



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 23-0774 Date: July 5, 2023
Prime Sponsors: Rep. Armagost; Amabile Bill Status: Signed into Law
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Bill Topic: PATHWAYS TO BEHAVIORAL HEALTH CARE

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

The bill requires the Department of Human Services to contract with a third-party to conduct a feasibility study looking at the intersection of Colorado's behavioral health service availability and the judicial system. The bill increases state expenditures in FY 2023-24 only.

Appropriation Summary: For FY 2023-24, the bill requires and includes an appropriation of \$300,000 to the Department of Human Services.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 23-1153

Table with 3 columns: Category, Budget Year FY 2023-24, and Out Year FY 2024-25. Rows include Revenue, Expenditures (General Fund, Cash Funds, Total Expenditures), Transfers, and Other Budget Impacts (General Fund Reserve).

## Summary of Legislation

The bill requires the Department of Human Services (DHS) to contract with a third-party to conduct a study to determine if establishing a system to support access to behavioral health care and housing support for individuals with serious mental illness is feasible. The findings of the study must be reported to the General Assembly by March 1, 2024.

## State Expenditures

In FY 2023-24, the bill will increase General Fund and cash fund expenditures in the DHS by \$300,000 to contract with a third-party to conduct the study. This cost is based on similar studies conducted by the DHS. The bill specifies that \$140,000 of these funds come from the Behavioral and Mental Health Cash Fund. In addition, workload to the Judicial Department, Behavioral Health Administration, and Departments of Health Care Policy and Financing, Local Affairs, and Public Safety will increase to collaborate with the DHS to determine the qualifications of the contractor. The fiscal note assumes this collaboration can be conducted within existing appropriations.

## Other Budget Impacts

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

## Effective Date

This bill was signed into law by the Governor and took effect on May 30, 2023.

## State Appropriations

For FY 2023-24, the bill requires and includes a total appropriation of \$300,000 to the Department of Human Services including:

- \$160,000 from the General Fund; and
- \$140,000 from the Behavioral and Mental Health Cash Fund.

## State and Local Government Contacts

|                                  |                                  |                |
|----------------------------------|----------------------------------|----------------|
| Behavioral Health Administration | Health Care Policy and Financing | Human Services |
| Information Technology           | Judicial                         | Local Affairs  |
| Public Safety                    |                                  |                |