



Legislative
Council Staff

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FINAL FISCAL NOTE

Drafting Number:	LLS 19-0372	Date:	July 18, 2019
Prime Sponsors:	Sen. Pettersen Rep. Kennedy	Bill Status:	Signed into Law
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Bill Topic: SUNSET HOME CARE AGENCIES

Summary of Fiscal Impact:

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

Sunset bill. This bill continues the regulation of entities that provide home care services in the Department of Public Health and Environment, which is scheduled to repeal on September 1, 2019. State fiscal impacts include both a new diversion from changes to the program under the bill, as well as the continuation of the program's current revenue and expenditures. The program is continued through September 1, 2028.

Appropriation Summary: No appropriation is required.

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

**Table 1
State Fiscal Impacts Under SB 19-146***

New Impacts		FY 2019-20	FY 2020-21
Revenue		-	-
Expenditures		-	-
TABOR Refund		-	-
Continuing Program Impacts			
		FY 2019-20	FY 2020-21
Revenue	Cash Funds	-	\$1.2 million
Expenditures	Cash Funds	-	\$1.2 million
	FTE	-	5.5 FTE
TABOR		-	-

* Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. Because the bill continues a program without making substantial changes, there are no new impacts. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

This bill continues the regulation of home care agencies and home care placement agencies in the Department of Public Health and Environment (CDPHE), from September 1, 2019, until September 1, 2028, and implements some of the recommendations of the Department of Regulatory Agencies sunset review. The recommendations include:

- requiring that civil fines be credited to the General Fund rather than the Home Care Agency Fund; and
- requiring that the Home Care Advisory Committee include representatives of placement agencies.

Background

Home care agencies provide healthcare services and personal care services to people in their homes. Home care placement agencies refer independent contractors to provide in-home healthcare services. Home care agencies are licensed and placement agencies are registered by the CDPHE.

Continuing Program Impacts

Based on the department's FY 2019-20 budget request, the CDPHE is expected to have revenue and expenditures of \$1.2 million per year to administer the licensing of home care agencies and registering of home care placement agencies. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2020-21. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on September 1, 2020, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2020-21 by the amounts shown in Table 1. The changes to the program that drive revenue changes are discussed in the State Revenue and Diversion section below.

State Revenue and Diversion

Because this bill changes where civil fine revenue is deposited, it will increase revenue to General Fund revenue. Fines have only been levied in three out of the past seven years, so any increase in revenue is expected to be intermittent.

Effective Date

The bill was signed into law by the Governor on May 28, 2019, and takes effect August 2, 2019, assuming no referendum petition is filed.

State and Local Government Contacts

Information Technology

Law

Public Health and Environment