



Legislative Council Staff
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Final Fiscal Note

Drafting Number: LLS 22-0974 **Date:** September 9, 2022
Prime Sponsors: Rep. Sirota; Pelton **Bill Status:** Signed into Law
 Sen. Story; Sonnenberg **Fiscal Analyst:** Erin Reynolds | 303-866-4146
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Bill Topic: CHILDREN'S MENTAL HEALTH PROGRAMS

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires the Department of Early Childhood to contract with a Colorado-based nonprofit entity to provide children's mental health programs. It will increase state expenditures through FY 2025-26.

Appropriation Summary: For FY 2022-23, the bill requires and includes an appropriation of \$2.0 million to the Department of Early Childhood.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 22-1369

	Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25	Out Year FY 2025-26
Revenue	-	-	-	-
Expenditures				
General Fund	-	-	\$17,769	\$17,769
Cash Funds ¹	\$2,000,000	-	-	-
Centrally Appropriated	\$4,598	\$4,598	\$4,598	\$4,598
Total Expenditures	\$2,004,598	\$4,598	\$22,367	\$22,367
Total FTE	0.3 FTE	0.3 FTE	0.3 FTE	0.3 FTE
Transfers	-	-	-	-
Other Budget Impacts	-	-	-	-

¹ Money in the Economic Recovery and Relief Cash Fund consists of federal ARPA funds and will be spent through December 30, 2024.

Summary of Legislation

By November 1, 2022, the Department of Early Childhood (CDEC) must contract with a Colorado-based nonprofit entity to provide children's mental health programs. The entity must have previous and current experience serving children and use curriculum outlined in the bill.

The contract entity is required to

- perform readiness assessments, provide training, and monitor program implementation;
- provide ongoing quality assessments and improvement recommendations;
- provide the CDEC with site-specific and statewide process and outcome evaluations of children's mental health programs; and
- annually prepare and submit to the CDEC an evaluation of the outcomes of all of the children's mental health programs implemented.

The bill requires the General Assembly to appropriation \$2.0 million in FY 2022-23 from the Economic Recovery and Relief Cash Fund. The CDEC may use up to 5 percent of funding to pay for implementation costs.

State Expenditures

The bill increases state cash fund expenditures in CDEC by \$2.0 million through FY 2023-24 from the Economic Recovery and Relief Cash Fund. Beginning in FY 2024-25, personal services costs will be paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 22-1369

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Department of Early Childhood				
Personal Services	\$17,769	\$17,769	\$17,769	\$17,769
Children's Mental Health Program Contract	\$1,964,462	-	-	-
Centrally Appropriated Costs ¹	\$4,598	\$4,598	\$4,598	\$4,598
Total Cost	\$1,951,289	\$22,367	\$22,367	\$22,367
Total FTE	0.3 FTE	0.3 FTE	0.3 FTE	0.3 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Early Childhood. Over four fiscal years, the CDEC requires 0.3 FTE Contract Administrator to manage the procurement process for program, develop and administer contracts, and manage accounting and reporting. This staff will be paid from the cash fund in FY 2022-23 and FY 2023-24, and the General Fund in FY 2024-25 and FY 2025-26.

- **Children's Mental Health Program Contract.** The remainder of funding will be spent contracting for children's mental health programs.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Effective Date

The bill was signed into law by the Governor and took effect June 3, 2022.

State Appropriations

The bill requires and includes an appropriation of \$2.0 million from the Economic Recovery and Relief Cash Fund and 0.3 FTE to the Department of Early Childhood, which may be spent through December 2024.

State and Local Government Contacts

Health Care Policy and Financing
Information Technology

Human Services
Law