

BILL 4: CULTURAL COMPETENCY CONTINUING ED REQUIREMENT

Prime Sponsors: Fiscal Analyst:

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Study Committee.

Summary Information

Overview. The bill requires continuing medical education requirements to include one credit hour on American Indian Cultural Competency as determined by a stakeholder process.

Types of impacts. The bill is projected to affect the following areas through FY 2026-27:

State Expenditures

TABOR Refunds

• State Revenue

Appropriations. For FY 2025-26, the bill requires an appropriation of \$66,492 to the Department of Regulatory Agencies.

Table 1 State Fiscal Impacts

	Budget Year	Out Year
Type of Impact ¹	FY 2025-26	FY 2026-27
State Revenue	\$0	\$70,520
State Expenditures	\$70,557	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$70,520
Change in State FTE	0.2 FTE	0.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

Table 1A State Revenue

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$0	\$70,520
Total Revenue	\$0	\$70,520

Table 1B State Expenditures

	Budget Year	Out Year
Fund Source	FY 2025-26	FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$66,492	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$4,065	\$0
Total Expenditures	\$70,557	\$0
Total FTE	0.2 FTE	0.0 FTE

Summary of Legislation

The bill requires that the state medical board in the Department of Regulatory Agencies (DORA) establish a new one credit hour continuing medical education requirement on American Indian cultural competency. DORA will consult with stakeholders form various tribes and departments to develop the requirement.

State Revenue

The bill increases state revenue by about \$71,000 to the Division of Professions and Occupations (DPO) Cash Fund in DORA in FY 2026-27 only. As described below, this revenue is from higher fees on physicians to cover the estimated costs of the bill.

Fee Impact on Physicians

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by DORA based on cash fund balance, program costs, and the number of licenses subject to the fee. Physician licenses are renewed every two years, with renewals due by May first of odd-numbered years. Based on this timing and the costs estimated in the State Expenditures section, it is assumed the increased fee revenue will be collected as part of the May 2027 renewal in FY 2026-27. The table below identifies the fee impact of this bill.

Table 2 Fee Impact on Physicians FY 2026-27 Only

Type of Fee	Estimated Fee Increase	Number Affected	Total Fee Impact
License Renewal	\$4.30	16,400	\$70,520
Total Fee Revenue – FY 2026-27			\$70,520

State Expenditures

The bill increases state expenditures in DORA by \$71,000 in FY 2025-26 only. These costs, paid from the DPO Cash Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in departments participating in the stakeholder process.

Table 3
State Expenditures
Department of Regulatory Agencies

	Budget Year	Out Year	
Cost Component	FY 2025-26	FY 2026-27	
Personal Services	\$16,843	\$0	
Subject Matter Expert	\$49,649	\$0	
Centrally Appropriated Costs	\$4,065	\$0	
Total Costs	\$70,557	\$0	
Total FTE	0.2 FTE	0.0 FTE	

Staff

DORA requires 0.2 FTE in FY 2025-26 only to solicit and monitor a contract with a subject matter expert, discussed below.

Subject Matter Expert

Based on experience with the Federally Recognized American Tribes and Indigenous Community Working Group convened under <u>Senate Bill 23-290</u> for the purpose of engaging and creating a dialogue to identify issues related to the commercialization of natural medicine, DORA will need to contract with a subject matter expert at a one-time cost of about \$50,000 in order to engage with the indigenous community and design a continuing education requirement that reflects input and concerns from the community.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table above.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by about \$71,000 in FY 2026-27 only. This estimate assumes the September 2024 LCS revenue forecast. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2025-26, the bill requires an appropriation of \$66,492 from the Division of Professions and Occupations Cash Fund to the Department of Regulatory Agencies, and 0.2 FTE.

State and Local Government Contacts

Health Care Policy and Financing Human Services Public Health and Environment Regulatory Agencies