

JOINT BUDGET COMMITTEE



STAFF BUDGET BRIEFING FY 2017-18

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

DEPARTMENT OVERVIEW

The Department of Public Health and Environment consists of the following eleven divisions:

- 1 Administration and Support
 - a. Provides department-wide administrative services
 - b. Houses the Health Disparities Program, which provides grants for health initiatives aimed at reducing and eliminating disparities currently existing in the provision of health services across the state
 - c. Houses the Office of Planning and Partnerships which oversees the distribution of state funds to local public health agencies
- 2 Center for Health and Environmental Information
 - a. Maintains a database of all Colorado births, deaths, marriages, and divorces
 - b. Provides birth and death certificates
 - c. Gathers and analyzes health data for use by public and private agencies
 - d. Operates the Medical Marijuana Registry
- 3 Laboratory Services
 - a. Provides testing, analysis, and results reporting of laboratory tests on specimens and samples submitted by other divisions, departments, and private clients
 - b. Includes the following laboratory units:
 - i. Molecular Sciences and Newborn Screening Units
 - ii. Public Health Microbiology and Environmental Microbiology Units
 - iii. Radiation counting facility
 - iv. Organic and Inorganic Units
 - v. Evidential Breath and Alcohol Testing and Certification Units
- 4 Air Pollution Control Division
 - a. Performs statewide air monitoring, pollutant analysis, and air emission modeling
 - b. Researches the causes and effects of pollution from mobile vehicles and implements strategies aimed at reducing emissions from mobile sources
 - c. Permits, monitors, and inspects factories, power plants, and other commercial air pollutant emitters for compliance with air pollutant emissions standards

- 5 Water Quality Control Division
 - a. Issues waste water discharge permits and, if necessary, takes enforcement action to ensure compliance with water quality standards
 - b. Issues water quality permits for the following sectors: construction, public and private utilities, commerce and industry, pesticides, and water quality certification
 - c. Monitors the pollutant levels in rivers, streams, and other bodies of water
 - d. Conducts surveillance of public and non-public drinking water sources to ensure compliance with federal and state water quality standards
 - e. Reviews designs and specifications of new and/or expanding water treatment facilities

- 6 Hazardous Materials and Waste Management Division
 - a. Regulates the treatment, storage, and disposal of solid and hazardous waste in Colorado
 - b. Performs inspections of solid waste facilities
 - c. Oversees hazardous waste generators, transporters, and storage facilities
 - d. Regulates commercial radioactive materials in Colorado
 - e. Administers the Waste Tire Program

- 7 Division of Environmental Health and Sustainability
 - a. Certifies and inspects wholesale food distributors and dairy processors
 - b. Oversees restaurant, child care facility, and school inspections done by local public health agencies (with a few exceptions where the State is responsible for these inspections)
 - c. Administers the following environmental sustainability programs:
 - i. Environmental Leadership Program
 - ii. Pollution Prevention Program
 - iii. Pharmaceutical Take-Back Program
 - d. Administers the Recycling Resources Opportunity Program
 - e. Administers the Animal Feeding Operations Program

- 8 Disease Control and Environmental Epidemiology Division
 - a. Responsible for identifying, containing, controlling, and tracking the spread of communicable diseases, with a focus on: hepatitis, tuberculosis, sexually transmitted infections, and HIV/AIDS
 - b. Operates the Immunization Program which includes the Immunization Outreach Program, the Colorado Immunization Information System, and grants to local public health agencies for operation of immunization clinics
 - c. Assesses the threat risk from environmental contaminants on human health, and when needed, takes action to contain and/or nullify these threats

- 9 Prevention Services Division
 - a. Administers the Tobacco Education, Prevention, and Cessation Program and the Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Program
 - b. Operates the Breast and Cervical Cancer Screening Program
 - c. Operates programs for children with special needs and the Genetics Counseling Program
 - d. Administers the School-Based Health Centers Program
 - e. Administers injury and suicide prevention programs
 - f. Operates the Primary Care Office and Oral Health Program
 - g. Administers the following two federal food assistance programs:
 - i. Women, Infants, and Children Program, and
 - ii. Child and Adult Care Food Program.
- 10 Health Facilities and Emergency Medical Services Division
 - a. Enforces through certification and inspections the standards for the operation of health care facilities, including hospitals and nursing facilities
 - b. Inspects and certifies emergency medical and trauma service providers
- 11 Office of Emergency Preparedness and Response
 - a. Works with local agencies and other state departments to ensure Colorado is prepared for, and able to respond to, a variety of natural and man-made disasters
 - b. Coordinates a statewide network of laboratories, local agencies, hospitals, and other resources that can be utilized during disaster response

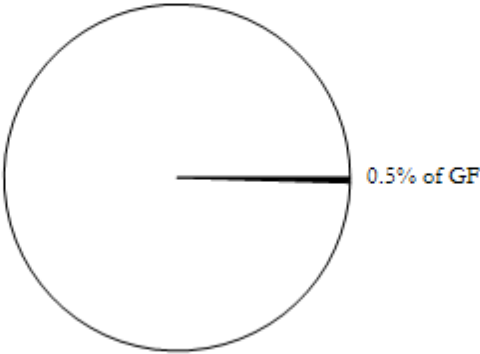
DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	\$64,322,851	\$48,015,287	\$47,629,976	\$47,424,689
Cash Funds	161,438,088	157,897,569	185,983,908	193,524,907
Reappropriated Funds	35,141,182	37,645,004	41,167,484	44,834,876
Federal Funds	291,317,631	294,153,882	288,692,568	297,806,008
TOTAL FUNDS	\$552,219,752	\$537,711,742	\$563,473,936	\$583,590,480
Full Time Equiv. Staff	1,265.0	1,288.6	1,311.3	1,330.0

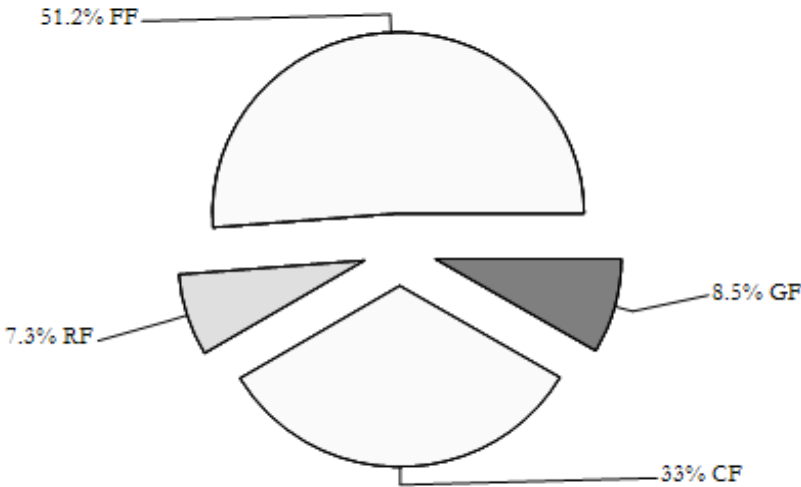
*Requested appropriation.

DEPARTMENT BUDGET: GRAPHIC OVERVIEW

Department's Share of Statewide General Fund

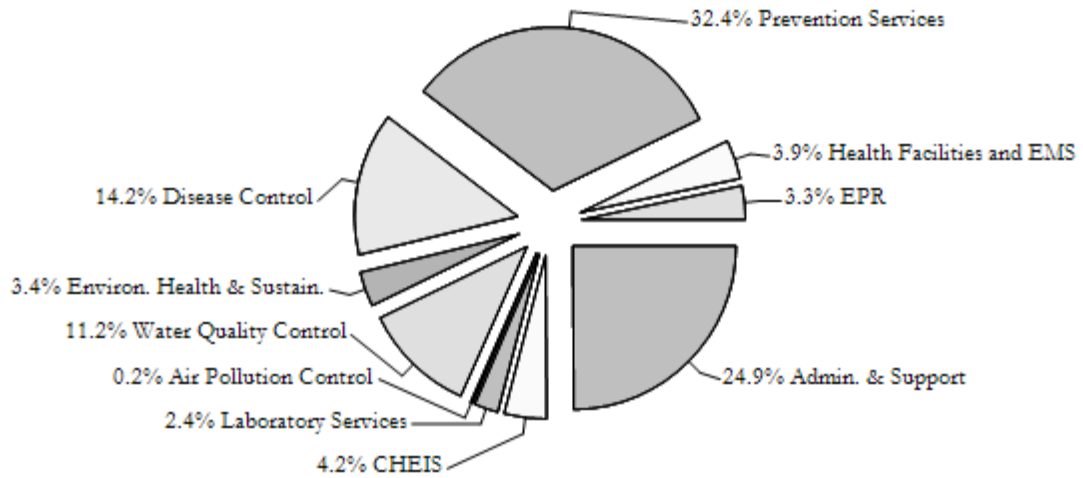


Department Funding Sources

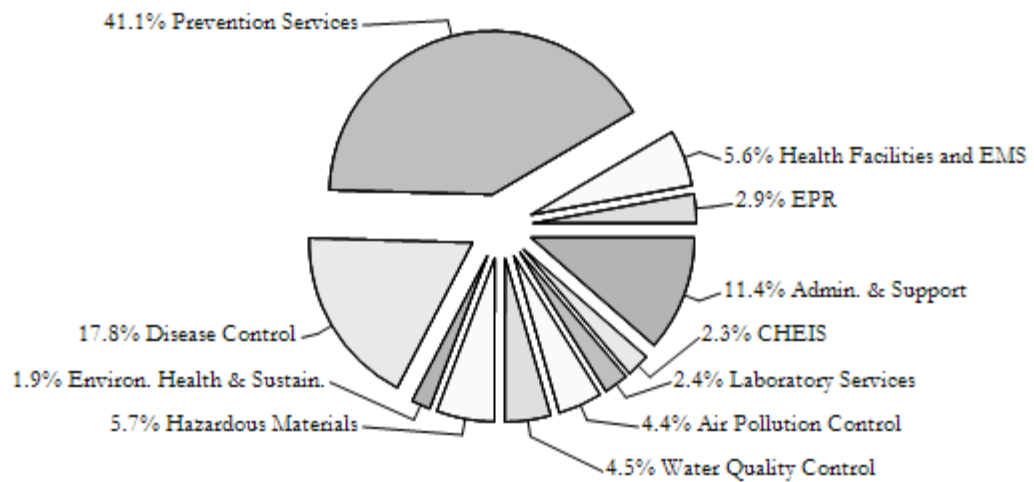


All charts are based on the FY 2016-17 appropriation.

Distribution of General Fund by Division



Distribution of Total Funds by Division

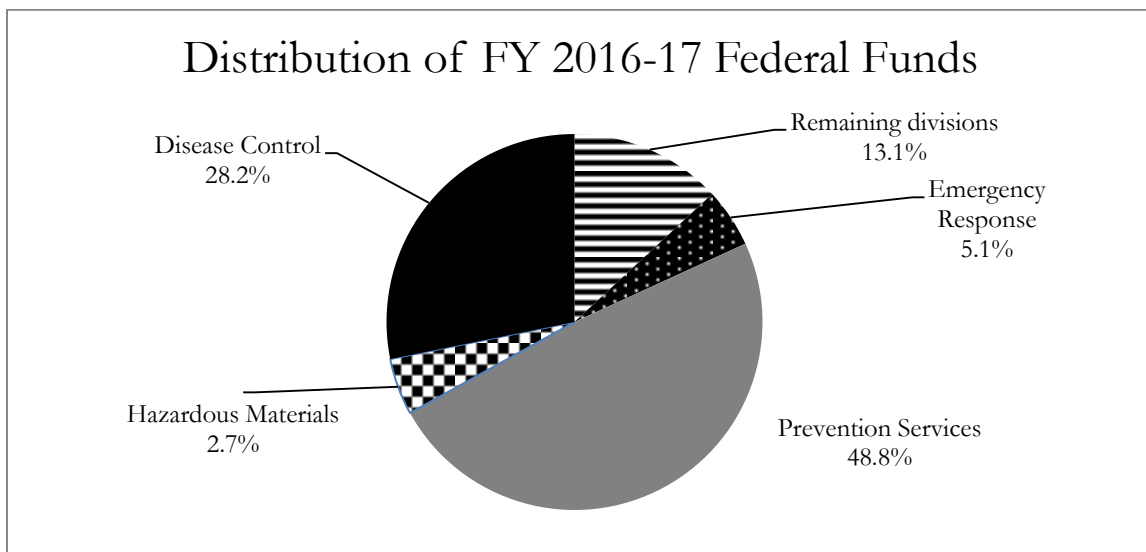


All charts are based on the FY 2016-17 appropriation.

GENERAL FACTORS DRIVING THE BUDGET

FEDERAL FUNDS

Federal funds account for 51.2 percent of the Department's FY 2016-17 total appropriation. The Department receives federal funds from multiple federal agencies ranging from the Environmental Protection Agency to the federal Department of Health and Human Services. The majority of the federal funds in the Department's Long Bill are shown for informational purposes because the General Assembly does not have the authority to limit the amount of federal funds the Department may receive and expend. The following graphic illustrates the projected distribution of federal funds by division for FY 2016-17.



The majority of the federal funds (\$111.2 million out of \$140.8 million) within the Prevention Services Division are for the two federally funded nutrition programs: the Women, Infants, and Children Program (WIC), and the Adult and Child Food Care Program (CACFP). Within the Disease Control and Environmental Epidemiology Division, 59.1 percent of the federal funds are for the purchase of immunizations for local public health agencies, and 19.1 percent of the federal funds are for the Ryan White Comprehensive AIDS Resources Emergency Act. The Ryan White Act funds are used for primary care and support services for individuals living with HIV and AIDS who lack health insurance and the financial resources to pay for their care.

REVENUE FROM AMENDMENT 35 TOBACCO TAX AND THE TOBACCO MASTER SETTLEMENT AGREEMENT

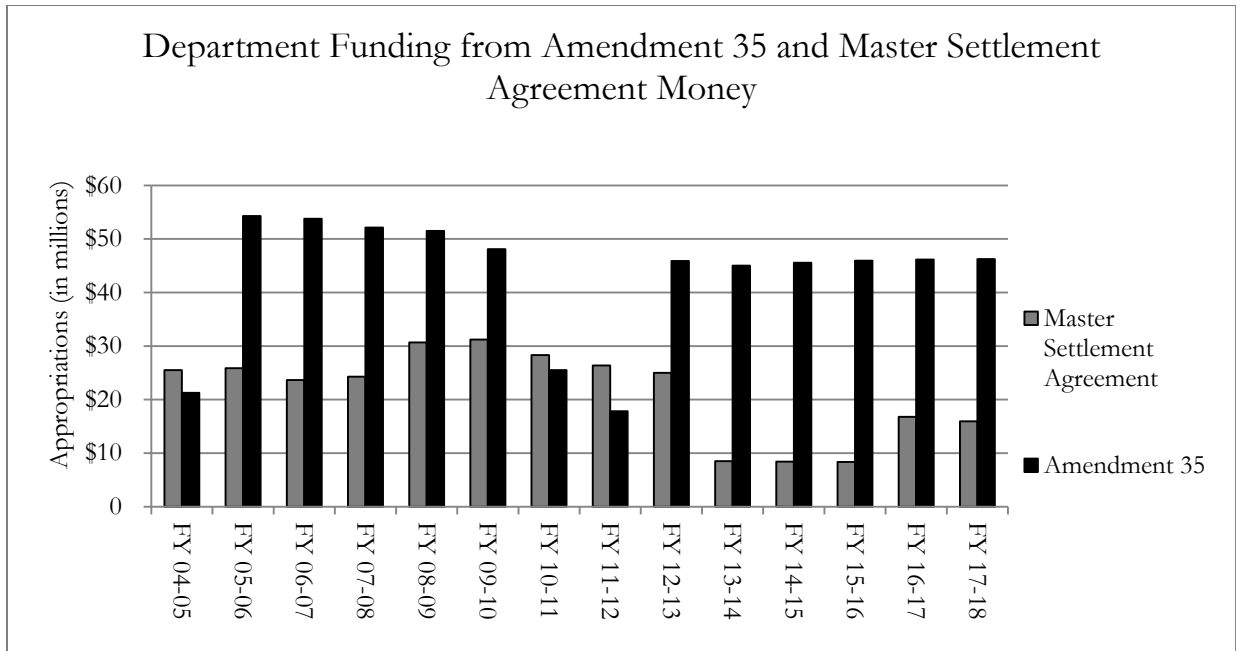
The Department receives revenue from the Amendment 35 tobacco tax and from the Tobacco Master Settlement Agreement for various programs. Amendment 35 was approved by voters in 2004 and imposed a \$0.64 tax on each pack of cigarettes sold in Colorado with related taxes on other tobacco products. Amendment 35 revenues are distributed based on a state constitutional formula. The following department programs receive Amendment 35 revenue:

- Tobacco Education, Prevention, and Cessation Program;
- Health Disparities Grant Program;
- Cardiovascular, Pulmonary, and Chronic Disease Grant Program; and
- Breast and Cervical Cancer Screening Program.

Revenue from the Tobacco Master Settlement Agreement (MSA) is the product of a 1998 legal settlement between tobacco manufacturers and the states who sued the tobacco manufacturers as a way to recover Medicaid and other health-related costs they incurred as a result of treating smoking related illnesses. Statutory formulas dictate the distribution of MSA revenue and the Department receives revenue for:

- A Drug Assistance Program;
- Colorado AIDS and HIV Prevention Grant Program (CHAPP);
- Colorado Immunizations Program;
- Health Care Professional Loan Forgiveness Program (i.e. the Health Services Corps); and
- Dental Loan Repayment Program

As these two revenue streams decrease over time, programs must reassess the amount of funds available for administrative overhead and the amount of funds available for grants. The following table summarizes the Department's funding from these two revenue sources from FY 2004-05 through projections for FY 2017-18.



The following are explanations of significant revenue changes shown in the above table:

- Amendment 35 tobacco tax revenues were first generated for the second part of FY 2004-05.
- The significant drop in FY 2010-11 and FY 2012-13 of Amendment 35 tobacco tax revenue was due to the declaration of a fiscal emergency by the General Assembly and the diversion of Amendment 35 revenue from the Department to the Department of Health Care Policy and Financing to offset the need for General Fund for health related programs.
- The reduction of Master Settlement Agreement funds starting in FY 2013-14 was due to the transfer of the Nurse Home Visitor Program and the Tony Grampas Youth Services Program to the Department of Human Services.
- House Bill 16-1408 included adjustments to the amount of Tobacco Master Settlement money received by department programs, including increases for the AIDS & HIV Prevention Grants, the Dental Loan Repayment Program, and the Immunization Program. Local Public Health Agencies prior to H.B. 16-1408 received Tobacco Master Settlement money, but starting in FY 2016-17 Marijuana Tax Cash Fund dollars will support the purpose.

PROGRAMS FUNDED WITH MARIJUANA TAX REVENUE

The legalization of recreational marijuana by voters in 2012 and subsequent voter approval of new taxes on recreational marijuana resulted in the passage of legislation authorizing the Department to use a portion of the marijuana tax revenue for new and existing programs. The following is a summary of recent legislation related to programs funded with marijuana tax revenue:

- Senate Bill 13-283 (Implement Amendment 64 Consensus Recommendations) required the Department to monitor the emerging science and medical information regarding marijuana use.
- House Bill 13-1317 (Implement Amendment 64 Majority Recommendations) required the State Laboratory within the Department to develop and provide to the Department of Revenue standards for licensing marijuana testing laboratories.

- Senate Bill 14-215 (Disposition of Legal Marijuana Related Revenue):
 - Created the prevention and education campaigns about the appropriate and legal use of marijuana; and
 - Required the Department to obtain health data through surveys or other means regarding marijuana and other drug use and to monitor the health effects of marijuana.
- House Bill 15-1283 (Marijuana Reference Library and Lab Testing Access) required the Department to:
 - Maintain a marijuana laboratory testing reference library (the Department also has the option to contract out this duty); and
 - Conduct proficiency testing of, and problem remediation with, licensed marijuana testing laboratories.
- House Bill 15-1367 (Retail Marijuana Taxes) appropriates money to the following programs in the Department due to the passage of Proposition BB:
 - The Poison Control Center for the development of a system that can disseminate poison control information via text messaging, instant messaging, or email; and
 - The marijuana prevention and education campaign to offset the FY 2015-16 Long Bill reductions as a result of the TABOR impacts from retail marijuana revenue that resulted in the need for Proposition BB.

The net impact of the legislation and budget decisions made by the General Assembly has increased the number of programs and the amount of funding the Department receives from the Marijuana Tax Cash Fund. The following table summarizes appropriations of marijuana tax revenues to the Department for FY 2013-14 through the FY 2017-18 request.

SUMMARY OF DEPARTMENT FUNDING FROM MARIJUANA TAX REVENUES					
Program	FY 2013-14 Approp	FY 2014-15 Approp	FY 2015-16 Approp	FY 2016-17 Approp	FY 2017-18 Request
Substance abuse prevention grants (Communities that Care)	n/a	n/a	n/a	\$7,204,555	\$9,408,800
FTE				4.5	4.5
Marijuana prevention and education campaigns	n/a	5,683,608	2,150,000	7,025,000	4,650,000
FTE		3.7	3.7	3.7	3.7
Health kids Colorado survey	n/a	903,561	781,789	745,124	745,124
FTE		1.5	1.5	1.5	1.5
Retail marijuana research grants - year 1	n/a	n/a	n/a	343,622	768,622
FTE				0.3	0.3
Cannabis health environmental and epidemiological training	307,542	320,388	320,388	320,388	320,388
FTE	4.0	4.0	4.0	4.0	4.0
Marijuana health survey data collection	n/a	n/a		238,000	238,000
Laboratory certification	n/a	86,167	200,142	200,142	200,142
FTE	n/a	0.8	1.5	1.5	1.5
Poison Control Center	n/a	n/a	0	123,383	60,100
Marijuana lab proficiency testing	n/a	n/a	31,669	78,999	78,999
FTE			0.3	1.0	1.0
TOTAL Appropriations	\$307,542	\$6,993,724	\$3,483,988	\$16,315,878	\$16,470,175
FTE	4.0	10.0	11.0	16.5	16.5

CASH FUND BALANCES

The Department has a significant number of cash funds with large uncommitted fund balances that were not being utilized for FY 2015-16. In order to provide the Department with sufficient spending authority to expend the uncommitted fund balances, the FY 2016-17 Long Bill includes a number of appropriation adjustments that will enable the Department to spend down cash fund balances without impacting fees. For most funds in the following table, the additional spending authority will enable the Department to issue an increased number of grants that comply with the statutory purposes of each specific fund. The following is a summary of the cash funds for which there is an appropriation increase for FY 2016-17 as a result of uncommitted fund balances.

CASH FUND BALANCES		
Cash Fund	Increase	Purpose
Prevention, early detection, and treatment fund balance	\$7,738,141	Funds competitive grants for activities and programs that work to provide a cohesive approach to the treatment of cancer, cardiovascular disease, and pulmonary disease.
Waste tire cash funds balances	3,339,759	Pays monthly rebates to in-state end users, retailers who sell tire-derived products, and processor of Colorado waste tires who sell their tire-derived products to out-of-state end users.
Recycling resources economic opportunity fund balance	2,000,000	Funds grants that promote economic development through the sustainable management of discarded materials.
Emergency medical services grants	1,750,000	Funds grants for Colorado emergency medical and trauma service (EMTS) agencies to purchase equipment and vehicles, provide training, add personnel, improve retention and recruitment programs and make system improvements.
Tobacco education, prevention, and cessation fund balance	1,051,983	Funds grants to programs aimed at reducing the use of tobacco by youth and funds grants designed to reduce health inequities among minority and high risk populations.

In contrast to the funds shown above, the Medical Marijuana Program Fund is projected to have insufficient revenue to support ongoing programmatic costs in FY 2016-17. Therefore, the General Assembly reduced the appropriation from the fund to align spending authority for the medical marijuana registry with the amount of revenue projected to be available for FY 2016-17.

SUMMARY: FY 2016-17 APPROPRIATION & FY 2017-18 REQUEST

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION:						
HB 16-1405 (Long Bill)	\$556,505,747	\$46,047,983	\$180,597,712	\$41,167,484	\$288,692,568	1,308.5
Other legislation	650,561	373,986	276,575	0	0	2.8
HB 16-1408 (Cash Fund Allocation for Health-related Programs)	5,109,621	0	5,109,621	0	0	0.0
HB 16-1413 (Refinance Water Pollution Control Program)	1,208,007	1,208,007	0	0	0	0.0
TOTAL	\$563,473,936	\$47,629,976	\$185,983,908	\$41,167,484	\$288,692,568	1,311.3
FY 2017-18 APPROPRIATION:						
FY 2016-17 Appropriation	\$563,473,936	47,629,976	\$185,983,908	\$41,167,484	\$288,692,568	1,311.3
R1 Clean water sectors funding	1,208,007	433,042	774,965	0	0	0.0
R2 IDD facility survey staffing	417,435	0	0	417,435	0	5.0
R3 Health facility survey staffing caseload adjustment	770,844	43,519	115,367	184,573	427,385	8.0
R4 Rural landfills	250,000	0	250,000	0	0	0.0
R5 Long Bill adjustments	0	0	(130,924)	130,924	0	0.0
Non-prioritized requested changes	493,797	(339,862)	(45,881)	879,540	0	0.0
Indirect cost assessment	9,169,866	338,876	8,811,912	19,078	0	0.0
Informational funds adjustment	6,500,000	0	0	0	6,500,000	4.0
Centrally appropriated line items	6,370,144	765,476	1,251,037	2,193,401	2,160,230	0.0
Annualize prior year budget actions	65,058	(270,707)	467,499	(157,559)	25,825	0.0
Waste tire programs repeal	(4,046,019)	0	(4,046,019)	0	0	0.0
Annualize prior year legislation	(1,078,218)	(1,173,446)	95,228	0	0	1.7
Amendment 35 tobacco tax revenue adjustment	(4,370)	(2,185)	(2,185)	0	0	0.0
TOTAL	\$583,590,480	\$47,424,689	\$193,524,907	\$44,834,876	\$297,806,008	1,330.0
INCREASE/(DECREASE)	\$20,116,544	(\$205,287)	\$7,540,999	\$3,667,392	\$9,113,440	18.7
Percentage Change	3.6%	(0.4%)	4.1%	8.9%	3.2%	1.4%

R1 CLEAN WATER SECTORS FUNDING: The Department requests \$1,208,007 total funds, of which \$433,042 is General Fund and \$774,965 is cash funds to sustain the Clean Water Sectors. This request requires legislation to increase clean water sectors fees. The Department's request includes the requesting the Committee sponsor this legislation. The third briefing issue provides additional information about this request and staff recommendation on legislation.

R2 IDD FACILITY SURVEY STAFFING: The Department requests \$417,435 Medicaid reappropriated funds and 5.0 FTE to increase the number of health facility surveyors for programs and providers that serve individuals with intellectual and developmental disabilities (IDD). The eight briefing issue provides additional information about this request.

R3 HEALTH FACILITY SURVEY STAFFING CASELOAD ADJUSTMENT: The Department requests \$770,844 total funds, including \$43,519 General Fund and 8.0 FTE to increase the number of health facility surveyors for nursing homes, hospitals, community clinics, and freestanding emergency rooms. The seventh briefing issue provides additional information about this request.

R4 RURAL LANDFILLS: The Department requests \$250,000 cash funds from the Solid Waste Management Fund to assist local governments with the closure or upgrading of twenty-two small landfills out of compliance with regulations. The first briefing issue provides additional information about this request.

R5 LONG BILL ADJUSTMENTS: The Department requests a number of changes to the Long Bill structure to align appropriations with programmatic operations. The requested changes include:

- Consolidating all the legal services lines into a single line in the Administration subdivision;
- Creating a new Clean Water Programs line item for clean water programs and activities which do not fit within one of the five clean water sectors;
- Move the appropriation for the Uranium Mill Tailings Remedial Action Program to the subdivision where the expenditures occur;
- Combine the personal services and operating line items for a number of disease control programs into a single program costs line item;
- Combine the personal services and operating expenses line item for the Tuberculosis Control Program into a single program costs line item; and
- A technical name of the Cannabis Health and Environmental Epidemiology Training Outreach and Surveillance Program to Marijuana Health Effects Monitoring.

NON-PRIORITIZED REQUESTED CHANGES: The request includes five decision items originating in other departments. The following table summarizes the non-prioritized requests. The Resources for administrative courts and annual vehicle request will be addressed in a separate staff briefing presented by Alfredo Kemm for the Department of Personnel on Wednesday, December 7th. The OIT Secure Colorado and OIT Deskside were presented in the Governor’s Office briefing by Kevin Neimond on November 17, 2016. The local public health agency partnerships will be presented by me as part of the Department of Health Care Policy and Financing briefing on December 19, 2016.

NON-PRIORITIZED REQUESTED CHANGES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP1 Local public health agency partnerships	\$355,500	(\$355,500)	\$0	\$711,000	\$0	0.0
NP2 Resources for administrative courts	472	0	0	472	0	0.0
NP3 Annual fleet vehicle request	(45,881)	0	(45,881)	0	0	0.0
NP4 OIT Secure Colorado	134,587	11,171	0	123,416	0	0.0
NP5 OIT Deskside	53,822	4,467	0	49,355	0	0.0
Total	\$498,500	(\$339,862)	(\$45,881)	\$884,243	\$0	0.0

Indirect cost assessment: The Department requests an increase of \$9,169,866 total funds, including \$338,876 General Fund, \$8,811,912 cash funds, and \$19,078 reappropriated funds in the Department’s indirect cost assessment. The Department identified indirect costs that have been disproportionately paid for with cash and federal indirect cost assessments, and is requesting the General Fund increase to ensure the appropriate funding sources are paying for department wide services. The increase is based on the Department’s three-year plan as approved by the Office of State Planning and Budgeting. The increase in cash funds is due to changes in the prior year indirect cost rate. The federal rate for FY 2015-16 was lower than was included in the indirect cost plan used to set the appropriations because the federal rate was submitted to the federal government was not

approved at the full level. Since the federal rate was lower than budgeted for, additional cash fund indirect cost assessments were collected. This resulted in a technical cash funds over expenditure in FY 2015-16 and subsequent restriction in FY 2016-17. The Department anticipates being able to work within the restriction for FY 2016-17 because the federal rate for FY 2016-17 is higher than was used to set the FY 2016-17 appropriations. Therefore more federal funds will be collected and less cash funds indirect cost assessment in FY 2016-17. The Department's request is a placeholder for indirect cost assessments in order to avoid compounding the current expenditure/restriction issues. This placeholder will be adjusted during the figure setting process based on actual FY 2016-17 collections and the projected rates for FY 2017-18.

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation includes an increase of \$6,500,000 federal funds reflected for informational purposes only. Of the increase, \$3.0 million is for the Child and Adult Food Program, \$2.0 million is for the Injury Prevention Program, \$1.0 million is for Chronic Disease and Cancer Prevention Grants, and \$0.5 million is for the Primary Care Office.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
IBC Name	Total	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize FY16-17 BA4 Communities That Care	\$2,281,188	\$0	\$2,281,188	\$0	\$0	0.0
Annualize FY16-17 BA5 Marijuana research grants	425,000	0	425,000	0	0	0.0
Annualize FY16-17 Oil and Gas Health Study	386,516	0	193,258	193,258	0	0.0
Annualize prior year salary survey	97,284	10,776	59,038	1,645	25,825	0.0
Annualize FY16-17 POMPE adjustment	6,797	0	6,797	0	0	0.0
Annualize FY16-17 Home settings rule	4,200	0	0	4,200	0	0.0
Annualize FY16-17 BA1 Trusted Adult Campaign	(2,375,000)	0	(2,375,000)	0	0	0.0
Annualize FY16-17 Lab building maintenance	(338,507)	0	0	(338,507)	0	0.0
Annualize FRAPPE data analysis	(103,728)	(103,728)	0	0	0	0.0
Annualize FY16-17 funding for Commission on Afford Health Care	(177,755)	(177,755)	0	0	0	0.0
Annualize FY16-17 RM2 poison control center	(63,283)	0	(63,283)	0	0	0.0
Annualize FY 15-16 R4 Wholesale foods	(59,499)	0	(59,499)	0	0	0.0
Annualize FY16-17 CMS settings rule	(18,155)	0	0	(18,155)	0	0.0
Annualize FY16-17 R6 Compliance Accountant	(4,703)	0	0	(4,703)	0	0.0
TOTAL	\$65,058	(\$270,707)	\$467,499	(\$157,559)	\$25,825	0.0

WASTE TIRE PROGRAMS REPEAL: The request includes a reduction of \$4,046,019 cash funds from two cash funds supporting the Waste Tire Market Development Program and the end user rebates because these two programs are repealed on January 1, 2018 pursuant to Sections 30-20-1406 (5) and 30-20-1405 (5), C.R.S. The third briefing issue provides additional information about waste tires and the programs scheduled to repeal.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	Total	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize HB 16-1280 Air Ambulance	\$113,952	\$0	\$113,952	\$0	\$0	0.6
Annualize HB 16-1141 Radon	100,057	0	100,057	0	0	0.2
Annualize SB 16-069 Community Paramedicine	34,561	34,561	0	0	0	0.0
Annualize HB 16-1034 EMS Registration	32,934	0	32,934	0	0	0.6
Annualize HB 16-1413 Clean Water Sectors funding	(1,208,007)	(1,208,007)	0	0	0	0.0
Annualize HB15-1015 EMS Compact	(128,200)	0	(128,200)	0	0	0.3
Annualize HB 15-1249	(23,515)	0	(23,515)	0	0	0.0
TOTAL	(\$1,078,218)	(\$1,173,446)	\$95,228	\$0	\$0	1.7

AMENDMENT 35 TOBACCO TAX REVENUE ADJUSTMENT: The appropriation includes a reduction of cash funds based on the Legislative Council Amendment 35 revenue forecast for FY 2016-17.

ISSUE: SOLID WASTE MANAGEMENT

The Colorado Integrated Solid Waste and Materials Management Plan was released in June 2016 and included a number of recommendations for the Department and local governments to implement to ensure existing landfills are operated in a manner that is not harmful to human health and the environment. There were 58 landfills deemed inadequate in the Plan. There are a multitude of reasons why the landfills are deemed inadequate including historical regulatory exemptions and limited funds to address the inadequacies. The Department is requesting \$250,000 cash funds from the Solid Waste Management Fund to assist local governments in addressing their inadequate landfills.

SUMMARY

- The Department released the Colorado Integrated Solid Waste and Materials Management Plan in June 2016. The Plan is designed to be a working document for the implementation of statewide and local changes to improve the management of solid waste.
- Currently 58 landfills are deemed inadequate in the Plan. Local governments responsible for these landfills must decide whether to improve the operation and maintenance, close the landfill, or improve the groundwater monitoring. The Plan estimates it will cost between \$21.1 million to \$35.2 million to address the issues at these 58 landfills.
- The Department has submitted a FY 2017-18 decision item for \$250,000 cash funds from the Solid Waste Management Fund to assist local governments with addressing the deficiencies at twenty-two of the inadequate landfills. This request falls short of what is required to address the issues and the Department did not provide a strong argument for how these funds will have a meaningful impact on improving local landfills.

DISCUSSION

In FY 2015-16 the Department requested and received \$250,000 cash funds from the Solid Waste Management Fund to contract out the development of a statewide landfill management plan. This was the second statewide plan because the first plan was developed in 1992 and had become outdated due to the state's population growth. The Colorado Integrated Solid Waste and Materials Management Plan was released in June 2016 and covered more than 300 pages. The Plan provides a comprehensive evaluation of Colorado's current waste disposal and materials management practices. Based on the evaluation, the Plan outlines the following statewide inadequacies in current waste disposal and materials management practices:

- Operating landfills outside of the requirements established by the Environmental Protection Agency (EPA) and adopted by the state of Colorado increases the risk to the human health and environment. Bringing landfills in Colorado into compliance with these regulations will help reduce the potential risk to human health and the environment.

- The absence of adequate groundwater monitoring systems and adequate sampling and analysis of the monitoring systems at landfills in Colorado has the potential to lead to groundwater contamination. Capital costs for groundwater monitoring systems and annual costs for sampling and analysis pale in comparison to the cost of remediation necessary to clean up the contamination.
- The Department’s past enforcement of the groundwater system and sampling requirements has been inconsistent which has left many owners frustrated with the Department’s inspection process and the approach of enforcement.
- During the review of the Department’s data, there was a lack of information collected from owners of landfills and transfer stations. As planning for future landfill development and potential partnerships moves forward, the access to total landfill capacity on a county, regional or state basis would benefit the planning process.

For landfills in Colorado, the Plan found through financial analysis that as landfills increase in size, the operational cost per ton decrease as shown in the following graph and as such, the creation of regional landfills would reduce the per ton fees associated with operating landfills. Assuming landfills that are closed can be replaced by drop-off locations or transfer stations, there should be minimal inconvenience to the public and may provide savings for the owner. There are two counties, Bent and Hinsdale, which have closed their smaller landfills and transferred their waste to larger landfills at minimal impact on citizens.

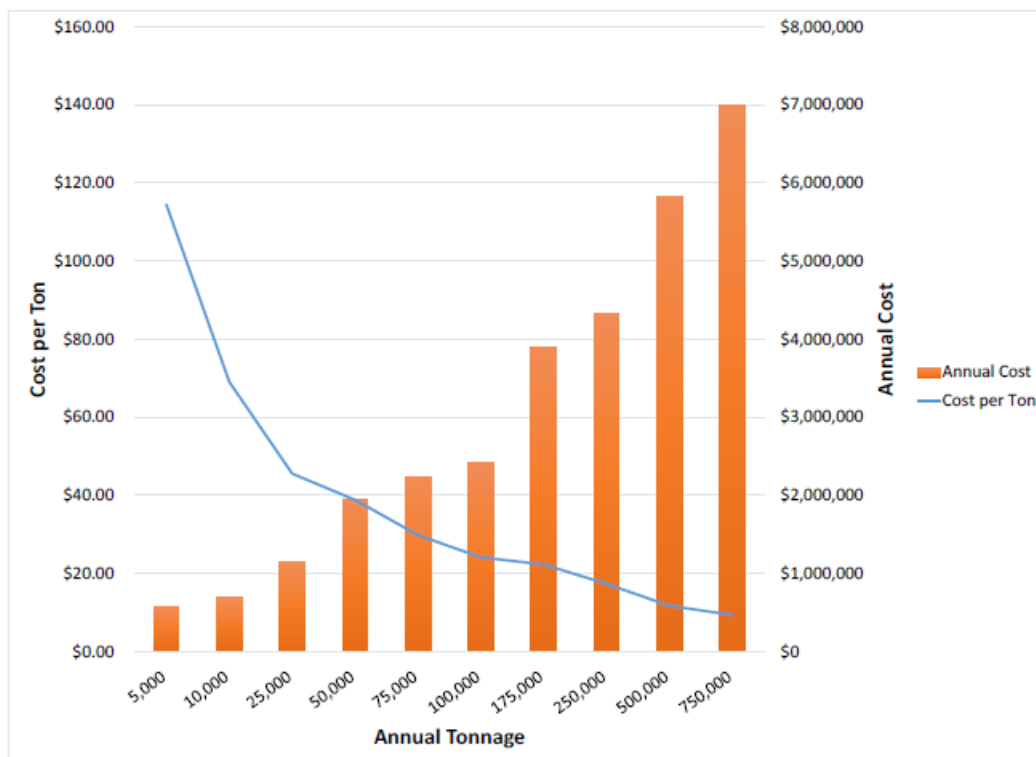


Figure ES-3: Landfill Cost Summary

The Plan is intended to facilitate the development of disposal, collection and diversion options for geographic regions and designed recommendations that can be used to develop cost effective and environmentally protective waste management and waste diversion systems. Recommendations were made on statewide and regional levels. The following five statewide recommendations are structure to be implementable by the Department over the next five years.

- 1 The Department needs to clearly and consistently enforce landfill regulations in order to reduce the risk associated with the disposal of solid waste to human health and environment.
- 2 For the landfills that have been inadequate for a number of years, the Department should outline the timing and regulation requires for the landfills to achieve adequacy or make decisions on future operations (such as regionalization)
- 3 The Department should provide technical assistance to cities and counties regarding landfill adequacy and related issues.
- 4 Achieving landfill adequacy or transitioning to regional landfills requires significant financial resources, so the Department should support the development of sustainable revenue sources for local programs.
- 5 There is a current lack of data collection on landfill adequacy and the Department should begin collection additional information on landfill adequacy to use for future planning processes.

The Plan also made three of recommendations for how local governments can meet landfill regulatory requirements, as well as improving operations to increase cost efficiencies and diversion of materials from landfills.

- 1 Consider Regionalization Options - given the substantial number of relatively small landfills that are inadequate with regard to the regulations, there could be a substantial benefit for these communities to explore regionalization options.
- 2 Evaluate Groundwater Monitoring - In accordance with Colorado and EPA regulations, facility owners need to install, maintain and regularly sample a groundwater monitoring system consisting of a sufficient number of wells, installed at appropriate locations and depths, to yield groundwater samples from the uppermost aquifer.
- 3 Implement Sustainable Funding Strategies - Facility owners need to better understand and pay for the costs of their disposal programs.

The following table from the Plan summarizes the number of landfills that are classified as inadequate based compliance with existing federal and state laws and regulations¹ and a score from the Department based on recent inspection information and review of the facility's approved design.

¹ In the Resource Conservation and Recovery Act (RCRA) 1984 Hazardous and Solid Waste Amendments, the U.S. Congress directed the U.S. Environmental Protection Agency (EPA) to develop regulatory authority over landfills and directed the preparation of landfill design and operating criteria that were protective of human health and the environment. The federal regulation is known as Subtitle D. In Colorado, the regulations meeting the minimum requirements in Subtitle D went into effect October 9, 1993 with some exceptions as outlined in rule based on Section 30-20-100.5, C.R.S.

COUNT OF INADEQUATE LANDFILLS BY REGION				
Region	Landfill Size	ADEQUACY CATEGORIES		
		Design & Operations	Groundwater	Closure
Front Range	Small	N/A	N/A	N/A
	Medium	N/A	N/A	N/A
	Regional	1	0	0
Mountains	Small	3	4	1
	Medium	0	1	0
	Regional	0	0	0
Eastern/Southeastern	Small	15	15	9
	Medium	4	2	0
	Regional	N/A	N/A	N/A
Western Slope	Small	0	0	0
	Medium	0	2	0
	Regional	0	1	0

For reference purposes the following table shows how landfills were categorized in the Plan.

LANDFILL SIZE CATEGORIES					
	Micro	Small	Medium	Medium- Large	Large
Minimum Annual Tonnage	0	10,001	40,001	100,001	500,001
Maximum Annual Tonnage	10,000	40,000	100,000	500,000	1,000,000
Avg. Airspace Utilization (lbs/cy)	800	1,000	1,100	1,200	1,400
Avg. Vertical Column of Waste (ft)	30	60	80	90	110

The following table from the Plan summarizes the cost estimates to address the inadequate landfills. Costs include closing costs, new site construction costs, and construction of adequate groundwater monitoring systems.

ESTIMATED COST OF ACHIEVING LANDFILL ADEQUACY BY REGION				
Region	Cell Closure 1	Cell Construction 2	Groundwater 3	Total
Front Range	\$900,000 -	\$1,987,500 -	\$0 -	\$2,887,500 -
	\$1,500,000	\$3,312,500	\$0	\$4,812,500
Mountains	\$562,500 -	\$1,237,500 -	\$165,000 -	\$1,965,000 -
	\$937,500	\$2,062,500	\$275,000	\$3,275,000
Eastern/Southeastern	\$4,612,500 -	\$10,837,500 -	\$487,500 -	\$15,937,500 -
	\$7,687,500	\$18,062,500	\$812,500	\$26,562,500
Western Slope	\$0 -		\$300,000 -	\$300,000 -
	\$0	\$0 - \$0	\$500,000	\$500,000
Cost Range ⁴	\$6,075,000 -	\$14,062,500 -	\$952,500 -	\$21,090,000 -
	\$10,125,000	\$23,437,500	\$1,587,500	\$35,150,000
1. Cell closure using water balance cover (Avg. costs: small - \$250,000; medium - \$600,000; regional - \$1,200,000)				
2. Cell construction using geosynthetic liner (Avg. costs: small - \$550,000; medium - \$1,550,000; regional - \$2,650,000)				
3. Groundwater wells to create adequate network (Avg. costs: small - \$30,000; medium - \$100,000; regional - \$200,000)				
4. Cost range is +/- 25% to account for variations in site conditions				

DEPARTMENT REQUEST R4

The Department is requesting \$250,000 cash funds from the Solid Waste Cash Fund to assist fifteen local governments with addressing twenty-two inadequate landfills. The request also includes roll forward authority for FY 2018-19 in the event the work is not completed in FY 2017-18.

Nearly all the inadequate landfills identified in this request lack liners, none have ground water monitoring systems, and most do not have daily operational activities in place including daily cover, pest removal, and litter mitigation. Consequences of continuing to operate landfills deemed as inadequate include: ground water contamination, nuisance conditions such as odor and wind-blown litter, lack of control of public access, and increased vector occurrences (insects, rodents, birds, etc.).

The issues at many of these landfills stems in part from waivers for ground water monitoring and liner requirements issued by the Division. The waivers were issued years ago based on unsubstantiated assumptions that low waste low equated to low ground water risk. Recently these assumptions have been disproven by the State of Wyoming which did a study that found 96.0 percent of small rural landfills have measurable amounts of ground water contamination, and 91.0 percent have groundwater contaminated above acceptable levels.

The Department’s request is solely based on the available uncommitted fund balance of the Solid Waste Management Fund and is not based on the financial costs associated with landfill changes. The Department indicates that for most of the local governments with one of these landfills, the cost to address the issues would be prohibitive.

The Department anticipates approximately half of the twenty-two landfills identified in this request will choose to close and the other half will install ground water monitoring systems. Closing a landfill will cost between \$50,000 to \$100,000. Installing a ground water monitoring system will cost between \$60,000 and \$80,000 per landfill. A landfill may choose to close if they are unable to generate enough revenue to pay for the operating expenses. The cost² to operate a small landfill ranges from \$253,462 per year to \$439,304 per year depending on the size

Staff is unclear how the Department will use the \$250,000 in a manner that is beneficial to the twenty-two landfills identified in the request. Based on the argument that these changes may be more expensive than local governments can afford, how will anything happen if the Department is unable to provide funding that is equal to a majority of the cost? The following is staff’s calculation of the cost range for bring these twenty-two landfills to adequate status based on the assumption half will close and half will install ground water monitoring systems.

TOTAL COST ESTIMATE		
	Cost per Landfill	Total Cost
Assume 11 landfills close - low end	\$50,000	\$550,000
Assume 11 landfills close - high end	100,000	1,100,000
Assume 11 landfills include ground water monitoring systems - low end	60,000	660,000
Assume 11 landfills include ground water monitoring systems - high end	80,000	880,000
Total - low end		\$1,210,000
Total - high end		\$1,980,000
Department request as percent of Total Cost - low end		20.7%
Department request as percent of Total Cost - high end		12.6%

² Costs include personnel, equipment operations and maintenance, amortized equipment purchases, amortized new lined disposal cell and closure of old cell, set-asides for future closure costs, and other costs such as professional/engineering fees, environmental monitoring, utilities, insurance, etc.

Staff is concerned that the request as submitted will not have a meaningful impact on improving the operation of small landfills. Staff does not believe appropriating additional cash fund spending authority will translate into additional dollars because of hesitation on raising fees due to TABOR impacts. The following chart summarizes the balance of the Solid Waste Management Fund and uncommitted reserve.

SOLID WASTE MANAGEMENT FUND					
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Beginning Balance	\$1,417,490	\$1,209,796	\$1,046,302	\$833,919	\$958,919
Revenue	3,493,148	3,902,077	3,987,617	4,250,000	4,500,000
Expenditures	(3,700,842)	(4,065,571)	(3,950,000)	(4,125,000)	(4,200,000)
FY 2017-18 R4	0	0	(250,000)	0	0
Ending Fund Balance	\$1,209,796	\$1,046,302	\$833,919	\$958,919	\$1,258,919
16.5% Reserve	610,639	670,819	651,750	680,625	693,000
Reserve Above 16.5%	\$599,157	\$375,483	\$182,169	\$278,294	\$565,919

If the Committee decides to support the Department's efforts to assist local governments with bringing their landfills into good standing, staff would recommend the Committee consider appropriating additional General Fund for this purpose during the figure setting presentation. In order to assist the Committee with deciding if this is a good use of General Fund dollars, staff would recommend the Department discuss at their hearing the total cost associated with completing the work required to bring landfills into adequate standing.

ISSUE: CERCLA AND HAZARDOUS SUBSTANCE RESPONSE FUND

The Department has some regulatory and financial response for the twenty-six Colorado Superfund sites. The State's long-term financial obligation for the cleanup and maintenance of Superfund sites is currently estimated to be \$65.5 million. These expenses are paid for by the Hazardous Substance Response Fund. Based on a statutory fund balance cap the Department projects by FY 2023-24 the Fund will be insolvent and unable to pay for Superfund costs.

SUMMARY

- The Department has some regulatory and financial response for the twenty-six Colorado Superfund sites. The majority of these sites are in the initial planning or active clean up phase. Ten years after a site has been fully cleaned up (remediated) the State is responsible for 100.0 percent of the ongoing operation and maintenance costs. Prior to this time, costs are split 90.0 percent 10.0 percent between the federal government and the State.
- The State's long-term financial obligation for the operation and maintenance of Superfund sites (excluding inflationary increases) is \$65.5 million. These expenses are paid from the Hazardous Substance Response Fund. Based on a statutory fund balance cap the Department projects by FY 2023-24 the Fund will be insolvent and unable to pay for Superfund costs.
- The Department is working on developing a sustainable solution for the Hazardous Substance Response Fund so that the State is able to meet Superfund obligations without using General Fund dollars. Staff anticipates presenting the proposed solution to Committee during the Department's figure setting presentation.

DISCUSSION

Every other year the Department provides a request for information on the status of Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, or Superfund) site cleanups. The Superfund process starts by identifying what the problems are, then determines how to clean up the site, constructs the remediation, and if needed, end with ongoing site operation and maintenance. An example of a construction remedy is a water treatment plant. When a site is identified and classified as a Superfund site it is added to the National Priorities List. Once the site has been cleaned up based on the goals set at the beginning of the Superfund process it is removed from the National Priorities List.

The role of state and federal regulators is determined by the type of Superfund site. For sites with viable responsible parties, the Department generally acts as a support agency to the Environmental Protection Agency (EPA) in overseeing the site cleanup. Cleanup costs are funded by the responsible parties whenever possible. If there is no viable responsible party, EPA and the Department share cleanup costs under a 90 percent EPA, 10 percent Department split. Sites where the government pays for the cleanup are called fund-lead, and sites where is a responsible party that pays a portion of the costs are called orphan shares. The cost of site cleanup and oversight for federal government owned Superfund sites is entirely paid for by the federal government. For sites

with a responsible party, like the Rocky Mountain Arsenal, the Department oversight costs were initially paid for from the Hazardous Substance Response Fund then recovered from the U.S. Army and Shell Oil Company and returned to the fund.

Due to the multifaceted and long-term nature of Superfund cleanups, appropriations for the Superfund program appear in a number of line items. Operating costs are appropriated in the Department's Long Bill section, while capital construction appropriations appear in the Capital Construction section. Capital construction appropriations are requested to pay for site cleanup costs when the Department must cost share at the 90/10 federal state rate. Funds received as a result of settlements are not reflected in the Long Bill because these are custodial funds that do not require appropriation. Hazardous Substance Response Fund (HSRF) and the Natural Resource Damage Recovery Fund (NRDRF) house custodial funds.

SUMMARY OF SUPERFUND SITE APPROPRIATIONS AND EXPENDITURES					
SUPERFUND SITE	LONG BILL APPROPRIATIONS			CUSTODIAL FUNDS	
	OPERATING BUDGETS		CAPITAL CONSTRUCTION		
	CONTAMINATED SITE CLEANUPS	ROCKY FLATS	SUPERFUND SITE CLEANUPS	HRSF	NRDRF
Bonita Peak Mining District	X				
Broderick	X				
California Gulch	X		X		X
Captain Jack Mill	X		X		
Clear Creek	X		X		
Chemical Sales	X		X		
Colorado Smelter	X				
Cotter (Lincoln Park)				X	X
Denver Radium (Shattuck)	Completed			X	X
Eagle Mine				X	X
Globeville Smelter	X			X	X
Idarado				X	X
Lowry Landfill	X				X
Marshall	X				
Nelson Tunnel	X		X		
PJKS (Martin Marietta)	X				
Rocky Flats		X			
Rocky Mountain Arsenal	X				X
Sand Creek	X				
Smelertown	Completed			X	
Smuggler Mine	Completed				
Standard Mine	X		X	X	X
Summitville	X		X	X	X
Uravan				X	X
Vasquez/I-70	X		X		
Woodbury	Completed				

OUT YEAR SUPERFUND COSTS

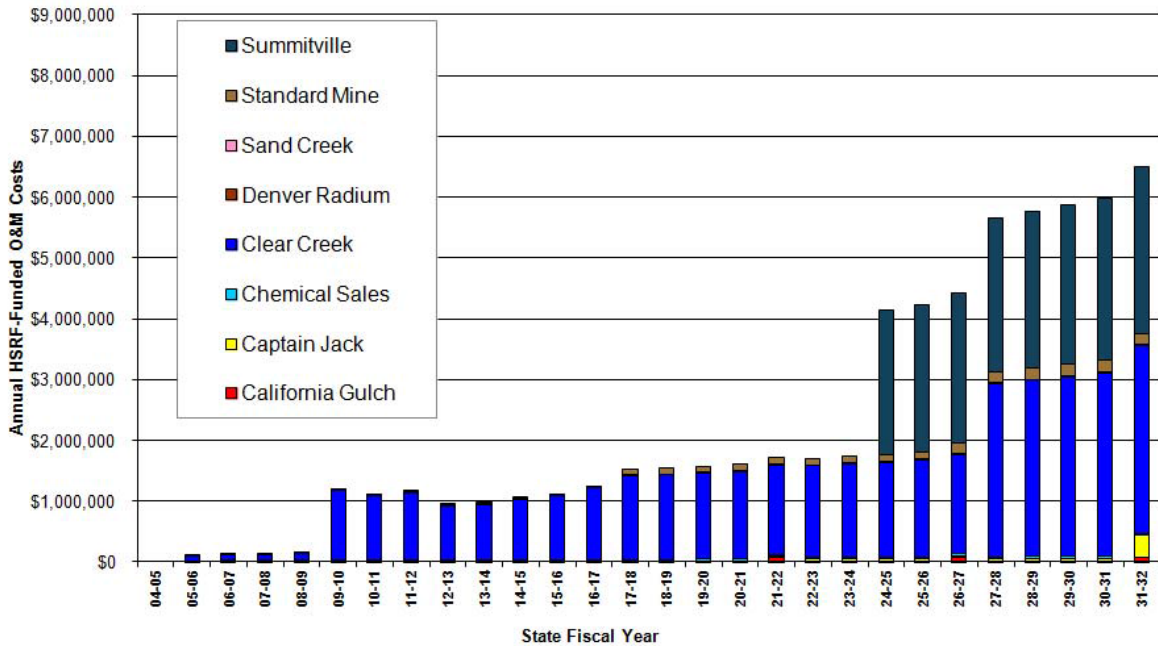
Long-term Superfund funding requirements fall into two categories, remedial action costs and operating and maintenance costs. The costs shown in the following table provided by the Department reflects the 10.0 percent state share of Superfund construction costs. Once construction is complete, Superfund requires the State assume 100.0 percent of the cost for ongoing maintenance and operation of the site. For groundwater restoration sites, the Environmental Protection Agency has the discretion to cost-share at a rate of 90.0 percent federal, 10.0 percent state for the first ten years of operation and maintenance.

LONG TERM STATE SUPERFUND COSTS			
Site	Remedial Action Costs	Operations & Maintenance Costs	Site Total
California Gulch	\$1,670,650	\$190,740	\$1,861,390
Captain Jack Mill	707,198	2,808,576	3,515,774
Chemical Sales	47,492	571,046	618,538
Clear Creek	2,067,021	26,633,802	28,700,823
Denver Radium - All Other	0	204,010	204,010
Nelson Tunnel	1,247,245	0	1,247,245
Sand Creek	0	72,565	72,565
Summitville	(1,807,984)	26,579,619	24,771,635
Standard Mine	875,573	3,599,736	4,475,309
TOTAL	\$4,807,195	\$60,660,093	\$65,467,288

The costs for Summitville are shown as a negative because of how the Department reflects the use of settlement funds to pay for site costs. Not included in the graph is the current and future cost of the Bonita Peak site (where the Gold King mine is located) because the site is currently in the beginning steps of the Superfund process. No state funding will be required until the site reaches the remediation phase at which time the Department will know what the remedy is and the expected cost. The Bonita Peak site is not anticipated to reach the remediation phase for a number of years. The graphic on the following page shows the state's Superfund financial obligations through FY 2031-32. The jump in FY 2024-25 is due to the State taking over 100.0 financial responsibility for the operation and maintenance at the Summitville site.

Potential Change in the Cost Sharing for Acid Mine Drainage Treatment

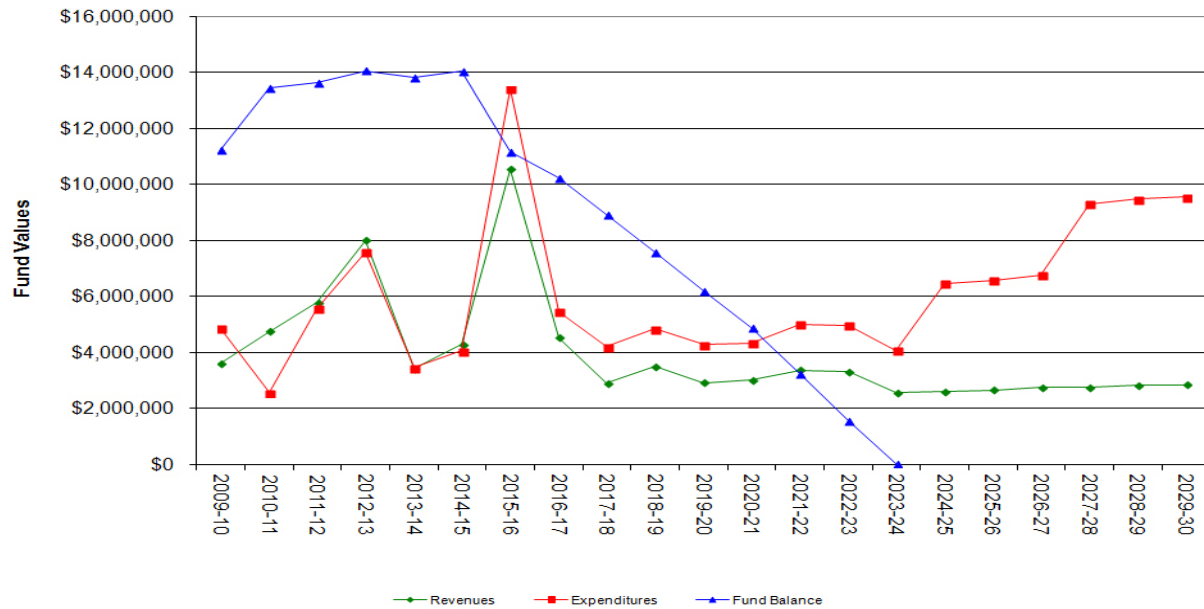
In the federal language for the Superfund Program, some remedies can be classified as "long-term restoration activities." Acid mine drainage has historically qualified as a long-term restoration activity because the remedy is treating the water runoff and not the source of the contamination. Therefore the remedy has never been able to restore the source to its pre-pollution conditions. In response to financial pressures at the federal level, EPA issued a 2005 draft policy to exclude acid mine drainage from the list of long-term restoration activities eligible for the 10 year operation and maintenance cost share. There are three Superfund sites with this remediation that could be impacted by the loss of the federal funds which would shorten the time until the Hazardous Substance Response Fund is insolvent. In December 2013, EPA informed the Department that the Central City/Clear Creek North Fork Mine Water Treatment Plan which is a restoration activity would be eligible for the 10 year operation and maintenance cost share. It is not likely if the draft rule becomes final this site would be impacted, but any subsequent mine water treatment plant would likely be ineligible for EPA cost share.



HAZARDOUS SUBSTANCE RESPONSE FUND

The Hazardous Substance Response Fund receives revenue from the tipping fee charged at landfills. Historically the Department’s goal was to set the fee so that the Fund would build a balance to a level equal to the total cost of the state’s current and future Superfund obligations. This goal was derailed in FY 2008-09 and FY 2009-10 when the General Assembly transferred a total of \$32,468,517 from the Hazardous Substance Response Fund to the General Fund.

In response to the transfers, legislation was passed during the 2010 Session which capped the fund balance at \$10.0 million. Capping the fund balance limits the Department’s ability to ensure future Superfund costs can be met without General Fund. The Department estimates with the cap and upcoming Superfund costs the HSRF will remain solvent until 2023. In order to payback the Hazardous Substance Response Fund, the General Assembly transferred \$10.0 General Fund to the Hazardous Substance Site Response Fund in 2014. This money intended for future operation and maintenance costs of Superfund sites. The following graphic provided by the Department shows, without the Hazardous Substance Site Response Fund, the HSRF will be unable to meet future Superfund obligations. If the moneys in the Hazardous Substance Site Response Fund are accounted for, the insolvency of the HSRF is delayed up to two years.



Future of the Hazardous Substance Response Fund

There are two issues facing the Hazardous Substance Response Fund, the first is a clash of statutory reserve requirements and the second is how to ensure the Hazardous Substance Response Fund is able to pay for the State’s long-term Superfund obligations. On the first issue, Section 24-75-402 (5) (j), C.R.S. exempts the Hazardous Substance Response Fund from the 16.5 percent uncommitted cash fund balance limit. This section repeals July 1, 2017 and there is no request from the Department to extend this provision. Section 25-16-104.6 (1) (a), C.R.S. limits the HSRF balance to 10.0 million. Currently statute is foggy on the consequences the Department would face if the fund exceeds 16.5 percent at the end of FY 2017-18 because of the \$10.0 million cap. It would be beneficial to clarify what the reserve limit is for Hazardous Substance Response Fund.

The second issue is looks at how to ensure the Fund has enough revenue to pay future Superfund costs without requiring General Fund dollars. The tipping fee is statutorily capped at \$0.50 per ton and set by the Hazardous and Solid Waste Commission. In 2010 the fee was set at \$0.16 per ton. Due to higher than expected revenues and lower expenses resulting from multiple economic factors, the fee had to be reduced to keep the HSRF below the \$10.0 million limit. The fee was again lowered to \$0.05 per ton on July 1, 2012. The fee is set at level which enables the Department to pay for current Superfund expenses but is not set at a level which allows the Department to have sufficient resources to pay for future Superfund costs. Additionally the General Assembly passed H.B. 16-1141 (Radon Exposure in Buildings) which allowed a new program to use the Hazardous Substance Response Fund without an associated increase in revenue. While adding a small program to the allowable uses of the Hazardous Substance Response Fund is not a current problem, it will be an issue when the State’s Superfund costs increase.

Any solution to the problems facing the Hazardous Substance Response Fund will most likely require legislation and stakeholder input, staff will work with the Department prior to figure setting on a proposed solution. Staff will present this proposal to the Committee for consideration during the figure setting presentation.

ISSUE: WASTE TIRE PROGRAM

The Waste Tire Market Development Program and the End Users Rebate repeal on January 1, 2018. The Department's request reflects the repeal by reducing the appropriations. However eliminating the end user rebate and Market Development Program could negatively impact the State's ability to meet the statutory deadline for eliminating waste tire monofills. Any statutory change to continue these two waste tire programs will have a TABOR impact, as current forecasts assume the elimination of a portion of the waste tire fee.

SUMMARY

- The Waste Tire Program has undergone numerous legislative changes over the past five years in an effort to make it an effective program that eliminates the dumping of waste tires into monofills. The most recent legislative changes included a repeal of the Waste Tire Market Development Program and end user rebate on January 1, 2018.
- Section 30-20-1415, C.R.S. prohibits, after January 1, 2018, the placement of tires into monofills and requires all waste tire monofills be eliminated or closed by July 1, 2024. Without the incentive provided by the End User Rebate, it is likely that the end use of waste tires will decrease, reducing the possibility of eliminating the waste tire monofills by 2024. Additionally the prohibition of new waste tires being placed into monofills after January 1, 2018 likely means the number of waste tires simply dumped into regular landfills will increase.
- On January 1, 2018, the waste tire fee is reduced from \$1.50 per tire to \$0.55 per tire. This reduction in cash fund revenue is incorporated into the economic forecasts for FY 2017-18 and beyond. Any change to the waste tire fee will increase projected revenue in FY 2017-18 and have TABOR implications.
- The current end user rebates are a fixed dollar amount per ton, regardless of how much it costs end users to use the tires. If the end user rebate is continued, the rebate should be structured to reflect the end user's cost of doing business so the fee can be set at a level that incentivizes businesses to use waste tires, but does not result in excess revenue collection.

DISCUSSION

Waste Tire Program Overview

The Waste Tire Program is comprised of three programs: Waste Tire Administration, Clean-up and Enforcement Program, Market Development Program, and End User Rebates. The Administration, Clean-up and Enforcement Program is responsible for ensuring tire sellers are collecting the require fee on waste tires and enforcing the laws governing the disposal and resale of waste tires. This program also provides grants to local governments and counties to pay for the cleanup of illegally dumped waste tires and to provide incentives for activities which reuse waste tires. An example of an activity which reuses waste tires is the installation of tire chips at playgrounds. Prior to January 1, 2018 this program receives 35.0 percent of waste tire fee revenues. After January 1, 2018, this program will receive 100.0 percent of the \$0.55 per tire fee. The following table summarizes the number and size of known illegal waste tire sites.

ILLEGAL WASTE TIRE SITE BY COUNTY		
County	# of Identified Illegal Waste Tire Sites	Estimated # of Waste Tires
Douglas	1	100,000
El Paso	1	5,000
Elbert	1	12,000
Fremont	2	250
Jackson	1	100
La Plata	1	500
Lake	1	50,000
Larimer	2	177,000
Logan	2	144,000
Mesa	2	53,000
Montezuma	4	1,150
Montrose	2	700
Routt	1	1,000
Saguache	1	6,000
Weld	4	32,430
Total:	26	583,130

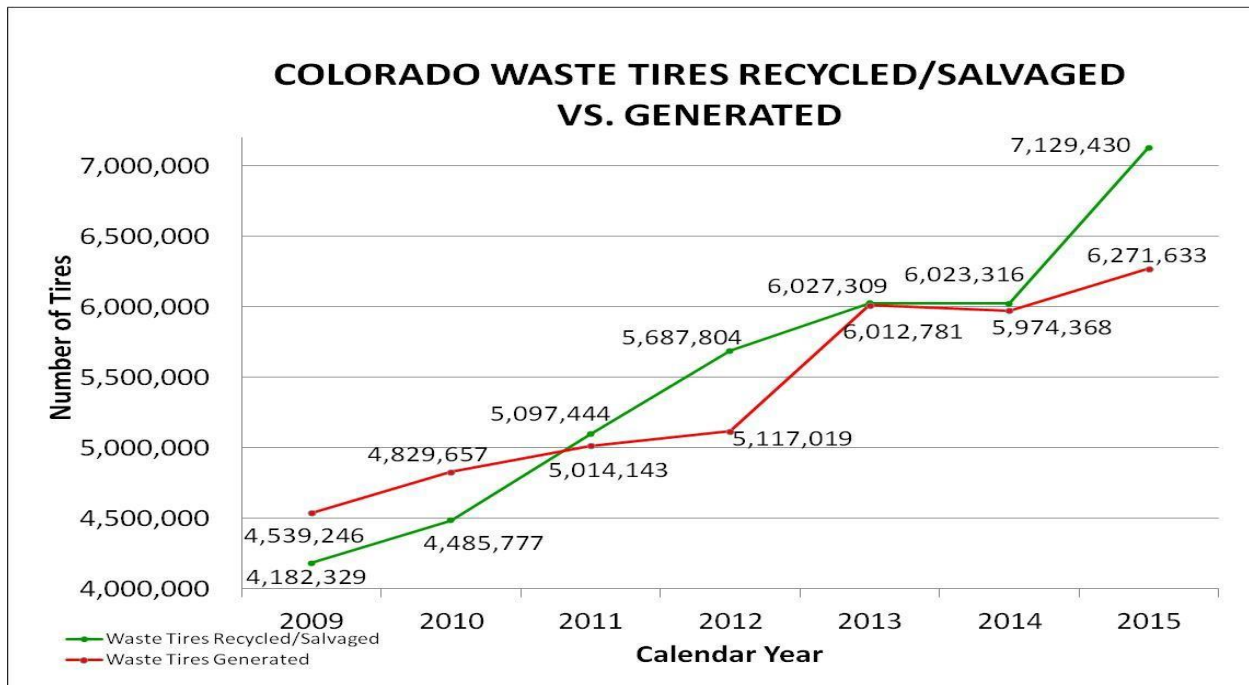
The Market Development Program is designed to provide grants to businesses and industries to incentivize the development of markets that can utilize waste tires. Examples include using waste tires as fuel, making molded products out of waste tires, or using waste tires for the rubber on athletic fields. The Waste Tire Market Development Fund receives 5.0 percent of annual waste tire revenue. This program is scheduled to repeal on January 1, 2018.

The End Users Rebate provides monthly rebates to in-state end users, retailers who sell tire-derived products, and processor of Colorado waste tires who sell their tire-derived products to out-of-state end users. An end user is defined as a person who uses a tire derived product for a commercial or industrial purpose, to generate energy or fuel, or makes a new material that is sold. A retailer is a person who sells a small quantity of tire-derived product to a customer. A processor is eligible when they sell their tire-derived product to an out-of-state end user. The monthly end user rebate is statutorily capped at \$80 per ton. The End Users Fund receives 65.0 percent of the annual waste tire revenue and is scheduled to repeal on January 1, 2018. Due to the number of statutory changes and temporary cap set on the end user rebate, there was a significant fund balance in the End User Fund at the beginning of FY 2016-17. Currently, the End User Rebate is set at the maximum level of \$80 per ton. This level does not necessary reflect the cost of end users using waste tires, but is an artificial cap that was established in statute.

A waste tire monofill is a solid waste disposal facility that only accepts waste tires. Pursuant to Section 30-20-1415 (1) (k), C.R.S., waste tire monofills will be prohibited from accepting new waste tires after January 1, 2018 and must be closed by July 1, 2024.

THE PROBLEM

In 2015, 100.0 percent of the 6,271,633 waste tires generated in Colorado were salvaged or recycled because of the end use markets for waste tires. If the end user rebate is repealed, it is unlikely the existing market demands for waste tires will continue, leading to a gradual re-accumulation of waste tire dumps and monofills. The initial development of the Waste Tire Program was caused by the large and growing number of waste tire monofills in the State and was intended to provide a path for eliminating the monofills. The following graphic from the Department’s annual Waste Tire Program report shows the State recycling more waste tires than are being generated.



Since the end user rebate is scheduled to sunset on January 1, 2018, attempts to extend the end user rebate may occur during the upcoming session. As previously stated, any extension of the waste tire fee at the current level will have a TABOR impact, but extending the fee may be an important factor in encouraging businesses to use waste tires and limiting the growth of waste tire monofills. Establishing and supporting businesses which utilize waste tires is essential if the state wants to continue working towards eliminating the waste tire monofills by 2024. One option for the Committee to consider and discuss with the appropriate committees of reference is to establish a new fee specific for end user rebates and allow the current repeal to happen. This option would avoid having to readjust the existing fee distribution while still continuing to providing an incentive for the end use of waste tires. The rebates should be structured to reflect the cost of doing business so that end users are financially incentivized to use waste tires but the State is not collecting more revenue than is needed.

ISSUE: VOLKSWAGEN EMISSIONS SETTLEMENT

The Air Pollution Control Division will receive up to \$61.3 million as a result of the nationwide settlement with Volkswagen regarding their use of emission testing defeat devices. Based on the anticipated timeline, the Division is expected to be able to start accessing the funds in late 2017.

SUMMARY

- Volkswagen admitted to installing an emission defeat device on certain engines from model years 2009 to 2015. The purpose of the defeat devices was to reduce vehicle emissions during testing so that vehicles would appear to have better performance and emission standards.
- In June 2016, Volkswagen agreed to spend up to \$14.7 billion to settle claims from vehicle owners and to fund projects that will reduce emissions of nitrogen oxides. The \$14.7 billion will be split three ways: \$10.3 billion to buy back or terminate leases which may include vehicle modifications and a minimum 85% recall rate; \$2.0 billion investment to increase the use of zero emission vehicles over ten years; and \$2.7 billion Environmental Mitigation Trust Fund that allocates specified amounts to states to implement certain emission reduction projects.
- Colorado's share of the Environmental Mitigation Trust Fund is \$61.3 million. The purpose of this money is to support activities which will reduce emissions of nitrogen oxides where the vehicles covered by the settlement were, are, or will be operated.
- Since the Division plans to grant out the \$61.3 million but is not structured or staffed to issue and review grants, the Division is exploring the possibility of contracting out the review and approval of grant applications.

DISCUSSION

Volkswagen admitted to installing an emission defeat device on certain engines from model years 2009 to 2015. The purpose of the defeat devices was to deceive the Environmental Protection Agency by evading the Federal Test Procedure. The Federal Test Procedure is a series of tests defined by the US Environmental Protection Agency (EPA) to measure tailpipe emissions and fuel economy of passenger cars (excluding light trucks and heavy-duty vehicles). The defeat device was designed to recognize the Federal Test Procedure and recalibrate the engine so it ran below normal power and performance levels in order to pass the test. In normal drive mode the engine would have more horsepower and better acceleration than test conditions resulting in a higher emission of nitrogen oxide pollutants by up to 40.0 percent³.

More than 11.0 million diesel vehicles worldwide have this device, of which 482,000 were in the United States. Specific to Colorado there are approximately 9,350 vehicles with the defeat device and of those, 6,065 are located in the Ozone Non-attainment Area.

³ Information was provided by the Department of Public Health and Environment in a November 7, 2016 presentation to stakeholders.

Volkswagen agreed in June 2016 to spend up to \$14.7 billion to settle claims from vehicle owners and to fund certain mitigation projects to reduce emissions of nitrogen oxides. The final settlement was approved by the U.S. District Court for the Northern District of California on October 25, 2016. The \$14.7 billion settlement includes:

- \$10.3 billion to buy back or terminate leases which may include vehicle modifications and a minimum 85% recall rate;
- \$2.0 billion investment to increase the use of zero emission vehicles over ten years; and
- \$2.7 billion Environmental Mitigation Trust Fund which is allocated to states, based on the number of vehicles in each state with the defeat device, to be used for emission reduction projects.

Colorado’s portion of the \$2.7 billion Environment Mitigation Trust Fund is \$61.3 million which must be spent on eligible projects over, at most, a 10 year period. The purpose of the Environment Mitigation Trust Fund is to reduce nitrogen oxides emissions where the vehicles covered by the settlement were, are, or will be operated. Eligible projects are those which “mitigate the impacts of nitrogen oxides emissions on communities that have had a disproportionate share of the adverse impacts of such emissions⁴.” Eligible projects include funding to replace or repower heavy and medium-duty trucks, transit buses, shuttle buses, school buses, freight switcher locomotives, and airport ground equipment. In addition, the money be used for incentives for light-duty Zero Emission Vehicle Supply Equipment. Money can be used to cover up to 100.0 percent of government owned eligible trucks, and up to 75.0 percent for non-government vehicles. The following is the Division’s anticipated timeline of the distribution of funds from the settlement.

ENVIRONMENT MITIGATION TRUST FUND TIMELINE	
Event	Approximate Time Frame
Court approved the partial settlement	October 25, 2016
Trust takes effect	Spring 2017
States elect to become beneficiaries, States notified of beneficiary designation	Summer - Fall 2017
Colorado solicits applications	Summer 2017
Colorado files a Beneficiary Mitigation Plan	Fall 2017
Colorado may request funds	Fall 2017
Colorado begins to receive funds	End of 2017

The Regional Air Quality Council (RAQC) was established in 1989 to serve as the lead air quality planning agency for the Denver metropolitan area. In July 2013, the RAQC was designated as the lead air quality planning agency for the Denver metropolitan area and the Denver Metro/North Front Range Ozone Non-Attainment Area. The mission of the Regional Air Quality Council is to develop and propose effective and cost-efficient air quality planning initiatives with input from government agencies, the private sector, stakeholder groups, and citizens of the Denver metropolitan region. Its primary task is to prepare state implementation plan elements that demonstrate and ensure long-term compliance with state and federal air quality standards and provide acceptable public health and environmental protections to those residing in the Denver

⁴ Information is from the Partial Consent Decree, Appendix D, 5.2.10.

metropolitan area, as well as the North Front Range area, as appropriate.⁵ The Division is exploring, among other options, using the RAQC for grant application reviews and approvals in light of the RAQC's experience overseeing federal and state air quality monies for discrete projects. Ultimately whatever option the Division selects, the Division will monitor expenditures to ensure compliance with state fiscal rules.

The Division is working on determine what mechanisms will be used to hold and distribute the funds. Since this money is the result of a legal settlement, similar to funds that are received for natural resource damages, they are not subject to the TABOR limit. The Division is looking at whether a structure similar to how moneys received from Superfund settlements and placed in a cash fund would work for these funds. Depending on what the Division determines, staff may present a recommendation during figure setting related to this issue.

⁵ Information from the Regional Air Quality Council website. http://raqc.org/who/category/about_us/

ISSUE: CLEAN WATER PROGRAMS

The Department is requesting the Committee sponsor legislation to adjust clean water sector fees in order to generate additional revenue for the Clean Water Program. If there is not a legislative adjustment to the fees, it is likely the Clean Water Program will have to reduce expenditures and staff because of insufficient revenue. The Small Communities Water and Wastewater Grant Fund received revenue for the first time in FY 2014-15 because of high Severance Tax collections. The Grand Fund must be used for the planning, design, and construction of drinking water or water treatment systems.

SUMMARY

- The Division has received one-time General Fund appropriations to help sustain the work of the Clean Water Sectors while the Division worked internally and with stakeholders to develop a proposal for increasing General Fund and fees. The latest iteration of the proposal for revenue increases has been submitted to the Committee as the Department's first decision item for FY 2017-18.
- The Department's request is based on establishing a General Fund to cash fund funding ratio for each sector. Overall the Department's request would increase sector specific fees between 2.0 percent to 61.0 percent, depending on the sector.
- There are four alternatives provided for discussion regarding a long-term funding structure for the sectors. One of those options is the Department's request and the other three options are funding the sectors at different General Fund/Cash Fund ratios.
- The Water Quality Improvement Fund has a significant cash fund balance for which the Department has not requested spending authority. None of the other environmental programs have a cash fund to which fines for environmental violations are credited. Fines from the other environmental programs administered by the Department are credited to the General Fund.
- The Small Communities Water and Wastewater Grant Fund receive Severance Tax money for the first time in FY 2014-15. The total amount of revenue credited to the Grant Fund in FY 2014-15 and FY 2015-16 is \$28.8 million.

RECOMMENDATION

Staff recommends the Committee sponsor legislation that:

- Adjusts the Clean Water Fees so that each sector is funded based on a 50/50 General Fund/cash fund ratio for three years, after which each sector is funded at a 20/80 General Fund/cash fund ratio;
- Repeal the Water Quality Improvement Fund and transfer fund balance to the General Fund;
- Expand the allowable uses of the Small Communities Water and Wastewater Treatment Fund so water quality improvement projects can be funded from this source.

DISCUSSION

CLEAN WATER SECTORS 101

The Commerce and Industry Sector permits and regulates commercial and industrial operations whose activities result in a permitted discharge to waters of the State. Regulated entities include private business enterprises with operations in areas such as mining, oil and gas extraction, electrical power generation, food processing, automobile salvage, and timber harvesting. A small portion of stakeholders are public entities with discharge permits related to services such as airport operations and fish rearing operations.

The Construction Sector permits and regulates construction project owners and operators whose activities are subject to Colorado Water Quality Control Act. Regulated entities include home builders, transportation and utility project owners and contractors, and industries such as oil and gas operators who construct access roads and utilities.

The Municipal Separate Storm Sewer Systems (MS4s) Sector permits and regulates MS4s that discharge to state waters. This sector includes a conveyance or system of conveyances that is owned by a city, town, village, or other public entity that discharges to water of the State, and is designed to collect or convey stormwater (including storm drains, pipes, ditches, etc.). An MS4s is not a combined sewer or part of a Public Owned Treatment Works (sewage treatment plant). Regulated entities include cities, towns, villages, or other public entities.

The Pesticides Sector permits and regulates entities involved with pesticide applications, including those with control over a decision to perform a pesticide application and those who perform the applications. Regulated entities include state agencies, municipalities, special districts and private enterprises such as irrigation companies and commercial pesticide applicators.

The Public and Private Utilities Sector permits and regulates the operation of sewage systems/domestic waste water treatment works, public water systems/water treatment facilities, and reclaimed water systems. Regulated entities are primarily municipalities and special districts, but also includes public entities providing services such as rest areas and campgrounds, private entities providing services such as housing (mobile home parks) and recreation (hotels and campground) facilities, and private industrial and commercial entities discharging into a publicly owned treatment works.

The Water Quality Certifications Sector assesses the impact to water quality from various types of federally permitted actions related to water supply, distribution and other construction projects that may require mitigation and post-construction monitoring. Regulated entities include the four known large water development projects (the Moffat Collection System Project, the Windy Gap Firming Project, the Northern Integrated Supply Project, and the Halligan Seaman Water Management Project). Other smaller federally permitted projects including water development and habitat restoration projects will require the services of this sector.

A BRIEF HISTORY OF CLEAN WATER PROGRAM FUNDING

FY 2013-14 Additional Funds and Associated FTE

The General Assembly appropriated \$839,577 General Fund and 12.3 FTE to address staffing shortages. The recommendation made at the time included a statutory change to enable the Division to generate revenue through fees to cover the costs of 8.3 FTE of the 12.3 FTE. Since the generation of revenue required statutory change, the General Assembly appropriated General Fund for all 12.3 FTE in the FY 2013-14 Long Bill. No legislation was passed to generate additional cash fund revenue.

FY 2015-16 Long Bill Changes

The FY 2015-16 Long Bill included a change to the Long Bill structure for the Clean Water Sectors so that each sector had a distinct line item. This change allowed the Department to begin tracking sector specific expenditures and FTE. Prior to this change all the sectors were funded from a single line item making it difficult to track expenditures by sector. House Bill 15-1249 (Recodify Water Pollution Control Fees) addressed how the Division tracked sector specific revenue. Lastly the General Assembly approved a one-time \$282,480 General Fund increase for FY 2015-16. It was known at the time that without statutory fee changes the Division would require additional General Fund in future years.

FY 2016-17 Changes

House Bill 16-1413 (Refinance Water Pollution Control Program) made the following changes:

- Created sector specific cash funds;
- Allowed for FY 2016-17 and FY 2017-18, if the revenues from a specific sector are inadequate to cover the direct and indirect costs of that sector, the revenue from another sector cash fund to pay for those costs that could not be covered;
- Required the Department to conduct a stakeholder process to determine sector specific fees required to support each sector and development a proposal which must be submitted to the Joint Budget Committee by November 1, 2016; and
- Required an annual report to the Joint Budget Committee outline sector specific expenditures by fund source and revenues by fund source.

Additionally H.B. 16-1413 appropriated \$1,208,007 General Fund to three clean water sectors in order to keep those sectors whole for FY 2016-17 while the Department worked through a long-term solution.

FY 2017-18 REQUEST

The Department is requesting the Committee sponsor legislation to adjust the fees for the sectors and to increase to the appropriation for the Clean Water Sectors by \$1,208,007 total funds, of which \$433,042 is General Fund and \$774,965 is cash funds. The proposed fee changes will allow the Division to maintain services at the current level and build 10.0 percent cash fund reserve. The fee changes are based on sector specific General Fund/cash fund ratios as summarized in the following table.

DEPARTMENT'S PROPOSED GENERAL FUND TO CASH FUND		
SECTOR	GENERAL FUND	CASH FUNDS
Commerce and Industry	50%	50%
Construction	20%	80%
MS4	50%	50%
Pesticides	94%	6%
Public and Private Utilities	50%	50%
Water Quality Certification	5%	95%

The above General Fund/cash fund ratios equate to fee increases for all sectors except the construction section, which saw fee increase in FY 2016-17 as a result of H.B. 15-1249.

DEPARTMENT REQUESTED CASH FEE INCREASES		
CLEAN WATER SECTOR	FEE INCREASE	CASH REVENUE INCREASE
Commerce and Industry	61%	\$602,129
Construction	0%	0
MS4	30%	42,923
Pesticides	2%	0
Public and Private Utilities	22%	213
Water Quality Certification*	2*	437,996
*For Water Quality Certifications, the department recommends that Tier 1 and Tier 2 fees for water quality certifications be increased by 2% to build a fund balance for this sector over a five- year period. Tier 3 and Tier 4 fees are based on recovering actual costs.		

The Department recommends a July 1, 2017 effective date for fee increases to align with the state fiscal year and minimize the need for additional one-time General Fund appropriations. An effective date beyond July 1, 2017 would result in the Department needing additional General Fund to maintain services until the fees are changed, and is therefore not recommended. The Department did a good job of conducting an efficient stakeholder process over the summer and periodically requested, and received, feedback from stakeholders on the draft and final recommendations.

ALTERNATIVE SECTOR FUNDING RATIOS

The Department's recommendation is acceptable to stakeholders based on the feedback received. For the Committee's consideration, staff presents the following alternatives for how to fund the Clean Water Sectors:

- Alternative 1 - Completely cash fund the increase, while maintaining the current level of General Fund.
- Alternative 2 - Fund the sectors, except Water Quality Certification, at a 20.0 percent General Fund, 80.0 percent cash funds.
- Alternative 3 - Fund the sectors as requested by the Department.
- Alternative 4 – Fund the sectors at the Department's requested ratios for three years. After that, each sector, except Water Quality Certification, is funded at a 20/80 ratio.
- Alternative 5 - Select a different General Fund/cash fund ratio for each sector.

The following matrix, included in last year's issue brief, was staff's attempt to try and correlate the public and private benefit of regulation into a General Fund/cash fund funding ratio. The "cash fund percentages" are based on the industries that comprise the sector and would be paying the fee. The "General Fund percentages" are based on who benefits from the program. The point of the matrix is to demonstrate that the funding ratio is a policy decision without a single right or wrong answer.

Clean Water Sector Funding Percentage Matrix		Cash Fund Percentage				
		All public sector fee payers	Mostly public sector fee payers	Half private sector, half public sector fee payers	Mostly private sector fee payers	Only private sector fee payers
General Fund Percentage		0	20	50	80	100
Only private sector benefit	0					0/100
Primarily private sector benefit	20				20/80	
Half private sector, half public benefit	50			50/50		
Mostly public sector benefit	80		80/20			
Only public sector benefit	100	100/0				

Alternative 1 – Completely cash fund the increase, while maintaining the current level of General Fund.

The other environmental programs administered by the Department do not include a General Fund appropriation for similar regulatory work. The historical argument is that there is a public benefit of clean water, but this argument holds true for things like air quality and proper disposal of solid waste. Yet neither air quality nor solid waste receives General Fund. This option, not favored by stakeholders, would increase the cash fund revenue and reduce General Fund as compared to the Department's request. Since statewide revenues are at the TABOR limit, increasing cash fund revenue could increase the TABOR refund.

Alternative 2 - Fund the sectors, except Water Quality Certification, at a 20.0 percent General Fund, 80.0 percent cash funds.

Staff listed this option because the Construction Section was able to work with the Department to agree on fee and service increases that were represented of what the industry was asking for. If one sector is able to work with the Department on fee increases and other sectors are less willing to work with the Department, would it be equitable to, in essence reward those sectors that did not work with the Department with more General Fund?

Alternative 3 - Fund the sectors as requested by the Department.

This alternative reflects a solution that is acceptable to most stakeholders. Staff will note this alternative is based on the consensus the Division was able to reach with stakeholders. In staff's opinion, the summer stakeholder process did not include a robust conversation about the policy behind what the funding ratios should be. Staff acknowledges the extensive work done by the Division and stakeholders in the numerous stakeholder processes that preceded this request, but is not convinced that a 50/50 ratio for three sectors, when other sectors have been able to compromise with the Division, is reasonable.

Alternative 4 – Fund the sectors at the Department’s requested ratios for three years. After that, each sector, except Water Quality Certification, is funded at a 20/80 ratio.

Staff recommends this option because it steps up the fees over a period of years while funding all the sectors with similar ratios so that one sector is not more subsidized by General Fund than another. Additionally this alternative would establish a policy that acknowledges the value of clean water but also acknowledges the responsibility on the part of industries to ensure their operations do not adversely impact water quality.

Alternative 5 - Select a different General Fund/ cash fund ratio for each sector.

This alternative would rehash the conversation the Committee had during last year’s briefing, which led to the 2016 stakeholder process and the request the Committee will consider this year.

WATER QUALITY IMPROVEMENT FUND AND SMALL COMMUNITIES WATER AND WASTEWATER GRANT FUND

The Water Quality Improvement Fund is used to provide grants for storm water projects, to assist with planning, design, construction, or repair of domestic wastewater treatment works, or for the non-federal match for nonpoint source projects⁶. Revenue for the Water Quality Improvement Fund is from penalties collected for water quality violations. The Water Quality Improvement Fund is projected to have a FY 2015-16 excess uncommitted reserve of \$2,082,414 and a FY 2016-17 excess uncommitted reserve of \$2,423,156. The following table summarizes the Water Quality Improvement Fund's excess uncommitted reserves and allowable excess uncommitted reserve for the past four years.

WATER QUALITY IMPROVEMENT FUND					
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Beginning Fund Balance	\$694,014	\$1,805,441	\$3,420,461	\$3,164,004	\$3,839,401
Revenue	1,411,048	1,862,672	1,207,282	1,186,861	1,236,861
Expenditures	(299,621)	(247,652)	(255,732)	(511,464)	(767,196)
HB 16-1413 Transfer	n/a	n/a	(1,208,007)	n/a	n/a
Ending Fund Balance	\$1,805,441	\$3,420,461	\$3,164,004	\$3,839,401	\$4,309,066
Uncommitted Reserve	1,793,737	3,395,399	3,145,621	3,821,018	4,240,683
16.5% Allowable Reserve	49,437	40,863	241,517	84,395	126,587
Funds in Excess of Allowable Reserve	1,744,300	3,354,536	2,904,104	3,736,623	4,114,096

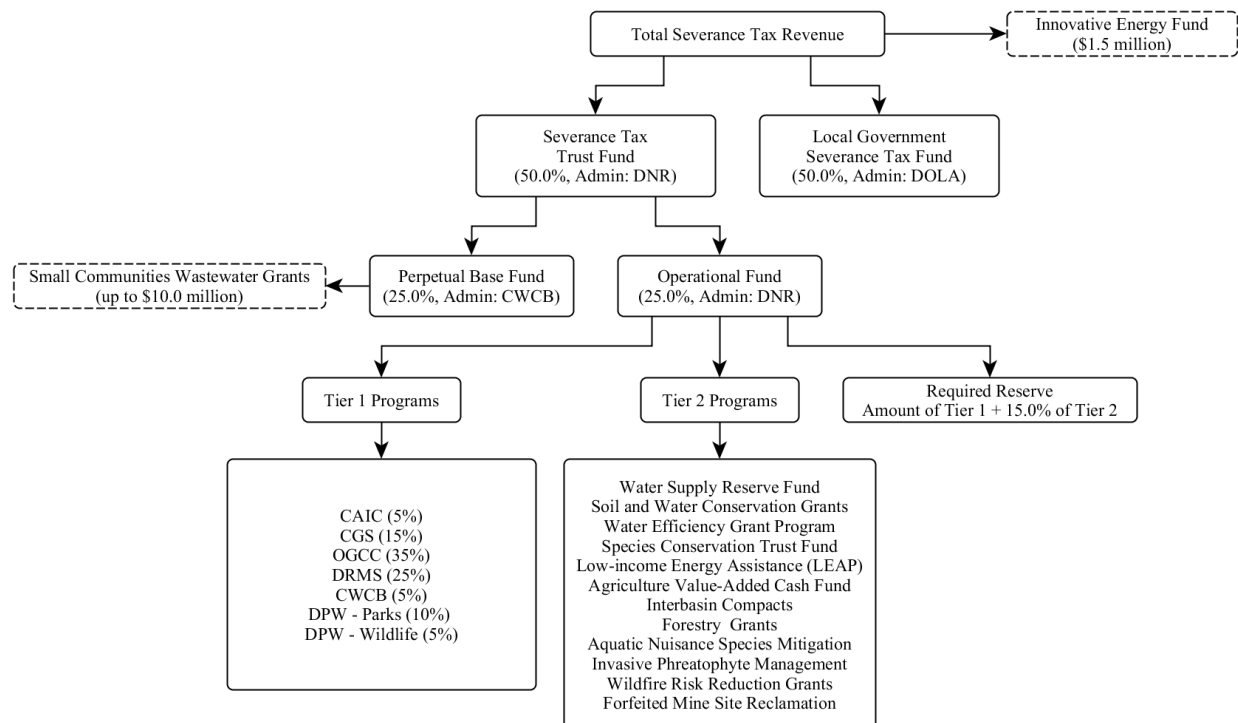
The Department has not spent more than \$600,000 from the Water Quality Improvement Fund over the last three years and does not have a request for FY 2017-18 to increase spending authority. While the intent of the fund is to provide a funding source for grants to communities impacted by water quality violations, the expenditures from the fund indicate the demand for these grants is not as large. The following are options for addressing the disconnect between the Water Quality Improvement’s Fund revenue and expenditures.

- Eliminate the Water Quality Improvement Fund, credit all penalties to the General Fund, and appropriate General Fund for water quality improvement projects;
- Cap the revenue and/or balance of the Water Quality Improvement Fund and credit all revenue above the cap to the General Fund;

⁶ Nonpoint source pollution is caused by rainfall or snowmelt moving over and through the ground. As the runoff moves, it picks up and carries away natural and human-made pollutants, finally depositing them into lakes, rivers, wetlands, coastal waters and ground waters. Nonpoint source projects address nonpoint source pollution.

- Increase the appropriation from the Water Quality Improvement Fund if there are projects waiting for funding;
- Transfer a portion of the Water Quality Improvement Fund to the General Fund to offset the additional General Fund appropriated for the Clean Water Sectors (this was done once in H.B. 16-1413 which transferred \$1.2 million to the General Fund);
- Repeal the Water Quality Improvement Fund and expand the uses of the Small Communities Water and Wastewater Grant Fund to enable communities previously eligible for water quality improvement grants would be eligible for small communities water and wastewater grants; or
- Do nothing.

Repealing the Water Quality Improvement Fund and crediting all penalties to the General Fund would address the issue of the growing fund balance. If the Water Quality Improvement Fund is repealed, the General Assembly could appropriate General Fund for water quality improvement projects, thus preserving the current legislative intent to assist communities that have been impacted by water quality violations. The Department is not supportive of eliminating the Water Quality Improvement Fund. In response to this position, staff would recommend the Committee consider expanding the uses of the Small Communities Water and Wastewater Grant Fund. The Small Communities Water and Wastewater Grant Fund receives Severance Tax money if the Perpetual Base Fund receives more than \$50.0 million in revenue. The following graphic illustrates when and how much Severance Tax revenue is credited to the Small Communities Water and Wastewater Grant Fund.



The Small Community Waste and Wastewater Grant Fund received \$9,800,915 in FY 2014-15 and \$9,829,787 in FY 2015-16. This fund is continuously appropriated, so the Department is able to issue grants based on the demand and approval of grant applications. In FY 2014-15, the Division

expended \$623,040 of the \$9,800,915 and in FY 2015-16 the Department expended \$3,636,257 of the \$9,829,787. There remains \$15,371,405 in this fund for future grants. Based on expenditures from the Water Quality Improvement Fund and the available balance in the Small Communities Water and Wastewater Grant Fund, staff does not see a problem with expanding the allowable uses of the Small Communities Water and Wastewater Grant to include grants for storm water projects and for the non-federal match for nonpoint source projects.

If repealing the Water Quality Improvement Fund is not appealing, but the Committee is interested in limiting the balance of the Water Quality Improvement Fund, the amount of revenue into the fund and/or the fund balance could be capped and any revenue above those levels would be credited to the General Fund. This option allows the fund to maintain a balance to pay for projects, while at the same time limiting the fund balance.

ISSUE: MARIJUANA LABORATORY PROFICIENCY TESTING

The Joint Budget Committee submitted a request for information to the Department asking about the options for implementing a marijuana laboratory proficiency testing program as required by H.B. 15-1283. The response provided by the Department supported contracting out the development and execution of a proficiency testing program to a private laboratory. The cost of establishing a proficiency testing program within the state laboratory is approximately \$1.0 million in the first year and \$0.5 million in the out years.

SUMMARY

- In order for marijuana testing laboratories to be certified in Colorado, the Department of Public Health and Environment must make a recommendation for certification to the Department of Revenue. Part of the recommendation includes how well the private laboratory is able to test marijuana products for things like potency and homogeneity. The determination of how well laboratories are evaluating samples is called proficiency testing.
- The Department was directed by H.B. 15-1283 (Marijuana Reference Library and Lab Testing Access) to develop a proficiency testing program for marijuana laboratories. The proficiency testing program could be contracted out or run by the State Laboratory. The Department received funding in FY 2016-17 to oversee the development of proficiency testing program, which included responding to a request for information about establishing a proficiency testing program.
- The recommendation of the Department, Governor's Office, and Department of Revenue is to have a private laboratory conduct the proficiency testing. If the State Laboratory conducts proficiency testing, the Department estimates it would cost \$1.1 million in the first year and \$0.5 million in the out years.

DISCUSSION

BACKGROUND

House Bill 15-1283 required the Department administer or contract out a proficiency testing program for marijuana laboratories in Colorado. Proficiency testing is also known as inter-laboratory comparison, because it compares results obtained by different laboratories on samples from the same product. During a proficiency test event, appropriate samples containing ingredients that will challenge the testing method are sent to participating laboratories for analysis and results are evaluated by statistical comparison. While proficiency testing cannot identify all deficiencies in a laboratory, it is an assessment of the performance of laboratory methodology and processes, which can aid in the identification of systematic deficiencies. A proficiency testing program can also determine if test results are congruous between laboratories and ensure that results are reproducible and consistent.

TIMELINE

The Department submitted a FY 2016-17 budget amendment seeking \$57,000 cash funds to contract out the development of a proficiency testing protocol. In place of the request the General Assembly appropriated \$78,999 cash funds and 1.0 FTE starting in FY 2015-16 so the Department could determine what was required to develop a proficiency testing program. The fiscal note included \$34,331 cash funds and 0.2 FTE for development of the marijuana reference library. The fiscal note for H.B. 15-1283 not include any funding for development of a proficiency testing program based on the assumption that there already existed a proficiency testing program that could be modified for marijuana. In July and August of 2015, the Department reviewed the availability and suitability of existing proficiency testing programs for use in marijuana testing and determined there was no nationally recognized proficiency testing programs sufficient for use in marijuana testing. Without a satisfactory national provider, the Department assumed oversight for the development of a marijuana proficiency testing program. By October 2015, the Department, with support of stakeholders, established a plan and procedure for three beta proficiency testing events targeting potency in marijuana flower. The preparation of proficiency testing samples at a randomly selected private marijuana testing facility, with oversight provided by the Department occurred in December 2015, March 2016, and June 2016. During these events, the protocols for sample production, results reporting, and statistical analysis of results were refined. At the end of August 2016, the Department convened an expert panel to review the results of all three rounds of flower potency beta proficiency testing. The panel made recommendations for maximum permissible error, PT warning and action signals, standards and testing methods, the frequency of annual PT events, and improvements to the PT program.

OPTIONS FOR A PROFICIENCY TESTING PROGRAM

Within the response to the request for information the Department identified two possible solutions for a proficiency testing program:

- Option 1 would have the Laboratory Services Division become an accredited proficiency testing provider.
- Option 2 would require private marijuana testing facilities to utilize the now available third-party marijuana proficiency testing programs offered by existing accredited PT providers.

Option 1 would require the creation of a dedicated PT laboratory responsible for the production, characterization, and distribution of proficiency test samples, the statistical analysis of participant results, reporting of PT event results, development and execution of all associated policies and procedures, and achievement and maintenance of all proficiency testing provider accreditation requirements.

When the Department submitted the FY 2016-17 budget amendment, there was no available proficiency testing programs or proficiency testing laboratories accredited by the International Organization for Standardization. Currently, there are at least two accredited proficiency testing providers offering proficiency testing programs that can meet the need of Colorado's private marijuana laboratories. The Department indicated that there are additional laboratories working on accreditation for marijuana proficiency testing programs.

If Option 2 is adopted, the Department would establish criteria that a proficiency testing provider must meet, as well as maintain a list of approved proficiency testing programs. The Department of Revenue's Marijuana Enforcement Division holds the regulatory authority to require the private testing facilities to participate in a proficiency testing program to maintain their marijuana testing facility license and certification status.

Staff inquired about what types of proficiency testing is done by other state laboratories. Typically private laboratories, not state laboratories serve as proficiency testing providers because of the cost and personnel required to run an accredited program. The Department was aware of three state laboratories, Wisconsin, New York, and Pennsylvania which have proficiency testing programs ranging from bacteriology to toxicology.

On September 16, 2016, CDPHE held a meeting with the Department of Revenue and the Governor's Office. All parties agreed that the use of a private proficiency testing provider was the best option at this time (Option 2). Option 2 would not cost additional funds because the Department of Revenue would enter into a no-cost contract with the selected program. The selected program would provide the Department of Public Health and Environment testing results which would be used as part of the Department of Public Health and Environment's certification recommendation. Ultimately the certification recommendation is used by the Department of Revenue as factor in determining whether to certify private marijuana laboratories. The Department of Public Health and Environment indicated that the 3.0 FTE dedicated to marijuana laboratory regulation is sufficient to absorb the work associated with reviewing proficiency testing results and incorporating this new data into certification recommendations made to the Department of Revenue.

ISSUE: HEALTH FACILITIES AND R3 HEALTH FACILITY CASELOAD GROWTH

The Department is requesting additional funding and staff to conduct health facility surveys due to the growth in the number of nursing homes, hospitals, community clinics and freestanding emergency rooms. Colorado does not require a Certificate of Need be provided prior to the construction of a new facility, which means there is no limit on the number of new facilities that can be opened in Colorado.

SUMMARY

- The Health Facilities and Emergency Medical Services Division surveys and regulates twenty types of health facilities operating in Colorado. The number of nursing homes, hospitals, community clinics, and freestanding emergency rooms has significantly increased over the past four years to the point where the Department is unable to meet workload demands with existing staff.
- The Department is requesting \$770,844 total funds and 8.5 FTE to meet the workload demands. The Department received 3.0 FTE in FY 2015-16 to increase the number of surveyors for assisted living facilities based on the growth in the number of assisted living facilities and facility complaints.
- Freestanding emergency rooms provide services similar to hospital emergency departments. They typically operate in a quicker timeframe, but often at a higher cost to the patient because services are often out of the insurance network. There are arguments for and against current state regulations of freestanding emergency rooms.
- Certificate of Need Programs are aimed at restraining health care facility costs and coordinating the planning of new services and facility construction. These programs are designed to ensure the availability of health facilities aligns with the demand for those services, but are also seen as an unnecessary government restriction on private industry. Colorado is one of thirteen states that do not have a Certificate of Need Program for any type of health facility.

DISCUSSION

TYPES OF HEALTH FACILITIES

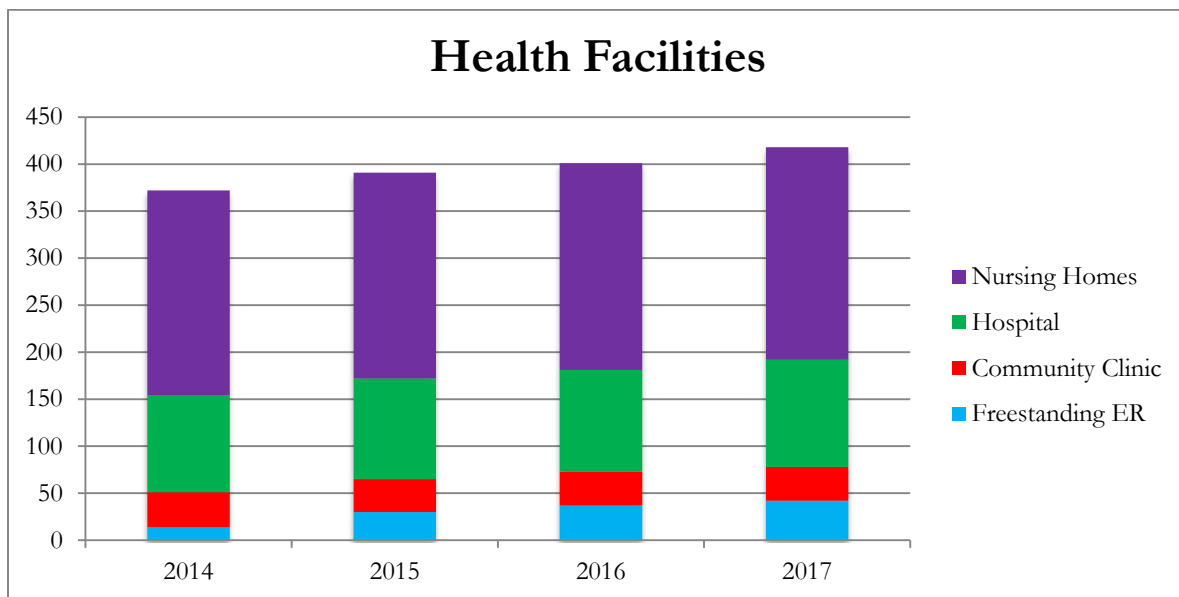
Health facilities range from small rural clinics to larger metropolitan hospitals and in Colorado; these facilities are regulated and surveyed by staff in the Health Facilities and Emergency Medical Services Division. Staff visit and inspect health facilities for compliance with state and federal regulations concerning patient health and safety. The Division also records and investigates complaints filed against any health facility. Pursuant to H.B. 12-1268 (Health Facility Safety Inspection Transfer to CDPS) inspections of health care facilities for conformity to building and fire safety standards was transferred from the Department of Public Health and Environment to the Department of Public Safety on July 1, 2013. The following are the twenty types of health facilities licensed and regulated by the Division.

TYPES OF HEALTH CARE FACILITIES	
Acute treatment units	Home care agencies
Ambulatory surgical centers	Hospices
Assisted living residences	Hospitals
Birth centers	<i>Intellectual and developmental disabilities service providers</i>
Community based health care programs	Intermediate Care Facilities for Persons with Intellectual Disabilities
Community clinics and community clinics with emergency rooms	Nursing homes
Community mental health centers	Physical therapy or speech therapy pathology services
Comprehensive outpatient rehab facilities	Portable X-ray services
Convalescence centers	Residential care facility for the developmentally disabled
Dialysis treatment clinics	Rural health clinics

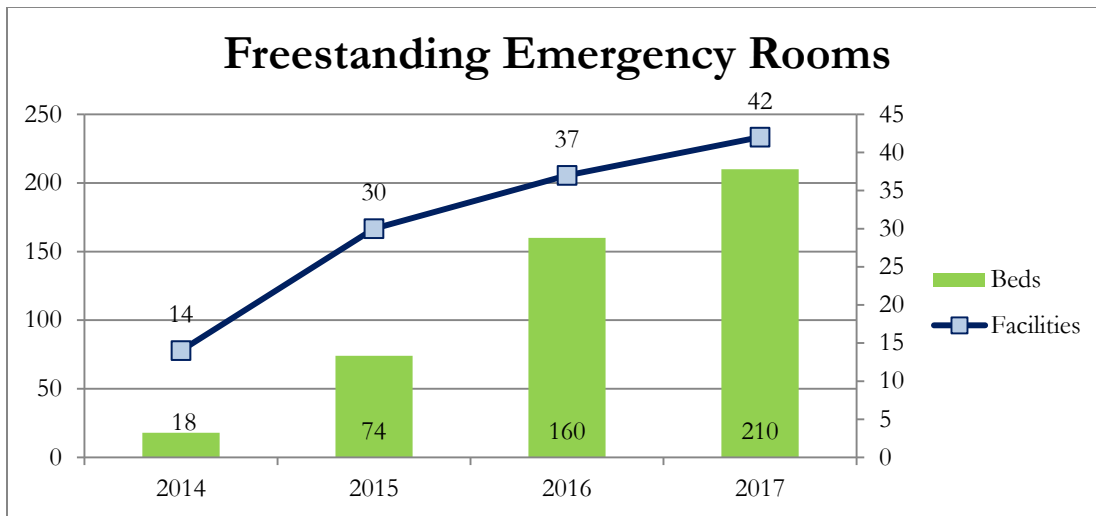
The remainder of this issue will focus primarily on the items in bold and the next issue will focus on the Department's request for the item in italics. The three facilities in bold (community clinics and community clinics with emergency rooms, hospitals and nursing homes) are the subject of the Department's third decision item. The facility type in italics (intellectual and developmental disabilities service providers) is the subject of the Department's second decision item. The cost of surveys for these four facilities is paid for by General Fund, federal Medicare funds, Medicaid funds, and the Health Facility Licensure Cash Fund. General Fund is required pursuant to Section 25-3-103.1 (2), C.R.S. which requires General Fund for the survey costs of government owned facilities.

FACILITY GROWTH

The request for additional surveyors and funding is due to the growth in the number of facilities surveyed by the Division. The following graph illustrates the growth in the number of facilities over the past four years



The facility type with the most striking growth is community clinics with emergency rooms, also called free standing emergency rooms. The following graph shows how much freestanding emergency rooms have grown from 2014 to 2017. Freestanding emergency rooms are discussed in more detail later in this issue.



RECENT AND REQUESTED INCREASES IN FUNDING AND STAFF

FY 2015-16 Increase for Assisted Living Facilities

The Department received funding in FY 2015-16 to add three assisted living surveyors based on the growth of assisted living facilities in the state. In FY 2014-15, the assisted living surveyors were able to survey 220 out of the 265 facilities that were due. The additional funding provided the Division with sufficient staff to meet workload demands. There was an average of ten new assisted living centers per year and an increase in seniors opting to age in place. This places an added burden on the assisted living facilities to ensure the residents are receiving appropriate medical care that might otherwise be provided in a nursing home.

R3 Health Facility Survey Staffing Caseload Adjustment

The Department is requesting \$770,844 total funds, of which \$43,519 is General Fund and \$184,573 is Medicaid reappropriated funds, and 8.5 FTE. The request is to increase staff for the Acute Care and Nursing Facilities Sections, as well as the complaint section. Each of these sections has seen an increase in caseload based on the number of facilities that need to be surveyed and an increase in complaints that need to be triaged and investigated. Surveys identify “deficient practices,” or areas where the facility does not meet the required regulatory standards. The potential deficiencies can cover a wide range of areas (such as resident rights, infection control, dietary requirements, etc.) and can also cover a range of severity (such as a potential to cause harm to an individual to having caused actual harm, including death, of an individual or group of patients). The federal government can assess non-delivery deductions if the State fails to survey all facilities in a timely manner. Complaints have increased at a rate that exceeds the staff’s ability to appropriately triage all issues and assign the issues for follow-up investigation in a timely fashion. Colorado has faced numerous challenges that contribute to not meeting timeliness requirements including: the increase in complaint volume and complexity; retirement of experienced staff; and short timeframes for responding to certain complaint types.

FREESTANDING EMERGENCY ROOMS

The majority of freestanding emergency rooms are located in Colorado and Texas. Freestanding emergency rooms represent the fastest growing facility type in Colorado. Freestanding emergency rooms are health facilities which are structurally separate from a hospital that provide emergency care. There are two types of freestanding emergency rooms: a hospital outpatient department (HOPD), which is also referred to as an off-site hospital-based or satellite emergency department, and an independent freestanding emergency centers (IFECs). Hospital outpatient departments are owned and operated by medical centers or hospital systems and must accept Medicare or Medicaid payments, as well comply with the same rules and regulations which govern the attached emergency room. Independent freestanding emergency centers are owned by independent groups or individuals. The Centers for Medicare and Medicaid does not recognize independent freestanding emergency centers as emergency departments, and therefore does not allow Medicare or Medicaid payments for the technical component of services provided at these centers. Freestanding emergency rooms are not new, but the independent emergency rooms are relatively new.

Adeptus is one of the major owners of independent freestanding emergency rooms. Adeptus currently has fifty freestanding emergency rooms and is looking to expand. However, they have experienced problems with revenue losses resulting from the combination of high fixed costs, a decline in patient volumes at facilities that are not hospital-affiliated, and billing and collection issues⁷. In response to these issues, the company began partnering with hospitals in Arizona and Colorado, so that health systems became part owners. Adeptus signed such a deal in April 2016 with University of Colorado Health in Aurora (UCHealth). This gave UCHealth a majority stake in Adeptus' fourteen freestanding emergency rooms in Colorado. Since then, six new freestanding emergency rooms have been built with the UCHealth name.

The growth of freestanding emergency rooms is seen by some as a positive development in how people access health care and is seen by others as something that is not so positive. For example, the argument is made by proponent that freestanding emergency rooms can increase healthcare access for rural and underserved areas. This argument doesn't yet appear to be backed up by what is actually happening because few freestanding emergency rooms are being built in rural, underserved or low-income communities. Of the twenty freestanding emergency rooms operated by the UCHealth, none are located outside of the Front Range area. There are around eight freestanding emergency rooms operated by other entities located outside of the Front Range. See Appendix E for a map of freestanding emergency room locations. The location of the majority of freestanding emergency rooms in urban areas also lends to the argument that operators of freestanding emergency room are looking to place facilities in communities where patients are typically insured and will be able to pay the bills, while steering lower-income patients to traditional hospital emergency departments.

One positive of freestanding emergency rooms is their ability to offer emergency care without the complexities of a large hospital. Freestanding emergency rooms are staffed by board-certified emergency physicians, treat more complex emergencies than urgent-care centers, and are open 24 hours a day. Typically, the rates they charge are similar to hospital emergency departments but the freestanding emergency rooms do not bill Medicare or Medicaid. Additionally, the line between what is and is not covered by insurance if a patient visits a freestanding emergency room is blurry and

⁷ "What does financial freefall of Lewisville-based Adeptus health say about freestanding ERs?" Sabriya Rice. <http://www.dallasnews.com/business/health-care/2016/11/02/freestanding-er-operator-adeptus-plummets-reporting-11-million-loss>

often times results in patients receiving large bills because the services provided were out of network. In Texas, for example, 73.0 percent of all freestanding emergency rooms are private for-profit entities, and based on data provided by the Texas Association of Health Plans, the majority of out-of-network claims are filed by freestanding emergency rooms⁸. The following graphic is an example of how the costs can be different between services provided at a freestanding emergency room and at an urgent care center. Note that services typically provided in an emergency room setting are inherently more expensive than urgent care settings.⁹

The Real Costs:
A Patient with back pain chooses between a Freestanding ER or an Urgent Care Center to receive in-network care.

FREESTANDING ER CHARGES	VS	URGENT CARE CENTER CHARGES
SERVICE DESCRIPTION		
\$895	🏢 Facility Charge—Level 3	\$0
\$53	👤 Pulse Ox, Single	\$0 <small>(Included in physician charge)</small>
\$96	💊 Pharmaceuticals (Toradol 15mg)	\$40
\$83	📄 Intramuscular Injection (IM/IS)	\$28
\$298	👨‍⚕️ Physician Evaluation and Management	\$150
\$1,425	💰 TOTAL BILLED CHARGES	\$218
\$1,196 <small>Contract Rate</small>	💰 Insurance Benefit <small>(Consumer has not met deductible)</small>	\$125 <small>Contract Rate</small> \$25 <small>Co-pay</small>
\$1,196 <small>Paid by Consumer</small>	💰 TOTAL	\$150 <small>Paid by Consumer</small>

SOURCE: Texas Association of Health Plans

State regulations surrounding freestanding ERs vary wildly. California has numerous regulations which essentially require freestanding emergency rooms to be licensed much like a hospital. Colorado requires freestanding emergency rooms to pass health and life safety surveys and to have a transfer agreement with a hospital. Ohio requires all freestanding ERs to be hospital-affiliated. Texas has passed a law which requires freestanding emergency rooms to disclosure to patients that services may not be in their insurance network¹⁰. There is no restriction in Colorado on how many freestanding emergency rooms can be opened. There are thirty-six states which require, prior to construction of a new freestanding emergency room, a Certificate of Need which indicates there is a need for a new facility¹¹. Colorado does not have Certificate of Need requirements for any type of health facility

⁸ James Dudensing, Executive Director of the Texas Association of Health Plans. <http://www.governing.com/topics/health-human-services/gov-free-standing-emergency-rooms.html>

⁹ Information was gather from <https://www.acep.org/clinical--practice-management/freestanding-emergency-departments/> and <http://www.governing.com/topics/health-human-services/gov-free-standing-emergency-rooms.html>

¹⁰ <http://www.governing.com/topics/health-human-services/gov-free-standing-emergency-rooms.html>

¹¹ National Association of Freestanding Emergency Centers. <http://www.nafeconline.org/news/>

CERTIFICATE OF NEED¹²

Certificate of Need Programs are aimed at restraining health care facility costs and facilitating coordinated planning of new services and facility construction. Many Certificates of Need laws were put into effect across the nation as part of the federal "Health Planning Resources Development Act" of 1974. The basic assumption underlying Certificate of Need regulation is that excess capacity stemming from overbuilding of health care facilities results in health care price inflation. Price inflation can occur when a hospital cannot fill its beds and fixed costs must be met through higher charges for the beds that are used. Certificate of Need Programs originated to regulate the number of beds in hospitals and nursing homes and to prevent purchasing more equipment than necessary. The National Conference of State Legislatures put together the following list of arguments for and against Certificate of Need laws.

Arguments in Favor of Certificate of Need (CON) Laws:

- Health care cannot be considered as a “typical” economic product.
- Most health services (like an x-ray) are “ordered” for patients by physicians, patients do not “shop” for these services the way they do for other commodities.
- The American Health Planning Association (AHPA) argues that CON programs limit health-care spending. CON programs can distribute care to areas that could be ignored by new medical centers.
- CON requirements do not block change, they mainly provide for an evaluation, and often include public or stakeholder input.

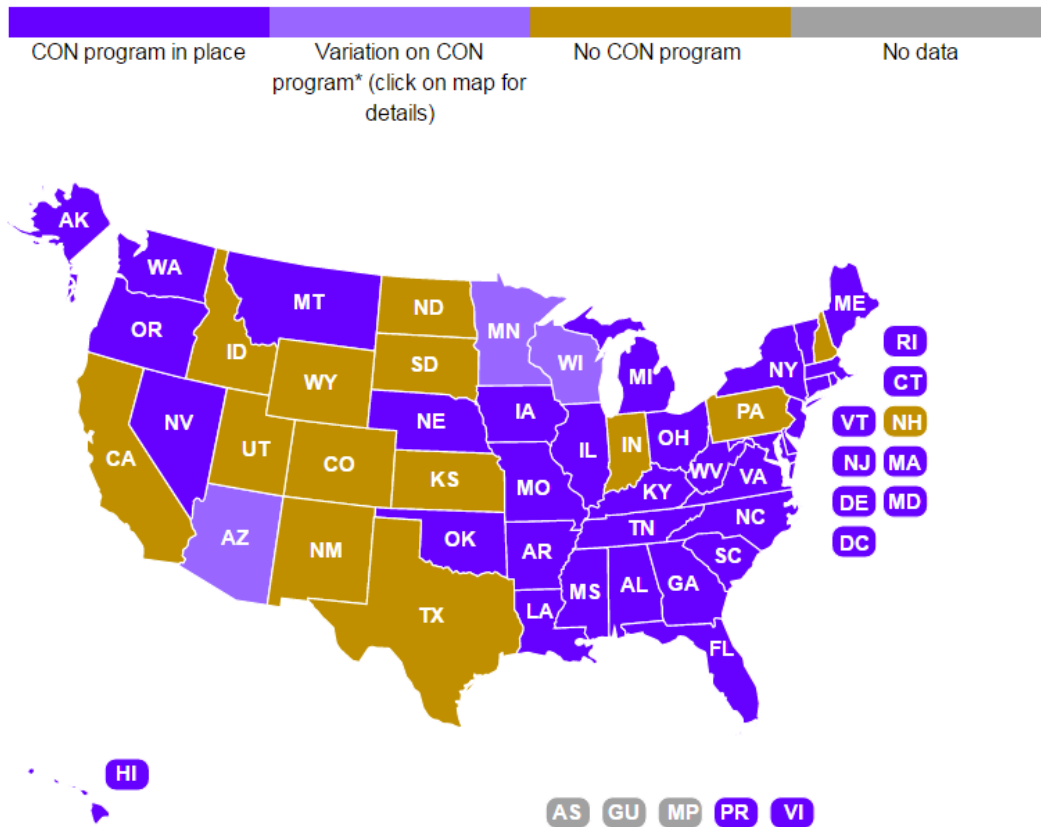
Arguments against Certificate of Need Laws:

- By restricting new construction, CON programs may reduce price competition between facilities and keep prices high.
- Some changes in the Medicare payment system (such as paying hospitals according to Diagnostic Related Groups) may make external regulatory controls unnecessary by sensitizing health care organizations to market pressures.
- CON programs are not consistently administered.
- Health facility development should be left to the economics of each institution rather than being subject to political influence.
- There is potential for CONs to be granted on the basis of political influence, institutional prestige or other factors apart from the interests of the community.
- It is not always clear what the best interests of the community entail.

The following map from the National Conference of State Legislatures shows which states have Certificates of Need.

¹² The following information is from the National Conference of State Legislatures, August 25, 2016 Co-Certificate of Need State Laws. <http://www.ncsl.org/research/health/con-certificate-of-need-state-laws.aspx>

CERTIFICATE OF NEED STATE LAWS



CONCLUSION

The growth of health facilities that must be surveyed by the Department of Public Health and Environment will continue to grow partly based on demand and partly based on financial considerations under current law. The General Assembly will continued to be asked to appropriate additional funds for these surveys as workload demands increase. This will obligate state funds that could otherwise be appropriated for different purposes. There are three options the General Assembly could consider in response to the continued growth of health facilities and the associated state resources required to ensure individuals are safe in these facilities:

- Enact a Certificate of Need law to limit the number of new facilities which would limit the need for additional Department staff;
- Provide additional resource to the Department as the number of facilities continue to grow, which also increase the amount of revenue subject to the TABOR limit; or
- Do nothing (no law changes or additional funds) and risk consequences from the federal government for non-compliance with inspection timelines, which may also increase the risk of injury to individuals receiving services.

ISSUE: HEALTH FACILITY SURVEYS OF IDD PROVIDERS AND FINAL SETTINGS RULE

The Department conducts site surveys and certifications of providers and agencies who serve individuals with intellectual and developmental disabilities. The Department is requesting five new surveyors for IDD providers and agencies as a result of the growth in the number of individuals receiving services. Additionally the Department submitted a response to a request for information on the status of new surveyors funded in FY 2016-17 to ensure service settings are in compliance with the Centers for Medicare and Medicaid Home Settings Rule.

SUMMARY

- The Department is requesting \$417,435 Medicaid reappropriated funds and 5.0 FTE to meet the workload for surveying service provides and agencies that serve individuals with intellectual and developmental disabilities.
- The increased survey workload is due to the increase in providers and services agencies that occurred in response to the elimination of the waiting list for two of the Medicaid waivers for individuals with intellectual and developmental disabilities.
- The Department received funding in FY 2016-17 to add five surveyors to work on ensuring providers and service agencies are in compliance with the final Home Settings Rule issued by the Centers for Medicare and Medicaid.
- The response to the request for information did not identify the cost to providers and services agencies of coming into compliance with the final Home Settings Rule.

DISCUSSION

INTELLECTUAL AND DEVELOPMENTAL DISABILITY WAIVERS

A Medicaid waiver are a set of services Colorado as negotiated with the federal Centers for Medicare and Medicaid to provide amounts and durations that exceed what is allowed under the Medicaid State Plan. The waiver allows Colorado to provide services which may not be available through the State Plan. As part of the waiver Colorado is able to limit the number of individuals that may receive the waiver services, hence the waiting list. In Colorado there are three waivers for individuals with intellectual and developmental disabilities (IDD).

- Comprehensive waiver (also called the DD waiver or comprehensive waiver) provides services to individuals over the age of eighteen who require residential and daily support services to live in the community.
- Supported Living Services waiver (also called the SLS waiver) provides services to individuals over the age of eighteen who do not require residential services but require daily support services to live in the community.

- Children's Extensive Services waiver (also called the CES waiver or children's waiver) provides services to youth ages five to eighteen who do not require residential services but do require daily support services to be able to live in their family home.

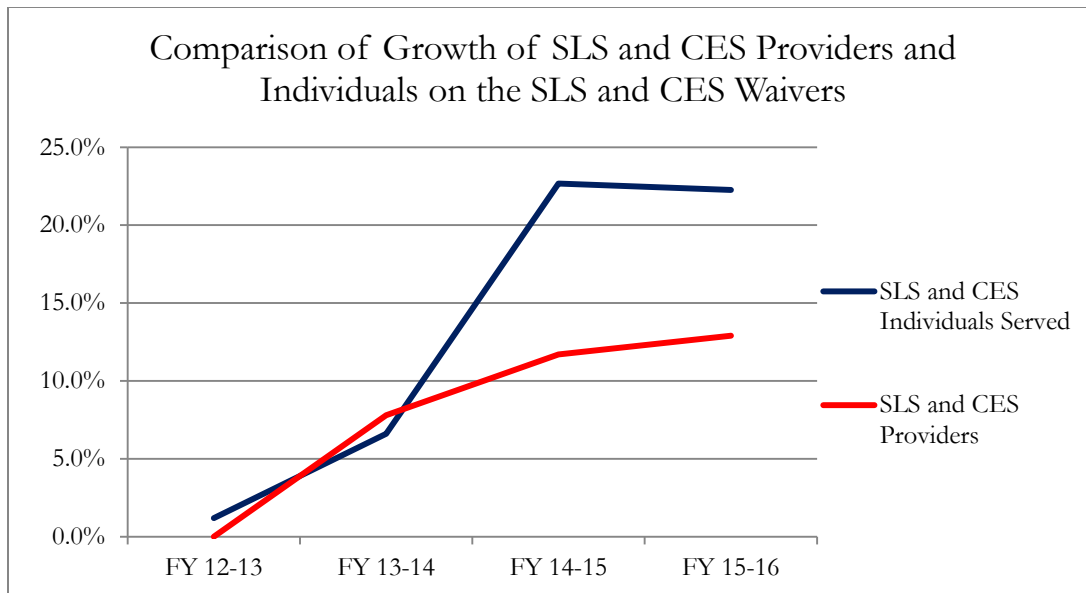
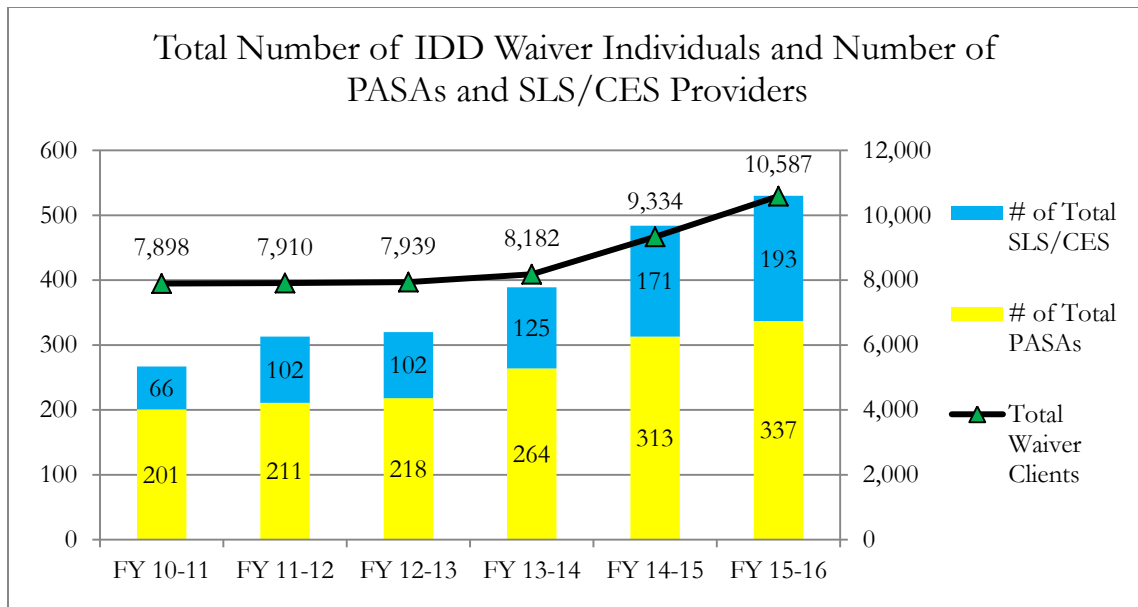
Individuals eligible for any of the IDD waiver services must meet the following criteria:

- Have an intellectual and developmental disability which is based on an IQ of 70 or less OR substantial adaptive behavior limitations
- The disability must occur before age 22;
- The disability must be related to a neurological condition; and
- Be Medicaid eligible.

Services for individuals receiving through the IDD waivers are provided by service providers, program approved service agencies, and Community-Centered Boards. The Intellectual and Developmental Disabilities (IDD) Community Services Section, within the Health Facilities and Emergency Medical Services Division (Division), is responsible for conducting on-site survey and compliance oversight of providers who serve individuals on one of the three IDD waivers. In FY 2013-14 the General Assembly began a two year process of providing sufficient funding for the SLS and CES waivers so that all individuals waiting for services because of the limit on the number of individuals who could receive services, were able to access services.

R2 IDD FACILITY SURVEY STAFFING ADJUSTMENT

The Department is requesting \$417,435 reappropriated Medicaid Funds and 5.0 FTE to increase the number of surveyors for IDD facilities and providers. On July 1, 2014 IDD survey staff was transferred from the Department of Human Services to consolidate and streamline the number of state departments IDD facilities and providers were regulated by. IDD providers and facilities are supposed to be surveyed once every three years pursuant to federal regulations. The survey staff was transferred from the Department of Human Services with a work backlog which continued to grow as new providers came online. The Division has worked since the transition to streamline, eliminate duplicate processes, and gain efficiencies where possible through LEAN process in order to meet workload demands. The process improvements implemented by the Division have not been sufficient to address the continued growth in facilities and providers as a result of the elimination of the waiting list for IDD services. The following two graphs illustrate how the growth in the number of individuals receiving services has led to an increase in the number of providers.



Prior to issuing a recommendation for a provider to become a Medicaid provider the Division must perform an on-site survey prior which includes a review of policies, procedures and overall administrative responsibilities. Once the provider is serving individuals a comprehensive survey is completed that includes a review of all regulatory requirements such as day habilitation, individual residential services and supports, medical needs (within specific settings), activities of daily living, or any one or combination of up to 22 services that the provider could provide as a service agency.

The Division has been able to identify the efficiencies gained through the consolidation of survey within one department, like single on-site visits and a single surveyor to work with, but these efficiencies has not reduced the Division's workload because surveys take longer to cover multiple areas. For example, two areas of survey overlap include both licensed and certified group homes within the HCBS-DD waiver as well as licensed Home Care Agencies (HCA) that also provide

HCBS-SLS/CES services. The Division has been able to consolidation from two various type surveys to one survey reviewing both licensure and certification requirements, but these providers make up 80 of the 337 (23.7%) surveyed by the Division. The Division continued to be unable to keep with the required number of surveys as illustrated by the fact that in FY 2015-16 only 46 of the required 112 facilities due for survey were actually surveyed. The Department's request will enable the Division to complete required surveys within the required time frame.

SUMMARY OF REQUIRED AND COMPLETED SURVEYS						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Required Surveys	70	82	86	98	112	127
Completed Surveys	63	25	34	29	46	70
Surveys not Completed	(7)	(57)	(52)	(69)	(66)	(57)
Percentage of required surveys	10.0%	69.5%	60.5%	70.4%	58.9%	44.9%

HOME SETTINGS RULE REQUEST FOR INFORMATION

The Centers for Medicare and Medicaid Services (CMS) Final Home Settings Rule became effective March 17, 2014 and requires that setting where waiver services are provided must have among other qualities, the following:

- The setting is integrated in, and supports full community access for individuals receiving waiver services, including opportunities to seek employment and work in competitive integrated settings, engage in community life, control personal resources, and receive services in the community, to the same degree of access as individuals not receiving waiver services.
- The setting is selected by the individual from among setting options including non-disability specific settings and an option for a private unit in a residential setting. The setting options are identified and documented in the person-centered service plan and are based on the individual's needs, preferences, and, for residential settings, resources available for room and board.
- Ensures an individual's rights of privacy, dignity and respect, and freedom from coercion and restraint.
- Facilitates individual choice regarding services and supports, and who provides them.

For currently approved waivers, Colorado must evaluate the existing settings and, if there are settings that do not fully meet the final rule home and community-based settings definition, work with the Centers for Medicare and Medicaid to develop a plan to bring their program into compliance. The Statewide Transition Plan is the required document that sets out the actions necessary to bring settings into compliance with the settings requirements. In response to concerns about the ability of providers and the State to comply with the federal rule by March 17, 2019 the Committee sent the Department of Health Care Policy and Financing and the Department of Public Health the following request for information:

Departments are requested to report, on a quarterly basis starting September 1, 2016, on the status of hiring new site surveyors, the number of surveys done, the types of providers surveyed, and the time required for each survey. The Departments are also requested to include the estimated cost estimates of provider compliance with the final settings rule and the types of support and technical assistance the Departments are providing.

The Departments submitted the first response on September 1, 2016. Based on follow up conversations with the Department of Public Health and Environment, the new surveyors were hired by the end of September and completed training by the end of October Through June 2016 the HCPF’s contractor had completed 57 surveys. As of September 1, 2016 the DPHE surveyors had not completed any surveys. The following table summarizes the settings that had been surveyed.

TYPES AND NUMBER OF SURVEYED FACILITIES	
Residential – Number	Non-residential
Brain Injury Supported Program – 2	Elderly, Blind, and Disabled/Community Mental Health Supports Assisted Living Facility - 2
Children’s Habilitation Residential Program – 1	Elderly, Blind, and Disabled/Community Mental Health Supports Assisted Living Facility/Intellectual and Developmental Disabilities – 2
Elderly, Blind, and Disabled/Community Mental Health Supports Assisted Living Facility – 13	Intellectual and Developmental Disabilities - 19
Intellectual and Developmental Disabilities - 18	

The last piece of information the Committee may be interested in is the Department’s estimates of the cost for provider compliance with the final Home Settings Rule. The response indicated that “it is too early in the process to have cost estimates for compliance with HCBS Settings Rule.” The next quarterly update is due December 1, and staff would recommend the Department include this in their hearing responses.

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Dr. Larry Wolk, Executive Director

(1) ADMINISTRATION AND SUPPORT

This division is comprised of three subdivisions: Administration, Office of Health Disparities, and Local Public Health Planning and Support.

(A) Administration

This subdivision performs operations that are common to all divisions, including accounting, budgeting, data processing, human resources, and purchasing. The appropriation for this subdivision includes money for centrally-appropriated personal services, and is primarily funded with reappropriated funds from departmental indirect cost recoveries.

Personal Services	<u>5,911,925</u>	<u>7,511,675</u>	<u>7,409,767</u>	<u>7,442,721</u>
FTE	70.5	77.4	78.3	78.3
General Fund	0	74,286	76,961	415,837
Reappropriated Funds	5,582,011	6,756,016	7,007,278	6,701,356
Federal Funds	329,914	681,373	325,528	325,528
Leave Payouts	<u>481,145</u>	<u>481,145</u>	<u>865,781</u>	<u>939,372</u> *
Reappropriated Funds	481,145	481,145	865,781	939,372
Health, Life, and Dental	<u>3,945,140</u>	<u>5,070,687</u>	<u>10,639,611</u>	<u>11,702,251</u>
General Fund	630,642	1,103,512	1,195,990	1,420,495
Cash Funds	2,481,946	2,807,022	4,044,591	4,169,971
Reappropriated Funds	832,552	1,160,153	1,097,803	1,250,639
Federal Funds	0	0	4,301,227	4,861,146

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Short-term Disability	<u>105,081</u>	<u>131,259</u>	<u>176,917</u>	<u>185,171</u>	
General Fund	16,126	21,677	19,795	22,304	
Cash Funds	70,720	71,684	64,116	64,040	
Reappropriated Funds	18,235	22,018	19,134	20,749	
Federal Funds	0	15,880	73,872	78,078	
S.B. 04-257 Amortization Equalization Disbursement	<u>1,968,820</u>	<u>1,968,820</u>	<u>4,564,084</u>	<u>5,016,170</u>	
General Fund	301,919	301,919	510,563	604,108	
Cash Funds	1,325,199	1,325,199	1,655,306	1,734,978	
Reappropriated Funds	341,702	341,702	493,142	561,930	
Federal Funds	0	0	1,905,073	2,115,154	
S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>1,845,769</u>	<u>2,513,411</u>	<u>4,516,542</u>	<u>5,016,170</u>	
General Fund	283,049	432,737	505,245	604,108	
Cash Funds	1,242,374	1,362,478	1,638,063	1,734,978	
Reappropriated Funds	320,346	439,310	488,005	561,930	
Federal Funds	0	278,886	1,885,229	2,115,154	
Salary Survey	<u>1,327,939</u>	<u>805,351</u>	<u>97,284</u>	<u>2,827,396</u>	
General Fund	203,751	111,743	10,776	339,628	
Cash Funds	894,137	379,129	59,038	1,003,217	
Reappropriated Funds	230,051	113,891	1,645	307,563	
Federal Funds	0	200,588	25,825	1,176,988	

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Shift Differential	<u>5,099</u>	<u>5,546</u>	<u>23,038</u>	<u>27,437</u>	
General Fund	55	410	0	1,156	
Cash Funds	5,044	5,136	14,803	13,270	
Reappropriated Funds	0	0	160	0	
Federal Funds	0	0	8,075	13,011	
Workers' Compensation	<u>641,745</u>	<u>683,285</u>	<u>626,462</u>	<u>490,926</u>	
Reappropriated Funds	641,745	683,285	626,462	490,926	
Operating Expenses	<u>1,938,926</u>	<u>1,937,038</u>	<u>2,316,397</u>	<u>2,311,694</u>	
Reappropriated Funds	1,938,926	1,937,038	2,316,397	2,311,694	
Legal Services	<u>2,788,545</u>	<u>2,703,572</u>	<u>2,713,389</u>	<u>3,055,948</u> *	
General Fund	0	0	3,802	3,802	
Cash Funds	19,125	2,723	7,600	4,750	
Reappropriated Funds	2,769,420	2,700,849	2,701,987	2,962,413	
Federal Funds	0	0	0	84,983	
Administrative Law Judge Services	<u>8,220</u>	<u>25,538</u>	<u>10,145</u>	<u>50,492</u> *	
Reappropriated Funds	8,220	25,538	10,145	50,492	
Payment to Risk Management and Property Funds	<u>110,909</u>	<u>133,949</u>	<u>186,522</u>	<u>233,155</u>	
Reappropriated Funds	110,909	133,949	186,522	233,155	
Vehicle Lease Payments	<u>284,332</u>	<u>299,522</u>	<u>412,571</u>	<u>370,890</u> *	
General Fund	620	0	0	0	
Cash Funds	184,278	180,914	310,720	264,839	
Reappropriated Funds	40,873	40,220	68,661	72,861	
Federal Funds	58,561	78,388	33,190	33,190	

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Leased Space	<u>6,203,302</u>	<u>6,371,084</u>	<u>6,526,245</u>	<u>6,707,745</u>	
Cash Funds	178,769	197,322	202,866	209,366	
Reappropriated Funds	5,996,134	6,161,634	6,309,879	6,484,879	
Federal Funds	28,399	12,128	13,500	13,500	
Capitol Complex Leased Space	<u>26,169</u>	<u>27,297</u>	<u>35,182</u>	<u>36,441</u>	
Reappropriated Funds	26,169	27,297	35,182	36,441	
Payments to OIT	<u>7,159,203</u>	<u>10,067,114</u>	<u>7,530,731</u>	<u>8,724,342</u> *	
General Fund	2,874	1,311,669	1,780,270	1,833,988	
Cash Funds	53,560	1,100,696	0	0	
Reappropriated Funds	7,102,769	7,654,749	5,750,461	6,890,354	
CORE Operations	<u>243,960</u>	<u>349,167</u>	<u>567,559</u>	<u>876,638</u>	
General Fund	0	24,466	29,466	45,512	
Reappropriated Funds	243,960	324,701	538,093	831,126	
Utilities	<u>532,928</u>	<u>515,262</u>	<u>563,651</u>	<u>563,651</u>	
Cash Funds	131,474	116,563	161,324	161,324	
Reappropriated Funds	390,191	390,727	390,727	390,727	
Federal Funds	11,263	7,972	11,600	11,600	
Building Maintenance and Repair	<u>271,857</u>	<u>271,858</u>	<u>642,271</u>	<u>303,764</u>	
Reappropriated Funds	271,857	271,858	642,271	303,764	
Reimbursement for Members of the State Board of Health	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	
General Fund	4,500	4,500	4,500	4,500	

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Indirect Costs Assessment	<u>307,163</u>	<u>345,073</u>	<u>427,200</u>	<u>487,259</u>	
Cash Funds	222,102	213,386	143,000	203,059	
Reappropriated Funds	3,068	2,884	103,700	103,700	
Federal Funds	81,993	128,803	180,500	180,500	
Merit Pay	<u>454,048</u>	<u>585,020</u>	<u>0</u>	<u>0</u>	
General Fund	64,405	100,403	0	0	
Cash Funds	308,533	321,215	0	0	
Reappropriated Funds	81,110	95,762	0	0	
Federal Funds	0	67,640	0	0	
Toxicology Unit Legal Services	<u>39,855</u>	<u>16,010</u>	<u>0</u>	<u>0</u>	
General Fund	39,855	16,010	0	0	
SUBTOTAL - (A) Administration	36,606,580	42,823,183	50,855,849	57,374,133	12.8%
<i>FTE</i>	<u>70.5</u>	<u>77.4</u>	<u>78.3</u>	<u>78.3</u>	0.0%
General Fund	1,547,796	3,503,332	4,137,368	5,295,438	28.0%
Cash Funds	7,117,261	8,083,467	8,301,427	9,563,792	15.2%
Reappropriated Funds	27,431,393	29,764,726	29,653,435	31,506,071	6.2%
Federal Funds	510,130	1,471,658	8,763,619	11,008,832	25.6%

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(B) Office of Health Equity

This subdivision is responsible for administration of the Health Disparities Grant Program, which works to overcome the differences in the quality of health care and associated health outcomes that occur in different racial and ethnic groups across Colorado. The Office is funded by 2.4 percent of the Amendment 35 Tobacco Tax revenue, and a small amount of General Fund.

Personal Services	<u>276,377</u>	<u>274,722</u>	<u>362,979</u>	<u>362,979</u>	
FTE	3.5	4.3	4.3	4.3	
General Fund	52,564	57,013	66,063	66,063	
Cash Funds	223,813	217,709	0	0	
Reappropriated Funds	0	0	296,916	296,916	
Health Disparities Grants	<u>3,093,637</u>	<u>3,651,239</u>	<u>3,607,585</u>	<u>3,607,585</u>	
Cash Funds	3,093,637	3,651,239	490,657	490,657	
Reappropriated Funds	0	0	3,116,928	3,116,928	
Necessary Document Assistance	<u>0</u>	<u>155,033</u>	<u>300,000</u>	<u>300,000</u>	
General Fund	0	155,033	300,000	300,000	
Operating Expenses	<u>42,006</u>	<u>27,234</u>	<u>0</u>	<u>0</u>	
General Fund	6,672	6,672	0	0	
Cash Funds	35,334	20,562	0	0	
Reappropriated Funds	0	0	0	0	
SUBTOTAL - (B) Office of Health Equity	3,412,020	4,108,228	4,270,564	4,270,564	0.0%
FTE	<u>3.5</u>	<u>4.3</u>	<u>4.3</u>	<u>4.3</u>	<u>0.0%</u>
General Fund	59,236	218,718	366,063	366,063	0.0%
Cash Funds	3,352,784	3,889,510	490,657	490,657	0.0%
Reappropriated Funds	0	0	3,413,844	3,413,844	0.0%

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(C) Office of Planning, Partnerships and Improvement

The Department provides local public health agencies with planning, technical, and financial support to ensure that local public health agencies are able to effectively deliver health and environmental services. This subdivision is funded primarily with General Fund and cash funds from the Public Health Services Support Fund.

Assessment, Planning, and Support Program	<u>571,762</u>	<u>516,670</u>	<u>549,469</u>	<u>549,469</u>	
FTE	6.2	8.4	8.4	8.4	
General Fund	353,750	326,209	330,569	330,569	
Cash Funds	0	0	0	0	
Federal Funds	218,012	190,461	218,900	218,900	
Distributions to Local Public Health Agencies	<u>8,389,745</u>	<u>8,786,777</u>	<u>8,794,812</u>	<u>9,150,312</u>	*
General Fund	6,531,478	7,027,228	7,027,228	6,671,728	
Cash Funds	1,858,267	1,759,549	1,767,584	1,767,584	
Reappropriated Funds	0	0	0	711,000	

SUBTOTAL - (C) Office of Planning, Partnerships and Improvement	8,961,507	9,303,447	9,344,281	9,699,781	3.8%
FTE	<u>6.2</u>	<u>8.4</u>	<u>8.4</u>	<u>8.4</u>	0.0%
General Fund	6,885,228	7,353,437	7,357,797	7,002,297	(4.8%)
Cash Funds	1,858,267	1,759,549	1,767,584	1,767,584	0.0%
Reappropriated Funds	0	0	0	711,000	0.0%
Federal Funds	218,012	190,461	218,900	218,900	0.0%

TOTAL - (1) Administration and Support	48,980,107	56,234,858	64,470,694	71,344,478	10.7%
FTE	<u>80.2</u>	<u>90.1</u>	<u>91.0</u>	<u>91.0</u>	0.0%
General Fund	8,492,260	11,075,487	11,861,228	12,663,798	6.8%
Cash Funds	12,328,312	13,732,526	10,559,668	11,822,033	12.0%
Reappropriated Funds	27,431,393	29,764,726	33,067,279	35,630,915	7.8%
Federal Funds	728,142	1,662,119	8,982,519	11,227,732	25.0%

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(2) CENTER FOR HEALTH AND ENVIRONMENTAL DATA

This division is comprised of four subdivisions: Health Statistics and Vital Records, Medical Marijuana Registry, Information Technology Services, and Indirect Cost Assessment.

(A) Administration and Support

This subdivision provides administrative support to the other subdivisions within this division.

Program Costs	0	73,065	479,445	479,503
FTE	0.0	2.7	3.8	3.8
General Fund	0	33,705	35,354	35,412
Cash Funds	0	(30,540)	167,063	167,063
Federal Funds	0	69,900	277,028	277,028

SUBTOTAL - (A) Administration and Support	0	73,065	479,445	479,503	0.0%
<i>FTE</i>	<u>0.0</u>	<u>2.7</u>	<u>3.8</u>	<u>3.8</u>	<u>0.0%</u>
General Fund	0	33,705	35,354	35,412	0.2%
Cash Funds	0	(30,540)	167,063	167,063	0.0%
Federal Funds	0	69,900	277,028	277,028	0.0%

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(B) Health Statistics and Vital Records

This subdivision is responsible for the maintenance of Colorado birth, death, marriage, divorce, and other vital records and issues related certificates. The subdivision administers the Voluntary Adoption Registry, which facilitates voluntary contact between Colorado-born adoptees 18 years of age and older and their birth parents. Staff provide education and training on vital records rules, regulations and statutes to individuals and local public health agencies. Data users include the Center for Disease Control, local public health agencies, and epidemiologists. This subdivision is primarily funded with cash funds from the Vital Statistics Records Cash Fund and federal funds.

Personal Services	<u>4,703,804</u>	<u>3,538,515</u>	<u>3,817,615</u>	<u>3,837,669</u>
FTE	52.0	48.2	47.7	47.7
Cash Funds	3,315,391	2,062,406	2,432,728	2,448,120
Reappropriated Funds	9,400	5,881	5,887	5,887
Federal Funds	1,379,013	1,470,228	1,379,000	1,383,662
Operating Expenses	<u>773,366</u>	<u>592,016</u>	<u>456,394</u>	<u>456,394</u>
Cash Funds	525,131	262,794	262,794	262,794
Federal Funds	248,235	329,222	193,600	193,600

SUBTOTAL - (B) Health Statistics and Vital Records	5,477,170	4,130,531	4,274,009	4,294,063	0.5%
FTE	<u>52.0</u>	<u>48.2</u>	<u>47.7</u>	<u>47.7</u>	0.0%
Cash Funds	3,840,522	2,325,200	2,695,522	2,710,914	0.6%
Reappropriated Funds	9,400	5,881	5,887	5,887	0.0%
Federal Funds	1,627,248	1,799,450	1,572,600	1,577,262	0.3%

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(C) Medical Marijuana Registry

The Department is required to administer the Medical Marijuana Registry, which serves as the state database for all individuals who have satisfied the medical requirements to use medical marijuana and have paid the Medical Marijuana Registry fee. The Medical Marijuana Registry is entirely cash funded by the Medical Marijuana Program Cash Fund and was not impacted by any of the 2013 Session legislation on the implementation of Amendment 64.

Personal Services	<u>1,823,851</u>	<u>1,576,839</u>	<u>1,552,713</u>	<u>1,552,713</u>	
FTE	24.4	19.7	18.6	18.6	
Cash Funds	1,823,851	1,576,839	1,552,713	1,552,713	
Operating Expenses	<u>163,915</u>	<u>96,404</u>	<u>121,228</u>	<u>121,228</u>	
Cash Funds	163,915	96,404	121,228	121,228	

SUBTOTAL - (C) Medical Marijuana Registry	1,987,766	1,673,243	1,673,941	1,673,941	0.0%
FTE	<u>24.4</u>	<u>19.7</u>	<u>18.6</u>	<u>18.6</u>	0.0%
Cash Funds	1,987,766	1,673,243	1,673,941	1,673,941	0.0%

(D) Health Data Programs and Information

This subdivision houses a number of the Department's health data programs which gather health data and survey information including the Cancer Registry, Birth Defects Monitoring Program, the funding to connect a number of the health data systems with the statewide Health Information Exchange, and funding for Local Public Health Agencies to build electronic health records which can communicate with the Health Information Exchange. Funding for this subdivision is General Fund, cash funds from the Vital Statistics Records Cash Fund, and federal funds.

Cancer Registry	<u>994,649</u>	<u>1,142,606</u>	<u>1,202,637</u>	<u>1,202,637</u>	
FTE	14.3	12.1	10.2	10.2	
General Fund	97,990	220,228	213,828	213,828	
Federal Funds	896,659	922,378	988,809	988,809	

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Birth Defects Monitoring and Prevention Program	<u>360,162</u>	<u>1,100,172</u>	<u>1,461,054</u>	<u>1,461,054</u>	
FTE	4.5	10.7	12.6	12.6	
General Fund	120,106	123,073	123,073	123,073	
Cash Funds	93,126	135,842	153,700	153,700	
Federal Funds	146,930	841,257	1,184,281	1,184,281	
Health Information Exchange	<u>84,138</u>	<u>453,516</u>	<u>453,516</u>	<u>453,516</u>	
General Fund	84,138	453,516	453,516	453,516	
Electronic Health Records for Local Public Health Agencies	<u>149</u>	<u>1,829,449</u>	<u>1,163,978</u>	<u>1,163,978</u>	
General Fund	149	1,829,449	1,163,978	1,163,978	
SUBTOTAL - (D) Health Data Programs and Information	1,439,098	4,525,743	4,281,185	4,281,185	0.0%
FTE	<u>18.8</u>	<u>22.8</u>	<u>22.8</u>	<u>22.8</u>	<u>(0.0%)</u>
General Fund	302,383	2,626,266	1,954,395	1,954,395	0.0%
Cash Funds	93,126	135,842	153,700	153,700	0.0%
Federal Funds	1,043,589	1,763,635	2,173,090	2,173,090	0.0%
(E) Indirect Cost Assessment					
Indirect Cost Assessment	<u>1,545,431</u>	<u>1,867,198</u>	<u>2,311,100</u>	<u>2,656,108</u>	
Cash Funds	1,197,776	1,320,004	1,004,000	1,349,008	
Federal Funds	347,655	547,194	1,307,100	1,307,100	
SUBTOTAL - (E) Indirect Cost Assessment	1,545,431	1,867,198	2,311,100	2,656,108	14.9%
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	1,197,776	1,320,004	1,004,000	1,349,008	34.4%
Federal Funds	347,655	547,194	1,307,100	1,307,100	0.0%

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TOTAL - (2) Center for Health and Environmental Data	10,449,465	12,269,780	13,019,680	13,384,800	2.8%
<i>FTE</i>	<u>95.2</u>	<u>93.4</u>	<u>92.9</u>	<u>92.9</u>	<u>(0.0%)</u>
General Fund	302,383	2,659,971	1,989,749	1,989,807	0.0%
Cash Funds	7,119,190	5,423,749	5,694,226	6,054,626	6.3%
Reappropriated Funds	9,400	5,881	5,887	5,887	0.0%
Federal Funds	3,018,492	4,180,179	5,329,818	5,334,480	0.1%

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(3) LABORATORY SERVICES

This division is comprised of the: Director's Office, Chemistry and Microbiology Section, and the Certification Section. The Director's Office provides managerial and administrative support to the other sections. The Chemistry and Microbiology Section performs the following activities: analysis of blood and tissue specimens, testing for newborn genetic disorders, diagnostic testing for bacterial diseases, analysis for disease outbreaks, and water and environmental testing. The Certification Section certifies private medical laboratories, state and local law enforcement breath-alcohol testing devices (intoxilyzers), and environmental laboratories, including water testing laboratories, and on-site dairy laboratories. This division is primarily funded with cash funds from the Newborn Screening and Genetic Counseling Cash Fund, the Laboratory Cash Fund, the Law Enforcement Assistance Fund, and federal funds.

Director's Office	<u>465,756</u>	<u>551,611</u>	<u>1,060,425</u>	<u>1,060,425</u>
FTE	5.2	6.7	13.3	13.3
General Fund	0	381,892	385,855	385,855
Cash Funds	465,756	132,619	465,667	465,667
Reappropriated Funds	0	0	138,346	138,346
Federal Funds	0	37,100	70,557	70,557
 Chemistry and Microbiology Personal Services	 <u>4,510,873</u>	 <u>4,240,521</u>	 <u>4,689,719</u>	 <u>4,692,696</u>
FTE	58.6	51.5	49.2	49.2
General Fund	766,746	401,935	412,833	412,833
Cash Funds	2,092,814	1,940,400	2,531,580	2,533,030
Reappropriated Funds	58,748	0	152,706	152,706
Federal Funds	1,592,565	1,898,186	1,592,600	1,594,127
 Chemistry and Microbiology Operating Expenses	 <u>3,791,809</u>	 <u>4,029,477</u>	 <u>4,295,968</u>	 <u>4,302,765</u>
General Fund	321,389	321,389	321,389	321,389
Cash Funds	2,600,960	2,671,565	2,930,203	2,937,000
Reappropriated Funds	4,752	1,260	179,676	179,676
Federal Funds	864,708	1,035,263	864,700	864,700

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Certification	<u>688,695</u>	<u>888,269</u>	<u>1,089,391</u>	<u>1,090,991</u>	
FTE	7.8	13.3	14.5	14.5	
Cash Funds	499,008	530,228	899,691	901,291	
Reappropriated Funds	0	173,902	0	0	
Federal Funds	189,687	184,139	189,700	189,700	
Indirect Cost Assessment	<u>2,148,452</u>	<u>2,334,475</u>	<u>2,405,700</u>	<u>2,611,604</u>	
Cash Funds	1,538,464	1,586,376	1,677,000	1,882,904	
Federal Funds	609,988	748,099	728,700	728,700	
TOTAL - (3) Laboratory Services	11,605,585	12,044,353	13,541,203	13,758,481	1.6%
FTE	<u>71.6</u>	<u>71.5</u>	<u>77.0</u>	<u>77.0</u>	<u>(0.0%)</u>
General Fund	1,088,135	1,105,216	1,120,077	1,120,077	0.0%
Cash Funds	7,197,002	6,861,188	8,504,141	8,719,892	2.5%
Reappropriated Funds	63,500	175,162	470,728	470,728	0.0%
Federal Funds	3,256,948	3,902,787	3,446,257	3,447,784	0.0%

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(4) AIR POLLUTION CONTROL DIVISION

This division is comprised of four subdivisions: Administration, Technical Services, Mobile Sources, and Stationary Sources. The division's major sources of cash funds are fees charged for air pollution permits and inspections.

(A) Administration

This subdivision provides administrative support to the Air Quality Control Commission and manages the implementation of air programs by the other subdivisions.

Program Costs	<u>425,572</u>	<u>1,597,685</u>	<u>1,636,543</u>	<u>1,652,903</u>	
FTE	4.9	13.3	17.8	17.8	
Cash Funds	286,003	1,233,282	1,445,655	1,462,015	
Federal Funds	139,569	364,403	190,888	190,888	
Indirect Cost Assessment	<u>4,189,227</u>	<u>4,813,192</u>	<u>4,574,700</u>	<u>5,442,788</u>	
Cash Funds	3,461,923	4,036,531	3,774,000	4,642,088	
Federal Funds	727,304	776,661	800,700	800,700	

SUBTOTAL - (A) Administration	4,614,799	6,410,877	6,211,243	7,095,691	14.2%
FTE	<u>4.9</u>	<u>13.3</u>	<u>17.8</u>	<u>17.8</u>	0.0%
Cash Funds	3,747,926	5,269,813	5,219,655	6,104,103	16.9%
Federal Funds	866,873	1,141,064	991,588	991,588	0.0%

(B) Technical Services

This subdivision houses the Air Quality Monitoring; Modeling and Analysis; and Visibility and Risk Assessment programs.

Personal Services	<u>2,921,140</u>	<u>3,091,539</u>	<u>3,413,859</u>	<u>3,418,189</u>	
FTE	34.0	25.0	33.7	33.7	
Cash Funds	1,702,284	2,141,577	2,194,959	2,194,959	
Federal Funds	1,218,856	949,962	1,218,900	1,223,230	

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Operating Expenses	<u>510,691</u>	<u>786,050</u>	<u>773,736</u>	<u>966,994</u>	
Cash Funds	291,980	592,874	523,013	716,271	
Federal Funds	218,711	193,176	250,723	250,723	
Local Contracts	<u>869,134</u>	<u>830,787</u>	<u>1,016,666</u>	<u>912,938</u>	
General Fund	0	84,868	103,728	0	
Cash Funds	523,862	550,660	567,638	567,638	
Federal Funds	345,272	195,259	345,300	345,300	
SUBTOTAL - (B) Technical Services	4,300,965	4,708,376	5,204,261	5,298,121	1.8%
<i>FTE</i>	<u>34.0</u>	<u>25.0</u>	<u>33.7</u>	<u>33.7</u>	<u>0.0%</u>
General Fund	0	84,868	103,728	0	(100.0%)
Cash Funds	2,518,126	3,285,111	3,285,610	3,478,868	5.9%
Federal Funds	1,782,839	1,338,397	1,814,923	1,819,253	0.2%

(C) Mobile Sources

This subdivision is comprised of the Research and Support Program which contains three subprograms: (1) the High Altitude Testing Program; (2) the Oxygenated Fuel Program; and (3) the Clean Fuel Fleet Program. The subdivision also contains the Inspection and Maintenance Program which works to reduce motor vehicle-related pollution through the inspection and emissions-related repair of motor vehicles. Emissions testing of gas and diesel powered vehicles is required when registering, renewing registrations, or selling vehicles within the program areas along Colorado's Front Range.

Personal Services	<u>2,678,145</u>	<u>2,669,444</u>	<u>2,728,684</u>	<u>2,736,865</u>
FTE	32.7	23.4	26.4	26.4
Cash Funds	2,266,762	2,289,180	2,317,284	2,325,465
Federal Funds	411,383	380,264	411,400	411,400
Operating Expenses	<u>259,942</u>	<u>215,886</u>	<u>307,496</u>	<u>307,496</u>
Cash Funds	254,558	215,886	230,240	230,240
Federal Funds	5,384	0	77,256	77,256

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	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Diesel Inspection/Maintenance Program	<u>512,644</u>	<u>642,164</u>	<u>636,254</u>	<u>636,254</u>	
FTE	6.6	14.5	6.3	6.3	
Cash Funds	512,644	642,164	636,254	636,254	
Mechanic Certification Program	<u>5,043</u>	<u>4,705</u>	<u>7,000</u>	<u>7,000</u>	
Cash Funds	5,043	4,705	7,000	7,000	
Local Grants	<u>75,509</u>	<u>75,629</u>	<u>77,597</u>	<u>77,597</u>	
Cash Funds	75,509	75,629	77,597	77,597	
SUBTOTAL - (C) Mobile Sources	3,531,283	3,607,828	3,757,031	3,765,212	0.2%
FTE	<u>39.3</u>	<u>37.9</u>	<u>32.7</u>	<u>32.7</u>	0.0%
Cash Funds	3,114,516	3,227,564	3,268,375	3,276,556	0.3%
Federal Funds	416,767	380,264	488,656	488,656	0.0%

(D) Stationary Sources

This subdivision is responsible for controlling and reducing air pollutants from stationary sources (i.e., factories, power plants, wood stoves, etc.). The staff permit, monitor, and inspect stationary sources that emit air pollutants. The subdivision houses the following three programs: the Inventory and Support Services Program, the Permits and Compliance Assurance Program, and the Hazardous and Toxic Control Program.

Personal Services	<u>8,041,299</u>	<u>9,758,036</u>	<u>8,036,686</u>	<u>8,044,867</u>
FTE	91.1	98.3	95.6	95.6
General Fund	344,886	0	0	0
Cash Funds	6,067,747	8,151,459	6,777,639	6,785,820
Federal Funds	1,628,666	1,606,577	1,259,047	1,259,047

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	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Operating Expenses	<u>1,837,661</u>	<u>346,200</u>	<u>324,057</u>	<u>324,057</u>	
General Fund	451,190	0	0	0	
Cash Funds	1,328,454	319,997	275,143	275,143	
Federal Funds	58,017	26,203	48,914	48,914	
Local Contracts	<u>623,065</u>	<u>912,824</u>	<u>798,500</u>	<u>798,500</u>	
Cash Funds	623,065	662,027	700,000	700,000	
Federal Funds	0	250,797	98,500	98,500	
Preservation of the Ozone Layer	<u>163,692</u>	<u>209,292</u>	<u>200,000</u>	<u>200,000</u>	
FTE	1.1	1.1	2.0	2.0	
Cash Funds	163,692	209,292	200,000	200,000	
Air Quality Dispersion Study	<u>378,137</u>	<u>331,425</u>	<u>0</u>	<u>0</u>	
Cash Funds	378,137	331,425	0	0	
SUBTOTAL - (D) Stationary Sources	11,043,854	11,557,777	9,359,243	9,367,424	0.1%
FTE	<u>92.2</u>	<u>99.4</u>	<u>97.6</u>	<u>97.6</u>	(0.0%)
General Fund	796,076	0	0	0	0.0%
Cash Funds	8,561,095	9,674,200	7,952,782	7,960,963	0.1%
Federal Funds	1,686,683	1,883,577	1,406,461	1,406,461	0.0%
TOTAL - (4) Air Pollution Control Division	23,490,901	26,284,858	24,531,778	25,526,448	4.1%
FTE	<u>170.4</u>	<u>175.6</u>	<u>181.8</u>	<u>181.8</u>	(0.0%)
General Fund	796,076	84,868	103,728	0	(100.0%)
Cash Funds	17,941,663	21,456,688	19,726,422	20,820,490	5.5%
Federal Funds	4,753,162	4,743,302	4,701,628	4,705,958	0.1%

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(5) WATER QUALITY CONTROL DIVISION

This division is comprised of the Clean Water Program and the Drinking Water Program. The division's major sources of cash funds are fees charged for water quality permits, and reappropriated funds from the Department of Agriculture for groundwater protection.

(A) Administration

This subdivision provides funding for division-wide administrative and management support services.

Administration Program	0	1,556,792	1,986,533	1,986,533	*
FTE	0.0	15.0	19.4	19.4	
General Fund	0	534,766	548,464	485,895	
Cash Funds	0	342,685	379,565	442,134	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	679,341	1,058,504	1,058,504	
Personal Services	8,938,563	0	0	0	
FTE	108.7	0.0	0.0	0.0	
General Fund	2,108,553	0	0	0	
Cash Funds	3,678,436	0	0	0	
Reappropriated Funds	37,998	0	0	0	
Federal Funds	3,113,576	0	0	0	
Operating Expenses	1,918,731	0	0	0	
General Fund	787,534	0	0	0	
Cash Funds	47,647	0	0	0	
Reappropriated Funds	1,675	0	0	0	
Federal Funds	1,081,875	0	0	0	

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	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
SUBTOTAL - (A) Administration	10,857,294	1,556,792	1,986,533	1,986,533	0.0%
<i>FTE</i>	<u>108.7</u>	<u>15.0</u>	<u>19.4</u>	<u>19.4</u>	<u>(0.0%)</u>
General Fund	2,896,087	534,766	548,464	485,895	(11.4%)
Cash Funds	3,726,083	342,685	379,565	442,134	16.5%
Reappropriated Funds	39,673	0	0	0	0.0%
Federal Funds	4,195,451	679,341	1,058,504	1,058,504	0.0%

(B) Clean Water Sectors

This subdivision is responsible for issuing discharge permits, monitoring compliance with permits, conducting inspections, providing technical assistance, and as necessary, pursuing enforcement actions permitting and compliance assurance program for the five industry sectors. The sectors are construction, commerce and industry, municipal separate storm sewer systems, pesticides, public and private utilities, water quality certification. Funding for the Sectors is from General Fund, cash funds from the Water Quality Control Fund, and federal funds.

Commerce and Industry Sector	<u>0</u>	<u>1,846,402</u>	<u>2,017,550</u>	<u>2,017,550</u> *
FTE	0.0	18.7	25.4	25.4
General Fund	0	680,333	1,049,611	869,437
Cash Funds	0	698,303	725,873	869,438
Reappropriated Funds	0	0	0	0
Federal Funds	0	467,766	242,066	278,675
Construction Sector	<u>0</u>	<u>986,027</u>	<u>1,527,450</u>	<u>1,503,935</u> *
FTE	0.0	11.5	20.3	20.3
General Fund	0	161,679	335,081	260,203
Cash Funds	0	775,268	1,077,180	1,032,791
Reappropriated Funds	0	0	0	0
Federal Funds	0	49,080	115,189	210,941

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	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Municipal Separate Storm Sewer System Sector	<u>0</u>	<u>255,414</u>	<u>239,066</u>	<u>239,066</u>	*
FTE	0.0	2.0	3.1	3.1	
General Fund	0	86,938	122,868	103,026	
Cash Funds	0	93,194	80,545	103,025	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	75,282	35,653	33,015	
Pesticides Sector	<u>0</u>	<u>109,199</u>	<u>117,600</u>	<u>117,600</u>	*
FTE	0.0	1.0	1.0	1.0	
General Fund	0	102,800	0	95,543	
Cash Funds	0	6,399	17,600	5,816	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	100,000	16,241	
Public and Private Utilities Sector	<u>0</u>	<u>3,329,889</u>	<u>3,359,358</u>	<u>3,184,358</u>	*
FTE	0.0	34.6	43.3	43.3	
General Fund	0	983,259	1,888,527	1,346,442	
Cash Funds	0	1,585,288	982,584	1,406,442	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	761,342	488,247	431,474	
Water Quality Certification Sector	<u>0</u>	<u>143,204</u>	<u>223,095</u>	<u>223,095</u>	*
FTE	0.0	0.0	1.5	1.5	
General Fund	0	135,500	0	9,040	
Cash Funds	0	0	203,095	183,246	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	7,704	20,000	30,809	

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General Fund Subsidy	<u>0</u>	<u>245,457</u>	<u>0</u>	<u>0</u>	
FTE	0.0	2.6	0.0	0.0	
General Fund	0	245,457	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (B) Clean Water Sectors	0	6,915,592	7,484,119	7,285,604	(2.7%)
FTE	<u>0.0</u>	<u>70.4</u>	<u>94.6</u>	<u>94.6</u>	<u>(0.0%)</u>
General Fund	0	2,395,966	3,396,087	2,683,691	(21.0%)
Cash Funds	0	3,158,452	3,086,877	3,600,758	16.6%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	1,361,174	1,001,155	1,001,155	0.0%

(C) Clean Water Program

This Program is responsible for training and certifying the operators of all water and wastewater treatment facilities in the state, and is comprised of the Watershed Assessment, Outreach, and Assistance Program which houses three sections: monitoring, assessment, and outreach. The Program also includes an administration section which provides management and support staff for the Water Quality Control Commission, clerical support for other subdivisions, as needed, and maintains a centralized records system for the Division. The subdivision also includes the Permitting and Compliance Assurance Program which is responsible for issuing discharge permits, monitoring compliance with permits, conducting inspections, providing technical assistance, and as necessary, pursuing enforcement actions.

Water Quality Improvement	<u>81,691</u>	<u>110,386</u>	<u>767,196</u>	<u>767,196</u>
Cash Funds	81,691	110,386	767,196	767,196

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	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Local Grants and Contracts	<u>2,114,137</u>	<u>7,869,988</u>	<u>4,015,804</u>	<u>3,313,977</u>	*
FTE	0.0	17.5	0.0	0.0	
General Fund	0	340,519	362,154	0	
Cash Funds	623,040	3,636,257	0	0	
Reappropriated Funds	0	39,673	39,673	0	
Federal Funds	1,491,097	3,853,539	3,613,977	3,313,977	
Clean Water Program Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>876,827</u>	*
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	362,154	
Cash Funds	0	0	0	175,000	
Reappropriated Funds	0	0	0	39,673	
Federal Funds	0	0	0	300,000	
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Nutrients Grant Fund	<u>7,077,311</u>	<u>7,245,350</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.8	0.0	0.0	
Cash Funds	7,077,311	7,245,350	0	0	
Transfer to Nutrients Grant Fund	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	2,000,000	0	0	0	

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Transfer to Natural Disaster Grant Fund	<u>17,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	17,000,000	0	0	0	
SUBTOTAL - (C) Clean Water Program	28,273,139	15,225,724	4,783,000	4,958,000	3.7%
FTE	<u>0.0</u>	<u>18.3</u>	<u>0.0</u>	<u>0.0</u>	0.0%
General Fund	19,000,000	340,519	362,154	362,154	0.0%
Cash Funds	7,782,042	10,991,993	767,196	942,196	22.8%
Reappropriated Funds	0	39,673	39,673	39,673	0.0%
Federal Funds	1,491,097	3,853,539	3,613,977	3,613,977	0.0%

(D) Drinking Water Program

The Drinking Water Program is established under the federal Safe Drinking Water Act, and is used to implement measures to ensure that public water systems throughout Colorado provide safe drinking water for Colorado citizens.

Personal Services	<u>6,865,700</u>	<u>6,235,972</u>	<u>6,805,402</u>	<u>6,805,402</u>
FTE	72.4	66.8	64.4	64.4
General Fund	935,216	854,346	872,968	872,968
Cash Funds	348,312	318,680	350,234	350,234
Federal Funds	5,582,172	5,062,946	5,582,200	5,582,200
Operating Expenses	<u>800,111</u>	<u>911,451</u>	<u>774,600</u>	<u>774,600</u>
General Fund	157,874	134,100	134,100	134,100
Cash Funds	1,750	0	0	0
Federal Funds	640,487	777,351	640,500	640,500

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SUBTOTAL - (D) Drinking Water Program	7,665,811	7,147,423	7,580,002	7,580,002	0.0%
<i>FTE</i>	<u>72.4</u>	<u>66.8</u>	<u>64.4</u>	<u>64.4</u>	<u>0.0%</u>
General Fund	1,093,090	988,446	1,007,068	1,007,068	0.0%
Cash Funds	350,062	318,680	350,234	350,234	0.0%
Federal Funds	6,222,659	5,840,297	6,222,700	6,222,700	0.0%
(E) Indirect Cost Assessments					
Indirect Cost Assessment	<u>3,389,618</u>	<u>3,261,695</u>	<u>3,669,200</u>	<u>3,534,687</u>	
Cash Funds	1,372,068	1,253,052	1,487,000	1,352,487	
Federal Funds	2,017,550	2,008,643	2,182,200	2,182,200	
SUBTOTAL - (E) Indirect Cost Assessments	3,389,618	3,261,695	3,669,200	3,534,687	(3.7%)
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	1,372,068	1,253,052	1,487,000	1,352,487	(9.0%)
Federal Funds	2,017,550	2,008,643	2,182,200	2,182,200	0.0%
TOTAL - (5) Water Quality Control Division	50,185,862	34,107,226	25,502,854	25,344,826	(0.6%)
<i>FTE</i>	<u>181.1</u>	<u>170.5</u>	<u>178.4</u>	<u>178.4</u>	<u>0.0%</u>
General Fund	22,989,177	4,259,697	5,313,773	4,538,808	(14.6%)
Cash Funds	13,230,255	16,064,862	6,070,872	6,687,809	10.2%
Reappropriated Funds	39,673	39,673	39,673	39,673	0.0%
Federal Funds	13,926,757	13,742,994	14,078,536	14,078,536	0.0%

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(6) HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

This division is comprised of six subdivisions: Administration, Hazardous Waste Control Program, Solid Waste Control Program, Contaminated Site Cleanups and Remediation Programs, Radiation Management, and Waste Tire Program.

(A) Administration

This Office provides division-wide administrative and management support services. The primary source of funding is various division cash funds, reappropriated funds from the Local Governmental Severance Tax Fund, and federal funds.

Program Costs	<u>161,337</u>	<u>351,868</u>	<u>2,403,463</u>	<u>2,318,376</u>	*
FTE	0.9	1.8	19.0	19.0	
Cash Funds	161,337	351,868	1,544,675	1,544,675	
Reappropriated Funds	0	0	85,087	0	
Federal Funds	0	0	773,701	773,701	
Legal Services	<u>98,329</u>	<u>307,250</u>	<u>190,100</u>	<u>0</u>	*
Cash Funds	16,970	307,250	130,924	0	
Reappropriated Funds	0	0	455	0	
Federal Funds	81,359	0	58,721	0	
Indirect Cost Assessment	<u>3,090,297</u>	<u>3,556,440</u>	<u>3,424,700</u>	<u>4,966,576</u>	*
Cash Funds	2,063,213	2,308,965	2,252,000	3,833,876	
Reappropriated Funds	41,191	19,039	50,600	10,600	
Federal Funds	985,893	1,228,436	1,122,100	1,122,100	
SUBTOTAL - (A) Administration	3,349,963	4,215,558	6,018,263	7,284,952	21.0%
FTE	<u>0.9</u>	<u>1.8</u>	<u>19.0</u>	<u>19.0</u>	<u>0.0%</u>
Cash Funds	2,241,520	2,968,083	3,927,599	5,378,551	36.9%
Reappropriated Funds	41,191	19,039	136,142	10,600	(92.2%)
Federal Funds	1,067,252	1,228,436	1,954,522	1,895,801	(3.0%)

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(B) Hazardous Waste Control Program

This subdivision has four primary responsibilities: permitting, compliance assurance, corrective action, and compliance assistance. This subdivision monitors compliance and enforces hazardous waste regulations over 500 large-quantity hazardous waste generators, 3,000 small generators, hazardous waste transporters, and 50 hazardous waste treatment, storage and disposal facilities. Funding for this subdivision is from the Hazardous Waste Service Cash Fund and federal funds.

Personal Services	<u>3,959,414</u>	<u>3,365,743</u>	<u>3,996,666</u>	<u>3,996,666</u>	
FTE	30.4	28.6	25.9	25.9	
Cash Funds	1,597,885	1,033,353	1,635,166	1,635,166	
Federal Funds	2,361,529	2,332,390	2,361,500	2,361,500	
Operating Expenses	<u>129,426</u>	<u>124,179</u>	<u>136,549</u>	<u>136,549</u>	
Cash Funds	79,871	76,063	80,580	80,580	
Federal Funds	49,555	48,116	55,969	55,969	

SUBTOTAL - (B) Hazardous Waste Control Program	4,088,840	3,489,922	4,133,215	4,133,215	0.0%
FTE	<u>30.4</u>	<u>28.6</u>	<u>25.9</u>	<u>25.9</u>	<u>(0.0%)</u>
Cash Funds	1,677,756	1,109,416	1,715,746	1,715,746	0.0%
Federal Funds	2,411,084	2,380,506	2,417,469	2,417,469	0.0%

(C) Solid Waste Control Program

This subdivision is responsible for the regulation of all solid waste management facilities in Colorado, including landfills, composting facilities, recycling facilities, transfer facilities, certain types of waste surface impoundments, asbestos waste facilities, solid waste incinerators, and medical waste facilities. Funding for this subdivision is from cash funds, including the Solid Waste Management Fund and the Radiation Control Fund.

Program Costs	<u>2,806,959</u>	<u>2,437,330</u>	<u>2,682,055</u>	<u>2,932,055</u> *	
FTE	24.3	26.5	22.2	22.2	
Cash Funds	2,806,959	2,437,330	2,682,055	2,932,055	

SUBTOTAL - (C) Solid Waste Control Program	2,806,959	2,437,330	2,682,055	2,932,055	9.3%
FTE	<u>24.3</u>	<u>26.5</u>	<u>22.2</u>	<u>22.2</u>	<u>0.0%</u>
Cash Funds	2,806,959	2,437,330	2,682,055	2,932,055	9.3%

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(D) Contaminated Site Cleanups and Remediation Programs

This subdivision contains four programs outlined below and is funded primarily from the Hazardous Substance Response Fund and federal funds. (1) Superfund Program which works with the Environmental Protection Agency as either the lead agency or support agency in the review and implementation of cleanup plans and oversight of the cleanup work. Funding for cleanup of the Rocky Mountain Arsenal superfund site is included in this program. (2) The Contaminated Site Cleanups Program which works to facilitate the cleanup of contaminated sites that have not been designated as superfund sites. (3) Provision of Compensation and Liability Act (CERCLA) technical support to the Department of Law. (4) The Uranium Mill Tailings Remedial Action Program, which assists local governments in managing mill tailings that were not removed during the cleanup and are disturbed during road work or other renewal or building activities.

Personal Services	<u>3,561,869</u>	<u>4,305,289</u>	<u>3,784,811</u>	<u>3,784,811</u>
FTE	23.7	23.2	18.8	18.8
General Fund	0	0	0	0
Cash Funds	777,058	742,039	1,000,000	1,000,000
Federal Funds	2,784,811	3,563,250	2,784,811	2,784,811
 Operating Expenses	 <u>233,110</u>	 <u>315,758</u>	 <u>251,563</u>	 <u>251,563</u>
Cash Funds	(7,794)	6,628	10,663	10,663
Federal Funds	240,904	309,130	240,900	240,900
 Contaminated Sites Operation and Maintenance	 <u>909,161</u>	 <u>1,508,529</u>	 <u>1,559,186</u>	 <u>1,559,186</u>
Cash Funds	909,161	1,508,529	1,559,186	1,559,186
Federal Funds	0	0	0	0
 Brownsfield Cleanup Program	 <u>0</u>	 <u>0</u>	 <u>250,000</u>	 <u>250,000</u>
General Fund	0	0	0	0
Cash Funds	0	0	250,000	250,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

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Transfer to the Department of Law for CERCLA Related					
Costs	<u>423,497</u>	<u>487,725</u>	<u>713,142</u>	<u>713,142</u>	
Cash Funds	423,497	487,725	713,142	713,142	
Uranium Mill Tailings Remedial Action Program	<u>248,108</u>	<u>191,051</u>	<u>171,259</u>	<u>296,801</u> *	
FTE	2.4	2.8	2.5	2.5	
Cash Funds	52	0	0	0	
Reappropriated Funds	190,818	136,201	151,902	277,444	
Federal Funds	57,238	54,850	19,357	19,357	
Rocky Flats Program Costs	<u>140,082</u>	<u>175,438</u>	<u>119,803</u>	<u>119,803</u>	
FTE	1.3	0.9	2.1	2.1	
Federal Funds	140,082	175,438	119,803	119,803	
Rocky Flats Legal Services	<u>9,858</u>	<u>0</u>	<u>26,262</u>	<u>0</u> *	
Federal Funds	9,858	0	26,262	0	
SUBTOTAL - (D) Contaminated Site Cleanups and Remediation Programs	5,525,685	6,983,790	6,876,026	6,975,306	1.4%
FTE	<u>27.4</u>	<u>26.9</u>	<u>23.4</u>	<u>23.4</u>	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	2,101,974	2,744,921	3,532,991	3,532,991	0.0%
Reappropriated Funds	190,818	136,201	151,902	277,444	82.6%
Federal Funds	3,232,893	4,102,668	3,191,133	3,164,871	(0.8%)

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(E) Radiation Management

This subdivision provides regulatory services for radioactive materials through the review of license applications and inspections of facilities; administration of contract services with local public health agencies for indoor radon testing, prevention, and education; and the monitoring low-level radioactive waste producers by ensuring proper and economically sound disposal. Funding for this subdivision is primarily from the Radiation Control Fund and federal funds.

Personal Services	<u>2,385,732</u>	<u>2,148,859</u>	<u>1,759,699</u>	<u>1,771,218</u>	
FTE	23.5	21.5	20.5	20.7	
Cash Funds	2,098,598	1,622,156	1,570,722	1,582,241	
Federal Funds	287,134	526,703	188,977	188,977	
Operating Expenses	<u>117,304</u>	<u>143,359</u>	<u>389,921</u>	<u>480,218</u>	
Cash Funds	(2,633)	66,167	225,268	315,565	
Federal Funds	119,937	77,192	164,653	164,653	
SUBTOTAL - (E) Radiation Management	2,503,036	2,292,218	2,149,620	2,251,436	4.7%
FTE	<u>23.5</u>	<u>21.5</u>	<u>20.5</u>	<u>20.7</u>	1.0%
Cash Funds	2,095,965	1,688,323	1,795,990	1,897,806	5.7%
Federal Funds	407,071	603,895	353,630	353,630	0.0%

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(F) Waste Tire Program

The Waste Tire Program has established a comprehensive "cradle-to-grave" management system to track tires from the moment they are removed from a vehicle until they are appropriately disposed of or recycled. The Program is responsible for the following: (1) Regulation of waste tire haulers and facilities that generate, collect, store, process and/or use waste tires; (2) Awarding grants to local agencies for equipment, training and other activities related to prevention and response to waste tire fires; (3) Developing initiatives designed to encourage the disposal, recycling or reuse of illegally dumped tires and the recycling or reuse of waste tires; and (4) Reimbursements to waste tire processors and end users.

Waste Tire Program Administration and Cleanup Program

Enforcement	<u>1,484,992</u>	<u>780,182</u>	<u>2,324,661</u>	<u>2,324,661</u>	
FTE	3.9	0.0	5.0	5.0	
General Fund	500,000	0	0	0	
Cash Funds	984,992	780,182	2,324,661	2,324,661	

Waste Tire Market Development

FTE	0.0	0.0	0.0	0.0	
Cash Funds	166,344	262,080	647,334	323,667	

Waste Tire Rebates

Cash Funds	<u>1,202,355</u>	<u>3,806,520</u>	<u>7,444,703</u>	<u>3,722,351</u>	
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SUBTOTAL - (F) Waste Tire Program	2,853,691	4,848,782	10,416,698	6,370,679	(38.8%)
FTE	<u>3.9</u>	<u>0.0</u>	<u>5.0</u>	<u>5.0</u>	0.0%
General Fund	500,000	0	0	0	0.0%
Cash Funds	2,353,691	4,848,782	10,416,698	6,370,679	(38.8%)

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TOTAL - (6) Hazardous Materials and Waste					
Management Division	21,128,174	24,267,600	32,275,877	29,947,643	(7.2%)
<i>FTE</i>	<u>110.4</u>	<u>105.3</u>	<u>116.0</u>	<u>116.2</u>	0.2%
General Fund	500,000	0	0	0	0.0%
Cash Funds	13,277,865	15,796,855	24,071,079	21,827,828	(9.3%)
Reappropriated Funds	232,009	155,240	288,044	288,044	0.0%
Federal Funds	7,118,300	8,315,505	7,916,754	7,831,771	(1.1%)

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(7) DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY

This Division is responsible for programs designed to protect the public from disease and injury through identification and control of environmental factors in food, drugs, medical devices, institutions, consumer products, and insect and rodent vectors affecting public health. The Division has responsibility for the following programs that are funded with General Fund, cash funds from inspection fees, and federal funds. (1) The Dairy Inspection Program inspects dairy farms; milk haulers, tankers and receivers; milk cooperatives; milk processing plants; and manufactured dairy product plants. (2) The Retail Food Service Inspection Program inspects restaurants, grocery stores, school cafeterias, and food programs for the elderly. (3) The Wholesale Food Manufacturing and Storage Program inspects food storage and warehouse facilities, food manufacturers, and shellfish dealers. (4) The Insect/Vector Control Program monitors diseases that are spread by insects and rodents, such as encephalitis, the bubonic plague, and West Nile Virus. (5) The Environmental Institutions Program inspects child care centers, summer camps, public and private schools, and private correctional facilities. (6) The Health Fraud Program prepares and disseminates information related to potentially harmful and/or recalled products. (7) The Drug/Medical Device Program inspects body art facilities, drug manufacturers, and medical device manufacturers. (8) Three environmental sustainability programs including: the Recycling Resources Program Economic Opportunity Program which works to enhance pollution prevention efforts involving multiple Department divisions and a variety of media (air, water, and waste), and the Animal Feeding Operations Program which regulates animal feeding operations, including the Housed Commercial Swine Feeding Operations Program. (9) Inspecting tanning facilities and responding to complaints about hotels, motels, mobile home park operators, and camp ground operators.

Administration and Support	0	787,092	856,338	856,338
FTE	0.0	5.7	7.5	7.5
General Fund	0	484,367	484,575	484,575
Cash Funds	0	234,481	270,049	270,049
Reappropriated Funds	0	0	0	0
Federal Funds	0	68,244	101,714	101,714
 Environmental Health Programs	 2,640,321	 2,486,035	 2,564,566	 2,513,384
FTE	25.5	23.0	22.3	22.3
General Fund	1,126,383	763,841	658,506	664,009
Cash Funds	870,185	1,066,397	1,343,192	1,283,927
Reappropriated Funds	101,389	100,452	110,094	111,730
Federal Funds	542,364	555,345	452,774	453,718

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Sustainability Programs	<u>756,979</u>	<u>702,955</u>	<u>841,511</u>	<u>841,511</u>	
FTE	6.8	6.8	8.6	8.6	
Cash Funds	197,638	190,425	248,790	248,790	
Federal Funds	559,341	512,530	592,721	592,721	
Animal Feeding Operations Program	<u>427,134</u>	<u>501,708</u>	<u>505,777</u>	<u>505,777</u>	
FTE	4.0	3.4	3.4	3.4	
General Fund	0	99,437	99,538	99,538	
Cash Funds	427,134	402,271	406,239	406,239	
Recycling Resources Economic Opportunity Program	<u>2,789,030</u>	<u>2,228,485</u>	<u>4,308,548</u>	<u>4,308,548</u>	
FTE	1.4	1.4	1.4	1.4	
Cash Funds	2,789,030	2,228,485	4,308,548	4,308,548	
Oil and Gas Consultation Program	<u>122,298</u>	<u>114,340</u>	<u>114,350</u>	<u>114,350</u>	
FTE	1.0	0.9	0.9	0.9	
Cash Funds	122,298	114,340	114,350	114,350	
Household Take-back Medication Program	<u>39,877</u>	<u>140,554</u>	<u>350,000</u>	<u>350,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	4,089	140,554	300,000	300,000	
Cash Funds	35,788	0	50,000	50,000	
Cottage Foods Program	<u>0</u>	<u>0</u>	<u>89,477</u>	<u>89,477</u>	
FTE	0.0	0.0	1.2	1.2	
General Fund	0	0	89,477	89,477	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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Indirect Costs Assessment	<u>775,039</u>	<u>917,730</u>	<u>878,100</u>	<u>1,099,799</u>	
Cash Funds	535,113	666,755	584,000	805,699	
Federal Funds	239,926	250,975	294,100	294,100	
Transfer to Recycling Resources Economic Opportunity					
Fund	<u>1,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,500,000	0	0	0	
Cash Funds	0	0	0	0	
TOTAL - (7) Division of Environmental Health and Sustainability	9,050,678	7,878,899	10,508,667	10,679,184	1.6%
<i>FTE</i>	<u>38.7</u>	<u>41.2</u>	<u>45.3</u>	<u>45.3</u>	0.0%
General Fund	2,630,472	1,488,199	1,632,096	1,637,599	0.3%
Cash Funds	4,977,186	4,903,154	7,325,168	7,487,602	2.2%
Reappropriated Funds	101,389	100,452	110,094	111,730	1.5%
Federal Funds	1,341,631	1,387,094	1,441,309	1,442,253	0.1%

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(8) DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION

This division is comprised of three subdivisions: Administration, General Disease Control, and Surveillance; Special Purpose Disease Control Programs; and Environmental Epidemiology. The primary sources of funding for this division include General Fund, cash funds from the tobacco master settlement agreement, and federal funds.

(A) Administration, General Disease Control and Surveillance

This subdivision has three areas of responsibility: provision of division-wide administration and support, maintaining and monitoring the disease-monitoring network, and operationation of the Immunization Program. The Immunization Program consists of the following components: (1) The Immunization Outreach Program which provides free immunization clinics around the state; (2) The Colorado Immunization Information System collects and stores a child's immunization records, which enables health care providers to easily check a child's immunization status during a health care visit. This helps ensure a child is up-to-date on their immunizations and are not over-immunized. The system can also send reminders to parents of children who are not up-to-date on their immunizations. (3) Provision of grants to local public health agencies for the operation of immunization clinics.

Program Costs	<u>1,160,148</u>	<u>1,952,264</u>	<u>2,856,550</u>	<u>2,668,813</u> *
FTE	11.3	24.0	33.9	33.9
General Fund	1,116,805	1,208,226	1,303,062	1,104,062
Cash Funds	0	0	0	0
Federal Funds	43,343	744,038	1,553,488	1,564,751
Immunization Personal Services	<u>3,615,358</u>	<u>3,811,754</u>	<u>4,075,604</u>	<u>4,075,604</u>
FTE	36.3	31.3	25.3	25.3
General Fund	829,312	1,319,455	1,289,604	1,289,604
Federal Funds	2,786,046	2,492,299	2,786,000	2,786,000
Immunization Operating Expenses	<u>50,033,856</u>	<u>60,165,149</u>	<u>51,461,714</u>	<u>51,459,529</u>
General Fund	1,107,872	1,803,580	937,468	937,468
General Fund Exempt	0	0	432,590	430,405
Cash Funds	875,978	836,103	2,041,656	2,041,656
Federal Funds	48,050,006	57,525,466	48,050,000	48,050,000

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Appropriation from the Tobacco Tax Cash Fund to the					
General Fund	<u>423,600</u>	<u>427,593</u>	<u>432,590</u>	<u>430,405</u>	
General Fund	423,600	0	0	0	
Cash Funds	0	427,593	432,590	430,405	
Federal Grants	<u>2,847,205</u>	<u>2,448,618</u>	<u>1,333,092</u>	<u>1,333,092</u>	
FTE	19.8	16.2	9.2	9.2	
Federal Funds	2,847,205	2,448,618	1,333,092	1,333,092	
Indirect Cost Assessment	<u>3,070,086</u>	<u>3,127,117</u>	<u>3,328,700</u>	<u>4,587,038</u>	
Cash Funds	53,959	(773)	33,000	1,291,338	
Federal Funds	3,016,127	3,127,890	3,295,700	3,295,700	
SUBTOTAL - (A) Administration, General Disease					
Control and Surveillance	61,150,253	71,932,495	63,488,250	64,554,481	1.7%
FTE	<u>67.4</u>	<u>71.5</u>	<u>68.4</u>	<u>68.4</u>	0.0%
General Fund	3,477,589	4,331,261	3,530,134	3,331,134	(5.6%)
General Fund Exempt	0	0	432,590	430,405	(0.5%)
Cash Funds	929,937	1,262,923	2,507,246	3,763,399	50.1%
Federal Funds	56,742,727	66,338,311	57,018,280	57,029,543	0.0%

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(B) Special Purpose Disease Control Programs

This subdivision is responsible for disease control programs which work to control and prevent certain communicable diseases including sexually transmitted infections, HIV and AIDS, and tuberculosis.

Sexually Transmitted Infections, HIV and AIDS Personal

Services	<u>3,160,315</u>	<u>3,538,691</u>	<u>3,247,911</u>	<u>0</u> *
FTE	33.7	39.9	39.9	0.0
Cash Funds	94,118	78,160	94,236	0
Federal Funds	3,066,197	3,460,531	3,153,675	0

Sexually Transmitted Infections, HIV and AIDS Operating

Expenses	<u>3,152,953</u>	<u>3,971,010</u>	<u>4,964,933</u>	<u>0</u> *
Cash Funds	1,454,062	1,642,637	3,266,033	0
Federal Funds	1,698,891	2,328,373	1,698,900	0

Ryan White Act Personal Services

FTE	<u>2,126,512</u>	<u>1,901,306</u>	<u>2,129,818</u>	<u>0</u> *
General Fund	22.0	18.0	10.2	0.0
Cash Funds	0	22,018	22,018	0
Federal Funds	18,691	0	0	0
Federal Funds	2,107,821	1,879,288	2,107,800	0

Ryan White Act Operating Expenses

General Fund	<u>20,076,907</u>	<u>22,958,574</u>	<u>22,300,002</u>	<u>0</u> *
Cash Funds	1,451,065	1,451,065	1,451,065	0
Cash Funds	3,073,708	1,739,931	5,296,837	0
Federal Funds	15,552,134	19,767,578	15,552,100	0

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Tuberculosis Control and Treatment Personal Services	<u>902,010</u>	<u>834,039</u>	<u>902,009</u>	<u>0</u>	*
FTE	9.1	0.0	13.1	0.0	
General Fund	122,609	122,609	122,609	0	
Federal Funds	779,401	711,430	779,400	0	
Tuberculosis Control and Treatment Operating Expenses	<u>1,500,170</u>	<u>1,396,962</u>	<u>1,500,461</u>	<u>0</u>	*
General Fund	1,188,487	1,188,761	1,188,761	0	
Federal Funds	311,683	208,201	311,700	0	
Special Purpose Disease Control Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,848,084</u>	*
FTE	0.0	0.0	0.0	50.1	
General Fund	0	0	0	1,674,066	
Cash Funds	0	0	0	8,661,543	
Federal Funds	0	0	0	22,512,475	
Tuberculosis Control and Treatment Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,402,470</u>	*
FTE	0.0	0.0	0.0	13.1	
General Fund	0	0	0	1,311,370	
Federal Funds	0	0	0	1,091,100	
SUBTOTAL - (B) Special Purpose Disease Control Programs	30,918,867	34,600,582	35,045,134	35,250,554	0.6%
FTE	<u>64.8</u>	<u>57.9</u>	<u>63.2</u>	<u>63.2</u>	<u>0.0%</u>
General Fund	2,762,161	2,784,453	2,784,453	2,985,436	7.2%
Cash Funds	4,640,579	3,460,728	8,657,106	8,661,543	0.1%
Federal Funds	23,516,127	28,355,401	23,603,575	23,603,575	0.0%

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(C) Environmental Epidemiology

This subdivision houses the Cannabis Health Environmental and Epidemiology Training, Outreach, and Surveillance Program which is responsible for researching the health impacts of marijuana use. Additionally within this subdivision starting in FY 2016-17 is funding for retail marijuana health research grants. Funding for this subdivision is from the Oil and Gas Conservation and Environmental Response Fund, the Marijuana Tax Cash Fund, and federal funds.

Cannabis Health Environmental and Epidemiological

Training, Outreach, and Surveillance	<u>290,411</u>	<u>239,039</u>	<u>320,388</u>	<u>320,388</u>	
FTE	2.9	2.8	4.0	4.0	
General Fund	290,411	0	0	0	
Cash Funds	0	239,039	320,388	320,388	
 Oil and Gas Health Activities	<u>0</u>	<u>276,761</u>	<u>502,771</u>	<u>696,029</u>	
FTE	0.0	3.0	3.2	3.2	
General Fund	0	0	0	0	
Cash Funds	0	276,761	293,699	293,699	
Reappropriated Funds	0	0	209,072	402,330	
Federal Funds	0	0	0	0	
 Retail Marijuana Health Research Grants	<u>0</u>	<u>0</u>	<u>343,622</u>	<u>768,622</u>	
FTE	0.0	0.0	0.3	0.3	
Cash Funds	0	0	343,622	768,622	
 Environmental Epidemiology Federal Grants	<u>2,075,174</u>	<u>2,577,329</u>	<u>683,103</u>	<u>683,103</u>	
FTE	18.5	24.9	5.8	5.8	
Federal Funds	2,075,174	2,577,329	683,103	683,103	

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SUBTOTAL - (C) Environmental Epidemiology	2,365,585	3,093,129	1,849,884	2,468,142	33.4%
<i>FTE</i>	<u>21.4</u>	<u>30.7</u>	<u>13.3</u>	<u>13.3</u>	<u>0.0%</u>
General Fund	290,411	0	0	0	0.0%
Cash Funds	0	515,800	957,709	1,382,709	44.4%
Reappropriated Funds	0	0	209,072	402,330	92.4%
Federal Funds	2,075,174	2,577,329	683,103	683,103	0.0%
TOTAL - (8) Disease Control and Environmental Epidemiology Division	94,434,705	109,626,206	100,383,268	102,273,177	1.9%
<i>FTE</i>	<u>153.6</u>	<u>160.1</u>	<u>144.9</u>	<u>144.9</u>	<u>(0.0%)</u>
General Fund	6,530,161	7,115,714	6,314,587	6,316,570	0.0%
General Fund Exempt	0	0	432,590	430,405	(0.5%)
Cash Funds	5,570,516	5,239,451	12,122,061	13,807,651	13.9%
Reappropriated Funds	0	0	209,072	402,330	92.4%
Federal Funds	82,334,028	97,271,041	81,304,958	81,316,221	0.0%

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(9) PREVENTION SERVICES DIVISION

This division is comprised of the following five subdivisions: Administration, Chronic Disease Prevention Programs, Primary Care Office, Family and Community Health, and Nutrition Services.

(A) Administration

This subdivision provides administrative services to the other division programs. Funding is General Fund, various division cash funds, and federal funds.

Administration	<u>120,232</u>	<u>2,009,106</u>	<u>2,666,055</u>	<u>2,671,020</u>	
FTE	1.1	25.9	31.7	31.7	
General Fund	120,232	370,956	397,608	398,076	
Cash Funds	0	(142,751)	611,228	612,617	
Reappropriated Funds	0	490,636	15,020	15,029	
Federal Funds	0	1,290,265	1,642,199	1,645,298	
Indirect Cost Assessment	<u>4,400,264</u>	<u>5,143,016</u>	<u>4,732,800</u>	<u>8,870,411</u>	
Cash Funds	1,150,777	1,404,404	1,255,000	5,392,611	
Reappropriated Funds	18,205	0	0	0	
Federal Funds	3,231,282	3,738,612	3,477,800	3,477,800	
Colorado Commission on Affordable Health Care	<u>400,000</u>	<u>25,000</u>	<u>177,755</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	400,000	25,000	177,755	0	
SUBTOTAL - (A) Administration	4,920,496	7,177,122	7,576,610	11,541,431	52.3%
FTE	<u>1.1</u>	<u>25.9</u>	<u>31.7</u>	<u>31.7</u>	0.0%
General Fund	520,232	395,956	575,363	398,076	(30.8%)
Cash Funds	1,150,777	1,261,653	1,866,228	6,005,228	221.8%
Reappropriated Funds	18,205	490,636	15,020	15,029	0.1%
Federal Funds	3,231,282	5,028,877	5,119,999	5,123,098	0.1%

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(B) Chronic Disease Prevention Programs

These programs target the prevention of specific chronic diseases including: breast and cervical cancer, lung cancer, and cardiovascular and chronic pulmonary disease. This subdivision also includes oral health programs, and tobacco cessation, education, and prevention programs. Funding is cash funds from the tobacco settlement and tobacco tax revenue, and federal funds.

Transfer to the Health Disparities Grant Program Fund	<u>3,388,800</u>	<u>3,470,127</u>	<u>3,460,720</u>	<u>3,460,720</u>	
Cash Funds	3,388,800	3,470,127	3,460,720	3,460,720	
Chronic Disease and Cancer Prevention Grants	<u>5,808,369</u>	<u>6,043,081</u>	<u>5,808,400</u>	<u>6,808,400</u>	
FTE	37.3	0.0	37.3	37.3	
Cash Funds	0	0	0	0	
Federal Funds	5,808,369	6,043,081	5,808,400	6,808,400	
Breast and Cervical Cancer Screening	<u>4,935,530</u>	<u>5,591,576</u>	<u>7,133,314</u>	<u>7,133,314</u>	
FTE	13.3	8.2	7.2	7.2	
Cash Funds	2,281,670	3,334,557	4,479,414	4,479,414	
Federal Funds	2,653,860	2,257,019	2,653,900	2,653,900	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Program Administration	<u>690,188</u>	<u>538,160</u>	<u>563,165</u>	<u>563,165</u>	
FTE	7.7	7.6	6.7	6.7	
Cash Funds	690,188	538,160	563,165	563,165	
Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Grants	<u>9,239,828</u>	<u>12,040,672</u>	<u>22,150,816</u>	<u>22,150,816</u>	
Cash Funds	9,239,828	12,040,672	22,150,816	22,150,816	

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Tobacco Education, Prevention, and Cessation Program					
Administration	<u>782,324</u>	<u>538,810</u>	<u>550,521</u>	<u>550,576</u>	
FTE	7.3	7.3	6.9	6.9	
Cash Funds	782,324	538,810	550,521	550,576	
Tobacco Education, Prevention, and Cessation Grants					
Cash Funds	<u>20,524,072</u>	<u>20,500,172</u>	<u>23,891,386</u>	<u>23,891,386</u>	
Reappropriated Funds	20,401,944	20,212,230	22,605,660	22,605,660	
	122,128	287,942	1,285,726	1,285,726	
Oral Health Programs					
FTE	<u>2,894,858</u>	<u>1,434,162</u>	<u>2,009,208</u>	<u>2,009,208</u>	
General Fund	8.9	6.8	4.1	4.1	
Cash Funds	1,802,424	264,421	266,403	266,403	
Federal Funds	214,841	183,539	865,205	865,205	
	877,593	986,202	877,600	877,600	
Marijuana Education Campaign					
FTE	<u>5,665,002</u>	<u>4,602,835</u>	<u>7,025,000</u>	<u>4,650,000</u>	
General Fund	4.7	5.0	3.7	3.7	
Cash Funds	0	2,106,356	0	0	
	5,665,002	2,496,479	7,025,000	4,650,000	
SUBTOTAL - (B) Chronic Disease Prevention Programs					
FTE	53,928,971	54,759,595	72,592,530	71,217,585	(1.9%)
General Fund	<u>79.2</u>	<u>34.9</u>	<u>65.9</u>	<u>65.9</u>	<u>0.0%</u>
Cash Funds	1,802,424	2,370,777	266,403	266,403	0.0%
Reappropriated Funds	42,664,597	42,814,574	61,700,501	59,325,556	(3.8%)
Federal Funds	122,128	287,942	1,285,726	1,285,726	0.0%
	9,339,822	9,286,302	9,339,900	10,339,900	10.7%

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(C) Primary Care Office

This Office assesses the need for primary health care professionals in various parts of the state and directs incentives to qualified professionals and clinics willing to serve in areas that are short of providers. Funding for the Office is cash funds from the tobacco settlement revenue and federal funds.

Primary Care Office	<u>2,766,170</u>	<u>5,420,854</u>	<u>3,386,628</u>	<u>3,886,628</u>	
FTE	4.4	4.6	3.4	3.4	
General Fund	0	1,868,453	1,874,251	1,874,251	
Cash Funds	2,039,722	1,468,576	883,877	883,877	
Federal Funds	726,448	2,083,825	628,500	1,128,500	

SUBTOTAL - (C) Primary Care Office	2,766,170	5,420,854	3,386,628	3,886,628	14.8%
FTE	<u>4.4</u>	<u>4.6</u>	<u>3.4</u>	<u>3.4</u>	0.0%
General Fund	0	1,868,453	1,874,251	1,874,251	0.0%
Cash Funds	2,039,722	1,468,576	883,877	883,877	0.0%
Federal Funds	726,448	2,083,825	628,500	1,128,500	79.6%

(D) Family and Community Health

This subdivision includes the following three program areas: (1) Women's Health Programs, (2) Children and Youth Programs, and (3) Injury, Suicide, and Violence Prevention Programs. Funding for this subdivision includes General Fund, federal funds.

(1) Women's Health

Family Planning Program Administration	<u>406,498</u>	<u>355,412</u>	<u>1,543,445</u>	<u>1,543,445</u>	
FTE	4.0	5.3	9.9	9.9	
General Fund	406,498	355,412	359,375	359,375	
Federal Funds	0	0	1,184,070	1,184,070	
Family Planning Purchase of Services	<u>4,654,013</u>	<u>4,507,586</u>	<u>7,323,361</u>	<u>7,323,361</u>	
General Fund	1,223,326	1,223,326	3,734,461	3,734,461	
Federal Funds	3,430,687	3,284,260	3,588,900	3,588,900	

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Family Planning Federal Grants	<u>146,113</u>	<u>207,938</u>	<u>184,300</u>	<u>184,300</u>	
FTE	1.1	0.0	2.0	2.0	
Federal Funds	146,113	207,938	184,300	184,300	
Maternal and Child Health	<u>4,821,738</u>	<u>3,989,284</u>	<u>4,821,700</u>	<u>4,821,700</u>	
FTE	21.4	12.2	9.5	9.5	
Federal Funds	4,821,738	3,989,284	4,821,700	4,821,700	
SUBTOTAL -	10,028,362	9,060,220	13,872,806	13,872,806	0.0%
<i>FTE</i>	<u>26.5</u>	<u>17.5</u>	<u>21.4</u>	<u>21.4</u>	<u>(0.0%)</u>
General Fund	1,629,824	1,578,738	4,093,836	4,093,836	0.0%
Federal Funds	8,398,538	7,481,482	9,778,970	9,778,970	0.0%

(2) Children and Youth Health

Health Care Program for Children with Special Needs	<u>1,162,327</u>	<u>1,119,618</u>	<u>1,122,590</u>	<u>1,122,590</u>	
FTE	12.9	9.6	14.4	14.4	
General Fund	706,227	663,518	666,490	666,490	
Federal Funds	456,100	456,100	456,100	456,100	
Health Care Program for Children with Special Needs					
Purchase of Services	<u>3,075,470</u>	<u>3,075,399</u>	<u>3,075,399</u>	<u>3,075,399</u>	
General Fund	1,847,899	1,847,899	1,847,899	1,847,899	
Federal Funds	1,227,571	1,227,500	1,227,500	1,227,500	

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Genetics Counseling Program Costs	<u>0</u>	<u>1,591,364</u>	<u>1,656,195</u>	<u>1,656,195</u>	
FTE	0.0	1.0	1.0	1.0	
General Fund	0	0	0	0	
Cash Funds	0	1,591,364	1,656,195	1,656,195	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
School-based Health Centers	<u>4,675,229</u>	<u>5,112,107</u>	<u>5,000,000</u>	<u>5,000,000</u>	
FTE	2.8	2.4	2.4	2.4	
General Fund	4,675,229	5,112,107	5,000,000	5,000,000	
Child Fatality Prevention	<u>643,419</u>	<u>550,979</u>	<u>566,149</u>	<u>566,149</u>	
FTE	2.6	2.9	2.9	2.9	
General Fund	643,419	550,979	566,149	566,149	
Healthy Kids Colorado Survey	<u>682,614</u>	<u>781,789</u>	<u>745,124</u>	<u>745,124</u>	
FTE	1.7	1.5	1.5	1.5	
Cash Funds	682,614	781,789	745,124	745,124	
Federal Grants	<u>916,755</u>	<u>800,885</u>	<u>884,604</u>	<u>884,604</u>	
FTE	6.2	7.0	7.5	7.5	
Federal Funds	916,755	800,885	884,604	884,604	
Genetics Counseling Personal Services	<u>1,589,899</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	1.0	0.0	0.0	0.0	
Cash Funds	1,589,899	0	0	0	

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SUBTOTAL -	12,745,713	13,032,141	13,050,061	13,050,061	0.0%
<i>FTE</i>	<u>27.2</u>	<u>24.4</u>	<u>29.7</u>	<u>29.7</u>	<u>(0.0%)</u>
General Fund	7,872,774	8,174,503	8,080,538	8,080,538	0.0%
Cash Funds	2,272,513	2,373,153	2,401,319	2,401,319	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	2,600,426	2,484,485	2,568,204	2,568,204	0.0%

(3) Injury and Violence Prevention - Mental Health Promotion

Suicide Prevention	<u>441,226</u>	<u>434,483</u>	<u>539,007</u>	<u>539,007</u>	
<i>FTE</i>	2.6	2.6	2.6	2.6	
General Fund	441,226	434,483	539,007	539,007	
Injury Prevention	<u>1,738,868</u>	<u>1,988,580</u>	<u>1,679,900</u>	<u>3,679,900</u>	
<i>FTE</i>	11.6	7.9	9.4	13.4	
Federal Funds	1,738,868	1,988,580	1,679,900	3,679,900	
Substance Abuse Prevention Program Costs	<u>0</u>	<u>0</u>	<u>397,612</u>	<u>378,800</u>	
<i>FTE</i>	0.0	0.0	4.5	4.5	
Cash Funds	0	0	397,612	378,800	
Substance Abuse Prevention Grants	<u>0</u>	<u>0</u>	<u>6,730,000</u>	<u>9,030,000</u>	
Cash Funds	0	0	6,730,000	9,030,000	
SUBTOTAL -	2,180,094	2,423,063	9,346,519	13,627,707	45.8%
<i>FTE</i>	<u>14.2</u>	<u>10.5</u>	<u>16.5</u>	<u>20.5</u>	<u>24.2%</u>
General Fund	441,226	434,483	539,007	539,007	0.0%
Cash Funds	0	0	7,127,612	9,408,800	32.0%
Federal Funds	1,738,868	1,988,580	1,679,900	3,679,900	119.1%

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SUBTOTAL - (D) Family and Community Health	24,954,169	24,515,424	36,269,386	40,550,574	11.8%
<i>FTE</i>	<u>67.9</u>	<u>52.4</u>	<u>67.6</u>	<u>71.6</u>	<u>5.9%</u>
General Fund	9,943,824	10,187,724	12,713,381	12,713,381	0.0%
Cash Funds	2,272,513	2,373,153	9,528,931	11,810,119	23.9%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	12,737,832	11,954,547	14,027,074	16,027,074	14.3%

(E) Nutrition Services

This subdivision includes the Women, Infants and Children (WIC) Nutrition Program and the Child and Adult Food Care Program. WIC provides a monthly check to low-income (185.0 percent of the federal poverty level) women and children who are at-risk of poor nutritional options. The Child and Adult Food Care Program provides reimbursement for nutritious foods to participating child care centers, Head Start programs, family day care homes, and adult day care centers. These programs are entirely federally funded.

Women, Infants, and Children Supplemental Food Grant	<u>87,140,111</u>	<u>83,465,427</u>	<u>87,140,100</u>	<u>87,140,100</u>	
<i>FTE</i>	16.8	16.4	16.9	16.9	
Federal Funds	87,140,111	83,465,427	87,140,100	87,140,100	
Child and Adult Care Food Program	<u>26,400,362</u>	<u>27,521,083</u>	<u>24,628,468</u>	<u>27,628,468</u>	
<i>FTE</i>	8.3	7.3	7.8	7.8	
Federal Funds	26,400,362	27,521,083	24,628,468	27,628,468	
SUBTOTAL - (E) Nutrition Services	113,540,473	110,986,510	111,768,568	114,768,568	2.7%
<i>FTE</i>	<u>25.1</u>	<u>23.7</u>	<u>24.7</u>	<u>24.7</u>	<u>0.0%</u>
Federal Funds	113,540,473	110,986,510	111,768,568	114,768,568	2.7%

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TOTAL - (9) Prevention Services Division	200,110,279	202,859,505	231,593,722	241,964,786	4.5%
<i>FTE</i>	<u>177.7</u>	<u>141.5</u>	<u>193.3</u>	<u>197.3</u>	<u>2.1%</u>
General Fund	12,266,480	14,822,910	15,429,398	15,252,111	(1.1%)
Cash Funds	48,127,609	47,917,956	73,979,537	78,024,780	5.5%
Reappropriated Funds	140,333	778,578	1,300,746	1,300,755	0.0%
Federal Funds	139,575,857	139,340,061	140,884,041	147,387,140	4.6%

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(10) HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION

This division is comprised of three subdivisions: Licensure, Emergency Medical Services, and Indirect Cost Assessment.

(A) Operations Management

This subdivision provides division-wide services to the Health Facilities Program. Funding for this subdivision is General Fund, divisional cash funds, and federal funds.

Administration and Operations	<u>2,117,419</u>	<u>2,033,824</u>	<u>2,245,147</u>	<u>2,044,949</u>
FTE	24.0	20.2	24.0	23.8
General Fund	128,392	137,314	64,791	64,791
Cash Funds	1,805,079	1,872,231	2,117,252	1,917,054
Federal Funds	183,948	24,279	63,104	63,104

SUBTOTAL - (A) Operations Management	2,117,419	2,033,824	2,245,147	2,044,949	(8.9%)
<i>FTE</i>	<u>24.0</u>	<u>20.2</u>	<u>24.0</u>	<u>23.8</u>	<u>(0.8%)</u>
General Fund	128,392	137,314	64,791	64,791	0.0%
Cash Funds	1,805,079	1,872,231	2,117,252	1,917,054	(9.5%)
Federal Funds	183,948	24,279	63,104	63,104	0.0%

(B) Health Facilities Programs

This subdivision licenses, certifies, and inspects a variety of different types of health facilities in an effort to assure that patients and residents receive quality care, by focusing on education, inspection, investigation of complaints, and enforcement. It is responsible for establishing and enforcing standards for emergency medical services. Funding for this subdivision is from fees paid for licenses and Medicaid reappropriated funds from the Department of Health Care Policy and Financing.

Home and Community Survey	<u>1,348,999</u>	<u>1,021,000</u>	<u>1,670,747</u>	<u>1,677,086</u> *
FTE	16.3	13.4	14.4	14.5
General Fund	63,409	72,121	74,102	74,198
Cash Funds	1,180,225	934,575	1,596,645	1,602,888
Reappropriated Funds	105,365	14,304	0	0

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Nursing Facility Survey	<u>488,447</u>	<u>511,572</u>	<u>539,496</u>	<u>692,043</u>	*
FTE	9.4	9.1	5.5	6.9	
General Fund	66,404	54,669	55,660	99,083	
Cash Funds	422,043	456,903	483,836	592,960	
Medicaid/Medicare Certification Program	<u>7,689,273</u>	<u>8,544,368</u>	<u>8,782,643</u>	<u>9,793,881</u>	*
FTE	81.9	96.9	97.8	109.3	
Reappropriated Funds	3,879,623	4,257,659	4,745,662	5,329,515	
Federal Funds	3,809,650	4,286,709	4,036,981	4,464,366	
Transfer to Department of Public Safety	<u>522,593</u>	<u>577,715</u>	<u>767,620</u>	<u>767,620</u>	
Reappropriated Funds	243,968	272,319	374,599	374,599	
Federal Funds	278,625	305,396	393,021	393,021	
SUBTOTAL - (B) Health Facilities Programs	10,049,312	10,654,655	11,760,506	12,930,630	9.9%
FTE	<u>107.6</u>	<u>119.4</u>	<u>117.7</u>	<u>130.7</u>	<u>11.0%</u>
General Fund	129,813	126,790	129,762	173,281	33.5%
Cash Funds	1,602,268	1,391,478	2,080,481	2,195,848	5.5%
Reappropriated Funds	4,228,956	4,544,282	5,120,261	5,704,114	11.4%
Federal Funds	4,088,275	4,592,105	4,430,002	4,857,387	9.6%

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(C) Emergency Medical Services

This subdivision certifies and regulates emergency medical services providers, licenses air ambulance agencies, administers grants, and coordinates the designation of trauma centers. Funding for this subdivision is primarily cash funds from the Emergency Medical Services Account of the Highway Users Tax Fund.

State EMS Coordination, Planning and Certification

Program	<u>1,314,559</u>	<u>1,304,159</u>	<u>1,432,959</u>	<u>1,651,174</u>
FTE	14.1	13.5	12.1	13.8
General Fund	36,699	41,334	113,499	109,980
Cash Funds	1,277,860	1,262,825	1,319,460	1,541,194

Distributions to Regional Emergency Medical and Trauma

Councils (RETACs)	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>
Cash Funds	1,785,000	1,785,000	1,785,000	1,785,000

Emergency Medical Services Provider Grants

Cash Funds	<u>6,129,363</u>	<u>6,231,580</u>	<u>8,443,896</u>	<u>8,443,896</u>
	6,129,363	6,231,580	8,443,896	8,443,896

Trauma Facility Designation Program

FTE	<u>405,424</u>	<u>344,939</u>	<u>367,262</u>	<u>367,262</u>
	1.8	1.8	1.8	1.8
Cash Funds	405,424	344,939	367,262	367,262

Federal Grants

FTE	<u>144,472</u>	<u>121,706</u>	<u>290,300</u>	<u>290,300</u>
	0.0	0.2	0.0	0.0
Federal Funds	144,472	121,706	290,300	290,300

Poison Control

General Fund	<u>1,414,876</u>	<u>1,535,140</u>	<u>1,658,523</u>	<u>1,595,240</u>
	1,414,876	1,535,140	1,535,140	1,535,140
Cash Funds	0	0	123,383	60,100

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
SUBTOTAL - (C) Emergency Medical Services	11,193,694	11,322,524	13,977,940	14,132,872	1.1%
<i>FTE</i>	<u>15.9</u>	<u>15.5</u>	<u>13.9</u>	<u>15.6</u>	<u>12.2%</u>
General Fund	1,451,575	1,576,474	1,648,639	1,645,120	(0.2%)
Cash Funds	9,597,647	9,624,344	12,039,001	12,197,452	1.3%
Federal Funds	144,472	121,706	290,300	290,300	0.0%

(D) Indirect Cost Assessment

Indirect Cost Assessment	<u>2,975,222</u>	<u>3,145,298</u>	<u>3,405,100</u>	<u>3,997,942</u>	
Cash Funds	1,559,903	1,573,282	1,694,000	1,961,842	
Reappropriated Funds	569,894	681,259	555,700	880,700	
Federal Funds	845,425	890,757	1,155,400	1,155,400	
SUBTOTAL - (D) Indirect Cost Assessment	2,975,222	3,145,298	3,405,100	3,997,942	17.4%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	1,559,903	1,573,282	1,694,000	1,961,842	15.8%
Reappropriated Funds	569,894	681,259	555,700	880,700	58.5%
Federal Funds	845,425	890,757	1,155,400	1,155,400	0.0%

TOTAL - (10) Health Facilities and Emergency Medical Services Division	26,335,647	27,156,301	31,388,693	33,106,393	5.5%
<i>FTE</i>	<u>147.5</u>	<u>155.1</u>	<u>155.6</u>	<u>170.1</u>	<u>9.3%</u>
General Fund	1,709,780	1,840,578	1,843,192	1,883,192	2.2%
Cash Funds	14,564,897	14,461,335	17,930,734	18,272,196	1.9%
Reappropriated Funds	4,798,850	5,225,541	5,675,961	6,584,814	16.0%
Federal Funds	5,262,120	5,628,847	5,938,806	6,366,191	7.2%

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
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(11) OFFICE OF EMERGENCY PREPAREDNESS AND RESPONSE

This division helps responders prepare for a wide variety of man-made and natural disasters, including floods, wildfires, tornados, infectious disease epidemics, food and water borne disease outbreaks, and terrorist attacks. The Division coordinates a statewide network of laboratories, agencies, hospitals, and other resources. Approximately half of the appropriation is redistributed to local public health agencies and hospitals to support emergency preparedness activities statewide. The division is funded by General Fund and matching federal funds.

Administration and Support	<u>0</u>	<u>299,297</u>	<u>924,633</u>	<u>927,397</u>	
FTE	0.0	0.0	12.1	12.1	
General Fund	0	299,297	299,297	302,061	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	625,336	625,336	
 Emergency Preparedness and Response Program	 <u>14,826,232</u>	 <u>11,788,436</u>	 <u>14,319,822</u>	 <u>14,319,822</u>	
FTE	31.1	28.0	20.6	20.6	
General Fund	1,528,075	1,076,616	1,076,616	1,076,616	
Federal Funds	13,298,157	10,711,820	13,243,206	13,243,206	
 State Directed Emergency Preparedness and Responses					
Activities	<u>0</u>	<u>213,645</u>	<u>213,645</u>	<u>213,645</u>	
FTE	0.0	2.4	2.4	2.4	
General Fund	0	213,645	213,645	213,645	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 Indirect Cost Assessment	 <u>656,156</u>	 <u>560,550</u>	 <u>799,400</u>	 <u>799,400</u>	
Federal Funds	656,156	560,550	799,400	799,400	

JBC Staff Budget Briefing: FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
TOTAL - (11) Office of Emergency Preparedness and Response					
	15,482,388	12,861,928	16,257,500	16,260,264	0.0%
<i>FTE</i>	<u>31.1</u>	<u>30.4</u>	<u>35.1</u>	<u>35.1</u>	<u>0.0%</u>
General Fund	1,528,075	1,589,558	1,589,558	1,592,322	0.2%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	13,954,313	11,272,370	14,667,942	14,667,942	0.0%
TOTAL - Department of Public Health and Environment					
	511,253,791	525,591,514	563,473,936	583,590,480	3.6%
<i>FTE</i>	<u>1,257.5</u>	<u>1,234.7</u>	<u>1,311.3</u>	<u>1,330.0</u>	<u>1.4%</u>
General Fund	58,832,999	46,042,198	47,197,386	46,994,284	(0.4%)
General Fund Exempt	0	0	432,590	430,405	(0.5%)
Cash Funds	144,334,495	151,857,764	185,983,908	193,524,907	4.1%
Reappropriated Funds	32,816,547	36,245,253	41,167,484	44,834,876	8.9%
Federal Funds	275,269,750	291,446,299	288,692,568	297,806,008	3.2%

APPENDIX B

RECENT LEGISLATION AFFECTING DEPARTMENT BUDGET

2015 SESSION BILLS

S.B. 15-014 (MEDICAL MARIJUANA): Requires the Colorado Medical Board, in consultation with the Department of Public Health and Environment (DPHE) and physicians who specialize in medical marijuana, to establish guidelines for physicians who make medical marijuana recommendations. Creates four different types of primary caregiver relationships: a parent child primary caregiver, an advising primary caregiver, a transporting primary caregiver, and a cultivating primary caregiver. Defines "significant responsibility for managing the well-being of a patient."

Requires DPHE to adopt rules regarding guidelines for primary caregivers to give informed consent to patients that the products they cultivate or produce may contain contaminants and that the THC levels are not verified. Requires DPHE to convene a group of interested parties including representatives from the state licensing authority, primary caregivers, patients, marijuana testing laboratory licensees, and any other interested persons to explore laboratory testing options for unlicensed medical marijuana.

Requires all transporting and cultivating primary caregivers to register with the state medical marijuana licensing authority (Department of Revenue). Places registration requirements on cultivating primary caregivers and transporting primary caregivers. DOR may verify patient registration numbers and extended plant count numbers with the state health agency to confirm that a patient does not have more than one primary caregiver, or does not have both a designated caregiver and medical marijuana center, cultivating medical marijuana on his or her behalf at any given time. Prohibits registering as a primary caregiver if the person is licensed as a medical or retail marijuana business. A cultivating or transporting primary caregiver shall maintain a list of his or her patients including the registry identification card number of each patient and a recommended total plant count at all times.

Requires DOR and DPHE to share the minimum amount of information necessary to ensure that a medical marijuana patient has only one caregiver and is not using a primary caregiver and a medical marijuana center. Encourages patients cultivating more than 6 medical marijuana plants for their own medical use to register with the state licensing authority. Prohibits a patient and primary caregiver from cultivating more than 99 plants. A cultivating primary caregiver who grows more than 36 plants must register with the state licensing authority including the location of his or her cultivation operation, the patient registration identification number for each of the primary caregiver's patients, and any extended plant count numbers and their corresponding patient registry numbers. DOR must verify the location of extended plant counts for primary caregiver cultivation operations and homebound patient registration for transporting caregivers to a local government or law enforcement agency upon receiving a request for verification. The location of the cultivation operation shall comply with all applicable local laws, rules, or regulations. Sunsets the medical marijuana program on September 1, 2019. Adds an exception to the student possession policy for medical marijuana. Permits money in the Marijuana Tax Cash Fund to be used to fund the

implementation of any costs for law enforcement audits. The appropriations in S.B. 15-014 are summarized in the following table.

SUMMARY OF APPROPRIATIONS IN S.B. 15-014				
DEPARTMENT	MEDICAL MARIJUANA CASH FUND	MARIJUANA TAX CASH FUND	REAPPROPRIATED FUNDS	TOTAL FUNDS
Public Safety	\$0	\$60,000	\$0	\$60,000
Public Health and Environment	1,068,560	0	0	1,068,560
Revenue	0	113,704	0	113,704
FTE	0.0	1.0	0.0	1.0
Office of Information Technology	0	0	1,068,560	1,068,560
Department of Law	0	0	56,706	56,706
FTE	0	0	0.3	0.3
TOTAL	\$1,068,560	\$173,704	\$1,125,266	\$2,367,530

S.B. 15-189 (Repeal Consolidated Tobacco Program Reporting Requirements): Repeals requirements that the State Board of Health and the Department of Public Health and Environment annually report on the operation and effectiveness of tobacco settlement programs. Reduces the Department's FY 2015-16 appropriation by \$25,000 reappropriated funds from various tobacco-settlement supported programs.

S.B. 15-234 (LONG BILL): General appropriations act for FY 2015-16.

S.B. 15-247 (TOBACCO SETTLEMENT FUNDED DRUG ASSISTANCE PROGRAM): Augments the scope of services of the AIDS Drug Assistance Program to include funding for preventative and non-drug-related health services by renaming it the Drug Assistance Program (Program) and allowing money in the Drug Assistance Program Fund (Fund) to be used for assistance with indicated screening, general medical, preventative, and pharmaceutical costs for qualifying individuals of lower income who have medical or preventative needs concerning AIDS or HIV, viral hepatitis, or a sexually transmitted infection. The act also:

- Specifies that any money received in excess of a federal price agreement are a donation;
- Expands the duties of the existing subcommittee of the governor's advisory group on HIV and AIDS policy that currently only provides advice and recommendations to DPHE concerning which pharmaceutical products should be listed on the drug formulary for the program to include the provision of advice regarding income and other eligibility requirements and uses for funding for the program;
- Provides prioritization criteria for enrollment in the program among eligible applicants if the program is reaching its fiscal limitations; and
- Eliminates end of fiscal year transfers of unexpended and unencumbered money in the Fund to the Tobacco Litigation Settlement Cash Fund, and requires all such money to remain in the program fund.

Appropriates a total of \$863,033 cash funds to the Department of Public Health and Environment for FY 2015-16, including \$263,033 cash funds from the AIDS Drug Assistance Program Fund and \$600,000 from the money received in excess of a federal price agreement.

H.B. 15-1083 (PATIENT CONTRIBUTION REHABILITATION SERVICES): Requires the Colorado Commission on Affordable Health Care to conduct a study concerning the costs for physical rehabilitation services, and report its findings to the committees of reference. Appropriates \$25,000 General Fund to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1102 (COLORADO COTTAGE FOODS ACT EXPANSION): Expands the exemption from state inspection standards to include flour, fruit empanadas, tortillas, and pickled vegetables that have an equilibrium pH value of 4.6 or lower. Separates the foods into two tiers and requires the State Board of Health to promulgate rules for the production and sale of tier two foods. Requires a producer to display a placard, sign, or card at the point of sale indicating that the product was produced in a home kitchen that is not subject to state licensure or inspection. Appropriates \$120,982 General Fund and 1.4 FTE to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1232 (EMERGENCY USE OF EPINEPHRINE AUTO-INJECTORS): Permits entities and organizations other than schools to acquire and stock epinephrine auto-injectors. Health care practitioners may prescribe, and a health care practitioner or pharmacist may dispense, epinephrine auto-injectors in the name of an authorized entity where allergens capable of causing anaphylaxis may be present. Requires training for individuals who will use an epinephrine auto-injector and clarifies when they may use an injector. Outlines where injectors may be stored, requires reporting on incidents where auto-injectors are used. Creates exemptions from civil and criminal liability for certain individuals. Appropriates \$23,736 General Fund and 0.4 FTE to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1249 (RECODIFY WATER POLLUTION CONTROL FEES): Repeals and reenacts statutory fees for clean water and drinking water programs in the Water Quality Control Division (WQCD) of the Colorado Department of Public Health and Environment (CDPHE). Reorganizes water quality permit fees into five sectors: commerce and industry, construction, pesticide application, public and private utilities, and animal agriculture. Authorizes new fees of \$275 annually for pesticide application activities and permits the Water Quality Control Commission to establish fees for certifications related to projects affecting regulated water quality standards in jurisdictional waters of the United States, known as 401 certifications, by rule.

Restructures construction permit fees and fees applicable to recreational hot springs, with associated fee changes, and creates a new category for recreation and amusement services that distinguishes hot springs pool operations from general manufacturing and industrial discharges. On July 1, 2016, certain construction permit activities are re-categorized, with adjusted fees for stormwater-only permits based on affected acreage, and fees for dewatering and other groundwater-related permits based on complexity. Increased revenue from construction permits is dedicated to compliance assurance activities related to Colorado's delegated authority under federal water quality statutes.

Extends animal agriculture sector fees through the end of FY 2017-18. Repeals and reenacts basic procedures for the Colorado Discharge Permit System (CDPS). Requires the Department to provide an annual report on CDPS activities to the legislative agriculture committees, and an annual report on CDPS fees to the Joint Budget Committee. Appropriates \$19,468 cash funds and reduces \$17,600 General Fund appropriated to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1281 (NEWBORN HEART DEFECT SCREENING PULSE OXIMETRY): Requires that all newborns born in a Colorado facility below an elevation of 7,000 feet on or after January 1, 2016, be screened for congenital health defects using pulse oximetry prior to being released from the birthing center. Requires the Newborn Screening Committee within the Department of Public Health and Environment (DPHE) to evaluate whether or not the pulse oximetry testing in birthing facilities at or above elevations of 7,000 feet meet the DPHE newborn screening criteria. Each facility must report pulse oximetry screening results to the Newborn Screening Committee. Appropriates \$32,386 cash funds to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1283 (MARIJUANA REFERENCE LIBRARY AND LAB TESTING ACCESS): Requires the Department of Public Health and Environment (DPHE) to develop and maintain a marijuana laboratory testing reference library (reference library), or contract with an organization that represents marijuana testing laboratories for the development and maintenance of the reference library. Laboratories licensed by the Department of Revenue are required to provide materials for the reference library; except that no licensee is required to provide testing protocols. Requires the library to contain a catalog of methodologies for marijuana testing in the areas of potency, homogeneity, contaminants, and solvents, and be completed by December 31, 2015. Requires DPHE or the contractor to be responsible for proficiency testing and remediating problems with licensed laboratories.

Creates a new license in the medical marijuana code for medical marijuana testing facilities. Permits a retail marijuana laboratory licensee to test industrial hemp from a registered entity or person. Creates process validation for edible marijuana products and other marijuana products in multi-serving packages for a ten milligram serving in a one hundred milligram package, including homogeneity, potency, solvents, and pesticides. The bill permits the use of money from the Marijuana Tax Cash Fund for the reference library. Appropriates \$23,850 cash funds and 0.2 FTE to the Department of Public Health and Environment for FY 2015-16.

H.B. 15-1367 (RETAIL MARIJUANA TAXES): Refers a ballot issue to voters in November 2015, asking whether the State may retain and spend revenue collected from the Proposition AA excise and special sales taxes on retail marijuana in FY 2014-15. Creates a \$58.0 million Proposition AA Refund Account (Refund Account) in the General Fund. Contingent on voter approval of the ballot issue, the act makes several appropriations to the Department of Human Services for FY 2015-16, as detailed in the following table. For additional information, see the "Recent Legislation" section at the end of the Department of Revenue.

APPROPRIATIONS TO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT THAT ARE CONTINGENT ON VOTER APPROVAL		
PROGRAM	FUND SOURCE	DOLLAR AMOUNT
Marijuana Education Campaign	CF - Proposition AA Refund Account	\$2,500,000
Poison Control Centers	CF - Proposition AA Refund Account	<u>1,000,000</u>
TOTAL		\$3,500,000

2016 SESSION BILLS

S.B. 16-069 (COMMUNITY PARAMEDICINE REGULATION): Requires the Department of Public Health and Environment (DPHE) to establish rules governing the scope of practice of community integrated health care service, including the issuance of an endorsement in community integrated health care service to emergency medical service providers. Agencies managing and offering community integrated health care services must be licensed by DPHE beginning December 31, 2018. Sets minimum standards for community integrated health care service agencies that must be incorporated in rules promulgated by the State Board of Health. Creates the Community Integrated Health Care Service Cash Fund to receive fee payments from licensed agencies, including from government-owned entities. A person operating a community integrated health care service agency without a license commits a misdemeanor offense and is also subject to civil penalties. Creates the Community Assistance Referral and Education Services (CARES) Program in DPHE. Under the CARES Program, licensed ambulance services, local fire departments, fire protection districts, fire protection authorities, special district authorities, health care business entities, and community integrated health care service agencies may establish a program that provides community outreach on health issues and services, and health education to local residents. In addition, these agencies may provide referrals for low-cost medication programs and alternative resources to the 911 system. The community integrated health care service agencies licensure program repeals September 1, 2025, and is subject to a sunset review conducted by the Colorado Department of Regulatory Agencies. Appropriates \$73,986 General Fund and 1.0 FTE to the Department of Public Health and Environment for FY 2016-17. Reappropriates \$3,800 to the Department of Law for the provision of legal services.

H.B. 16-1034 (EMERGENCY MEDICAL RESPONDER REGISTRATION): Renames "first responders" as "emergency medical responders" and requires the Department of Public Health and Environment (DPHE) to begin a voluntary registration program on July 1, 2017. DPHE will create and administer the registration program, including promulgating rules for training programs and continued competency requirements, and will be responsible for investigating complaints and taking disciplinary action if necessary. This registration program replaces the Department of Public Safety certification program. Adds the registration program to the programs that can be funded from the Emergency Medical Services Account in the Highway Users Tax Fund (HUTF). Emergency medical responders must be registered in order to provide care unless acting as a Good Samaritan. To be registered as an emergency medical responder, at a minimum, a person must be certified through a nationally recognized emergency responder certification organization, and submit to a fingerprint-based criminal history record check. Provides for the provisional registration of applicants whose fingerprint-based criminal history record check has not been completed. DPHE will develop additional registration requirements and may set fees as part of its rulemaking process. Appropriates \$24,985 cash funds from the Emergency Medical Services Account within the Highway Users Tax Fund and 0.3 FTE to the Department of Public Health and Environment for FY 2016-17. Reappropriates \$3,800 to the Department of Law for the provision of legal services.

H.B. 16-1141 (RADON EXPOSURE IN BUILDINGS): Requires the Department of Public Health and Environment (DPHE) to establish a radon education and awareness program to provide information and education statewide to citizens, businesses, and others in need of information. By January 1, 2017, DPHE is required to establish a radon mitigation assistance program to provide financial assistance to low-income individuals for radon mitigation services. The State Board of

Health will set the program requirements, including eligibility requirements. Extends the Uranium Mill Tailings Remedial Action Program Fund until 2027, and eliminates the Uranium Mill Tailings Remedial Action Oversight Committee. Appropriates \$199,456 cash funds from the Hazardous Substance Response Fund and 0.8 FTE to the Department of Public Health and Environment for FY 2016-17.

H.B. 16-1280 (UPDATE AIR AMBULANCE REGULATION): Provides the Department of Public Health and Environment (DPHE) with additional authority to establish state-level licensing of air ambulances that allows for air ambulance operators to receive a license either by gaining accreditation through an approved organization or by meeting licensing standards established by DPHE and the State Board of Health. Requires the DPHE to establish rules by December 31, 2017, for the licensing program including recognition of licenses from other states and fees. DPHE has the authority to suspend or revoke licenses, impose civil penalties, and issue cease-and-desist orders. Any air ambulance operator that violates licensing rules or operates without a valid license may be subject to civil penalties of up to \$5,000 per violation or for each day of a continuing violation. Penalty revenue is deposited into the General Fund. Appropriates \$21,836 cash funds from the Fixed-wing and Rotary-wing Ambulances Cash Fund and 0.2 FTE to the Department of Public Health and Environment for FY 2016-17. Reappropriates \$3,800 to the Department of Law for the purchase of legal services.

H.B. 16-1386 (NECESSARY DOCUMENT PROGRAM): Creates the Necessary Document program in the Office of Health Equity in the Department of Public Health and Environment (DPHE). The purpose of the program is to help Colorado residents who are victims of domestic violence, impacted by a natural disaster, low-income, disabled, homeless, or elderly pay the fees to acquire a necessary document. Necessary documents are defined as social security cards, driver's licenses, identification cards, or a vital statistics report (such as a birth, death, or marriage certificate). Requires an annual appropriation of up to \$300,000 General Fund for the program. The Office of Health Equity is required to annually make at least one grant or contract with a nonprofit organization to implement the program. The Office of Health Equity may expend up to \$15,000 for the office's direct and indirect costs in administering the program. The program repeals on September 1, 2021. Appropriates \$300,000 General Fund to the Department of Public Health and Environment for FY 2016-17.

H.B. 16-1405 (LONG BILL): General appropriations act for FY 2016-17. Includes provisions modifying appropriations to the Department of Public Health and Environment for FY 2015-16.

H.B. 16-1408 (CASH FUND ALLOCATIONS FOR HEALTH-RELATED PROGRAMS): Establishes a new formula for the allocation of the annual payment received by the state as part of the Tobacco Master Settlement Agreement (Tobacco MSA). The new formula allocates all Tobacco MSA revenue by percentage shares, rather than the hybrid scheme of fixed dollar amounts and capped percentage shares in multiple tiers. The formula increases annual allocations to most programs receiving funding under the current distribution, while eliminating dedicated funding for the following six purposes:

- Early Literacy Fund in the Department of Education;
- Public Health Services Support Fund in the Department of Public Health and Environment;
- Offender Mental Health Services Program in the Department of Human Services;

- Alcohol and Drug Abuse Prevention Program in the Department of Human Services;
- Children's' Mental Health Treatment Program in the Department of Human Services; and
- The annual audit of Tobacco MSA-funded programs by the Office of the State Auditor.

For all of these purposes listed above except the audit, the bill makes FY 2016-17 appropriations from the Marijuana Tax Cash Fund in the amounts that the programs are expected to receive under the current law allocation formula. Repeals the Public Health Services Support Fund and the Tobacco Litigation Settlement Trust Fund, requires the State Treasurer to transfer any remaining balance in the Public Health Services Support Fund and the Offender Mental Health Services Fund to the Tobacco Litigation Settlement Cash Fund at the end of FY 2015-16. The following table summarizes the distribution changes.

SUMMARY OF DISTRIBUTION CHANGES		
	CURRENT DISTRIBUTION TIERS	NEW DISTRIBUTION NO TIERS
Tier 1 Programs		
Children's Basic Health Plan Trust	25.0%	18.00%
Nurse Home Visitor	19.0%	26.70%
Fitzsimons Trust Fund	8.0%	8.00%
Early Literacy	5.0%	Marijuana Funds
Tony Grampsas Youth Services	4.0%	7.50%
Drug Assistance Program (Ryan White)	3.5%	5.00%
AIDS and HIV Prevention Grants	2.0%	3.50%
Tobacco Litigation Settlement Cash Fund	2.0%	2.50%
State Veterans	1.0%	1.00%
Dental Loan Repayment	\$200,000	1.00%
Child Mental Health Treatment Act	\$300,000	Marijuana Funds
Cancer Program	0	2.00%
Autism Treatment	\$1,000,000	2.00%
	% of Remainder After Tier 1 programs	
Tier 2 Programs		
CU Health Sciences	49.00%	15.50%
Children's Basic Health Plan Trust	14.50%	Eliminated
Offender Mental Health Services	12.00%	Marijuana Funds
Alcohol & Drug Abuse	3.00%	Marijuana Funds
Local Public Health Agencies	7.00%	Marijuana Funds
Supplemental State Contribution	4.50%	2.30%
CO Immunization Fund	4.00%	2.50%
Health Services Corps (Loan Repayment)	\$250,000	1.00%
State Auditor's Office	\$89,000	Eliminated
Unallocated amount		1.50%

Creates a new Primary Care Provider Sustainability Fund in the Department of Health Care Policy and Financing to fund increased access to primary care office visits, immunization administration, health screening services, and newborn care, including neonatal critical care. On July 1, 2016, \$20.0 million is transferred from the Children's Basic Health Plan Trust to this new fund. Modifies statute concerning higher education fee-for-service contracts paid to the University of Colorado for specialty education services, specifying that these contracts include care provided by faculty of the University of Colorado Health Sciences Center and are eligible for payment under the state's Medicaid provider reimbursement. Makes the following appropriation changes related to funds from the Tobacco Master Settlement revenues and Marijuana Tax Cash Fund dollars.

**SUMMARY OF TOBACCO MASTER SETTLEMENT AGREEMENT DISTRIBUTION FORMULA APPROPRIATION
CHANGES**

SECTION	PROGRAM	GENERAL FUND	TOBACCO MASTER SETTLEMENT CASH FUNDS	MARIJUANA TAX CASH FUND
27	Early Literacy	0	(4,378,678)	4,378,678
28	Mental Health Services for Juvenile and Adult Offenders	0	(3,025,192)	3,025,192
28	Mental Health Services for Youth (H.B. 99-1116)	0	(300,000)	300,000
28	Community Prevention Treatment - Alcohol and Drug Abuse	0	(756,298)	756,298
29	Local Public Health Agencies	0	(1,767,584)	1,767,584
30	Tony Grampsas Youth Services	0	(2,626,328)	2,626,328
31	Autism Treatment Fund	(6,451,471)	6,451,471	0
32a	Higher Education - Cancer Program	0	1,751,471	0
32b	Higher Education - Health Sciences Center Programs	0	1,221,033	0
333	Nurse Home Visitor Program	0	6,743,164	0
34	Supplemental State Contribution Fund	0	879,745	0
35	Drug Assistance Program	0	1,313,603	0
36	AIDS and HIV Prevention Grants	0	1,313,604	0
37	Immunization Program	0	1,180,942	0
38	Oral Health Programs	0	675,736	0
39	Health Service Corps within the Primary Care Office	0	625,736	0

Appropriates \$55,694,236 total funds, of which \$20,000,000 is cash funds from the Primary Care Provider Sustainability Fund, \$556,859 is cash funds from the Hospital Provider Fee Cash Fund, and \$35,137,377 is federal funds to the Department of Health Care Policy and Financing for FY 2016-17 rate enhancements.

H.B. 16-1413 (REFINANCE WATER POLLUTION CONTROL PROGRAM): Repeals the Water Quality Control Fund and creates a separate cash fund for each of the six clean water sectors. Each cash fund will receive the fees specific to its sector. The new cash funds are:

- Commerce and Industry Cash Fund;
- Construction Cash Fund;
- Pesticides Cash Fund;
- Municipal Separate Storm Sewer System Cash Fund;
- Public and Private Utilities Cash Fund; and
- Water Quality Certifications Cash Fund.

DPHE is required to conduct a stakeholder process regarding the appropriate and necessary fees that each subcategory of each sector should pay to enable each sector to be adequately funded, and must submit a legislative proposal to the Joint Budget Committee by November 1, 2016, concerning its conclusions regarding the fees. For FY 2016-17 and FY 2017-18, if the revenue from a specific sector is inadequate to cover the direct and indirect costs of that sector, the General Assembly may appropriate money from another sector cash fund to pay for the costs. Transfers \$1,208,007 from the excess uncommitted reserve of the Water Quality Improvement Fund to the General Fund to provide a one-time General Fund subsidy to the Commerce and Industry, Public and Private Utilities, and Municipal Separate Storm Sewer System sectors. Appropriates \$362,402 General Fund to the Commerce and Industry Cash Fund, \$60,400 General Fund to the Municipal Separate Storm Sewer System Cash Fund, and \$785,205 General Fund to the Public and Private Utilities Cash Fund.

H.B. 16-1424 (Qualified Medication Administration Personnel): Removes the requirement that the exam required to be deemed qualified to administer medications administer be taken every four years, replaces it with the one-time completion of a competency evaluation. The Department of Public Health and Environment (DPHE) must set minimum requirements for course content, competency, and evaluations; approve entities that provide training on the administration of medication; and determine rules for and compliance by facilities overseen by DPHE. The Department of Human Services (DHS), Department of Health Care Policy and Financing (HCPF), and the Department of Corrections (DOC) must each develop and conduct a medication administration program and may set their own minimum standards for course content and competency evaluations for unlicensed persons who administer medication in the facilities run by those departments. DHS, HCPF, DOC, and DPHE must each maintain a list of those who have completed the competency evaluation. To be included on DPHE's list, people must pay a required fee once they have passed the competency evaluation. DPHE must also maintain a list of approved training entities. Appropriates \$30,298 cash funds from the Medication Administration Cash Fund and 0.5 FTE to the Department of Public Health and Environment for FY 2016-17.

APPENDIX C FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

- 80 Department of Public Health and Environment, Administration and Support, Administration, Leave Payouts -- The Department may use this line item for leave payouts for cash funded and federal funded employees only

COMMENT: This footnote was added to the FY 2016-17 Long Bill to state that funds appropriated from cash and federal indirect cost recoveries for leave payouts was to be used only for leave payouts of cash and federally-funded employees. The leave payouts line item does not include a General Fund appropriation; hence the prohibition of using the line item to pay leave payouts of employees working in General Fund supported positions. The Department is in compliance with this footnote.

- 81 Department of Public Health and Environment, Water Quality Control Division, Clean Water Program, Water Quality Improvement -- This appropriation remains available until the completion of the project or the close of FY 2018-19, whichever comes first.

COMMENT: This footnote was added as a result of moving this appropriation from the capital construction section of the Long Bill. Due to the unpredictable nature of the work associated with these grants, this footnote ensures the work will not be impacted due to the timing of the fiscal year. This footnote provides the Department with the authority to expend the funds in this line item through June 30, 2019.

- 82 Department of Public Health and Environment, Hazardous Materials and Waste Management Division, Contaminated Site Cleanups and Remediation Programs, Brownfields Cleanup Program -- This appropriation remains available until the completion of the project or the close of FY 2018-19, whichever comes first.

COMMENT: This footnote was added as a result of moving this appropriation from the capital construction section of the Long Bill. Due to the unpredictable nature of the work associated with these grants, this footnote ensures the work will not be impacted due to the timing of the fiscal year. This footnote provides the Department with the authority to expend the funds in this line item through June 30, 2019.

- 83 Department of Public Health and Environment, Prevention Services Division, Chronic Disease Prevention Programs, Transfer to Health Disparities Grant Program Fund - It is the intent of the General Assembly that if actual Amendment 35 tobacco tax revenues are higher than the appropriation set forth in this line item, then the transfer to the Health Disparities Grant Program Fund of 3.2 percent of such tobacco tax revenues will be increased by an amount equal to the difference between such actual tobacco tax revenues and the appropriated amount.

COMMENT: This footnote provides the Department the authority to transfer the constitutionally required 3.2 percent of Amendment 35 revenue credited to the Prevention, Early Detection, and Treatment Fund to the Health Disparities Program Fund, regardless of the appropriation in the Long Bill. This footnote provides the Department the authority to comply with constitutional requirements without exceeding the Long Bill appropriation if actual Amendment 35 revenues are higher than the projected amount used to set the Long Bill appropriation.

- 84 Department of Public Health and Environment, Prevention Services Division, Family and Community Health, Women's Health, Family Planning Program Administration; Family Planning Purchase of Services; and Family Planning Federal Grants -- Article V, Section 50 of the Colorado Constitution states that "No public funds shall be used by the State of Colorado, its agencies or political subdivisions to pay or otherwise reimburse, either directly or indirectly, any person, agency or facility for the performance of any induced abortion, provided however, that the General Assembly, by specific bill, may authorize and appropriate funds to be used for those medical services necessary to prevent the death of either a pregnant woman or her unborn child under circumstances where every reasonable effort is made to preserve the life of each."

COMMENT: This footnote reiterates the Colorado constitutional restriction on using state funds for abortion services. The Department is in compliance with this footnote.

UPDATE ON REQUESTS FOR INFORMATION

- 7 Department of **Health Care Policy and Financing**, Executive Directors Office; and Department of **Public Health and Environment**, Health Facilities and Emergency Medical Services Division -- The Departments are requested to report, on a quarterly basis starting September 1, 2016, on the status of hiring new site surveyors, the number of surveys done, the types of providers surveyed, and the time required for each survey. The Departments are also requested to include the estimated cost estimates of provider compliance with the final settings rule and the types of support and technical assistance the Departments are providing.

COMMENT: This request for information was covered in the IDD Health Facilities Surveys and Final Settings Rule issue.

- 1 Department of Public Health and Environment, Laboratory Services, Certification -- The Department is request to provide on November 1, 2016, an update on the development of the Marijuana Proficiency Testing Program. The update should include what issues the Department has identified that must be resolved, what solutions the Department has explored, whether the solutions are viable, what additional appropriations the Department requires to have a fully functional Proficiency Testing Program, and why. The Department is also requested to provide information on how the data collected by the Department of Agriculture through the cannabinoid content and homogeneity testing will be incorporated into the development of the proficiency testing protocols.

COMMENT: This request for information was covered in the Proficiency Testing issue.

- 2 Department of Public Health and Environment, Water Quality Control Division, Clean Water Sectors -- The Department is requested to submit a quarterly report for expenditures by fund source for each of the clean water sectors.

COMMENT: The Department submitted this information on November 21, 2016 and is included as Appendix F.

- 3 Department of Public Health and Environment, Hazardous Materials and Waste Management Division, Contaminated Site Cleanups and Remediation Programs -- The Department is requested to submit a report on its CERCLA program. This report is requested to include detailed expenditures for the program, including out-year estimates by project and associated project financing. The report should also include an analysis of long-term funding needs of the State in responding to, litigating, and cleaning up CERCLA sites, including estimated long-term maintenance costs for these sites. The report should also provide information on the Hazardous Substance Response Fund balance and out-year fiscal estimates. The Department is requested to submit this report to the Joint Budget Committee by November 1, 2016.

COMMENT: This request for information was discussed in the CERCLA and Hazardous Substance Response Fund issue.

- 4 Department of Public Health and Environment, Division of Environmental Health and Sustainability, Recycling Resources Economic Opportunity Program -- The Department is requested to provide by November 1, 2016 the number of grant applications received for FY 2016-17, the number and dollar amount of grants awarded for FY 2016-17, the year-to-date expenditure of those grants, and what actions the Department is taking to ensure full expenditure of the awarded grant amounts.

COMMENT: The Department provided the following information. 1). Number of grant applications received to date for FY 2016- 17: In response to the first grant solicitation focused on establishing hub & spoke recycling infrastructure, the Program received 37 grant applications. Additional solicitations are scheduled and grants will be awarded later in the fiscal year.

2). Number and dollar amount of grants awarded for FY 2016-17: As of October 15, the Department has awarded 11 grants out of the 37 Hub & Spoke applications for a total of \$1,843,395. The 11 grants were awarded based on the solicitation criteria as well as the intent to retain funding for the additional solicitations scheduled for later in the fiscal year.

3). Year-to-date expenditure of those grants: As of October 14, 2016 a total of \$385,274 has been reimbursed to grantees. Many grantees will be purchasing major equipment or beginning construction projects later in the fiscal year. For example, Gunnison County received a grant of \$399,382 to construct a new building to both process and store their recyclable materials. The building is scheduled to be completed by May 2017.

4). Actions the Department is taking to ensure full expenditure of the funds: The Department intends to expend a total of \$4.29 million dollars in FY 2016-17 through the issuance of recycling grants and recycling rebates as well as program administration costs. In FY 2016-17, there will be multiple funding opportunities. In December 2016, if it becomes apparent that there will be funding remaining from the initial round of grantees, those funds will be rolled into the funding set aside for the end-use development grants to be awarded in January 2017. These end-use projects are simple and straightforward since the funding covers equipment purchases only. On occasion, a grantee may find equipment or services at a lower cost than initial estimates indicated, reducing their actual expenditures. The program provides grantees the ability to request funding reallocations to ensure the full expenditure of the awarded grant amount, as long as the request furthers the goals of the grant.

- 5 Department of Public Health and Environment, Administration and Support -- The Department is requested to submit to the Joint Budget Committee by November 1, 2016, an updated strategic plan to most efficiently manage the grant programs administered by the Department. The plan should include an overview of the grant programs and the current methods used to track applications, make grant decisions, pay out grants funds, and the financial and performance standards used to monitor grantees. The plan should also include the proposed changes to improve and standardize Department methods and a timeline for implementing the proposed changes.

COMMENT: The following is a summary of the information provided by the Department. The Department is committed to improving the grant management processes and recognizes that these processes, such as Requests for Applications, grant application review, evaluation and award, budget and contract development need to be standardized where possible to prevent similar findings in future audits. Standardization of grant management processes will ensure these critical business processes are efficient, effective, and elegant, further strengthening the department's stewardship of grant funding and improving our customer's experience with our grant process. The Department's Outgoing Grant Management Officer (OGMO) is tasked with creating a higher-level strategic work plan for the implementation of the CORE outgoing grant module for the department. This position sets direction for all grant programs on changes in business practices necessary to address audit findings and recommendations related to outgoing grants management. In addition, compliance reviews will be completed to ensure adherence to established guidelines. The OGMO will also provide technical assistance to grant program staff in the development and issuance of outgoing grants across the department in conjunction with appropriate department staff (e.g. business unit, program staff, financial staff, and purchasing and contracting staff).

The construction of the Outgoing Grants CORE Module was placed on hold by the Office of the State Controller (OSC) in July 2016. While the project is on hold, the OGMO will be working closely with the OSC to participate in upcoming workgroups hosted by CORE Grants Management Team to provide feedback regarding the needs of the department's grant programs. The OGMO is also leading a workgroup specifically dedicated to streamlining and standardizing the RFA language.

In response to audit findings, the department launched an initiative in September 2013 to improve monitoring of ALL types of contracts. While the audit findings were specific to grant programs, the department determined that a contract monitoring program would be developed to include monitoring activities for both contractor (vendor) agreements and grants. This initiative has resulted in a standardized, risk based program. The program addresses OMB Supercircular requirements specific to sub-recipients, provides flexibility to programs to address the different types of factors that affect risk within programs and ensures consistent monitoring activities through the use of required practices, procedures and tools. The program is supported by a department policy that requires all department staff with monitoring responsibilities utilize the program and attend department provided training

- 6 Department of Public Health and Environment, Disease Control and Environmental Epidemiology, Environmental Epidemiology, Oil and Gas Health Activities -- The Department is requested to submit to the Joint Budget Committee by November 1, 2016, a summary of the status of the Health Concern Information Line and website, as well as the Mobile Air Quality Monitoring Unit. The report should include a summary of the activity on the website, the information line, and the mobile unit.

COMMENT: The following is a summary of the information provided by the Department. The OGHIR Program is fully staffed with 3 FTE and the services of a consulting physician

Citizens can report a health concern in two ways:

- Completing a form via website: <https://www.colorado.gov/pacific/cdphe/oghealth/concern>
 - staffed call line available during normal business hours and weekends
1. The OGHIR Program systematically tracks all reported concerns
 - The OGHIR program contacts citizen within one business day from submission of a concern.
 - All data are collected in a secure database. A more streamlined database is in final development stages. The database will increase productivity and improve reporting consistency by standardizing data and automating reports. The database is expected to be completed by office of information technology in approximately 6 months.
 - Concerns are mapped by zip code level and posted on website.
 2. Citizen Concern Tracking
 - 111 people have contacted the OGHIR Program since fall 2015. In comparison, this total is approximately half the total number of complaints received by the Colorado Oil and Gas Conservation Commission in the same time period.
 - Reported contacts are representative of oil and gas activity across the state.
 - Over 50% of contacts to the OGHIR Program were from counties in the Northern Front Range (Larimer, Adams, Weld and Boulder). This is consistent with well activity (Northern Front Range approximately 45% of active wells in 2015) and relative population density surrounding wells throughout 2015 in Colorado.

4 Mapping citizen concerns

- The OGHIR Program is mapping and tracking health concerns and identifying areas where higher tiered investigations may be warranted.
- The map overlays locations of reported concerns (at zip code level) with active oil and gas wells.
- Concerns in areas with no active oil and gas wells represented citizens with questions or concerns about O&G or concerns related to O&G disposal facilities or carbon dioxide production facilities.
- The map is updated monthly to reflect changes in the number of health concerns and active wells in Colorado. In early 2017, The OGHIR Program plans to have an interactive map posted on its website that will be updated in real time.

5 Reported Symptoms

- Over 60% of contacts to the OGHIR Program (66 people) have reported health symptoms.
- Many people report multiple health symptoms.
- The main symptoms include irritation of eyes, nose and throat and other respiratory effects. Neurological symptoms primarily include headaches and nausea.
- Approximately 42% of the people reporting symptoms have also seen a physician for those symptoms. If the citizen was agreeable, the Program's consulting physician conducted further investigation with the citizen's physician.

6 Multi-department tiered response plan

- A three-tiered response plan with established guidelines determines escalation to each tier.
- Tier II and III investigations have established processes to coordinate responses across various levels of government agencies (Air Pollution Control Division, Local Public Health agencies, and the Colorado Oil and Gas Conservation Commission)
- OGHIR and the Air Pollution Control Division have developed capacity to conduct air monitoring for Tier III investigations (see number8).
- Two-thirds of all contacts to the OGHIR Program have required elevation to Tier II or III, which involves coordination with other departments, possible site investigation, and air quality sampling to address a citizen concern and identify exposures of potential concern that may warrant further evaluation.

7 Tier III Investigation Air Sampling

a) Mobile Air Monitoring Unit

- The 1.0 FTE position for this project was filled in February 2016 using the open competitive process. 100% of that FTE has been directed to the building and implementation of the mobile laboratory within technical services group in the Air Pollution Control Division.
- A tow vehicle for the mobile laboratory trailer has been received through State Fleet Management.
- A customized mobile laboratory trailer has been designed, purchased and received.
- A long term storage facility for the trailer has been secured and line power has been brought to the storage location. The trailer is fully connected to line power while stored.
- A laboratory grade gas chromatograph and mass spectrometer (for the analysis of speciated hydrocarbons) has been purchased and received.

- All continuous gas and particulate analyzers have been purchased and received.
- Physical integration of all analyzers into the mobile lab is nearing completion. All instruments have been shock mounted in racks and on plates.
- Remaining integration tasks include: configuration of all analyzers with the onboard data management system, installation of sample and gas transfer lines, analyzer calibrations, and installation of meteorological sensors.
- The Air Pollution Control Division has and continues to work with instrument manufacturers to develop analytical methods that are compatible with a mobile environment.
- The goal is to have the mobile monitoring unit fully operational by November 2016.
- In the interim while the mobile laboratory is being built, preliminary investigations and air sampling arising from reported health concerns are being performed by whole air canister samples and by a portable hydrogen sulfide analyzer. Canister samples are being analyzed by a contract laboratory.

b) Outcomes

- Although the preliminary air sampling investigations have not identified any clear exceedances of health based limits, some investigations have led to voluntary operational changes by the operators.
- If air sampling is conducted, the OGHIR Program writes findings in a report. Report distributed to concerned citizens, operators, and participating government entities.
- The Program continues to closely monitor reported health concerns near Tier III site investigations to determine if additional investigation is warranted.

Goal B. Provide objective health information related to oil and gas operations

1. Website

- A clearinghouse of information is available at www.colorado.gov/oghealth. This site is regularly updated and provides in-depth information on many aspects related to oil and gas such as water quality, regulations, operations, and air quality.
- The OGHIR Program webpage has had higher than average traffic compared to similar subject matter on CDPHE's website (Table 2).
- Several local public health departments have also included a link to the OGHIR Program website on their oil and gas page.

2. Communication Materials

- Fact sheets have been created and disseminated to the public at meetings, via requests by mail and on the website. These fact sheets provide a high level overview of health information related to oil and gas operations.
- As the OGHIR Program continues to conduct more science evaluations, we will develop communication materials in parallel with the topics evaluated.

3. Evaluation of Existing Science Information

- *Literature Review* - A systematic, comprehensive review of all relevant published literature related to health outcomes and oil and gas operations is complete and in internal review. The review is anticipated to be available to the public by end of 2016. New literature will regularly be updated into the report and available to the public.
- *Screening level health assessment* - A preliminary analysis of concentrations of ambient air pollutants in high O&G areas across the state compared to health risk levels has been conducted. This evaluation provides a screening level evaluation of the types of air pollutants emitted from O&G and a general range of concentrations of those pollutants in O&G communities. The report is in internal review, expected to be available to the public by end of 2016.

4. Call line

- Citizens can call the oil and gas health concern line to get several basic questions answered.

5. Human Health Risk Assessment

- Spending authority to conduct a human health risk assessment using the latest and most accurate air emissions data from studies conducted by Colorado State University (CSU) in Garfield County and the North Front Range was granted in July 2016.
- A third party contractor with established expertise in air modeling and toxicology will conduct the risk assessment.
- The RFP solicitation was released on September 6, 2016 and closed on October 14, 2016.
- The review committee is reviewing proposals. We expect the committee to select the contractor by November 1 and the project to be initiated by the contractor in December of 2016 with a final report in summer 2018.
- This project will use the CSU data to conduct a human health risk assessment of inhalation exposures to multiple air pollutants released during different phases of O&G operations (for both Garfield county and Front Range) and will help provide answers to important questions including:
 - What effect do factors such as weather and terrain have on air pollutant concentrations at different distances from an O&G site?
 - How do these air pollutant concentrations translate to exposures to people living at different distances from an O&G site?
 - What is the potential for those exposures to cause increased health risks to people living at different distances from O&G?
 - What are the distances from an O&G site where air pollutant concentrations are above or below specified health risk levels?

GOAL C. ESTABLISH AND MAINTAIN CREDIBILITY

1. Program Staff Expertise

- Staff experience includes knowledge of O&G operations, air emission regulations, chemical industry experience in health and environmental risk assessment and public health medicine, and air quality technical expertise. These areas of expertise have been extremely beneficial in building credibility with all stakeholders.
- Staff are certified to conduct odor testing
- Colorado Oil and Gas Conservation Commission has taken OGHIR Program staff to several

operator facilities or proposed sites to obtain direct knowledge of specific equipment and operations, including 2 formal site tours led by operators

2. Outreach / Stakeholder Relationship Building

- The Program recognized early on that delivering successful solutions to address citizen concerns would require collaborative efforts across multiple stakeholders. The Program prioritized this important relationship building during this first year.
- Approximately 2/3 of citizen concerns have been resolved through collaborative efforts with industry, the Colorado Oil and Gas Conservation Commission and Air Pollution Control Division at CDPHE.
- The Program has conducted approximately 70 types of outreach activities that have resulted in an estimated 24,500 total people impacted.
- Stakeholder Outreach
 - i. Citizens– The Program offers to present to citizen groups and NGO’s. The Program has attended and/or spoken at 6 community meetings and concerned citizen groups.
 - ii. CDPHE Oil and Gas Liaison– The OGHIR Program and APCD work closely with the CDPHE Oil AND Gas liaison to CCOLORADO OIL AND GAS CONSERVATION COMMISSION to develop program priorities and determine strategies for addressing Tier II and III health concerns.
 - iii. Colorado Oil and Gas Conservation Commission (COGCC) - developed a strong working relationship with COGCC, including approximately 20 outreach events. OGHIR Program staff have traveled to 9 counties in Colorado, which includes all major O&G producing counties, to introduce the program and build partnerships with COGCC local government designees. Additionally, COGCC has invited the OGHIR Program to present at 4 oil and gas forums that included operators and the public, staff trainings, hearings and general learning sessions.
 - iv. Other CDPHE Departments – the OGHIR Program, Air Pollution Control Division technical services group and oil and gas inspection team all recognized that establishing credibility with the public and other stakeholders would be, in large part, a measure of how CDPHE demonstrated cohesiveness across divisions. To accomplish this, all groups have been extremely intentional in communicating information and establishing clear procedures for utilizing expertise across divisions to address citizen concerns without duplicating efforts. Most often, a citizen only needs to interface with one program and CDPHE teams will communicate internally to determine how a citizen concern will be resolved. OGHIR Program staff have also met with other department programs so they can re-direct citizens to The OGHIR Program if they receive calls.
 - v. Local Governments–OGHIR Program staff have had approximately 10 meetings with local county and city public health departments in O&G areas. OGHIR Program staff also presented at the Colorado Environmental Health Association annual meeting.
 - vi. Industry– OGHIR Program staff have built relationships with several large operators through presenting to the Colorado Oil and Gas Association, initiating individual meetings with company environmental health specialists.
 - vii. Federal Agencies–developed relationships with key staff at Environmental Protection

Agency (EPA) Region 8, including EPA's energy advisor.

viii. *Other Oil and Gas Producing States* – The Program's vision is to collaborate with other states and develop a nationally recognized model for addressing citizen concerns about the health implications of O&G. As part of accomplishing this vision, the OGHIR Program has built relationships with the technical staff at the environmental health departments in Texas, Pennsylvania and California. The Program is developing a memorandum of understanding with Pennsylvania in order to enhance collaboration.

3. Media

- *Press Articles* – OGHIR Program activities have been referenced in over 10 newspaper articles.
- *Social Media* - The Program has used social media platforms such as Twitter and Facebook to generate awareness of the Program and disseminate information

4. Program Material Distribution – Over 3,500 program materials have been requested from the Program.

5. Education – OGHIR Program Staff have been invited as lecturers to speak about health and O&G at a middle school in a high O&G area and universities with programs in environmental and public health.

6. Technical Health Consultations

- Various stakeholders frequently request technical expertise from OGHIR Program staff to address their concerns and questions about the health effects from O&G operations.
- Stakeholders have included other divisions within CDPHE, local public health departments, non-governmental organizations, Colorado Oil and Gas Conservation Commission, school districts, county commissioners and city councils.
- The Program has provided over a dozen consultations to these stakeholders that resulted in written comments, presentations and/or reports.

APPENDIX D

DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Office of State Planning and Budgeting is required to publish an Annual Performance Report for the Department of Public Health and Environment by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2015-16 report dated October 2016 can be found at the following link:

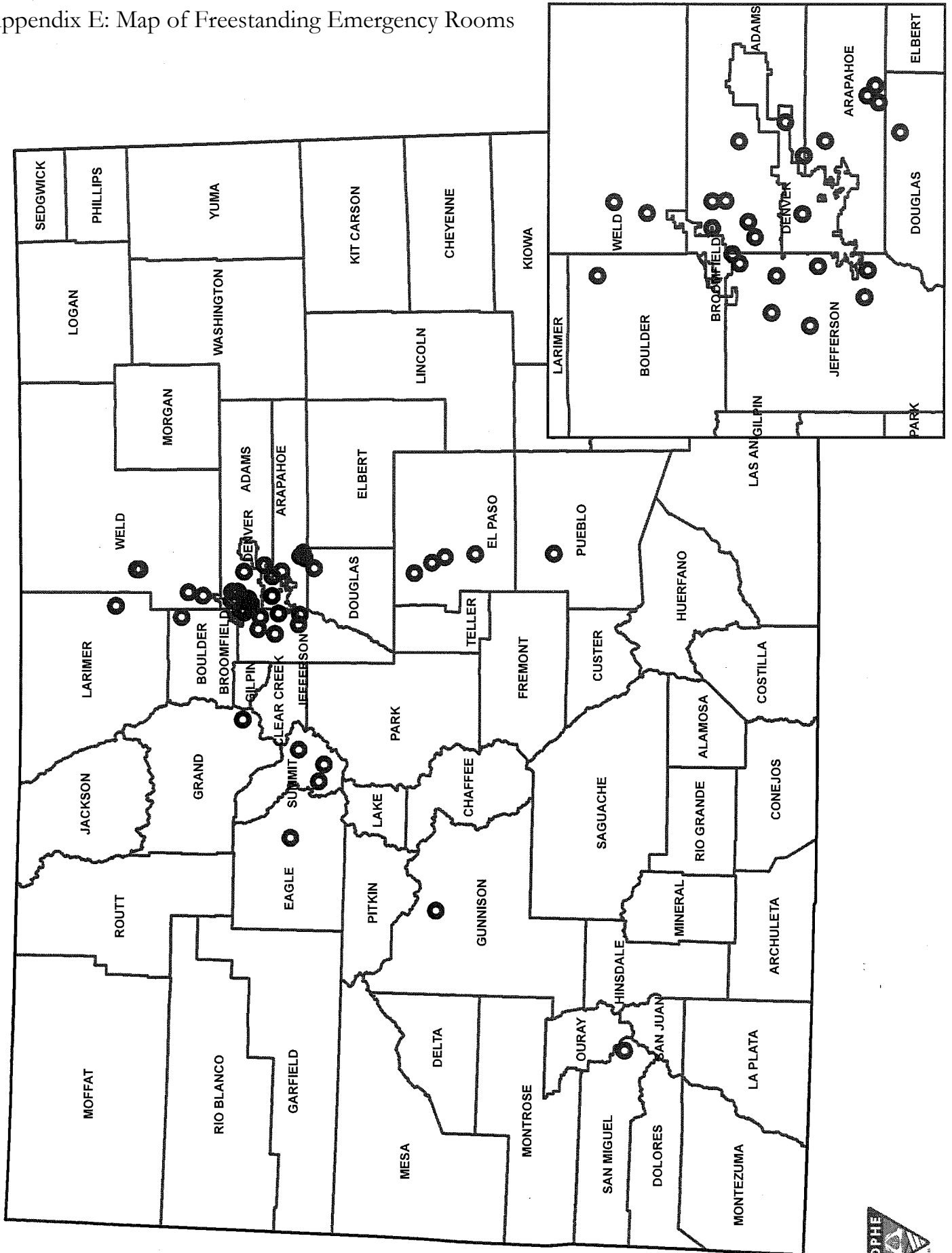
<https://drive.google.com/file/d/0B8ztLiGduUWbTUtjZ3BpdV82Zk0/view>

Pursuant to Section 2-7-204 (3) (a) (I), C.R.S., the Department of Public Health and Environment is required to develop a performance plan and submit that plan to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2016-17 plan can be found at the following link:

<https://drive.google.com/file/d/0B8ztLiGduUWbaGZJeWjTjTU12S1k/view>

Appendix E: Map of Freestanding Emergency Rooms

Freestanding Emergency Departments in Colorado, August 2016



Appendix F: Clean Water Sectors Quarterly Request for Information



WATER QUALITY CONTROL DIVISION FISCAL YEAR 2016-17 Quarterly RFI FY 2016 - 17 1st Quarter

Sector Budget:	TOTAL LB Spending Auth*	Collected Revenue**	Sector Expenses	Admin Expenses***	POTS Expenses	Indirect Expenses***	Total Expenses
Commerce and Industry	\$2,787,374	\$561,145	\$507,130	\$47,698	\$76,139	\$21,998	\$652,965
General Fund	\$1,324,040		\$445,126	\$29,364	\$76,139	\$0	\$550,629
Cash Funds - 2019	\$1,135,577	\$561,145	\$1,195	\$13,187	\$0	\$3,380	\$17,762
Federal Funds	\$327,757		\$60,809	\$5,147	\$0	\$18,618	\$84,574
Construction	\$2,333,355	\$875,871	\$366,705	\$38,391	\$53,483	\$17,701	\$476,280
General Fund	\$468,892		\$81,698	\$2,344	\$13,371	\$0	\$97,413
Cash Funds - 2021	\$1,708,497	\$875,871	\$256,070	\$31,488	\$40,112	\$8,326	\$335,996
Federal Funds	\$155,966		\$28,937	\$4,559	\$0	\$9,375	\$42,871
MS4	\$325,093	\$114,850	\$41,369	\$6,044	\$5,510	\$671	\$53,594
General Fund	\$147,814		\$41,141	\$3,437	\$5,510	\$0	\$50,088
Cash Funds - 2023	\$129,005	\$114,850	\$172	\$2,097	\$0	\$533	\$2,802
Federal Funds	\$48,274		\$56	\$510	\$0	\$138	\$704
Pesticides	\$162,017	\$270	\$22,090	\$476	\$5,630	\$6,633	\$34,829
General Fund	\$0		\$0	\$0	\$0	\$0	\$0
Cash Funds - 2022	\$26,617	\$270	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$135,400		\$22,090	\$476	\$5,630	\$6,633	\$34,829
Public/Private Utilities	\$4,567,991	\$1,694,399	\$700,364	\$86,608	\$118,160	\$14,521	\$919,653
General Fund	\$2,329,126		\$678,259	\$52,834	\$112,530	\$0	\$843,623
Cash Funds - 2024	\$1,577,779	\$1,694,399	\$22,105	\$26,303	\$5,630	\$12,699	\$66,737
Federal Funds	\$661,086		\$0	\$7,471	\$0	\$1,822	\$9,293
WQ Certifications	\$331,351	\$0	\$0	\$924	\$0	\$0	\$924
General Fund	\$0		\$0	\$0	\$0	\$0	\$0
Cash Funds - 2018	\$304,271	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$27,080		\$0	\$924	\$0	\$0	\$924
Total	\$10,507,181	\$3,246,535	\$1,637,658	\$180,141	\$258,922	\$61,524	\$2,138,245
General Fund	\$4,269,872	\$0	\$1,246,224	\$87,979	\$207,550	\$0	\$1,541,753
Cash Funds	\$4,881,745	\$3,246,535	\$279,542	\$73,075	\$45,742	\$24,938	\$423,297
Federal Funds	\$1,355,564	\$0	\$111,892	\$19,087	\$5,630	\$36,586	\$173,195

*The LB spending authority amount represents the clean water sectors, spending authority assigned to the sectors from HB 16-1413, the Admin and Indirect Cost line items, and POTS allocations

**Revenue applies to cash funds only. Refer to LB Spending Auth for General and Federal Funds. Revenue is billed in the first quarter of the year for the entire fiscal year for Commerce & Industry, MS4, and Public/Private Utilities; therefore revenue is front loaded in the first quarter for these three sectors. The remaining sectors receive funding throughout the year. This total includes collected cash fund revenues only.

***The Admin and Indirect expenses refer to expenses at the Division level that support the Clean Water Sectors