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Revised Fiscal Note

(replaces fiscal note dated April 27, 2021)

Drafting Number: LLS 21-0961 Date: June 3, 2021
Prime Sponsors: Sen. Moreno Bill Status: House Second Reading
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Bill Topic: CDPHE APPROPRIATION PUBLIC HEALTH INFRASTRUCTURE

- Summary of Fiscal Impact:
State Revenue
State Expenditure
State Transfer
TABOR Refund
Local Government
Statutory Public Entity

This bill makes an appropriation to the Department of Public Health and Environment for state and local public health administration and support. The bill makes a one-time transfer in FY 2021-22, and increases state and local expenditures in FY 2021-22, FY 2022-23 and FY 2023-24.

Appropriation Summary: For FY 2021-22, the bill includes an appropriation of \$21.0 million to the Department of Public Health and Environment.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill, as amended by the House Appropriations Committee.

Table 1
State Fiscal Impacts Under SB 21-243

Table with 3 columns: Category, Budget Year FY 2021-22*, Out Year FY 2022-23. Rows include Revenue, Expenditures (General Fund, ERR Cash Fund, Total Expenditures), Transfers* (General Fund, ERR Cash Fund, Net Transfer), and TABOR Refund.

* The FY 2021-22 ERR Cash Fund expenditure and General Fund transfer are contingent on passage of SB 21-291

Summary of Legislation

This bill requires the General Assembly to appropriate \$21.0 million annually to the Department of Public Health and Environment (CDPHE) for three fiscal years starting in FY 2021-22 for state and local public health administration and support. In FY 2021-22 only, it transfers \$16.0 million from the General Fund to the Economic Recovery and Relief Cash Fund.

Background

The Division of Disease Control and Public Health Response, housed in the CDPHE, was created in FY 2020-21 to respond to public health concerns and emergencies and works closely with local public health agencies to fulfill these responsibilities. The division is composed of three units that were previously standalone entities: the Disease Control Environmental Epidemiology Division; the Laboratory Services Division; and the Office of Emergency Preparedness and Response.

Through the budget process, the CDPHE requested \$31.0 million in General Fund and 121.4 FTE for FY 2021-22 and \$28.0 million General Fund and 157.2 FTE for FY 2022-23 (BA-02 - Public Health Infrastructure). This funding was not included in the FY 2021-22 Long Bill (Senate Bill 21-205). The appropriation included in this bill, plus an additional \$10 million in one-time federal funding that has been identified by CDPHE, would fund the CDPHE request for FY 2021-22. This anticipated federal funding does not carry forward into future fiscal years.

In March 2021, Congress enacted the federal “American Rescue Plan Act of 2021” to provide emergency assistance to state and local governments, which provided Colorado with coronavirus fiscal recovery funds. These funds will be deposited in the Economic Recovery and Relief Cash Fund, created in Senate Bill 21-291.

State Transfers

In FY 2021-22, the bill makes a one-time transfer of \$16.0 million from the General Fund to the Economic Recovery and Relief Cash Fund.

State Expenditures

For FY 2021-22 through FY 2023-24, the bill increases annual expenditures in the CDPHE by \$21,090,149, as described in more detail below. In FY 2021-22, expenditures are from the Economic Recovery and Relief (ERR) Cash Fund; in FY 2022-23 and FY 2023-24, expenditures are from the General Fund.

Division of Disease Control and Public Health Response. Starting in FY 2021-22, the CDPHE will use \$11,090,149 to support the division for administration and support, research, outreach, laboratory services and emergency preparedness and disaster response activities.

Local public health agencies. Starting in FY 2021-22, the CDPHE will distribute \$10,000,000 to local public health agencies across the state for administration and support.

Local Government

For FY 2021-22 through FY 2023-24, the bill will provide the state's 53 local public health agencies with \$10.0 million in additional funding for administration and support services. The amount that each agency receives will vary by location, but distribution is largely based on population size. The exact disbursement of funding has not been estimated for this fiscal note.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature; except that section 1 and 3 of the bill, which include the legislative declaration, the FY 2021-22 appropriation to CDPHE and the FY 2021-22 transfer from the General Fund, only take effect if SB 21-291 becomes law, and become effective upon the effective date of this act or SB 21-291, whichever is later.

State Appropriations

For FY 2021-22, the bill includes an Economic Recovery and Relief Cash Fund appropriation of \$21,090,149 to the Department of Public Health and Environment. Of this amount:

- \$11,090,149 is for the Division of Disease Control and Public Health Response; and
- \$10,000,000 is for local public health agencies.

The CDPHE is also expected to receive \$10,060,325 in federal funds to support public health infrastructure, which does not require an appropriation. The fiscal note estimates that the cash fund appropriation to the Division of Disease Control and Public Health Response will support an allocation of 121.4 FTE.

State and Local Government Contacts

Counties
Local Affairs

Information Technology
Public Health and Environment