

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO PREVENT OPIOID MISUSE IN COLORADO.

Prime Sponsors: Representative Pettersen  
Sens. Priola and Jahn

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**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/13/18.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

**Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
J.001	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$4,330,177 in FY 2018-19, including \$39,249 General Fund, \$3,790,928 cash funds from the Marijuana Tax Cash Fund, and \$500,000 reappropriated funds from a new cash fund created in the bill. This provision also states that the appropriations are based on the assumption that the Departments will require an additional 0.9 FTE to implement the act. An overview of the appropriations is included in the table below.

Department	General Fund	Cash Funds	Reappropriated Funds	Total	FTE
Health Care Policy and Financing	\$0	\$675,000	\$0	\$675,000	0.0
Higher Education	0	750,000	0	750,000	0.0
Human Services	0	1,590,928	500,000	2,090,928	0.5

Department	General Fund	Cash Funds	Reappropriated Funds	Total	FTE
Legislative	39,249	0	39,249	39,249	0.4
Public Health and Environment	0	775,000	775,000	775,000	0.0
<b>Total</b>	<b>\$39,249</b>	<b>\$3,790,928</b>	<b>\$500,000</b>	<b>\$4,330,177</b>	<b>0.9</b>

**Points to Consider**

*1. General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2018-19 based on the March 2018 Office of State Planning and Budgeting revenue forecast. The budget package leaves approximately \$40.8 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$38.3 million General Fund to fund 2018 legislation and maintain a 6.5 percent General Fund reserve. This bill requires a General Fund appropriation of \$39,249 for FY 2018-19, reducing the excess General Fund reserve by \$41,800.

*2. Revenue Source/ Related Budget Information*

A total of \$133.8 million is projected to be available in the Marijuana Tax Cash Fund for appropriation in FY 2018-19. The Joint Budget Committee (JBC) has included as part of its FY 2018-19 budget package a \$4,000,000 cash funds appropriation from the Marijuana Tax Cash Fund for FY 2018-19 for implementation of this bill.

*3. Technical Issues*

The bill creates a new grant program within the Tony Grampas Youth Services Program, along with the corresponding Youth Opioid and Substance Use Prevention Fund. The bill appropriates \$1,500,000 from the Marijuana Tax Cash Fund into this new fund to cover a three year period. It appears that this funding is intended to support grant awards as well as the Department of Human Service's costs of administering and evaluating this new grant program. As noted on page five of the attached Fiscal Note, there are two technical issues with this section:

- The bill does not clearly state whether this new fund is "subject to annual appropriation by the General Assembly" or is "continuously appropriated" to the Department. The Fiscal Note assumes the fund is subject to annual appropriation.
- The bill authorizes the Department to use up to 2.0 percent "of the money appropriated by the general assembly" for the administration and evaluation of the new grant program that is created within the Tony Grampas Youth Services Program [see page 4 of the Public Health Care and Human Services Committee report, lines 3 through 5]. This language does not clearly indicate whether the 2.0 percent is applied to the initial appropriation of money into the new fund (\$1,500,000 from the Marijuana Tax Cash Fund) or to the annual appropriation from the new fund for the grant program (\$500,000). Given that administration costs are ongoing, only the latter interpretation makes sense. Either way, however, the 2.0 percent limitation is not sufficient to cover the Department's costs of \$90,928 for FY 2018-19.