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Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number: LLS 18-0855 Date: February 5, 2018
Prime Sponsors: Rep. Young Bill Status: House Appropriations
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Bill Topic: MONEY ALLOCATED TO DESIGNATED MANAGED SERVICE ORG

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

This bill clarifies how marijuana tax cash fund moneys may be used by managed service organizations and the Department of Human Services for substance use disorder services. It may shift the timing and amount of state expenditures, but does not change appropriations.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

Summary of Legislation

This bill clarifies that Marijuana Tax Cash Fund (MTCF) funds can be used to fund start up and other necessary costs to expand the delivery of substance use disorder services. It also allows a managed service organization (MSO) or the Department of Human Services (DHS) to carry forward allocated, but unexpended, appropriations into the next fiscal year.

Background

In 2016, the General Assembly enacted Senate Bill 16-202 to expand access to substance use disorder services. That bill required each MSO to assess the sufficiency of substance use disorder services for various populations in its geographic region, and to prepare a community action plan to address the most critical service gaps by March 1, 2017.

For FY 2016-17, the Department of Human Services disbursed a total of \$5,823,632 to MSOs. At the end of that fiscal year, \$671,508 was required to be returned as unspent.

State Expenditures

The bill does not affect appropriations, but it shifts the timing of, and may increase expenditures of existing appropriations for substance use disorder services. The bill permits a MSO to spend its annual allocation from the MTCF over a two-year period, rather than a one-year period. This change will likely result in funds being used rather than returned to the MTCF as unexpended at the end of the fiscal year.

The bill also requires the DHS to include information about substance use disorder services in its annual SMART Act hearing. This analysis assumes that any increase in workload is minimal.

Effective Date

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

State and Local Government Contacts

Human Services Joint Budget Committee Staff