All state General Fund amounts that were deposited to cash funds associated with federal Coronavirus State Fiscal Recovery Funds have now been allocated. Interest earnings on the federal funds will continue to grow until the federal funds are fully expended in FY 2026-27. Current law directs all revenue, including future revenue, to the Disaster Emergency Fund.

2021, 2022, AND 2023 LEGISLATIVE SESSION GENERAL FUND MONEY DEPOSITED TO CASH FUNDS ASSOCIATED WITH FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUNDS			
	TRANSFER TO CASH FUND BASED ON 2021 AND 2022 SESSION LEGISLATION*	TRANSFERS AND APPROPRIATIONS FOR SPECIFIC USES 2022 AND 2023 LEGISLATIVE SESSIONS	BALANCE REMAINING TO BE ALLOCATED ORIGINATING AS GENERAL FUND
Transportation-related Cash Funds	\$36,500,000	\$36,500,000	\$0
Revenue Loss Restoration Cash Fund	10,000,000	10,000,000	0
Economic Recovery and Relief Cash Fund	4,478,042	4,478,042	0
Workers, Employers, and Workforce Centers Cash Fund	7,626,816	7,626,816	0
Behavioral and Mental Health Cash Fund	0	0	0
Affordable Housing and Home Ownership Cash Fund	365,194,004	365,194,004	0
American Rescue Plan Act of 2021 Cash Fund/Other (Disaster Emergency Fund – amount will continue to grow)	65,405,391	65,405,391	0
TOTAL	\$489,204,253	\$489,204,253	\$0