

JBC Staff Fiscal Analysis
House Appropriations Committee

Concerning procedures related to the provision of health-care services to inmates, and, in connection therewith, prohibiting certain copayments and fees.

Prime Sponsors:
Representatives Carter; Garcia
(None)

Date Prepared:
March 31, 2025
JBC Analyst:
Justin Brakke
303-866-4958

Fiscal Impacts

Appropriation Required, Amendment in Packet
General Fund and TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/15/2025.

Update: Fiscal impact has changed due to new information or technical issues

[New information](#)

The bill decreases state expenditures by a net of \$165,682, rather than the net-zero impact shown in the fiscal note. JBC and LCS staff agree on this change. The FY 2025-26 Long Bill appropriates \$322,861 cash funds from inmate medical fees to the Department of Corrections. This bill prohibits the Department of Corrections from collecting those fees. State expenditures are thus reduced by \$322,861 cash funds. The fiscal note shows a cash fund reduction of \$157,179, offset by an equal increase of General Fund. When applying the \$322,861 cash funds reduction to the figure shown in the fiscal note, the bill decreases state expenditures by a net of \$165,682 and FTE by a net of 1.5.

Amendments in This Packet

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

Staff amendment **J.001** (attached) reduces appropriations to the Department of Corrections by a net of net of \$165,682. This includes an increase of \$157,179 General Fund and a decrease of \$322,861 cash funds. The appropriation reflects a net reduction of 1.5 FTE, decreasing cash funded FTE by 3.0 and increasing General Fund supported FTE by 1.5.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$18.2 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2025 Legislation	
Description	FY 2025-26 Appropriation
Juvenile diversion, deflection, or detention	\$10,000,000
General Assembly legislative priorities	6,521,739
Voter approved initiatives	1,700,000
Total	\$18,221,739

This bill requires a General Fund appropriation of \$157,179 for FY 2025-26, reducing the \$18.2 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

This bill is estimated to reduce cash fund revenues by \$157,179 in FY 2025-26 and future years, which will increase the available General Fund in each fiscal year by equal amounts. This bill reduces the TABOR refund made out of the General Fund by \$157,179 for FY 2025-26, increasing the \$18.2 million General Fund set aside for FY 2025-26 by the same amount.

Additional background

The March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 to be refunded to taxpayers out of the General Fund. Legislation that reduces non-exempt revenue (such as cash funds) will reduce the TABOR refund from the General Fund.

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 OSPB revenue forecast. The budget package includes \$18.2 million General Fund set aside for other legislation outside of the JBC budget package. This may be used for appropriations, transfers, or increases in TABOR refunds for FY 2025-26.

Related Budget Information

In FY 2023-24, the Department of Corrections overspent the *Personal Services* line item in the Medical Services Subprogram. After transferring money from other line items, such as centrally appropriated compensation line items, the Department had about \$64.6 million General Fund to spend. This was insufficient. Pursuant to 24-75-108 (9), C.R.S., the Department transferred \$2.2 million General Fund from the *Contract Services* line item in the Drug and Alcohol Treatment Subprogram to the *Personal Services* line item in the Medical Services Subprogram to cover the over-expenditure. The Department attributed the overage to increased costs for contracted clinical staff.