

FY 2026-27 Budget Briefing Summary

Public Health and Environment (Administration and Environmental Divisions)

The Department of Public Health and Environment is responsible for protecting and improving the health of the people of Colorado and ensuring the quality of Colorado's environment.

Summary of Request

Department of Public Health and Environment

Item	Total Funds	General Fund[1]	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$865,843,328	\$140,447,999	\$337,516,417	\$63,464,208	\$324,414,704	1,831.9
Other Legislation	2,926,011	-405,406	3,331,417	0	0	21.7
Total	\$868,769,339	\$140,042,593	\$340,847,834	\$63,464,208	\$324,414,704	1,853.6
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$868,769,339	\$140,042,593	\$340,847,834	\$63,464,208	\$324,414,704	1,853.6
R1 Laboratory renewal	5,039,850	4,889,850	150,000	0	0	27.8
R2 Clean water in schools	-1,099,600	-1,099,600	0	0	0	0.0
R3 Closed landfill grant spending	5,079,079	0	5,079,079	0	0	0.0
R4 Eliminate comprehensive sex ed	-1,010,453	-1,010,453	0	0	0	-1.3
R5 Reduce mental health first aid	-210,000	-210,000	0	0	0	0.0
R6 Eliminate community behavioral health program	-592,345	-592,345	0	0	0	-2.0
R7 Eliminate CARE network	-927,020	-927,020	0	0	0	-0.4
R8 Reduce health disparities grants	-2,500,000	-2,500,000	0	0	0	0.0
R9 Reduce LPHA distributions	-3,300,000	-3,300,000	0	0	0	0.0
Employee compensation common policies	13,218,508	1,057,677	8,159,172	1,362,909	2,638,750	0.0
Operating common policies	602,906	819,314	343,575	-592,572	32,589	0.0
Impacts driven by other agencies	257,424	29,857	-18,219	245,786	0	1.8
Technical adjustments	6,344,021	0	6,344,021	0	0	2.8
Prior year actions	-3,162,903	-695,389	-248,988	0	-2,218,526	-1.2
Total	\$886,508,806	\$136,504,484	\$360,656,474	\$64,480,331	\$324,867,517	1,881.1
Increase/-Decrease	\$17,739,467	-\$3,538,109	\$19,808,640	\$1,016,123	\$452,813	27.5
Percentage Change	2.0%	-2.5%	5.8%	1.6%	0.1%	1.5%

[1] Includes General Fund Exempt

R2 Clean water in schools [legislation]: The Department asks to decrease funding for the “Test and Fix Water for Kids Program.”

Year 1: The Department asks for a reduction of \$1.1 million General Fund. The Department is also requesting rollforward spending authority on expenditures from the School and Child Care Clean Drinking Water Cash Fund.

The Department plans to transition this program entirely to cash funds, with the goal to test and remediate the remaining 1,500 untested schools and child care centers. The Department requests legislation to change the repeal date of the program from June 30, 2026 to June 30, 2029, as well as expanding the testing program to high schools. Additionally, the Department requests extension of rollforward spending authority from June 30, 2026 to June 30, 2029. The Department has identified this request as proven under evidence-based decisionmaking guidelines.

R3 Closed landfill grant spending: The Department asks to increase funding for the Closed Landfill Remediation Grants Fund.

Year 1: The total cost is \$5.1 million from the Closed Landfill Remediation Grant Fund for this year only.

The Department intends to give these funds to five approved grantees. Approval of this request would expend the Closed Landfill Remediation Grant Fund, resulting in no ongoing costs. The Department has identified this request as ineligible for an evidence designation.

Employee compensation common policies: The request includes a net increase of \$13.2 million for employee compensation common policies. A common policy refers to general policies applied consistently to all departments.

Employee compensation common policies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Salary survey	\$7,013,541	\$1,181,600	\$2,856,314	\$638,325	\$2,337,302	0.0
Health, life, and dental	5,483,574	393,505	3,703,511	481,038	905,520	0.0
Unfunded liability amortization payments	442,293	-262,313	1,254,076	102,664	-652,134	0.0
Step plan	255,872	63,703	90,060	20,412	81,697	0.0
Paid family and medical leave insurance	19,904	-17,934	63,068	3,766	-28,996	0.0
Short-term disability	3,097	-717	7,551	902	-4,639	0.0
PERA direct distribution	227	-300,167	184,592	115,802	0	0.0
Total	\$13,218,508	\$1,057,677	\$8,159,172	\$1,362,909	\$2,638,750	0.0

Operating common policies: The request includes a net increase of \$602,906 for operating common policies.

Operating common policies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
State accounting system (CORE)	\$659,862	\$842,576	\$0	-\$182,714	\$0	0.0
Legal services	425,091	92,593	100,664	231,834	0	0.0
Office of Information Technology services	337,037	142,905	184,139	9,993	0	0.0
Workers' compensation	152,539	241	0	152,298	0	0.0
Vehicle lease payments	26,498	2,273	21,820	2,405	0	0.0
Capitol Complex leased space	2,414	178	0	2,236	0	0.0
Risk management & property	-798,663	-257,933	0	-540,730	0	0.0
Statewide indirect cost adjustment	-189,287	0	37,408	-259,284	32,589	0.0
Administrative law judge services	-12,585	-3,519	-456	-8,610	0	0.0
Total	\$602,906	\$819,314	\$343,575	-\$592,572	\$32,589	0.0

Impacts driven by other agencies: The request includes a net increase of \$257,424 for requests from other state agencies. These are also called "non-prioritized requests." The amount shown in the table below applies only to this department and does not necessarily reflect the total value of the request.

Impacts driven by other agencies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
NP IT accessibility	\$257,630	\$0	\$0	\$257,630	\$0	0.9
Statewide R7 MTCF balancing	200,000	0	200,000	0	0	0.0
NP8 SB24-205 AI compliance	133,760	133,760	0	0	0	0.9
NP State accounting system (CORE) staff	65,451	65,451	0	0	0	0.0
NP4 SB24-205 AI compliance	52,725	22,356	28,806	1,563	0	0.0
NP Statewide enable AI	26,458	11,218	14,455	785	0	0.0
NP IT operating offset	-349,891	-148,355	-191,161	-10,375	0	0.0
NP IT efficiencies	-128,709	-54,573	-70,319	-3,817	0	0.0
Total	\$257,424	\$29,857	-\$18,219	\$245,786	\$0	1.8

Technical adjustments: The request includes a net increase of \$6.3 million and 2.8 FTE for adjustments to tobacco education and legal costs related to Superfund sites.

Technical adjustments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Admin and FTE adjust for tobacco ed	\$6,223,809	\$0	\$6,223,809	\$0	\$0	2.8
Transfer to Dept of Law for CERCLA costs	120,212	0	120,212	0	0	0.0
Total	\$6,344,021	\$0	\$6,344,021	\$0	\$0	2.8

Prior year actions: The request includes a net decrease of \$3.2 million for the impact of prior year budget decisions and legislation.

Prior year actions						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 24-25 R10 HB 23-1257 implement savings	\$1,141,880	\$1,141,880	\$0	\$0	\$0	0.0
SB 25-285 Update food inspect fees	346,677	0	346,677	0	0	0.0
FY 24-25 R3 HB 24-1417 Sustainable funding for health facilities	313,402	-167,630	481,032	0	0	0.0
HB 21-1286 Energy perform. for bldgs	194,564	194,564	0	0	0	1.8
HB 24-1379 Reg dredge & fill	104,585	-370,921	475,506	0	0	0.0
SB 25-130 Providing EMS	98,070	0	98,070	0	0	0.3
SB 25-008 Adj. necessary doc storage	48,945	48,945	0	0	0	0.3
FY 23-24 R15 DETC lease space	1,522	0	1,522	0	0	0.0
FY 25-26 Salary survey	-2,091,348	0	-18,525	0	-2,072,823	0.0
FY 24-25 BA1 Closed landfills	-1,608,270	0	-1,608,270	0	0	0.0
HB 24-1338 Cumulative impacts env. just.	-1,297,241	-1,297,241	0	0	0	-3.0
HB 23-1213 Stop the Bleed	-156,045	-156,045	0	0	0	-0.1
FY 25-26 Step Plan	-145,703	0	0	0	-145,703	0.0
HB 24-1262 Maternal health midwives	-43,063	-43,063	0	0	0	-0.5
HB 25-1082 Qualified individuals death certificates	-25,000	0	-25,000	0	0	0.0
SB 24-142 School oral health screenings	-23,846	-23,846	0	0	0	0.0
SB 24-037 Study grn. infrastr. for water qual.	-22,032	-22,032	0	0	0	0.0
Total	-\$3,162,903	-\$695,389	-\$248,988	\$0	-\$2,218,526	-1.2

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee by their dedicated non-partisan staff.

Fee Increases and Cash Fund Solvency: The Department has recently adopted future fee increases to increase revenue to the Stationary Sources Control Fund and the Hazardous Substance Response Fund. These funds have faced solvency issues in recent years, which the Committee has helped to address through budgetary and legislative action. This discussion is an update to the Committee on Department efforts to maintain solvency of these funds, as well as highlighting potential concerns with these funds in the future.

R3 Closed Landfill Remediation Grant Program Spending Authority: The Department asks for \$5.1 million in cash fund spending authority for closed landfill remediation grants. This would fund all five approved applicants in grant round #3. Staff also highlights budget balancing options available to the Committee in FY 2026-27 and beyond.

R2 Continue Clean Water in Schools and Child Care Centers: The Department asks for a three-year extension of the "Test and Fix Water for Kids Program," which lead tests drinking water sources in schools and child care centers. Additionally, the Department wishes to expand the program to include testing in high schools. This request includes a reduction of \$1.1 million General Fund and extension of existing rollforward spending authority through FY 2028-29. Staff also highlights budget balancing options available to the Committee in FY 2026-27.

Budget Reduction Options: The Department request includes proposed reductions of \$5,294,967, representing 7.3 percent of the General Fund appropriations in this section of the budget. There are no requested General Fund increases in this section of the budget to offset these reductions. Staff options would bring an additional \$4.6 million in General Fund relief.

For More Information

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To read the entire briefing: Go to leg.colorado.gov/content/budget/budget-documents to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2025.