

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING HEALTH INSURANCE COVERAGE FOR A PROSTHETIC DEVICE NECESSARY FOR A COVERED PERSON TO ENGAGE IN CERTAIN TYPES OF ACTIVITIES.

Prime Sponsors: Reps. Ortiz and Hartsook
Sens. Winter F. and Liston

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Date Prepared: April 10, 2023

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Significant Cost Increase in Third Year

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/22/23.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$6,108 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.1 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

Pursuant to Section 10-3-209 (4), C.R.S., taxes on insurance premiums are credited to the Division of Insurance Cash Fund (with a maximum transfer of five percent of premium tax collections) to cover appropriations made by the General Assembly. Any increase in appropriations reduces the amount of tax revenue deposited in the General Fund, thereby reducing the amount of General Fund available for other purposes.

This bill creates a one-time spending obligation and reduces General Fund revenue by \$6,108 for FY 2023-24, reducing the General Fund available by the same amount.

Future Fiscal Impact

The bill increases expenditures in the Department of Health Care Policy and Financing (HCPF) in out years by \$9,092 total funds in FY 2024-25, including \$2,230 General Fund, \$952 cash funds, and \$5,910 federal funds; \$1,544,490 total funds in FY 2025-26 including \$4,460 General Fund, \$154,535 cash funds, and \$1,385,495 federal funds; and \$3,070,795 total funds in FY 2026-27 including \$4,460 General Fund, \$307,166 cash funds, and \$2,759,169 federal funds.