



Legislative  
Council Staff

Nonpartisan Services for Colorado's Legislature

**FISCAL NOTE**

**Drafting Number:** LLS 19-0364      **Date:** April 2, 2019  
**Prime Sponsors:** Sen. Pettersen      **Bill Status:** Senate HHS  
 Rep. Gonzales-Gutierrez      **Fiscal Analyst:** Aaron Carpenter | 303-866-4918  
 Aaron.Carpenter@state.co.us

**Bill Topic:** SUNSET CONTINUE LICENSING OF CONTROLLED SUBSTANCES

**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 type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Sunset bill.** This bill continues the Colorado Licensing of Controlled Substances Act in the Department of Human Services, which is scheduled to repeal on September 1, 2019. State fiscal impacts include a workload increase 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, 2026.

**Appropriation Summary:** No appropriation is required.

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

**Table 1  
State Fiscal Impacts Under SB 19-219\***

<b>New Impacts</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
Revenue	-	-
Expenditures	-	-
TABOR Refund	-	-

<b>Continuing Program Impacts</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
Revenue		
Cash Funds	-	\$9,625
<b>Total</b>	-	<b>\$9,625</b>
Expenditures		
Cash Funds	-	\$5,493
Federal Funds	-	\$136,641
<b>Total</b>	-	<b>\$142,134</b>
<b>Total FTE</b>	-	<b>1.5 FTE</b>

TABOR Refund      -      -

\* 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 changes under the bill do not drive new revenue or expenditures, there are no new impacts listed above. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

## **Summary of Legislation**

Under current law, the Colorado Licensing of Controlled Substances Act in the Department of Human Services (DHS) is scheduled to repeal on September 1, 2019. This bill extends the repeal date to September 1, 2026, and implements several recommendations from the sunset report. These changes include:

- requiring the DHS to develop and implement an information technology system by July 1, 2020, to track complaints made against a licensee and any disciplinary actions taken;
- requiring the DHS to develop or procure a secure online central registry by July 1, 2020 to register patients treated in a substance use disorder treatment program; and
- repealing references to research as a regulated activity under the act.

## **Continuing Program Impacts**

Based on the department's FY 2019-20 budget request, the DHS is expected to have revenue of \$9,625 and expenditures of \$142,134 to administer the controlled substance licensing program. 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 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 additional workload and costs are discussed in the State Expenditure section below.

## **State Expenditures**

Starting in FY 2019-20, this bill increases workload, and potentially costs, in the DHS to develop a complaint tracking system and an online patient registry. Currently, the DHS operates an existing central registry in the Office of Behavioral Health, which can be adapted to track patients registered with a treatment program with minimal additional cost or workload for the agency. In addition, the DHS is currently developing a complaint and disciplinary action tracking system, and no additional appropriations are required to complete this work. Should additional appropriations be required to complete the implementation of either system, it is assumed that the DHS will request funding through the annual budget process.

Lastly, in terms of regulations of substance use treatment researchers, the DHS has not issued any licenses to researchers. Therefore, the removal of this license type will have no impact on state revenue or expenditures.

## **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Human Services      Information Technology