

JBC Staff Fiscal Analysis

Senate Appropriations Committee

Concerning the implementation of Colorado's natural medicine initiative, and, in connection therewith, requiring the department of public health and environment to collect data and information related to the health effects and other impacts of the use of natural medicine and natural medicine products.

Prime Sponsors:

Senator Ball
Representative Feret

Date Prepared:

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JBC Analyst:

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Fiscal Impacts

Appropriation Required, Amendments in Packet

TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/21/25.

Update: Fiscal impact has changed due to new information or technical issues

The attached fiscal note (04/21/25) includes a \$78,287 General Fund reduction for the Department of Revenue for FY 2025-26. The reduction should be from the Natural Medicines Cash Fund and not General Fund. Additionally, the Health and Human Services Committee Report (04/23/25) includes an amendment to the bill, however, Legislative Council Staff and JBC Staff agree that the amendment does not change the fiscal impact of the bill.

Amendments in This Packet

- | | |
|-------|---|
| J.001 | Staff-prepared appropriation amendment |
| L.002 | Bill Sponsor amendment - does not change fiscal impact. |

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) reduces the cash fund appropriation from the Natural Medicines Cash Fund to the Department of Revenue by \$78,287 and 1.0 FTE for FY 2026-27. This provision also states that the appropriation is based on the assumption that the Governor's Office of Information Technology Services requires an appropriation of \$208,240 in reappropriated funds from the Department of Public Health and Environment (CDPHE) to provide information technology services to CDPHE.

L.002

Bill Sponsor amendment **L.002** (attached) removes General Fund appropriation language from the bill, and clarifies that data and information collected by CDPHE under this bill is contingent upon the Department receiving gifts, grants, or donations for funding. Legislative Council Staff and JBC Staff agree that the amendment does not change the fiscal impact of the bill.

Points to Consider

TABOR/ Excess State Revenues Impact

The March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 OSPB revenue forecast. The budget package includes \$18.2 million General Fund set aside for other legislation outside of the JBC budget package. This may be used for appropriations, transfers, or increases in TABOR refunds for FY 2025-26.

This bill is estimated to increase cash fund revenues by \$11,050 in FY 2025-26 and in FY 2026-27, which will reduce the available General Fund in each fiscal year by equal amounts. This bill increases the TABOR refund made out of the General Fund by \$11,050 for FY 2025-26, reducing the \$18.2 million General Fund set aside for FY 2025-26 by the same amount.