

**FINAL
FISCAL NOTE**

Drafting Number: LLS 11-0648
Prime Sponsor(s): Sen. Lambert
 Rep. Becker

Date: July 15, 2011
Bill Status: Signed Into Law
Fiscal Analyst: Kirk Mlinek (303-866-4782)

TITLE: CONCERNING THE CREATION OF A CASH FUND FOR FEES COLLECTED IN CONNECTION WITH THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT'S LABORATORIES.

Fiscal Impact Summary	FY 2010-11	FY 2011-2012	FY 2012-2013
State Revenue			
State Transfers or Diversions Diversion from the General Fund to the Laboratory Cash Fund	(\$3,218)	(\$12,800)	(\$17,800)
State Expenditures CDPHE, Laboratory Cash Fund	\$3,218	\$12,800	\$17,800
FTE Position Change			
Effective Date: The bill was signed into law by the Governor and took effect on March 9, 2011.			
Appropriation Summary for FY 2011-2012: No appropriation required.			
Local Government Impact: None.			

Summary of Legislation

The bill is part of the Joint Budget Committee's budget package. The bill establishes the Laboratory Cash Fund (fund) in the State Treasury. All revenues received by the Department of Public Health and Environment (department) in connection with the operation of its laboratories shall be deposited into the fund. The fund retains earned interest and year-to-year unencumbered balances. Exempt from the transfer are revenues credited to the Newborn Screening and Genetic Counseling Cash Fund.

Background

The department's Laboratory Services Division assesses fees for laboratory services. Three dollars of every \$8 collected are not deposited into a specific cash fund. Revenues that are not in a cash fund cannot be carried forward from year-to-year, so unencumbered balances revert to the General Fund at fiscal year-end. This prevents the division from accumulating moneys sufficient to purchase large-ticket pieces of equipment. As a result, the division uses lease-purchase agreements, if available, or outright leases, both of which are usually more expensive than an outright purchase. Creating the cash fund will allow the division to retain year-end balances.

State Expenditures

The bill does not have a direct impact on state expenditures; however, cash funds available to the laboratory division will increase by \$3,218 in FY 2010-11, \$12,800 in FY 2011-12, and \$17,800 in FY 2012-13, with corresponding reductions in moneys available to the General Fund.

State Appropriations

No state appropriation is required.

Departments Contacted

Public Health and Environment
Joint Budget Committee

Office of State Planning and Budgeting