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Fiscal Note

Drafting Number:	LLS 24-1150	Date:	April 26, 2024
Prime Sponsors:	Sen. Fenberg	Bill Status:	Senate Finance
		Fiscal Analyst:	Shukria Maktabi 303-866-4720 shukria.maktabi@coleg.gov

Bill Topic: LICENSING FOR FERTILITY CLINICS THAT PROVIDE FERTILITY SERVICES

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

The bill makes changes to the licensing requirements for gamete agencies, gamete banks, and fertility clinics. The bill increases state expenditures and requires state transfers beginning in FY 2025-26.

Appropriation Summary: No appropriation is required.

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

Table 1
State Fiscal Impacts Under SB 24-223

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	Cash Funds	-	\$229,335
	Total Expenditures	-	\$229,335
Transfers¹	General Fund	-	(\$229,335)
	Cash Funds	-	\$229,335
	Net Transfer	-	\$0
Other Budget Impacts	General Fund Reserve	-	\$34,400

¹ This transfer is made via an appropriation from the General Fund.

Summary of Legislation

Gamete agencies, gamete banks, and fertility clinics are required to be licensed by the Department of Public Health and Environment (CDPHE) beginning January 1, 2025. The bill extends the deadline to July 1, 2025; requires licensees to submit documentation that shows compliance with licensing requirements initially and upon license renewal; and authorizes the CDPHE to perform on-site inspections or investigations of complaints of clinics located outside of Colorado, subject to available appropriations. Finally, the bill appropriates \$229,335 annually from the General Fund to the Gamete Agency, Gamete Bank, or Fertility Clinic Fund beginning in FY 2025-26.

Background

[Senate Bill 22-224](#) required gamete banks and fertility clinics to become licensed by the State Board of Health in the CDPHE. The bill appropriated funding from the General Fund to the CDPHE to implement the regulation in the first two years (FY 2022-23 and FY 2023-24), with costs in FY 2024-25 and beyond expected to be partially paid from the Gamete Agency, Gamete Bank, and Fertility Clinic Fund once fees for these facilities were established. The amount of annual fee revenue expected to be collected beginning in FY 2024-25 as a result of the January 1, 2025 licensing deadline was \$22,500.

State Revenue

By moving the licensing deadline from January 1, 2025 to July 1, 2025, some state revenue from licensing fees on gamete banks and fertility clinics may be shifted from FY 2024-25 to FY 2025-26. The total revenue is not expected to change due to this bill. These fees are subject to TABOR.

State Transfer

Beginning in FY 2025-26, the bill transfers \$229,335 annually from the General Fund to the Gamete Agency, Gamete Bank, or Fertility Clinic Fund. These annual transfers occur via appropriations to the fund from the General Fund.

State Expenditures

The bill increases state expenditures in the CDPHE by \$229,335 annually beginning in FY 2025-26, paid from the Gamete Agency, Gamete Bank, or Fertility Clinic Fund. Funding will be used to implement licensing for gamete banks and fertility clinics, including staff costs and costs for ensuring compliance, processing licenses, and providing technical assistance and education.

Effective Date

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

State and Local Government Contacts

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).