

MEMORANDUM

TO: Joint Budget Committee Members

FROM: John Ziegler, JBC Staff

SUBJECT: Summary of Potential JBC Bills Discussed During the FY 2009-10 Briefing and Hearing Process

DATE: January 7, 2009

Attached for your consideration is a list of potential legislation that was discussed during the FY 2009-10 briefing and hearing process. This potential legislation may have been requested by the department, recommended by the staff, or suggested by a JBC member. Pursuant to the Joint Budget Committee rules, a unanimous vote of the JBC is necessary for a bill to be considered a JBC bill.

List of Legislation Recommended or Suggested During FY 2009-10 Budget Briefings and Hearings

Agriculture:

1. Staff recommends the Joint Budget Committee sponsor legislation that would allow for full recovery of indirect costs associated with the Brand Board, Alternative Livestock, Chemigation, and Mandatory Fruit and Vegetable inspection programs. In addition, staff recommends that the legislation reduce the General Fund obligation to finance the operational cost of mandatory inspections of shipments of potatoes, and progressively increases the proportion of such cost that is financed from the Mandatory Fruit and Vegetable Inspection Fund over a two-year schedule until the entire cost of each program is paid through applicable fees.
2. *(Suggested by Department - Not addressed by staff)* Consolidate twelve of the Department's cash funds into two cash funds. The Department has indicated that it is specifically seeking the assistance of the JBC due to the technical and budgetary matter of such a bill.

Education:

3. Staff recommends that the Committee work with the Education Committees to amend current law to use the same funding mechanism for both community-based facility schools and state-operated programs, including the ability to receive reimbursement for Summer programs. This approach would simplify counting and funding procedures and ensure that state agencies and community-based facilities receive reimbursement proportional to the educational services provided.
4. Staff recommends that the JBC introduce a bill which would: (1) repeal the On-line Education Cash Fund; (2) repeal the On-line Learning Advisory Board; and (3) formally authorize the On-line Division as a recipient of State Education Fund moneys.

Governor:

5. Staff recommends the Committee sponsor a bill which would transfer responsibility for the e-FOR³T from the Department of State to the Governor's Office of Information Technology. The legislation should: (1) properly authorize the operation of the e-FOR³T in much the same way that the General Government Computer Center is authorized; (2) authorize the Governor's Office of Information Technology, rather than the Department of State, to operate the e-FOR³T; (3) establish a long-term funding arrangement in which users pay the fixed costs associated with the e-FOR³T in some proportional fashion; and (4) provide for a multi-year transition period during which costs are gradually shifted from the Department of State to all users of the facility.
6. **12-2-08, 2:00 - Senator White moved a draft bill that will:** 1) extend the deadline in SB 08-215 to August 1, 2009; 2) move the sunset date similarly; 3) strike the word private in the appropriation clause that restricts the acceptance of public gifts/grants/donations; and 4) add appropriations for other moneys that have been received. The motion passed 6-0. ***This bill is still in the process of being drafted, however, the Governor's Office of IT sent a memo to Sen. Keller and Sen. White, dated 1-2-09, indicating that OIT believes they do not have the six votes needed to get the JBC to sponsor such a bill, and are working with Sen. Schwartz to have her sponsor the clarifying legislation instead.***

Health Care Policy and Financing:

7. *(Summarized within the Department of Personnel)* At a minimum, staff recommends that the Committee sponsor legislation to extend the unlimited over-expenditure authority for the Medicaid program and to also extend the limited over-expenditure authority for the Children's Basic Health Plan Program. The Committee may also want to include adding the Medicare Modernization Act State Contribution Payment to the Department's over-expenditure authority.
8. Staff recommends that the Committee amend Section 24-22-115, C.R.S. to allow \$4,960,871 in the unused balance in the Health Care Supplemental Appropriations and Overexpenditures Account in the Tobacco Litigation Settlement Cash Fund to be transferred to the CBHP Trust Fund or to be used for supplemental appropriations for the Colorado Benefits Management System for FY 2009-10. *(This issue is also addressed in issue #11 below.)*
9. *(Not addressed by staff but discussed by the Committee):* Provide the Department of Health Care Policy and Financing with the authority to collect a hospital provider fee that would be used to draw down additional federal funds in order to increase reimbursements to hospitals for Medicaid clients.

Human Services:

10. Staff recommends that the Committee sponsor legislation to increase certain cash fund fees, with the intention of using the new revenue to support the Alcohol and Drug Abuse Division's substance abuse prevention and treatment programs.
11. Staff recommends the Committee sponsor legislation to further extend the period of time for which funds in the Health Care Supplemental Appropriations and Overexpenditures account in the Tobacco Litigation Settlement Cash Fund (created by H.B. 07-1359 and extended by S.B. 08-127) can be used for non-ordinary CBMS expenses. *(This issue is also addressed in item #8 above.)*
12. Staff recommends the Committee sponsor legislation that creates a stabilization fund to be used to address problems associated with meeting the State's Supplemental Security Income maintenance of effort target. In broad outline, the legislation should:
 - Create a cash fund to hold the necessary moneys.
 - Create a continuous appropriation of the moneys in the fund to the Department to be expended on programs that count towards the SSI MOE.
 - Establish a cap on the amount that can remain in the fund at the end of each fiscal year, with the excess to revert to the General Fund; \$1.5 million may be a reasonable amount.
 - Allow the Department to deposit excess recoveries into the fund (rather than reverting them immediately to the General Fund), so those funds are available if needed in subsequent years.
 - Appropriate an initial amount to the fund.

Judicial:

13. *(Summarized within the Department of Personnel)* Staff recommends that the Committee consider introducing legislation to extend the repeal dates for the over-expenditure and transfer statutory provisions. With respect to the Judicial Branch, staff does not recommend any other statutory changes related to these provisions.

Military Affairs:

14. *(Discussed at Hearing - Not addressed by staff)* Adjust the percentage of moneys that are spent and saved in the Veterans Trust Fund. Currently scheduled to move over time to 25 percent spent, 75 percent saved. The Department and the Veteran's Trust Fund Board are requesting a split of 55 percent spent and 45 percent saved.

Natural Resources:

15. *(Suggested by Rep Marostica - Not addressed by staff)* Legislation authorizing State Parks to utilize COPs to fund construction and maintenance at state parks and repay the COPs using Lottery funds.

Personnel and Administration:

16. Several statutory provisions that authorize state agencies to make transfers between appropriations or over expend an appropriation are scheduled to repeal in 2009. Staff for the departments of Personnel, HCPF, Human Services, and Judicial recommend that the Committee sponsor a bill to extend the repeal dates for these statutory provisions. The several sections involved are between Section 24-75-105, C.R.S., and Section 24-75-110, C.R.S. *The OSPB has also indicated its intent to request the Committee sponsor such legislation.*
17. *(Suggested by Department - Not recommended by staff)* The Department requests that the Joint Budget Committee consider sponsoring legislation to allow continuous spending authority for the Worker's Compensation Account (Section 24-30-1510.7, C.R.S.), the Central Services Revolving Fund (Section 24-30-1108, C.R.S.), and the Motor Fleet Management Fund (Section 24-30-1115, C.R.S.).

Public Health

18. Staff recommends that the Committee sponsor a bill to cash fund the dairy program through licensing and inspection fees. Staff further recommends that the Committee consider including a fee on dairy farms because they are licensed and inspected by the dairy program but pay no fees. Staff recommends that the Committee work with the Department and the Health and Human Services Committees to develop a bill that would equitably raise fees to support the program.
19. Staff recommends that the JBC sponsor a bill to extend the Health Care Supplemental Appropriations and Overexpenditures Account's expiration deadline until at least April 15, 2011.

20. Staff recommends that the JBC propose, at the joint meeting, repeal of Section 24-75-1105, C.R.S., thus eliminating future review meetings. If the JBC wishes to continue these meetings, staff recommends that the next meeting be set for January 2014.

Public Safety:

21. Staff recommends that the Committee consider sponsoring legislation to cash fund NFIRS with fees charged to the insurance industry, the primary private user of NFIRS data.

State

22. Staff recommends the Committee sponsor a bill which would transfer responsibility for the e-FOR3T from the Department of State to the Governor's Office of Information Technology. The legislation should: (1) properly authorize the operation of the e-FOR3T in much the same way that the General Government Computer Center is authorized; (2) authorize the Governor's Office of Information Technology, rather than the Department of State, to operate the e-FOR3T; (3) establish a long-term funding arrangement in which users pay the fixed costs associated with the e-FOR3T in some proportional fashion; and (4) provide for a multi-year transition period during which costs are gradually shifted from the Department of State to all users of the facility.