



# JOINT BUDGET COMMITTEE STAFF FY 2022-23 BUDGET BRIEFING SUMMARY

Colorado General Assembly  
Joint Budget Committee

*Department of Public Health and Environment*

The Department of Public Health and Environment is responsible for responsible for protecting and improving the health of the people of Colorado and ensuring the quality of Colorado's environment. The Department's FY 2021-22 appropriation represents approximately 1.8 percent of statewide operating appropriations and 0.6 percent of statewide General Fund appropriations.

## FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION:</b>						
SB 21-205 (Long Bill)	625,090,752	63,026,643	198,032,718	48,258,812	315,772,579	1,416.2
Other legislation	45,902,508	14,572,291	32,465,945	(1,135,728)	0	161.4
<b>TOTAL</b>	<b>\$670,993,260</b>	<b>\$77,598,934</b>	<b>\$230,498,663</b>	<b>\$47,123,084</b>	<b>\$315,772,579</b>	<b>1,577.6</b>
<b>FY 2022-23 REQUESTED APPROPRIATION:</b>						
FY 2021-22 Appropriation	\$670,993,260	77,598,934	\$230,498,663	\$47,123,084	\$315,772,579	1,577.6
R1 Air quality transformation	24,759,015	24,759,015	0	0	0	75.0
R2 Colorado dairy protection	400,000	400,000	0	0	0	0.0
R3 Colorado general licensure health facility protection	500,000	500,000	0	0	0	0.0
R4 Emergency medical and trauma services support	2,000,000	2,000,000	0	0	0	0.0
R5 Administrative division policy staff	357,580	0	0	357,580	0	3.0
R6 Enterprise phone system	222,125	0	0	222,125	0	0.0
R7 Provider rate increase	92,316	73,762	18,554	0	0	0.0
Non-prioritized decision items	262,062	54,889	6,517	195,361	5,295	0.0
Centrally appropriated line items	18,190,305	7,090,497	2,946,095	87,799	8,065,914	0.0
Staff-initiated adjustments	14,500,000	14,500,000	0	0	0	0.0
Annualize prior year budget actions	3,439,790	(1,846)	3,700,000	(258,364)	0	1.7
Indirect cost assessment	275,577	0	135,309	9,301	130,967	0.0
Other technical adjustments	24,648	0	24,648	0	0	0.0
Annualize prior year legislation	(18,728,518)	5,977,580	(25,088,564)	59,980	322,486	23.4
<b>TOTAL</b>	<b>\$717,288,160</b>	<b>\$132,952,831</b>	<b>\$212,241,222</b>	<b>\$47,796,866</b>	<b>\$324,297,241</b>	<b>1,680.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$46,294,900</b>	<b>\$55,353,897</b>	<b>(\$18,257,441)</b>	<b>\$673,782</b>	<b>\$8,524,662</b>	<b>103.1</b>
Percentage Change	6.9%	71.3%	(7.9%)	1.4%	2.7%	6.5%

**R1 AIR QUALITY TRANSFORMATION:** The request includes an increase of \$24,759,015 General Fund and 75.0 FTE in FY 2022-23 to achieve emission reductions in specific industries and increase permitting capacity in anticipation of the expected downgrade of the Denver Metro/North Front Range area to severe ozone nonattainment status. The request annualizes to \$27,359,968 General Fund and 138.0 FTE in FY 2023-24. The Department indicates that

funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**R2 COLORADO DAIRY PROTECTION:** The request includes a \$400,000 General Fund increase for FY 2022-23 and FY 2023-24 to supplement the Department’s milk program, which is currently funded with revenue from the Dairy Protection Cash Fund. The Department indicates that current cash fund balances are not sufficient to inspect and test pasteurization equipment in accordance with national standards. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**R3 COLORADO GENERAL LICENSURE HEALTH FACILITY PROTECTION:** The request includes a \$500,000 General Fund appropriation to the General Licensure Cash Fund in FY 2022-23 and FY 2023-24. The request is intended to supplement the cash fund balance as an alternative to increasing inspection fees on health care facilities. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**R4 EMERGENCY MEDICAL & TRAUMA SERVICES PROGRAM SUPPORT:** The request includes a one-time appropriation of \$2.0 million General Fund to the Emergency Medical Services subaccount in the Highway Users Tax Fund in FY 2022-23. The request is intended to supplement decreased revenue during the pandemic and seeks to fund additional EMS provider grants and increase funding to Regional Emergency Medical and Trauma Councils (RETACs). The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**R5 ADMINISTRATIVE DIVISION POLICY STAFF:** The request includes an increase of \$357,580 reappropriated funds from indirect cost recoveries and 3.0 FTE in FY 2022-23 and beyond to hire three policy analysts within the Executive Directors Office. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**R6 ENTERPRISE PHONE SYSTEM:** The request includes an increase of \$222,125 reappropriated funds from indirect cost recoveries in FY 2022-23, annualizing to \$395,250 in FY 2023-24 and beyond. The request will address the instillation and ongoing contract costs of upgrading to a new Managed IP Communications phone system at three locations, and is at the direction of the Governor’s Office of Information Technology (OIT).

**R7 PROVIDER RATE INCREASE:** The request includes an increase of \$92,316 total funds, including \$73,762 General Fund and \$18,554 cash funds from the Marijuana Tax Cash Fund, for a 1.0 percent provider rate increase for local public health agencies. This decision item is linked to actions the Committee takes on the Community Provider Rate common policy. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

**NON-PRIORITIZED DECISION ITEMS:** The request includes an increase of \$262,062 total funds, including \$54,889 General Fund, for adjustments related to budget requests from the Department of Personnel for its annual fleet vehicle request, paid family leave, and the Governor’s Office of Information Technology package of request items for FY 2022-23. *These request items will be addressed in separate staff briefings for the Department of Personnel and the Governor’s Office.*

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid Family Medical Leave Act Funding	\$268,051	\$39,372	\$0	\$228,679	\$0	0.0

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Budget package	40,732	14,256	6,517	14,664	5,295	0.0
DPA CSEAP resources	8,583	1,261	0	7,322	0	0.0
Annual fleet vehicle request	(55,304)	0	0	(55,304)	0	0.0
<b>TOTAL</b>	<b>\$262,062</b>	<b>\$54,889</b>	<b>\$6,517</b>	<b>\$195,361</b>	<b>\$5,295</b>	<b>0.0</b>

**CENTRALLY APPROPRIATED LINE ITEMS:** The request includes adjustments to centrally appropriated line items for the following line items. *These request items will be addressed in separate staff briefings for Compensation Common Policies, the Department of Personnel and the Governor's Office.*

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$5,015,751	\$934,199	\$1,495,223	\$405,599	\$2,180,730	0.0
Health, life, and dental	4,893,215	2,499,263	424,023	52,264	1,917,665	0.0
Payments to OIT	3,171,686	3,027,756	865,008	(1,488,043)	766,965	0.0
AED	1,407,158	416,367	74,067	25,747	890,977	0.0
SAED	1,407,158	416,367	74,067	25,747	890,977	0.0
Legal services	1,053,221	221,176	0	832,045	0	0.0
Lab depreciation	349,264	324,889	24,375	0	0	0.0
Payment to risk management and property funds	308,179	60,329	0	247,850	0	0.0
PERA Direct Distribution	264,645	(1,061,205)	(16,440)	(39,148)	1,381,438	0.0
CORE adjustment	208,700	65,263	0	143,437	0	0.0
Leased space	127,809	127,809	0	0	0	0.0
Short-term disability	44,262	12,794	2,730	924	27,814	0.0
ALJ services	30,773	5,093	0	25,680	0	0.0
Shift differential	12,614	224	3,042	0	9,348	0.0
Workers' compensation	(103,066)	37,400	0	(140,466)	0	0.0
Capitol Complex leased space	(1,064)	2,773	0	(3,837)	0	0.0
<b>TOTAL</b>	<b>\$18,190,305</b>	<b>\$7,090,497</b>	<b>\$2,946,095</b>	<b>\$87,799</b>	<b>\$8,065,914</b>	<b>0.0</b>

**STAFF-INITIATED ADJUSTMENTS:** Staff has made an adjustment of adding \$14.5 million General Fund to the Department's appropriation to account for a General Fund Transfer made in SB 21-243 (Public Health Infrastructure). SB 21-243 made a \$14.5 million transfer from the General Fund to the Economic Recovery and Relief Cash Fund, however, the bill did not identify which Department was responsible for the transfer. CDPHE made the transfer as the rest of the bill was concerning Department appropriations. The corresponding annualization can be found in the "annualize prior year legislation" section.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The request includes a net increase of \$3.4 million total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R05 Marijuana education	\$3,700,000	\$0	\$3,700,000	\$0	\$0	1.7
FY 20-21 R05 State lab maintenance	(258,364)	0	0	(258,364)	0	0.0
Annualize prior year salary survey	(1,846)	(1,846)	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,439,790</b>	<b>(\$1,846)</b>	<b>\$3,700,000</b>	<b>(\$258,364)</b>	<b>\$0</b>	<b>1.7</b>

**INDIRECT COST ASSESSMENT:** The request includes a net increase in adjustments to indirect costs across the Department.

**OTHER TECHNICAL ADJUSTMENTS:** The request includes technical adjustments around a transfer to the Department of Law and a net zero alignment of funds relating to HB 21-1266 (Environmental Justice Disproportionate Impacted Community)

**ANNUALIZE PRIOR YEAR LEGISLATION:** The request includes a net decrease of \$18.7 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1266 Environmental Justice	\$839,451	\$867,977	(\$28,526)	\$0	\$0	10.6
SB18-200 PERA unfunded liability	724,697	124,210	218,021	59,980	322,486	0.0
HB 21-1189 Regulate air toxics	712,290	800,000	(87,710)	0	0	2.2
SB 21-260 Sustainability of the transportation system	579,302	(1,702,187)	2,281,489	0	0	8.0
HB 21-1286 Energy performance for buildings	64,271	64,271	0	0	0	0.5
HB 19-1279 Reg of firefighting foam	55,278	55,278	0	0	0	0.7
HB21-1005 Health care reserve task force	38,367	38,367	0	0	0	0.1
SB 21-194 Maternal health providers	29,437	29,437	0	0	0	0.3
HB 21-1286 Energy performance for buildings	13,824	13,824	0	0	0	0.0
SB 21-158 Increase providers for seniors	0	0	0	0	0	(0.2)
SB 21-243 Public health infrastructure	(14,500,000)	6,590,149	(21,090,149)	0	0	0.0
SB 21-137 Behavioral health recovery	(6,650,000)	(750,000)	(5,900,000)	0	0	(1.0)
HB 21-1317 Regulating marijuana concentrates	(168,952)	71,832	(240,784)	0	0	(1.1)
HB 19-1010 Freestanding emergency dept	(109,625)	0	(109,625)	0	0	(1.6)
SB 21-1001 Sunset direct entry midwives	(80,080)	0	(80,080)	0	0	(0.6)
HB 21-1251 Approp use chemical restraint	(68,061)	(68,061)	0	0	0	(0.3)
HB 19-1237 License behavioral health	(67,381)	(36,181)	(31,200)	0	0	4.3
HB 21-1085 Secure Transportation	(46,490)	(46,490)	0	0	0	(0.6)
SB 21-193-Protect pregnant people	(35,858)	(35,858)	0	0	0	(0.4)
SB 21-264 Reduce greenhouse gas	(26,232)	(26,232)	0	0	0	0.1
SB 21-006 Human remains natural soil	(20,000)	0	(20,000)	0	0	0.0
SB 21-181 Equity strategic plan	(8,970)	(8,970)	0	0	0	0.2
HB 21-1171 Kidney disease task force	(3,208)	(3,208)	0	0	0	0.0
HB 21-1281 Community behavioral health	(436)	(436)	0	0	0	0.2
HB 21-1299 Office of gun violence prevention	(142)	(142)	0	0	0	2.0
<b>TOTAL</b>	<b>(\$18,728,518)</b>	<b>\$5,977,580</b>	<b>(\$25,088,564)</b>	<b>\$59,980</b>	<b>\$322,486</b>	<b>23.4</b>

## SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

**R1 AIR QUALITY TRANSFORMATION:** This issue is covering a Department request of \$24,759,015 General Fund and 75.0 FTE in FY 2022-23 and \$27,359,968 General Fund and 138.0 FTE in FY 2023-24 to address several factors concerning air quality in the state, including targeting specific industries for emission reductions and addressing the downgrade of the Denver Metro/North Front Range to severe ozone non-attainment status under the 2008 Clean Air Act standards.

## FOR MORE INFORMATION

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**TO READ THE ENTIRE BRIEFING:** Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2021.