

JBC Staff Fiscal Analysis

Senate Appropriations Committee

Concerning the creation of the provider stabilization fund within the Colorado healthcare affordability and sustainability enterprise to make provider stabilization payments to eligible safety net providers that serve low-income, uninsured populations in the state, and, in connection therewith, maximizing federal funds to support the operations of the enterprise.

Prime Sponsors:

Senators Mullica; Kirkmeyer
Representative Bird

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Fiscal Impacts

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Significant Appropriation Increase in Future Year

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/23/25.

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

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

L.006 Bill Sponsor amendment - changes the fiscal impact but not the appropriation

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) appropriates a total of \$25.0 million to the Department of Health Care Policy and Financing for FY 2025-26 from the Provider Stabilization Fund. The appropriation reflects 2.0 FTE and the remainder is for provider stabilization payments.

L.006

Bill Sponsor amendment **L.006** (attached) directs any interest earned by the Provider Stabilization Fund to the General Fund, rather than the Provider Stabilization Fund. Also, it clarifies that money in the Provider Stabilization Fund can be spent for provider stabilization payments regardless of whether it earns a federal match.

The Committee should adopt J.001 to provide the appropriation regardless of whether the Committee chooses to adopt L.006.

Points to Consider

Unclaimed Property Trust Fund Loans

The bill requires loans from the Unclaimed Property Trust Fund (UPTF) starting with \$25.0 million in FY 2025-26 and totaling \$90.0 million by FY 2029-30. The UPTF is not considered fiscal year spending for purposes of Section 20 of Article X of the State Constitution (TABOR).

TABOR defines fiscal year spending as “all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.” (Section 20 (2)(e) of Article X of the Constitution of Colorado)

Does a loan from the Unclaimed Property Trust Fund to a department of the State constitute fiscal year spending under TABOR?

Does a loan from the UPTF constitute a multi-year financial obligation for the State?

Should the legislation identify a source of loan repayment?

General Fund Impact

Without sponsor amendment L.006, this bill increases cash fund revenues subject to TABOR and the projected General Fund obligation for a TABOR refund by \$413,768 in FY 2025-26, thus reducing the \$18.2 million General Fund set aside for new legislation by the same amount. With sponsor amendment L.006, there will be an increase in General Fund revenue equal to the increase in the General Fund obligation for a TABOR refund, so there is no net General Fund impact.

Future Fiscal Impact

The bill requires an appropriation of \$90.0 million by FY 2044-45 to repay the UPTF. With no source of revenue specified in the bill to repay the UPTF, the Legislative Council Staff Fiscal Note assumes that the repayment will come from the General Fund.