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Fiscal Note Memorandum

March 19, 2021

TO: Representative Janice Rich

FROM: Matt Bishop, Research Analyst
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SUBJECT: Fiscal Assessment of Proposed Amendments **HB1012_L.007** and **HB1012_L.008**

This memorandum is an assessment of the fiscal impact of the attached proposed amendments L.007 and L.008 to House Bill 21-1012. This fiscal assessment is for the impact of the bill with inclusion of these amendments only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendments

Amendment L.008 removes the section of the bill expanding the types of practitioners who may be charged a fee to cover the costs of implementing the Prescription Drug Monitoring Program (PDMP). As a result, only practitioners who currently pay the PDMP fee will be affected by House Bill 21-1012.

Amendment L.008 requires DORA to solicit gift, grants, and donations to cover any costs associated with the PDMP expansion that cannot be recouped from the annual fee, which is statutorily limited to \$25 per year.

Amendment L.007 makes the PDMP expansion contingent on the passage of Senate Bill 21-098 (the PDMP sunset bill) and the availability of sufficient gifts, grants, and donations, and it requires DORA to notify the revisor of statutes when the expansion takes effect.

Fiscal Impact of Amendments

Amendment L.007 removes the continuation of the PDMP, since this bill's impacts are contingent on the passage of Senate Bill 21-098. These costs are no longer associated with House Bill 21-1012.

Amendment L.008 makes the required expenditures identified in the fiscal note contingent upon the passage of Senate Bill 21-098 and the receipt of sufficient gifts, grants, and donation. In addition, limiting the practitioners required to pay the fee will result in an increase to the fee amount, up to its current statutory cap (\$25).

Bill's Revised Fiscal Impact with Amendments

New state revenue. Beginning in FY 2021-22, the state may receive gifts, grants, and donations to apply toward the PDMP expansion. Allowing the fee to increase to its statutory maximum and based on the current 45,700 fee payers, at least \$208,811 must be received via gifts, grants, and donations per year. If more is received or if the fee-paying population grows, the fee will decrease. If less is received, state expenditures will decrease due to the delay in the bill's implementation.

New state expenditures. Workload may increase in DORA to pursue additional gifts, grants, and donations as required by the amendment. This memo assumes that any increase can be accommodated within existing appropriations. Should DORA obtains sufficient gifts, grants, and donations, state expenditures will increase by approximately \$1,134,682 and 2.4 FTE in FY 2022-23 and \$471,139 and 4.7 FTE in FY 2023-24 to implement the expanded program.

HB1012_L.007

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Insurance.

HB21-1012 be amended as follows:

1 Amend printed bill, page 4, strike lines 13 through 27.

2 Page 5, strike lines 1 through 5 and substitute:

3 "SECTION 5. **Effective date.** (1) This act takes effect July 1,
4 2023, only if:

5 (a) Senate Bill 21-098 becomes law; and

6 (b) The executive director of the department of regulatory
7 agencies determines that there is sufficient money in the prescription drug
8 monitoring fund received pursuant to section 3 of this act from public and
9 private sources to fund the expansion of the electronic prescription drug
10 monitoring program to include all prescription drugs and the executive
11 director notifies the revisor of statutes of the receipt of such money by
12 e-mailing the notice to revisorofstatutes@state.co.us."

13 Renumber succeeding section accordingly.

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HB1012_L.008

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Insurance.

HB21-1012 be amended as follows:

1 Amend printed bill, page 3, strike lines 15 through 27.

2 Page 4, strike lines 1 through 3 and substitute "(1) as follows:

3 **12-280-405. Prescription drug monitoring fund - creation -**
4 **gifts, grants, and donations - report - fee.** (1) The board ~~may~~ SHALL
5 seek and accept money from any public or private entity for the purposes
6 of implementing and maintaining the program. The board shall transmit
7 any money it receives to the state treasurer, who shall credit the money to
8 the prescription drug monitoring fund, which fund is hereby created. The
9 money in the fund is subject to annual appropriation by the general
10 assembly for the sole purpose of implementing and maintaining the
11 program. The money in the fund must not be transferred to or revert to the
12 general fund at the end of any fiscal year."

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