

JBC Staff Fiscal Analysis
House 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 and making and reducing an appropriation.

Prime Sponsors:

Senator Ball

Representative Feret

Date Prepared:

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Fiscal Impacts

Appropriation Already Added to Bill, No Amendment in Packet

TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/01/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

None.

Current Appropriations Clause in Bill

The bill includes an appropriation clause that 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 2025-26. 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. This funding is contingent upon CDPHE receiving sufficient gifts, grants, or donations.

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.

Revenue Source

The bill is dependent on gifts, grants, and donations. For implementation, the bill requires expenditures of \$543,465 in FY 2025-26 and 2.0 FTE. If the necessary revenue from these sources is not realized, the implementation of this bill is at risk. The future use of General Fund, or any other source of state funding, to implement a bill that is exclusively funded by gifts, grants, and donations is prohibited pursuant to Section 24-75-1305, C.R.S.

Is it the General Assembly's intent to fund this program exclusively through gifts, grants, and donations?