

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING COVERAGE REQUIREMENTS FOR HEALTH-CARE PRODUCTS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Jodeh and Sirota  
Sens. Winter and Buckner

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Date Prepared: May 6, 2022

**Appropriation Items of Note**

**Appropriation Already Added to Bill, Amendment in Packet**

**General Fund Impact**

**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 05/03/22.

<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

The Senate State, Veterans, & Military Affairs Committee Report (05/06/22) includes an amendment to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendment does not change the fiscal impact of the bill.

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

<b>Amendment</b>	<b>Description</b>
J.002	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill includes a provision that appropriates a total of \$252,667 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.7 FTE. A further \$91,809 General Fund is appropriated to the Department of Health Care Policy & Financing for FY 2022-23. The current appropriation in the bill is not consistent with

the fiscal impact identified in Legislative Council Staff's Revised Fiscal Note.

**Description of Amendments in This Packet**

**J.002** Staff has prepared amendment **J.002** (attached) to change the existing clause to eliminate the General Fund appropriation to the Department of Health Care Policy & Financing.

**Points to Consider**

*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

Pursuant to Section 10-3-209 (4), C.R.S., taxes on insurance premiums are credited to the Division of Insurance Cash Fund (with a maximum transfer of five percent of premium tax collections) to cover appropriations made by the General Assembly. Any increase in appropriations reduces the amount of tax revenue deposited in the General Fund, thereby reducing the \$40.0 million General Fund set aside for ongoing obligations. The bill is anticipated to reduce the set-aside by \$252,667.