



**Colorado  
Legislative  
Council  
Staff**

**SB17-082**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated April 10, 2017)

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0573  
**Prime Sponsor(s):** Sen. Lambert  
Rep. Lundeen

**Date:** April 21, 2017  
**Bill Status:** House SVMA  
**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**BILL TOPIC:** REGULATION OF METHADONE TREATMENT FACILITIES

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
<b>State Revenue</b>		
Cash Funds		Minimal increase.
<b>State Expenditures</b>		
Cash Funds		Minimal increase.
<b>TABOR Impact</b>		Minimal increase.
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing minimal revenue and expenditure increase.		

**Summary of Legislation**

The **reengrossed** bill requires the owner or chief executive officer of an addiction program seeking a license to compound, administer, or dispense a controlled substance to have a fingerprint-based criminal history background check conducted by the Colorado Bureau of Investigation (CBI) and the Federal Bureau of Investigation (FBI) when applying for an initial license. The fingerprints and background check request are submitted through the Department of Human Service (DHS) and the fee for the background check must be paid by the applicant to the CBI in the Department of Public Safety. In addition, the bill requires applicants to disclose information to the DHS about any regulatory action taken against the applicant for an addiction program that it operates that is licensed or regulated in another state. The DHS must post information on its website about licensed addiction programs, including their locations, hours of operation, and contact information. The DHS must also report certain information about licensed addiction programs to the Joint Budget Committee and the Health and Human Services committees of the General Assembly by January 1, 2019.

**Background and Assumptions**

There are currently around 40 addiction programs with a controlled substance license in the state, including about 14 methadone treatment facilities. It is assumed that less than 10 applications for initial licensure will be processed annually and that each applicant will have one owner or chief executive that will require a criminal history background check under the bill.

### **State Revenue**

The bill increases cash fund revenue from fees in the Department of Public Safety by a minimal amount from processing a small number of additional background checks each year. This revenue is deposited into the CBI Identification Unit Cash Fund. Additional information on this fee impact is provided below.

***Fee impact on addiction programs.*** Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. This bill will increase costs for addiction programs applying for a controlled substance license by \$39.50 for each owner or chief executive officer in its organization, of which \$12 is passed through to the federal government for an FBI background check.

### **TABOR Impact**

This bill increases state cash fund revenue from fees, which will increase the amount of money required to be refunded under TABOR for FY 2017-18 and FY 2018-19. TABOR refunds are paid out of the General Fund. Since the bill increases the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will decrease by an identical amount. Fee revenue passed through to the federal government for FBI background checks is exempt from TABOR.

### **State Expenditures**

The bill increases workload in the Department of Public Safety by a minimal amount to process a small number of additional background checks each year. The Department of Public Safety will also have a minimal expenditure, paid from fees, to pay for FBI background checks. The DHS will have a minimal increase in workload to pass background check applications to the CBI, to receive information disclosures from license applicants, and to post information online and report to the General Assembly about licensed addiction programs. No change in appropriations is required for either agency.

### **Effective Date**

The bill takes effect on July 1, 2018, unless a referendum petition is filed.

### **State and Local Government Contacts**

Human Services  
Law  
Public Safety

Information Technology  
Public Health and Environment