

HB 25-1259: IVF PROTECTION & GAMETE DONATION REQMNTS

Prime Sponsors:

Rep. Froelich; Brown Sen. Cutter; Daugherty

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill protects access to in vitro fertilization and other assisted reproductive procedures in state law and modifies certain requirements for donor banks.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

State Revenue

Minimal State Workload

Appropriations. No appropriation is required.

Table 1 State Fiscal Impacts

	Budget Year	Out Year
Type of Impact	FY 2025-26	FY 2026-27
State Revenue (Cash Funds)	\$0	-\$22,500
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	-\$22,500
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill creates a right to in vitro fertilization and other assisted reproductive procedures. The bill also makes changes to current requirements for gamete banks and fertility clinics (donor banks) including:

- removing the requirement that donor banks must continually update donor information;
- eliminating the requirement that a person conceived from gamete donor cannot communicate about the gamete donor with third parties;
- repealing provisions related to holding donor records in the event of donor bank dissolution and removes the requirement to tell parents about a donor's medical history or others who were conceived using the same donor;
- requiring donor banks to draft materials for individuals prior to donating or receiving gametes, instead of the Department of Public Health and Environment (CDPHE); and
- making it optional instead of required for donor recipients to notify donor banks about live births using donated gametes.

The bill also changes donor bank licensure renewal from annually to every five years; removes the requirement for CDPHE to investigate out-of-state donor banks; and revises penalties for noncompliance, replacing the automatic \$20,000 per-day fine with a civil penalty to be determined by the State Board of Health following a hearing.

Background

<u>Senate Bill 22-224</u> required the licensure of gamete agencies, gamete banks, and fertility clinics starting January 1, 2025, by the State Board of Health in CDPHE. <u>Senate Bill 24-223</u> extended the licensing requirement out six months to July 1, 2025, and created an annual appropriated transfer from the General Fund to the Gamete Agency, Gamete Bank, or Fertility Clinic Fund of \$125,000 per year.

State Revenue

The bill reduces state revenue from modifying license renewals beginning in FY 2026-27 and may impact revenue from penalties for noncompliance.

Fee Revenue from License Renewals

The bill decreases state revenue to the Gamete Agency, Gamete Bank, and Fertility Clinic Fund by reducing the frequency of licensure fees paid by donor banks. As discussed in the Background section, donor banks must be licensed annually beginning July 1, 2025, which is estimated to generate up to \$22,500 per year in fee revenue, assuming 45 donor banks apply for licensure each year and based on the statutory fee cap of \$500 per license.

Under the bill, licenses would be renewed once every five years, instead of annually, which results in an estimated loss of \$22,500 annually every four years after a renewal year. If all donor banks apply for licensure in FY 2025-26, the next renewal and licensing fee would be collected in FY 2030-31, reducing state revenue by \$90,000 over four years from FY 2026-27 to FY 2029-30. Revenue from licensing fees are subject to TABOR.

Civil Penalties

State revenue may be impacted by the changes to civil penalties for noncompliant donor banks. The bill replaces a fixed penalty of \$20,000 per day with a fine to be determined by the State Board of Health. The fiscal note assumes most donor banks will comply with the law and any impacts to state revenue from penalties will be minimal.

State Expenditures

CDPHE will have additional workload related to enforcing new regulations and penalties, which is expected to be minimal as it already oversees donor bank licensure. Conversely, workload will decrease as CDPHE is no longer responsible for creating informational materials or investigating out-of-state donor banks. Overall, these workload impacts require no change in appropriations. Decreased revenue from licensing fees is not anticipated to impact CDPHE's ability to provide regulatory oversight of donor banks, as it receives a General Fund appropriation.

TABOR Refunds

The bill is expected to decrease the amount of state revenue required to be refunded to taxpayers by the amounts discussed in the State Revenue section above, assuming the December 2024 LCS revenue forecast. Because TABOR refunds are paid from the General Fund, decreased cash fund revenue increases the amount of General Fund available to spend or save.

Technical Note

The bill may interfere with CPDHE's regulatory oversight of donor banks, as the bill establishes the right to reproductive procedures and prohibits state and local governments from interfering or restricting the ability to provide or access that care. The fiscal note has not factored in any impact related to this.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

Page 4 February 27, 2025

HB 25-1259

State and Local Government Contacts

Judicial

Public Health and Environment

Law