



**Legislative Council Staff**

*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note**

<b>Drafting Number:</b>	LLS 22-0244	<b>Date:</b>	April 11, 2022
<b>Prime Sponsors:</b>	Sen. Ginal; Simpson Rep. Mullica; McKean	<b>Bill Status:</b>	Senate HHS
		<b>Fiscal Analyst:</b>	Annie Scott   303-866-5851 Annie.Scott@state.co.us

**Bill Topic:**                   **CREATE COLORADO RARE DISEASE ADVISORY COUNCIL**

<b>Summary of Fiscal Impact:</b>	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditures	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates the Colorado Rare Disease Advisory Council in the Department of Public Health and Environment to study and make recommendations concerning the needs of individuals with rare diseases. The bill increase state expenditures and may increase revenue beginning in FY 2022-23.

**Appropriation Summary:** For FY 2022-23, the bill requires an appropriation of \$120,567 to the Department of Public Health and Environment.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1  
State Fiscal Impacts Under SB 22-186**

		Budget Year FY 2022-23	Out Year FY 2023-24
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$120,567	\$126,348
	Centrally Appropriated	\$8,055	\$11,119
	<b>Total Expenditures</b>	<b>\$128,622</b>	<b>\$137,467</b>
	<b>Total FTE</b>	<b>0.4 FTE</b>	<b>0.6 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	<b>\$18,085</b>	<b>\$18,952</b>

## **Summary of Legislation**

The bill creates the Rare Disease Advisory Council (council) in the Department of Public Health and Environment (CDPHE) to study and make recommendations concerning the needs of individuals with rare diseases. The council consists of 12 voting members appointed by the chairs of the House Public and Behavioral Health and Human Services Committee, the House Health and Insurance Committee, and the Senate Health and Human Services Committee. The Director of the Office of Health Equity or their designee serves as an ex officio nonvoting member. Initial appointments will be made by October 1, 2022.

Specifically, the bill:

- requires the council to engage in activities including collecting input from stakeholders, research, education, reporting, and making recommendations;
- requires the council to contract with a non-profit entity as a facilitator, unless the council determines a facilitator is unnecessary;
- allows the CDPHE to host the council's web presence, and support and act as a fiscal agent for the council;
- requires the council to meet with a certain frequency and comply with open meetings laws; and
- requires that the council report to the Governor annually and make the reports public.

The bill authorizes the council and the CDPHE to seek, accept, and expend gifts, grants, and donations to carry out its duties, and also allows the General Assembly to appropriate money from the General Fund to support the activities of the council and the facilitator. Gifts, grants, and donations are to be deposited into an insured account at a Colorado Financial institution. The members of the council serve without compensation or reimbursement for expenses. A council member may be reimbursed for actual and necessary expenses if the council receives gifts, grants, or donations to cover the costs of reimbursement.

The council is repealed on September 1, 2032, following a sunset review.

## **State Revenue**

The bill potentially increases state revenue from gifts, grants, or donations; however, no sources have been identified at this time. Gifts, grants, and donations are exempt from TABOR revenue limits.

## **State Expenditures**

The bill increases state expenditures in the CDPHE by \$128,622 in FY 2022-23 and \$137,467 in FY 2023-24 from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2  
 Expenditures Under SB 22-186**

	FY 2022-23	FY 2023-24
<b>Department of Public Health and Environment</b>		
Personal Services	\$23,692	\$35,538
Operating Expenses	\$675	\$810
Capital Outlay Costs	\$6,200	-
Council Facilitator	\$90,000	\$90,000
Centrally Appropriated Costs <sup>1</sup>	\$8,055	\$11,119
<b>Total Cost</b>	<b>\$128,622</b>	<b>\$137,467</b>
<b>Total FTE</b>	<b>0.4 FTE</b>	<b>0.6 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Public Health and Environment.** Beginning in FY 2022-23, the CDPHE requires 0.6 FTE to contract and oversee the facilitator, provide research and administrative support to the council, and act as a liaison between the facilitator, the council, and the CDPHE. Costs are adjusted in the first year to assume an October 1 start date and account for the General Fund pay date shift. The facilitator will be contracted for 600 hours at \$150 per hour to provide meeting support and assist the council with conducting meetings, research, outreach, financial management, reporting, and other tasks. It is assumed that gifts, grants and donations generated under the bill will be minimal and that General Fund will be required to support these activities.

**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 include employee insurance and supplemental employee retirement payments, are shown in Table 2.

### **Other Budget Impacts**

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$18,085 in FY 2022-23 and \$18,952 in FY 2023-24, which will decrease the amount of General Fund available for other purposes.

### **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State Appropriations**

For FY 2022-23, the bill requires an appropriation of \$120,567 from the General Fund to the Department of Public Health and Environment, and 0.4 FTE.

## **State and Local Government Contacts**

Health Care Policy and Financing  
Law

Information Technology  
Public Health and Environment