

FISCAL NOTE

Nonpartisan Services for Colorado's Legislature

Drafting Number: LLS 20-1325 **Date:** June 9, 2020

Prime Sponsors: Rep. Esgar; Landgraf Bill Status: House Appropriations Fiscal Analyst: Jeff Stupak | 303-866-5834 Sen. Moreno; Coram

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□ TABOR Refund

□ Local Government

STATE DRUG ASSISTANCE PROGRAM FUNDING **Bill Topic:**

Summary of □ State Revenue **Fiscal Impact:**

□ State Transfer □ Statutory Public Entity

The bill creates a continuously appropriated cash fund for a drug assistance program administered by the Department of Public Health and Environment, and makes other changes to statutory designations concerning the program. In FY 2020-21 only, the

bill will increase state workload.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, the Department of Public Health and Environment (CDPHE) receives pharmaceutical rebates for money received based on charges in excess of a federal price agreement related to the state's operation of a drug assistance program for individuals with lower incomes who have medical or preventative needs regarding AIDS or HIV. The rebates are designated in statute as donations.

The bill removes the statutory designation of the rebates as a donation and creates a cash fund into which the rebates are credited for continuous appropriation to the CDPHE for the drug assistance program. The cash fund is exempted from the statutory limit on uncommitted reserves in a cash fund.

State Expenditures

In FY 2020-21 only, the bill will increase state workload for the CDPHE and the Treasury Department.

Department of Public Health and Environment. The CDPHE will see increased workload to amend procedures related to the drug assistance program. This increase in workload can be accomplished within existing appropriations.

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Treasury Department. The Treasury Department will see increased workload to create and maintain the new cash fund for the drug assistance program. This increase in workload can be accomplished within existing appropriations.

Effective Date

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

State and Local Government Contacts

Public Health and Environment Treasury