

JOINT BUDGET COMMITTEE

APPROPRIATIONS REPORT FISCAL YEAR 2019-20



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INTRODUCTION

This report is produced to assist members of the General Assembly, state personnel, and other interested parties in understanding state funding decisions made during the 2019 Regular Legislative Session. This report provides an overview of state revenues and expenditures, comparative and historical information regarding appropriations made during the 2019 Regular Session, and a detailed explanation of major funding changes for each state department. The FY 2019-20 Appropriations Report includes:

PART I: OVERVIEW

The Overview includes: (A)(1) an overview of state General Fund revenues and expenditures; (A)(2) a discussion of statutory and constitutional revenue and spending restrictions; and (B) a series of charts, graphs, and tables identifying the sources of General Fund revenue and comparing the distribution of appropriations by program and fund source.

PART II: DEPARTMENT SUMMARIES

This section contains a summary of operating appropriations for each department for FY 2016-17 through FY 2019-20 and highlights the major appropriation changes from FY 2018-19 to FY 2019-20. This section also summarizes factors driving the budget for each state department and for capital construction projects.

PART III: DEPARTMENT DETAILS

Detailed information regarding funding for the operations of each state department and for capital construction projects can be found in this section. The subsection for each department summarizes funding and FTE authorizations for FY 2018-19 and FY 2019-20. The format reflects appropriations by bill and by division or program area. Narrative sections describe major changes in funding from FY 2018-19 to FY 2019-20, fund sources for each division, and division responsibilities. This section also includes brief summaries of bills adopted during the 2018 and 2019 Regular Sessions that contained an appropriation, affected state revenues, or implemented a major policy change.

The footnotes to the 2019 Long Bill (S.B. 19-207) can be found at the end of each departmental section in the 2019 Session Laws, or they can be accessed online at the following address:

<https://leg.colorado.gov/bills/SB19-207>

Additional information on department activities, Joint Budget Committee staff assignments, and funding requests can also be found in Joint Budget Committee staff briefing, supplemental, and figure setting documents. These documents can be accessed online at the following address:

<https://leg.colorado.gov/content/budget>

APPENDICES AND INDEX

Multiple appendices that provide supporting documentation for the report's content, as well as a subject index, can be found near the end of this document.

PART I

OVERVIEW

A: OVERVIEW OF GENERAL FUND REVENUES AND EXPENDITURES

1. GENERAL FUND OVERVIEW

This section provides an overview of General Fund revenues and expenditures based on the Legislative Council Staff March 2019 revenue estimate, which was used as the basis for making adjustments to the FY 2018-19 budget and preparing the FY 2019-20 budget.

SUMMARY OF MAJOR ACTIONS TAKEN REGARDING THE GENERAL FUND BUDGET

The following is a summary of the major actions that occurred during the 2019 Regular Legislative Session that impacted the General Fund budget.

GENERAL FUND REVENUE PROJECTIONS: The General Assembly used the Legislative Council Staff (LCS) March 2019 revenue estimates for making final adjustments to the FY 2018-19 budget and preparing the FY 2019-20 budget during the 2019 Session. The LCS March 2019 projections were approximately \$218.7 million higher for FY 2018-19 compared to the Office of State Planning and Budgeting (OSPB) projections that were used during the 2018 Session to prepare the initial FY 2018-19 budget.

STATUTORY CHANGES THAT IMPACTED GENERAL FUND REVENUE: Table 1 contains a list of bills that were passed during the 2019 Session after the March 2019 LCS forecast that had a significant impact on the amount of available General Fund revenue.

TABLE 1			
ACTIONS THAT IMPACTED THE AMOUNT OF AVAILABLE GENERAL FUND REVENUE (\$ IN MILLIONS)			
BILLS PASSED DURING THE 2019 SESSION:		FY 2018-19	FY 2019-20
TRANSFERS TO THE GENERAL FUND:			
SB 19-208	State Employee Reserve Fund Transfer	\$0.0	\$23.0
SB 19-261	Unclaimed Property Trust Fund Transfer	0.0	30.0
TOTAL		\$0.0	\$53.0
MAJOR CHANGES TO GENERAL FUND REVENUE:			
SB 19-158	Sunset Pet and Animal Care & Facilities Act	\$0.0	\$0.0
HB 19-1168	State Innovation Waiver Reinsurance Program	0.0	(0.8)
HB 19-1174	Out-of-network Health Care Services	0.0	0.0
HB 19-1216	Reduce Insulin Prices	0.0	0.0
HB 19-1233	Investments in Primary Care to Reduce Health Costs	0.0	(0.1)
HB 19-1240	Sales and Use Tax Administration	0.0	40.5
HB 19-1245	Affordable Housing Funding From Vendor Fee Changes	0.0	23.1
TOTAL		\$0.0	\$62.7
TRANSFERS FROM THE GENERAL FUND:			
SB 19-246	School Finance	\$0.0	(\$40.3)
HB 19-1147	Revise Traumatic Brain Injury Program	0.0	(0.5)
HB 19-1168	State Innovation Waiver Reinsurance Program	0.0	(15.0)
HB 19-1245	Affordable Housing Funding From Vendor Fee Changes	0.0	(7.8)
TOTAL		\$0.0	(\$63.6)

APPROPRIATIONS: The major changes in appropriations for FY 2018-19 and FY 2019-20 are explained in Part II and Part III of this document. Part II contains an overview at the department level of FY 2018-19 and FY 2019-20 appropriations and the general factors driving the budget. Part III provides detailed appropriations by division and by bill for each department for FY 2018-19 and FY 2019-20.

STATUTORY RESERVE: The statutory General Fund reserve requirement is 7.25 percent of annual General Fund appropriations for FY 2018-19 and FY 2019-20.

FY 2018-19 AND FY 2019-20 GENERAL FUND OVERVIEW

Table 2 provides an overview of General Fund revenues, spending obligations, and ending reserves for both FY 2018-19 and FY 2019-20. Please note that some of these amounts will change in the future with revised revenue forecasts and actions of the General Assembly. A description of each item follows the table.

TABLE 2 GENERAL FUND OVERVIEW (\$ IN MILLIONS)		
DESCRIPTION	FY 2018-19	FY 2019-20
GENERAL FUND AVAILABLE:		
Beginning General Fund Reserve	\$1,366.0	\$1,142.7
General Fund Nonexempt Revenues	9,586.3	10,003.4
General Fund Exempt Revenues	2,600.7	2,637.9
Transfers from Other Funds - Existing Law Prior to March 2019 Forecast	38.7	18.0
Changes to General Fund Revenue - Bills Passed During 2019 Session After March Forecast	0.0	62.7
Transfers from Other Funds - Bills Passed During 2019 Session After March Forecast	0.0	53.0
TOTAL	\$13,591.7	\$13,917.7
GENERAL FUND OBLIGATIONS:		
General Fund Appropriations (excluding rebates and expenditures)	\$11,230.8	\$12,014.6
Estimated TABOR Refund Pursuant to Section 20 (7)(d) of Article X of the State Constitution	64.8	0.0
Rebates and Expenditures	143.8	144.0
Senior Citizen and Disabled Veteran Property Tax Exemption	140.7	140.8
TABOR Refund - Senior Citizen and Disabled Veteran Property Tax Exemption	(39.5)	(64.8)
Transfer to the Highway Users Tax Fund pursuant to Section 24-75-219, C.R.S.	495.0	300.0
Transfer to the Capital Construction Fund	180.5	225.7
Transfer to the State Education Fund pursuant to Section 24-75-220 (3)(b), C.R.S.	25.0	0.0
Transfers to Other Funds - Existing Law Prior to March 2019 Forecast	207.9	172.0
Transfers to Other Funds - Bills Passed During 2019 Session After March 2019 Forecast	0.0	63.6
TOTAL	\$12,449.0	\$12,995.9
YEAR END GENERAL FUND RESERVE (Available Funds Less Obligations)		
Statutory Reserve Requirement	814.2	871.1
General Fund Reserve in Excess of the Statutory Requirement	328.5	50.7

BEGINNING GENERAL FUND RESERVE: These figures represent the total balance in the General Fund reserve at the start of the fiscal year, based on the assumptions used for revenues and obligations. The beginning General Fund reserve is the same as the prior fiscal year's ending General Fund reserve.

GENERAL FUND NONEXEMPT AND EXEMPT REVENUES: These figures represent estimates of the total General Fund revenues as reflected in the March 2019 LCS revenue estimate. The major components of state General Fund revenues include individual and corporate income, sales and use, insurance, liquor, and cigarette taxes. General Fund revenues must be applied to statutory obligations before the General Assembly can appropriate the remaining General Fund. These obligations include rebates and expenditures and the capital construction transfer (described below).

As a result of the passage of Referendum C in November 2005, the State is permitted to retain excess revenues that otherwise would have been refunded under the Taxpayer's Bill of Rights (TABOR). General Fund Exempt Revenues represent the estimate of those retained amounts as reflected in the March 2019 LCS revenue estimate. Please see the section titled "2. Statutory and Constitutional Restrictions" in this Part I-A for a more detailed overview of TABOR and Referendum C. In addition, Appendix D details General Fund Exempt appropriations for FY 2018-19 and FY 2019-20.

TRANSFERS FROM OTHER FUNDS - EXISTING LAW PRIOR TO MARCH 2019 FORECAST: This line reflects money transferred to the General Fund from various other funds based on existing statutes that were enacted before the March 2019 forecast was published.

CHANGES TO GENERAL FUND REVENUE - BILLS PASSED DURING 2019 SESSION AFTER MARCH FORECAST: This line identifies the impact of statutory changes and transfers of available General Fund revenue that were authorized after the March 2019 forecast was published. Table 1 in this section provides a list of these bills, and these bills are described at the end of each relevant department in Part III.

TRANSFERS FROM OTHER FUNDS - BILLS PASSED DURING 2019 SESSION AFTER MARCH FORECAST: This line identifies the impact of transfers from other cash funds to the General Fund that were authorized after the March 2019 forecast was published. Table 1 in this section provides a list of these bills, and these bills are described at the end of each relevant department in Part III.

GENERAL FUND APPROPRIATIONS (EXCLUDING REBATES AND EXPENDITURES): These figures represent the total appropriations made in the annual appropriation bill (referred to as the Long Bill) and in any separate bills. These amounts exclude General Fund appropriations related to "rebates and expenditures", which are described below and are not subject to the statutory restriction on General Fund appropriations. See Appendix D for details concerning General Fund appropriations for FY 2018-19 and FY 2019-20 that are excluded from these figures.

ESTIMATED TABOR REFUND PURSUANT TO SECTION 20 (7)(d) OF ARTICLE X OF THE STATE CONSTITUTION: These amounts represent the estimated refund that will result pursuant to TABOR because state revenues are estimated to exceed the amount permitted to be retained under the State Constitution. However, as reflected in the March 2019 LCS revenue estimate, the state revenues are not expected to exceed the amount permitted to be retained in FY 2019-20. Please note these amounts may change based on actual revenue collections and future revenue forecasts.

REBATES AND EXPENDITURES: The quarterly revenue forecasts prepared by the Legislative Council Staff (LCS) and the OSPB include dollar amounts referred to as "rebates and expenditures". These amounts reflect various expenditures or diversions of funds from the General Fund which are exempt from or are not subject to the statutory restriction on General Fund appropriations. Some of these items are not reflected in General Fund appropriations, and the amounts that are reflected in General Fund appropriations are not routinely adjusted to reflect changes in projected expenditures or diversions. Appendix D provides more detail concerning rebates and expenditures, including the associated appropriations for FY 2018-19 and FY 2019-20. For purposes of making final adjustments to the FY 2018-19 budget and preparing the FY 2019-20 budget, the General Assembly used the projections of rebates and expenditures that are included in the LCS March 2019 revenue estimate. Table 3 lists these amounts.

TABLE 3
REBATES AND EXPENDITURES (\$ IN MILLIONS)

DESCRIPTION	FY 2018-19	FY 2019-20
Sales and use taxes credited to the Old Age Pension Fund	\$86.5	\$84.2
Cigarette tax rebates to local governments	9.8	9.6
Old Age Heat and Fuel and Property Tax Assistance Grants	5.5	6.0
Older Coloradans Fund	10.0	10.0
Retail marijuana sales tax distributions to local governments	19.6	21.6
Fire and police pension payments for local governments	4.2	4.4
Earnings related to cash flow loans to school districts	7.4	7.4
General Fund appropriations related to tobacco tax revenues	0.8	0.8
TOTAL	\$143.8	\$144.0

SENIOR CITIZEN AND DISABLED VETERAN PROPERTY TAX EXEMPTION: In 2000, Colorado voters approved a constitutional amendment that reduces property taxes for qualifying senior citizens. The property tax reduction, or "homestead exemption", is available to senior citizens 65 years of age or older who have owned and lived in their home for at least ten years. In 2006, Colorado voters approved a constitutional amendment extending the homestead exemption to honorably discharged veterans who are 100 percent disabled as a result of a service-connected disability. The cost of the exemption is borne by the State rather than by local governments or other property owners. The amounts shown in Table 2 for FY 2018-19 and FY 2019-20 represent estimated state expenditures as reflected in the March 2019 LCS revenue estimate (see Appendix D for additional information on related appropriations).

TABOR REFUND - SENIOR CITIZEN AND DISABLED VETERAN PROPERTY TAX EXEMPTION: In the 2017 session, the General Assembly added Section 39-3-207, C.R.S., which provides that the amount paid for the Senior Citizen and Disabled Veteran Property Tax Exemption by the State to reimburse the local governments for this tax exemption will be utilized as the first mechanism for TABOR tax refunds in years when TABOR refunds are required. The amount included in this line item represents the amount available for offset based on this provision of law.

TRANSFER TO THE HIGHWAY USERS TAX FUND PURSUANT TO SECTION 24-75-219, C.R.S.: Section 24-75-219, C.R.S., requires a transfer from the General Fund to the Highway Users Tax Fund in FY 2018-19 and FY 2019-20.

TRANSFER TO THE CAPITAL CONSTRUCTION FUND: Sections 23-31-902 (2), 24-75-219, 24-75-307 (1), and 24-75-302 (2), C.R.S., provide for transfers from the General Fund to the Capital Construction Fund. These transfers are not subject to the statutory restriction on General Fund appropriations. The General Assembly may change the amount of the annual transfer when necessary.

TRANSFER TO THE STATE EDUCATION FUND PURSUANT TO SECTION 24-75-220 (3)(b), C.R.S.: Senate Bill 13-234 required the State Treasurer to transfer \$45.3 million from the General Fund to the State Education Fund on April 30, 2014. The bill further directed the State Treasurer to transfer \$25.3 million from the General Fund to the State Education Fund on April 30 of each year from 2015 through 2018. Finally, on April 30, 2019, the State Treasurer was directed to transfer \$25.0 million from the General Fund to the State Education Fund.

TRANSFERS TO OTHER FUNDS - EXISTING LAW PRIOR TO MARCH 2019 FORECAST: These amounts reflect money that will be transferred from the General Fund to various other funds based on existing statutes that were signed into law prior to the March 2019 revenue forecast.

TRANSFERS TO OTHER FUNDS - BILLS PASSED DURING 2019 SESSION AFTER MARCH 2019 FORECAST: This line identifies statutory transfers of General Fund to various other funds that were enacted after the March 2019 forecast. Table 1 in this section also provides a list of these bills, and these bills are described at the end of each relevant department in Part III of this report.

YEAR END GENERAL FUND RESERVE (AVAILABLE FUNDS LESS OBLIGATIONS): These figures represent the amount of General Fund in reserve after the transfers and other obligations described above have occurred. The ending General Fund reserve for one fiscal year becomes the beginning General Fund reserve for the next fiscal year.

STATUTORY RESERVE REQUIREMENT: Section 24-75-201.1 (1)(d)(XIX), C.R.S., requires a General Fund reserve of 7.25 percent for FY 2018-19 and subsequent fiscal years. Table 4 provides the calculations for the statutory reserve.

TABLE 4 CALCULATION OF STATUTORY RESERVE (\$ IN MILLIONS)		
	FY 2018-19	FY 2019-20
General Fund Appropriation Base for Calculation of Reserve	\$11,230.8	\$12,014.6
Percent Reserve Required pursuant to Section 24-75-201.1 (1)(d), C.R.S.	<u>7.25%</u>	<u>7.25%</u>
Required Statutory Reserve	\$814.2	\$871.1

Section 24-75-201.5, C.R.S., requires the Governor to take action to reduce state spending if revenue estimates indicate the General Fund reserve would fall below half of the required reserve in a given fiscal year.

2. STATUTORY AND CONSTITUTIONAL RESTRICTIONS

STATUTORY RESTRICTION ON APPROPRIATIONS

Prior to FY 2009-10, Section 24-75-201.1, C.R.S., restricted the increase in state General Fund appropriations to the lesser of 5.0 percent of Colorado personal income or 6.0 percent over the total General Fund appropriations for the previous fiscal year. While this provision existed, the lesser amount was 6.0 percent over the previous fiscal year's General Fund appropriations. Subsequently, S.B. 09-228 amended this provision to restrict General Fund appropriations to an amount equal to 5.0 percent of Colorado personal income. Section 24-75-201.1 (1)(a)(III), C.R.S., exempts certain appropriations from this restriction, including those associated with new federal mandates, requirements of final court orders, and voter-approved revenue increases.

Table 5 shows the calculation of statutorily allowable General Fund appropriations for FY 2019-20. The table also shows the General Fund appropriations that are exempt from or not subject to the statutory restriction on General Fund appropriations for FY 2019-20, and the difference between General Fund appropriations and the restriction for FY 2019-20.

TABLE 5 STATUTORY RESTRICTION ON GENERAL FUND APPROPRIATIONS (\$ IN MILLIONS)	
Calendar Year 2017 Colorado Personal Income (base as defined in statute)	\$306,411.0
Multiplied by 5.0 Percent	5.0%
FY 2019-20 General Fund Appropriations Restriction	\$15,320.6
FY 2019-20 General Fund Appropriations	\$12,197.8
Less: General Fund Appropriations Exempt From/ Not Subject to Statutory Restriction	(183.3)
FY 2019-20 General Fund Appropriations Subject to Restriction	\$12,014.6
Over/(Under) FY 2019-20 General Fund Appropriations Restriction	(\$3,306.0)

CONSTITUTIONAL RESTRICTIONS

SECTION 20 OF ARTICLE X (TABOR): In addition to the statutory restriction on General Fund appropriations, Section 20 of Article X of the State Constitution (the Taxpayer's Bill of Rights or "TABOR") places restrictions on the amount of total General Fund and cash fund revenues that may be collected and spent by the State. This section provides information about this constitutional revenue and spending restriction.

TABOR has several key provisions that impact the state budget:

- "State fiscal year spending" is defined as expenditures or reserve increases. In other words, all revenues received by the State that are not specifically exempt are considered "spending".
- The change in state fiscal year spending for the next year is restricted to the percentage change in the consumer price index (inflation) plus the percentage change in state population in the prior calendar year, adjusted for revenue changes approved by the voters after 1991.
- The base for calculating the allowable growth is the *lesser* of either actual revenues or the allowable limit.

In order to comply with the limits contained in TABOR, several calculations are necessary. Because this provision makes no distinction between General Fund and cash fund revenues collected by the State, it is necessary to make forecasts of revenues for all the separate cash funds as well as the General Fund. The sum of estimated General Fund and cash fund revenues is then increased by the estimated changes in inflation and population to project the allowable increase in state fiscal year spending.

REFERENDUM C: Referendum C was referred to and passed by the voters in November 2005. This measure authorizes the State to retain and spend money in excess of the constitutional limitation on state fiscal year spending as follows:

- For FY 2005-06 through FY 2009-10, this measure authorized the State to retain and spend all state revenues in excess of the limitation on state fiscal year spending.
- For FY 2010-11 and each succeeding fiscal year, this measure authorizes the State to retain and spend all state revenues in excess of the limitation on state fiscal year spending, but less than a newly defined "excess state revenues" cap for the given fiscal year. The excess state revenues cap is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service charges.

Within the state General Fund, the measure established the General Fund Exempt Account, which consists of the amount of state revenues in excess of the limitation on state fiscal year spending that the State would have refunded had Referendum C not passed. The measure further established that money in the Account would be appropriated or transferred to fund:

- health care;
- education, including related capital construction projects;
- retirement plans for firefighters and police officers, so long as the General Assembly determines that such funding is necessary; and
- strategic transportation projects included in the Department of Transportation's strategic transportation project investment program.

The measure clarified that the statutory restriction on General Fund appropriations and associated exceptions or exclusions applies to money in the General Fund Exempt Account.

The measure requires the Director of Research of the Legislative Council Staff to annually prepare a report that includes the amount of excess state revenues that the State retained and a description of how the excess state revenues were expended.

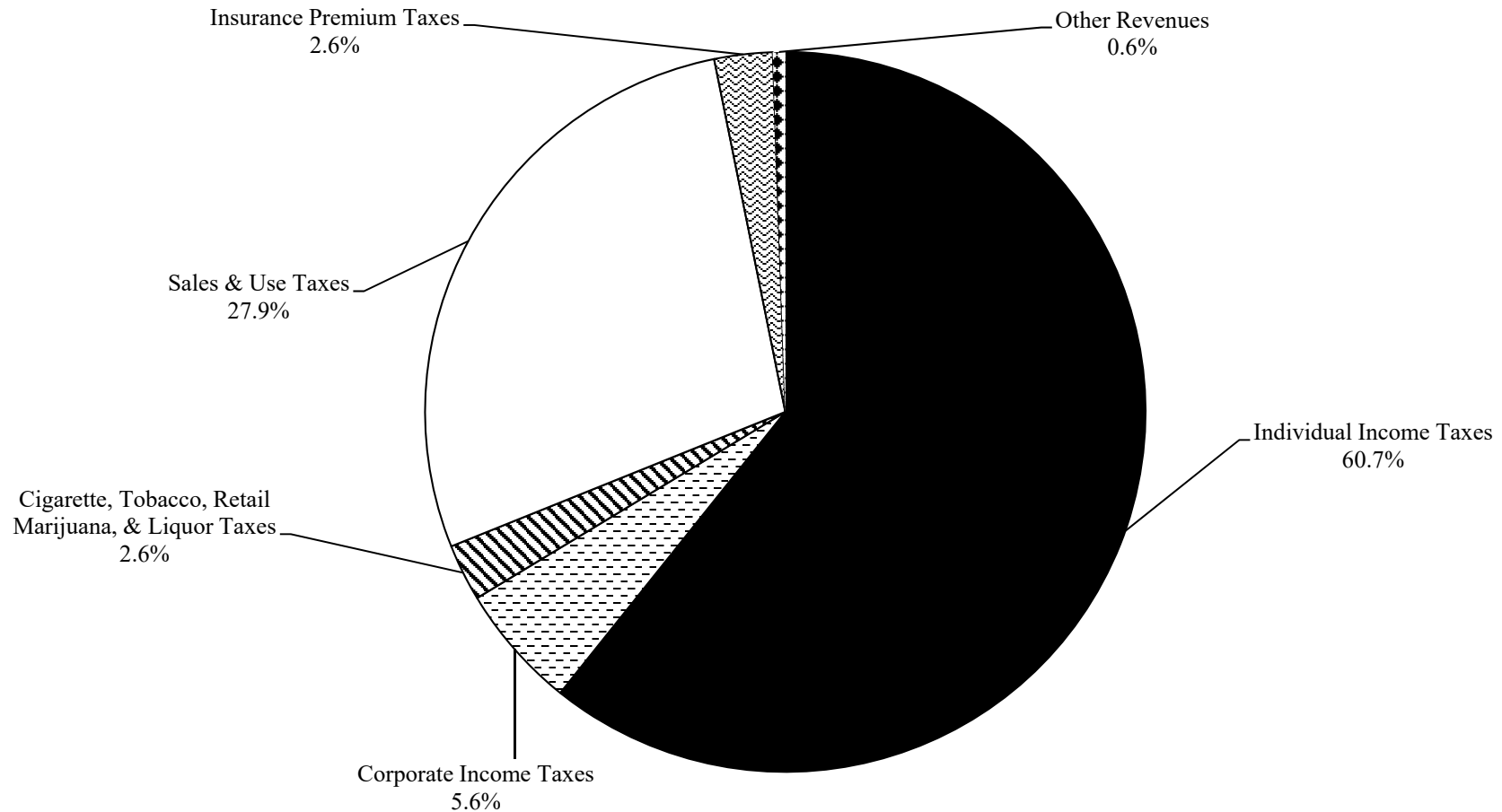
Table 6 summarizes the General Fund Exempt Account appropriations made in compliance with Referendum C (see Sections 24-77-103.6 and 24-77-104.5, C.R.S.).

TABLE 6 REFERENDUM C: GENERAL FUND EXEMPT ACCOUNT APPROPRIATIONS BY PROGRAM (\$ IN MILLIONS)			
DEPARTMENT	LINE ITEM	FY 2018-19	FY 2019-20
Education	State Share of Districts' Total Program Funding	\$885.3	\$897.7
Health Care Policy and Financing	Medical Services Premiums	885.3	897.7
Higher Education	Various Line Items	825.2	837.6
Local Affairs	Volunteer Firefighter Retirement Plans	4.3	4.3
Transportation	Capital Construction - Transportation Highway Construction Projects	0.5	0.5
TOTAL		\$2,600.6	\$2,637.8

B: SUMMARY CHARTS AND TABLES

1. SOURCES OF GENERAL FUND REVENUE

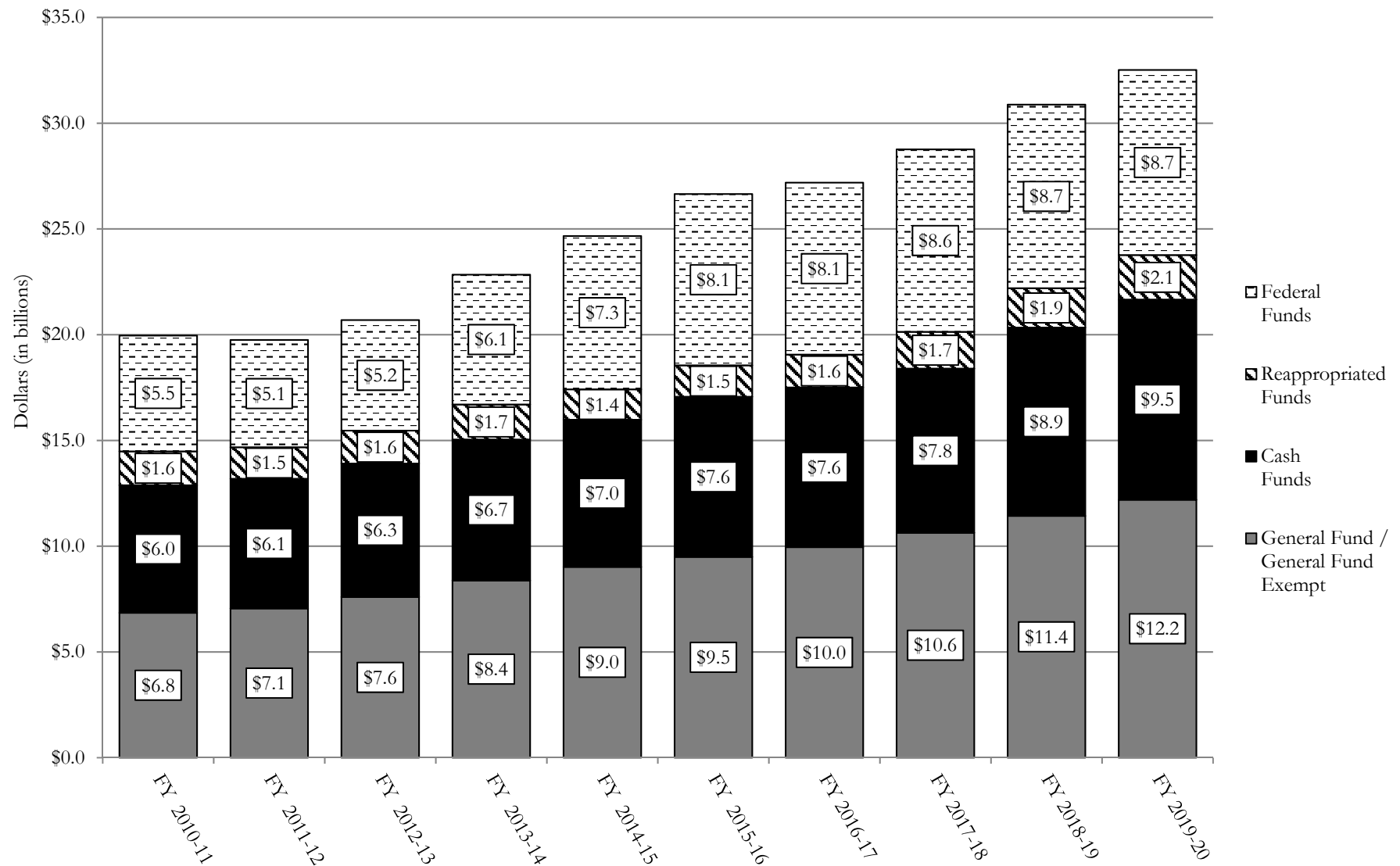
ESTIMATED TOTAL GENERAL FUND REVENUE FY 2019-20 = \$12,641.4 MILLION¹



¹ Source: Colorado Legislative Council Staff March 2019 *Economic & Revenue Forecast*. These percentages are net of income tax receipts that are credited to the State Education Fund (a total of \$681.5 million).

2. HISTORY OF APPROPRIATIONS BY FUND SOURCE

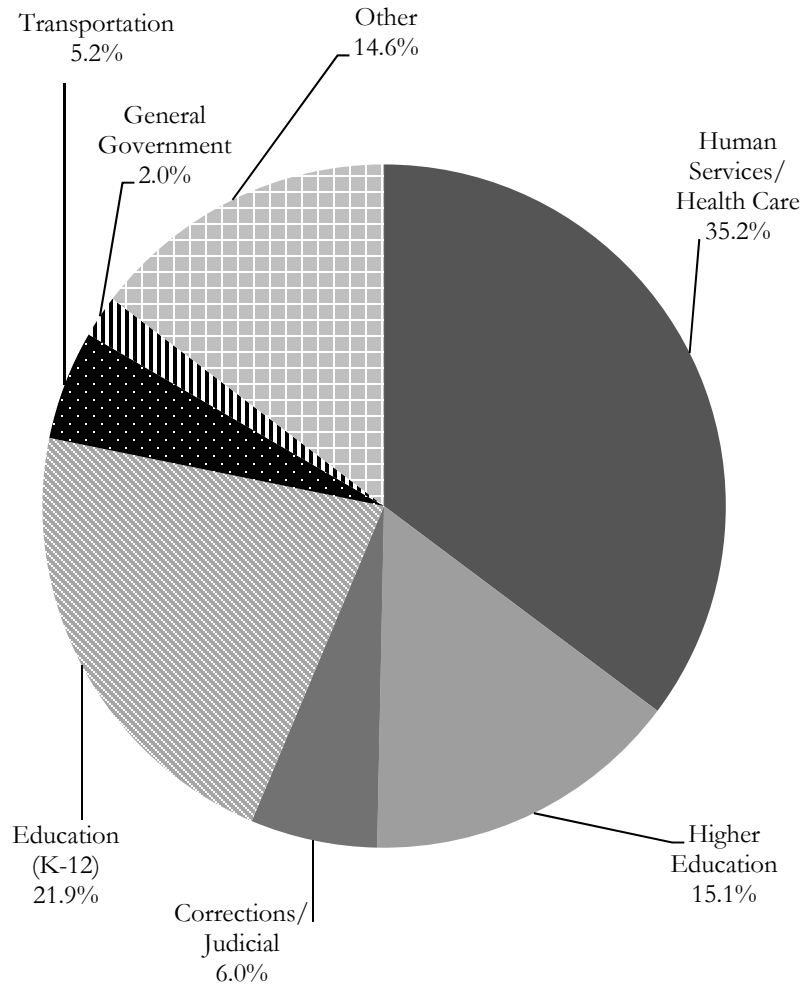
Operating Budget Fiscal Years 2010-11 through 2019-20



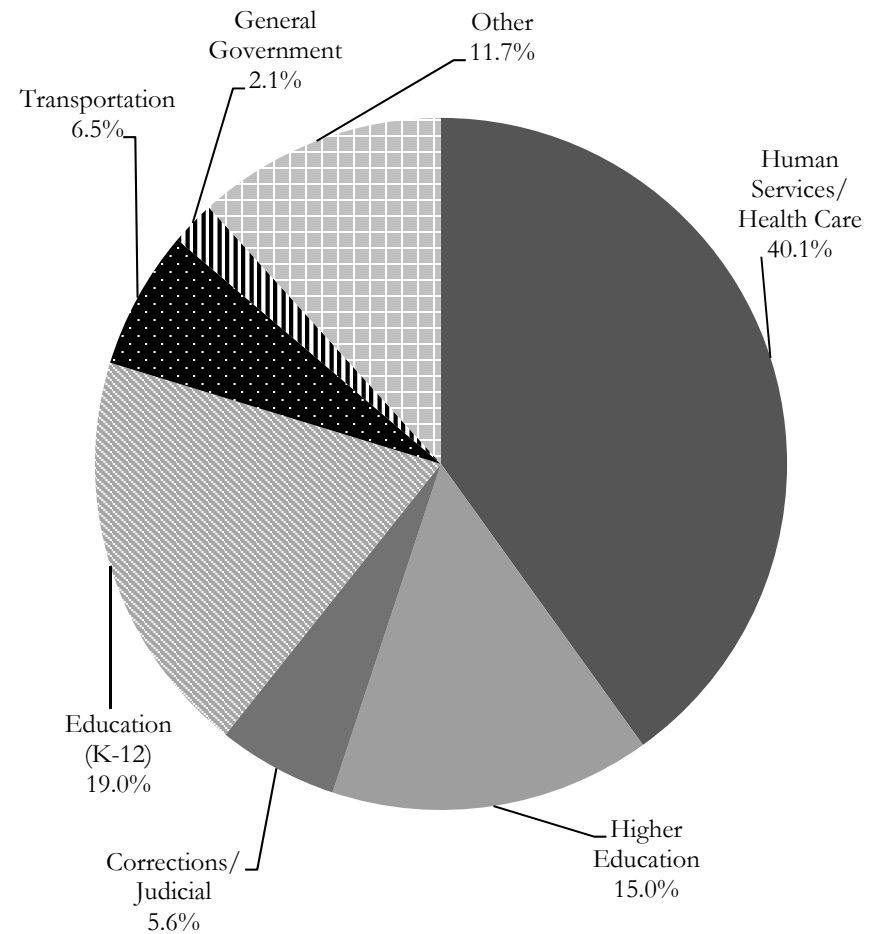
Note: Figures reflect appropriations made for each state fiscal year, including any adjustments that were made in subsequent fiscal years.

3. A. COMPARISON OF TOTAL OPERATING APPROPRIATIONS BY PROGRAM TYPE

FY 2010-11 = \$19.96 billion



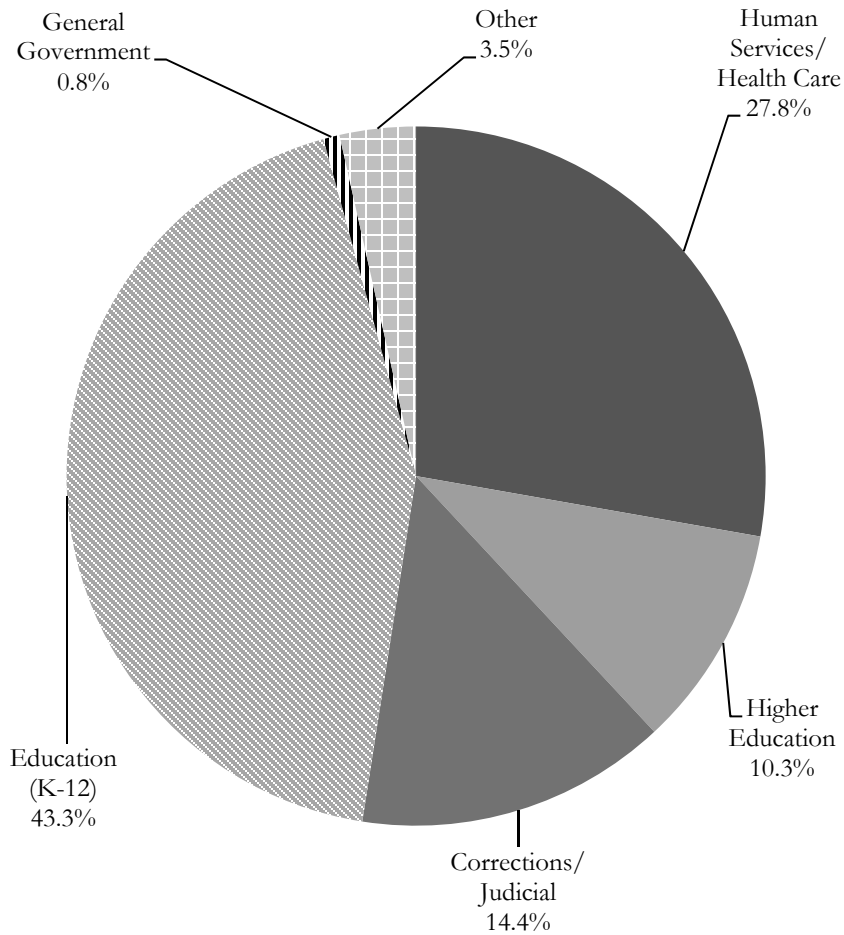
FY 2019-20 = \$32.52 billion



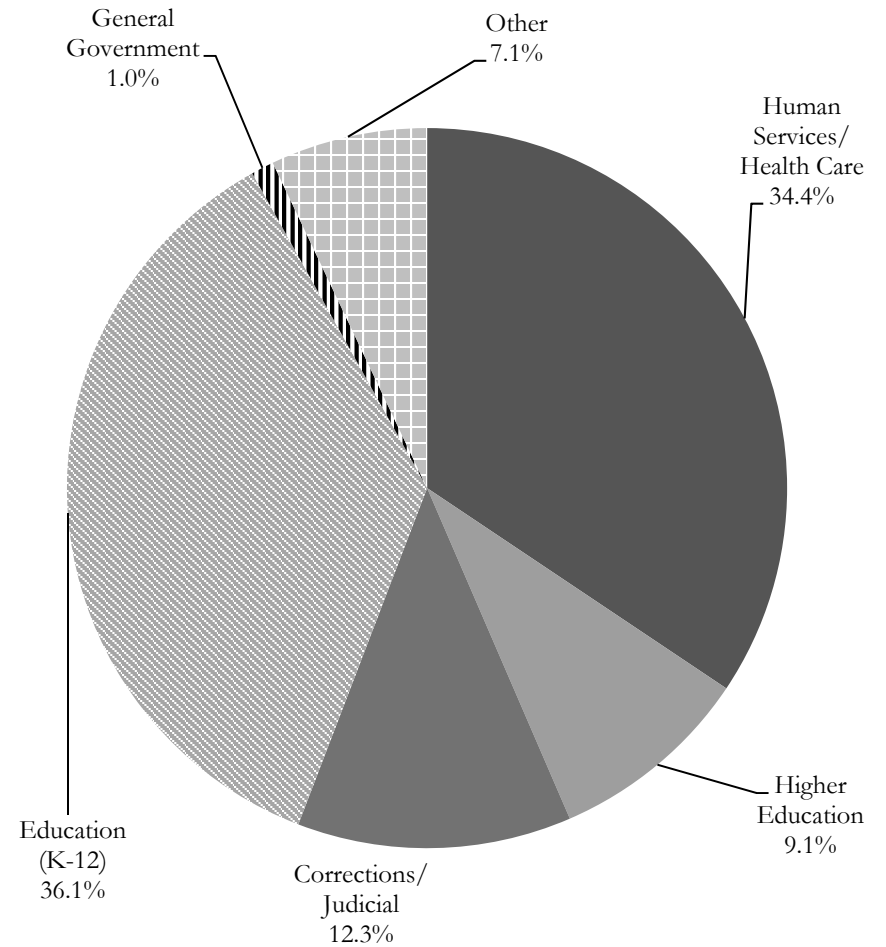
Note: The “General Government” category includes the Governor’s Office, the Legislative Department, and the Department of Personnel.

3. B. COMPARISON OF GENERAL FUND OPERATING APPROPRIATIONS BY PROGRAM TYPE

FY 2010-11 = \$6.85 billion



FY 2019-20 = \$12.20 billion



Note: The “General Government” category includes the Governor’s Office, the Legislative Department, and the Department of Personnel.

4. FY 2018-19 OPERATING APPROPRIATIONS BY DEPARTMENT

FY 2018-19 OPERATING APPROPRIATIONS BY DEPARTMENT AND FUND SOURCE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Agriculture	\$51,592,874	\$11,107,420	\$34,082,132	\$2,494,460	\$3,908,862	289.9
Corrections	928,048,606	829,097,218	40,610,054	54,336,517	4,004,817	6,247.4
Education ¹	5,918,775,777	4,116,143,086	1,146,052,221	39,385,509	617,194,961	602.5
Governor	354,039,376	42,508,950	47,889,843	256,873,308	6,767,275	1,102.8
Health Care Policy and Financing ¹	10,374,350,259	2,957,484,523	1,389,264,217	83,491,228	5,944,110,291	506.3
Higher Education ¹	4,585,307,920	1,003,593,739	2,739,337,662	819,590,900	22,785,619	26,150.0
Human Services	2,194,566,053	977,848,825	416,811,839	188,322,020	611,583,369	5,053.8
Judicial	768,858,254	560,930,830	166,229,388	37,273,036	4,425,000	4,744.8
Labor and Employment	259,549,084	19,475,174	80,841,770	7,521,018	151,711,122	1,280.6
Law	84,198,382	16,593,918	17,747,080	47,855,062	2,002,322	483.5
Legislature	51,845,841	50,287,893	470,869	1,087,079	0	290.0
Local Affairs ¹	317,858,832	37,800,724	186,097,459	12,147,248	81,813,401	181.1
Military and Veterans Affairs	232,120,162	11,206,594	1,203,530	0	219,710,038	1,407.5
Natural Resources	305,365,244	32,005,418	238,857,665	7,933,687	26,568,474	1,464.5
Personnel	205,401,435	14,074,381	14,336,747	176,990,307	0	425.6
Public Health and Environment ¹	591,246,445	52,128,667	192,656,016	47,439,428	299,022,334	1,346.1
Public Safety	515,389,457	184,815,705	217,279,782	43,455,354	69,838,616	1,854.3
Regulatory Agencies	99,733,783	2,066,931	91,205,734	5,211,298	1,249,820	574.7
Revenue	370,972,654	113,271,850	250,494,506	6,381,910	824,388	1,472.2
State	26,136,661	0	26,136,661	0	0	142.9
Transportation	1,827,788,544	0	1,209,197,195	6,672,645	611,918,704	3,328.8
Treasury	814,423,289	400,353,177	396,384,849	17,685,263	0	32.9
OPERATING TOTAL²	\$30,877,568,932	\$11,432,795,023	\$8,903,187,219	\$1,862,147,277	\$8,679,439,413	58,982.2

¹ Includes General Fund Exempt.

² For information about Capital Construction appropriations, see the Capital Construction Sections of this report.

5. FY 2019-20 OPERATING APPROPRIATIONS BY DEPARTMENT

FY 2019-20 OPERATING APPROPRIATIONS BY DEPARTMENT AND FUND SOURCE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Agriculture	\$55,440,261	\$12,098,767	\$36,935,836	\$2,496,093	\$3,909,565	297.6
Corrections	988,046,445	885,094,026	47,619,442	51,757,665	3,575,312	6,279.3
Education ¹	6,185,897,769	4,405,170,565	1,118,704,379	42,577,029	619,445,796	616.4
Governor	405,151,943	53,098,394	51,552,746	293,603,363	6,897,440	1,157.0
Health Care Policy and Financing ¹	10,689,061,864	3,151,370,264	1,386,291,098	93,615,672	6,057,784,830	544.6
Higher Education ¹	4,875,838,547	1,112,705,645	2,836,261,687	900,986,375	25,884,840	26,303.8
Human Services	2,344,561,981	1,043,299,934	440,007,083	214,232,110	647,022,854	5,130.9
Judicial	840,523,801	616,134,492	170,265,416	49,698,893	4,425,000	4,869.8
Labor and Employment	271,969,109	25,519,883	82,643,259	10,092,733	153,713,234	1,292.8
Law	92,366,498	18,717,773	17,688,477	53,606,154	2,354,094	513.5
Legislative Department	56,653,663	55,197,745	90,000	1,365,918	0	306.9
Local Affairs ¹	349,085,163	48,716,177	205,682,582	12,565,874	82,120,530	189.7
Military and Veterans Affairs	131,630,851	11,615,507	1,470,429	4,143	118,540,772	2,579.1
Natural Resources	337,819,513	43,464,597	260,148,716	7,523,560	26,682,640	1,495.9
Personnel	211,049,602	15,633,396	16,939,500	178,476,706	0	426.7
Public Health and Environment ¹	616,137,812	59,177,207	204,690,749	49,291,017	302,978,839	1,382.3
Public Safety	527,389,957	166,108,148	238,609,816	52,591,767	70,080,226	1,904.1
Regulatory Agencies	118,827,932	2,324,519	109,697,995	5,482,149	1,323,269	591.8
Revenue	404,621,889	124,688,584	272,747,155	6,149,821	1,036,329	1,564.4
State	40,053,629	8,418,590	31,635,039	0	0	145.9
Transportation	2,112,021,087	0	1,483,476,167	7,078,096	621,466,824	3,328.8
Treasury	861,694,883	339,275,495	448,514,039	73,905,349	0	32.9
OPERATING TOTAL²	\$32,515,844,199	\$12,197,829,708	\$9,461,671,610	\$2,107,100,487	\$8,749,242,394	60,954.2

¹ Includes General Fund Exempt.

² For information about Capital Construction appropriations, see the Capital Construction Sections of this report.

C: SUMMARY OF MAJOR CHANGES

FY 2018-19 ADJUSTED APPROPRIATION AND FY 2019-20 LONG BILL AND SPECIAL BILLS APPROPRIATIONS

ALL DEPARTMENTS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
FY 2018-19 Appropriation	\$30,628,823,099	\$11,419,781,549	\$8,741,381,730	\$1,857,532,859	\$8,610,126,961	58,970.3
2019 legislative session bills	248,745,833	13,013,474	161,805,489	4,614,418	69,312,452	11.9
TOTAL	\$30,877,568,932	\$11,432,795,023	\$8,903,187,219	\$1,862,147,277	\$8,679,439,413	58,982.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$30,877,568,932	\$11,432,795,023	\$8,903,187,219	\$1,862,147,277	\$8,679,439,413	58,982.2
Decision items	949,649,104	551,562,090	68,526,187	164,079,867	165,480,960	363.6
Technical changes	319,108,282	(79,464,819)	419,277,799	61,278,286	(81,982,984)	1,316.7
Centrally appropriated line items	133,073,768	65,485,717	32,104,429	17,383,999	18,099,623	0.0
Annualize prior year legislation	(171,767,749)	(25,163,008)	(65,596,041)	(15,535,097)	(65,473,603)	20.2
Annualize prior year budget actions	(122,762,273)	(54,675,187)	(75,834,116)	(461,606)	8,208,636	7.6
TOTAL (LONG BILL AND LEGISLATIVE APPROPRIATION)	\$31,984,870,064	\$11,890,539,816	\$9,281,665,477	\$2,088,892,726	\$8,723,772,045	60,690.3
Additional legislation	\$530,974,135	\$307,289,892	\$180,006,133	\$18,207,761	\$25,470,349	263.9
TOTAL	\$32,515,844,199	\$12,197,829,708	\$9,461,671,610	\$2,107,100,487	\$8,749,242,394	60,954.2
INCREASE/(DECREASE)	\$1,638,275,267	\$765,034,685	\$558,484,391	\$244,953,210	\$69,802,981	1,972.0
Percentage Change	5.3%	6.7%	6.3%	13.2%	0.8%	3.3%

¹ Includes General Fund Exempt. For additional information on General Fund Exempt appropriations, see Appendix D.

SUMMARY OF MAJOR CHANGES

FY 2018-19 APPROPRIATION – MID-YEAR ADJUSTMENTS

2019 LEGISLATIVE SESSION BILLS: Represents the FY 2018-19 impact of legislation passed in the 2019 legislative session. These items increase the state budget by \$248.7 million total funds, including \$13.0 million General Fund. Major highlights by department include:

- Health Care Policy and Financing – Increase of \$217.8 million total funds (increase of \$52.9 million General Fund);
- Transportation – Increase of \$74.3 million total funds;
- Corrections – Increase of \$20.9 million total funds (increase of \$18.2 million General Fund);
- Judicial – Increase of \$8.7 million total funds (increase of \$7.9 million General Fund); and
- Education – Decrease of \$72.8 million total funds (decrease of \$64.1 million General Fund).

For more detailed information on specific legislation, see the relevant department sections in Parts II and III of this report.

FY 2019-20 APPROPRIATION HIGHLIGHTS

DECISION ITEMS: Represents programmatic funding changes included in the FY 2019-20 appropriation. Examples include funding for new programs, expansion of existing programs, and reductions to or elimination of existing programs. These items increase the state budget by \$949.6 million total funds, including an increase of \$551.6 million General Fund. Major highlights by department include:

- Health Care Policy and Financing – Increase of \$344.7 million total funds (increase of \$199.2 million General Fund);
- Higher Education – Increase of \$302.2 million total funds (increase of \$126.1 million General Fund);
- Corrections – Increase of \$71.3 million total funds (increase of \$68.4 million General Fund);
- Human Services – Increase of \$65.0 million total funds (increase of \$28.6 million General Fund); and
- Judicial – Increase of \$40.5 million total funds (increase of \$23.0 million General Fund).

For more detailed information on specific decision items, see the relevant department sections in Parts II and III of this report.

TECHNICAL CHANGES: Represents revenue forecast adjustments and various technical adjustments included in the FY 2019-20 appropriation. These changes increase the state budget by \$319.1 million total funds, including a decrease of \$79.5 million General Fund. Major highlights by department include:

- Transportation – Increase of \$336.7 million total funds;
- Treasury – Increase of \$45.1 million total funds (decrease of \$62.0 million General Fund);
- Local Affairs – Increase of \$23.6 million total funds (increase of \$14,188 General Fund);
- Health Care Policy and Financing – Increase of \$19.4 million total funds (increase of \$89,890 General Fund); and
- Military and Veterans Affairs – Decrease of \$102.1 million total funds (decrease of \$16,061 General Fund).

For more detailed information on specific technical changes, see the relevant department sections in Parts II and III of this report.

CENTRALLY APPROPRIATED LINE ITEMS: Represents the FY 2019-20 impact of changes to central appropriations, which are generally made to the Executive Director's Office (or a comparable division) of each agency for use department-wide. Examples include salary increases and benefits, vehicle lease payments, Capitol complex leased space, and information technology services. These items increase the state budget by \$133.1 million total funds, including an increase of \$65.5 million General Fund. Major highlights by department include:

- Human Services – Increase of \$28.0 million total funds (increase of \$9.1 million General Fund);
- Judicial – Increase of \$24.6 million total funds (increase of \$23.3 million General Fund);
- Corrections – Increase of \$23.5 million total funds (increase of \$22.7 million General Fund);
- Public Safety – Increase of \$17.9 million total funds (increase of \$1.4 million General Fund); and
- Labor and Employment – Increase of \$8.3 million total funds (increase of \$1.4 million General Fund).

For more detailed information on specific centrally appropriated line items, see the relevant department sections in Parts II and III, and in Appendix B (Common Policies) of this report.

ANNUALIZE PRIOR YEAR LEGISLATION: Represents the FY 2019-20 impact on appropriations of legislation passed by the General Assembly in prior legislative sessions. These items reduce the state budget by \$171.8 million total funds, including a decrease of \$25.2 million General Fund. Major highlights by department include:

- Human Services – Increase of \$21.5 million total funds (increase of \$21.8 million General Fund);
- Health Care Policy and Financing – Decrease of \$101.0 million total funds (decrease of \$24.4 million General Fund);
- Higher Education – Decrease of \$33.1 million total funds (decrease of \$18.4 million General Fund);
- Education – Decrease of \$74.4 million total funds (decrease of \$3.0 million General Fund); and
- Natural Resources – Decrease of \$27.4 million total funds (increase of \$50,742 General Fund).

For more detailed information on specific annualizations of prior year legislation, see the relevant department sections in Parts II and III of this report.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: Represents the FY 2019-20 impact on appropriations of budgetary decision items approved in prior fiscal years. These items reduce the state budget by \$122.8 million total funds, including a decrease of \$54.7 million General Fund. Major highlights by department include:

- Health Care Policy and Financing – Increase of \$18.2 million total funds (increase of \$4.2 million General Fund);
- Transportation – Decrease of \$73.9 million total funds;
- Public Safety – Decrease of \$36.8 million total funds (decrease of \$35.5 million General Fund);
- Corrections – Decrease of \$18.8 million total funds (decrease of \$16.1 million General Fund); and
- Local Affairs – Decrease of \$5.0 million total funds (decrease of \$250,000 General Fund).

For more detailed information on annualizations of prior year budget actions, see the relevant department sections in Parts II and III of this report.

ADDITIONAL LEGISLATION: Represents the FY 2019-20 impact of legislation passed in the 2019 legislative session excluding the Long Bill (S.B. 19-207) and Legislative Appropriation Bill (S.B. 19-203). These items increase the state budget by \$531.0 million total funds, including an increase of \$307.3 million General Fund. Major highlights by department include:

- Education – Increase of \$334.8 million total funds (increase of \$215.0 million General Fund);
- Human Services – Increase of \$39.2 million total funds (increase of \$10.3 million General Fund);
- Health Care Policy and Financing – Increase of \$31.2 million total funds (increase of \$14.5 million General Fund);
- Natural Resources – Increase of \$30.2 million total funds (increase of \$10.0 million General Fund); and
- Public Health and Environment – Increase of \$16.8 million total funds (increase of \$4.4 million General Fund).

For more detailed information on specific additional legislation, see the relevant department sections in Parts II and III of this report.

PART II

DEPARTMENT SUMMARIES

DEPARTMENT OF AGRICULTURE

The Department of Agriculture regulates, promotes, and supports agricultural activities throughout Colorado and provides a wide range of services including: regulation and certification of the livestock industry; regulation of the use of pesticides and pesticide applicators; administration of inspection and consumer services programs; inspection of livestock brands; oversight of conservation services across the state; promotion of Colorado's agricultural industries; regulation of the legal-hemp industry; and administration of the State Fair and fairgrounds. The Department's budget is comprised of the Commissioner's Office and Administrative Services, Agricultural Services, the Agricultural Markets Division, the Brand Board, the Colorado State Fair, and the Conservation Board.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$10,753,079	\$10,506,004	\$11,107,420	\$12,098,767
Cash Funds	32,772,130	33,408,408	34,082,132	36,935,836
Reappropriated Funds	2,371,548	2,371,548	2,494,460	2,496,093
Federal Funds	4,110,453	3,960,959	3,908,862	3,909,565
TOTAL FUNDS	\$50,007,210	\$50,246,919	\$51,592,874	\$55,440,261
Full Time Equiv. Staff	291.4	291.4	289.9	297.6

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 21.8 percent General Fund, 66.6 percent cash funds, 4.5 percent reappropriated funds, and 7.1 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

AGRICULTURAL SERVICES

Funding appropriated to Agricultural Services is expended on four program areas: animal industry, plant industry, inspection and consumer services, and conservation services. Agricultural Services accounts for 32.5 percent of the Department's total appropriation in FY 2019-20, including 41.3 percent of the Department's total General Fund appropriation and 26.7 percent the of the Department's total cash fund appropriation. The primary source of funding for the section is cash fund revenue from license and inspection fees. The following table outlines some of the major workload measures driving the Agriculture Services budget.

AGRICULTURAL SERVICES WORKLOAD MEASURES

	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Animal Industry Division				
Exported livestock	2,884,820	2,928,052	3,045,625	3,100,000
Certificates of Veterinary Inspection issued	44,892	48,662	55,554	58,000
Animal abuse investigations ¹	12,400	n/a	n/a	n/a
Animal abuse assessments ¹	n/a	8,626	9,000	9,000
Disease traceability IDs	48,575	49,204	50,400	51,900
Inspection and Consumer Services Division				
Small & large devices tested	24,362	21,200	25,000	25,000
Egg inspections by facility	583	500	800	800
Plant Industry Division				
Pounds of seed sampled	875,025	987,497	1,650,000	1,000,000
Volume of nursery stock inspected ²	853,210	1,185,221	2,178,600	2,178,600
Number of Hemp Licensees	90	232	385	600-800

AGRICULTURAL SERVICES WORKLOAD MEASURES

	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
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¹ Beginning FY 2017-18, the Department started reporting animal abuse assessments, which capture only actions directly under Department authority, instead of the animal abuse investigations, which captured enforcement actions conducted by local enforcement authorities.

² House Bill 18-1246 added perennials to the definition of nursery stock. For the purposes of this table FY 2018-19 and FY 2019-20 nursery stock include 1,178,600 perennials that were formerly not classified as nursery stock and thus is not tracked in figures before FY 2018-19.

DEPARTMENT WORKLOAD

Cash funds make up the majority of funding for this Department and these appropriations respond to changes in workload for products or services associated with specific cash funds. The Department's three largest cash funds are the: State Fair Cash Fund; Brand Inspection Cash Fund; and Plant Health, Pest Control, and Environmental Protection Cash Fund. Appropriations from these funds account for 36.8 percent of the Department's total cash funds appropriation in FY 2019-20.

AGRICULTURE MANAGEMENT FUND

The Agriculture Management Fund (AMF) was created by H.B. 08-1399 (Ag Unclaimed Property Trust Fund Interest), which authorized the transfer of the interest earned on the Unclaimed Property Tourism Promotion Trust Fund. At the Commissioner's discretion, the AMF supports projects and programs in various divisions, as well as a portion of expenses for the recent consolidation of non-fair divisions into a new office building and lab facility. Interest transfers began in FY 2008-09 and are divided between the following funds:

- 65.0 percent to the Agriculture Management Fund to be used for agricultural purposes and staff;
- 25.0 percent to the Colorado State Fair Authority Cash Fund to be used for expenses incurred by running the State Fair and fair ground maintenance; and
- 10.0 percent to the Colorado Travel and Tourism Fund in the Office of the Governor to be used for the promotion of agritourism.

Exempting the outlier year, FY 2018-19, the AMF has received an average of \$3.0 million annually since FY 2010-11 from interest transfers. The Department allowed the fund balance to grow for several years in anticipating capital costs of consolidating many of its offices to the one in Broomfield. The table below outlines the AMF's annual cash flow beginning in FY 2010-11 and represents a "point-in-time" observation of the fund. Hidden within the figures forming the basis for these calculations are items that may result in a couple figures standing out to the reader. Both stem from the AMF's statutory authorization to retain in the fund the proceeds for the disposition of two properties: (1) the warehouse located at 5000 Packing House Road in Denver, which was sold in FY 2017-18 for approximately \$650,000; and (2) the inspection and consumer services lab, which is expected to be sold by the end of FY 2018-19 for \$6.9 million. The former sale results in the Total Expenditure column for FY 2017-18 being reduced by \$650,000. The latter is included as anticipated revenue of \$6.9 million in FY 2018-19 and once the sale is complete would be booked similarly to the original, reducing the Total Expenditure column by \$6.9 million and no longer representing increased revenue in the Total Revenue column.

AGRICULTURE MANAGEMENT FUND 10-YEAR OPERATING REVENUE AND EXPENDITURES

FISCAL YEAR	TOTAL REVENUE	TOTAL EXPENDITURE	NET ANNUAL CASH FLOW	END OF YEAR FUND BALANCE
2010-11	\$2,308,865	(\$1,635,633)	\$673,232	\$1,811,279
2011-12	2,473,188	(2,095,963)	377,225	2,188,504
2012-13	2,689,156	(2,565,091)	124,065	2,312,569
2013-14	3,721,185	(3,747,514)	(26,329)	2,286,240
2014-15	3,111,889	(3,656,445)	(544,556)	1,741,684
2015-16	3,009,565	(1,897,231)	1,112,334	2,854,018
2016-17	2,696,909	(1,428,078)	1,268,831	4,122,849
2017-18	2,947,657	(214,877)	2,732,780	6,855,629
2018-19 ³	8,637,955	(10,313,727)	(1,675,772)	5,179,857
2019-20 ³	3,792,000	(4,945,412)	(1,153,412)	4,026,445

AGRICULTURE MANAGEMENT FUND 10-YEAR OPERATING REVENUE AND EXPENDITURES

FISCAL YEAR	TOTAL REVENUE	TOTAL EXPENDITURE	NET ANNUAL CASH FLOW	END OF YEAR FUND BALANCE
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³ Figures estimated by Department of Agriculture staff as of June 10, 2019.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF AGRICULTURE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$51,549,717	\$11,064,263	\$34,082,132	\$2,494,460	\$3,908,862	289.6
SB 18-042	43,157	43,157	0	0	0	0.3
TOTAL	\$51,592,874	\$11,107,420	\$34,082,132	\$2,494,460	\$3,908,862	289.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$51,592,874	\$11,107,420	\$34,082,132	\$2,494,460	\$3,908,862	289.9
Centrally appropriated line items	2,622,300	466,068	2,153,896	1,633	703	0.0
Marketing support for Colorado Agriculture	300,000	300,000	0	0	0	0.0
Annualize prior year legislation	83,057	37,492	45,565	0	0	0.0
Biological pest control staff	64,794	64,794	0	0	0	0.9
Hemp grant program spending authority	5,000	0	5,000	0	0	0.0
Indirect cost assessment	3,181	0	3,181	0	0	0.0
Agriculture Workforce Development new line item	0	0	0	0	0	0.0
Annualize prior year budget actions	(14)	(14)	0	0	0	0.0
SB 19-207	\$54,671,192	\$11,975,760	\$36,289,774	\$2,496,093	\$3,909,565	290.8
SB 19-158	123,007	123,007	0	0	0	1.6
SB 19-186	239,592	0	239,592	0	0	0.6
SB 19-220	406,470	0	406,470	0	0	4.6
TOTAL	\$55,440,261	\$12,098,767	\$36,935,836	\$2,496,093	\$3,909,565	297.6
INCREASE/(DECREASE)	\$3,847,387	\$991,347	\$2,853,704	\$1,633	\$703	7.7
Percentage Change	7.5%	8.9%	8.4%	0.1%	0.0%	2.7%

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; leased space; payments to the Governor's Office of Information Technology (OIT); CORE operations; and increased input costs for printing and postage for Integrated Document Solutions.

MARKETING SUPPORT FOR COLORADO AGRICULTURE: The appropriation includes an increase of \$300,000 General Fund for marketing support for Colorado agriculture and agricultural products. The Department will utilize the funding as follows:

- Internationally
 - attend and subsidize attendance costs at international trade shows for buyers and sellers and
 - host in-bound trade teams and coordinate out-bound trade missions.
- Domestically
 - advertise in traditional and emerging media, which will also support a refresh of the Colorado Proud brand, which is celebrating its 20th anniversary,
 - perform public relations, and
 - sponsor events and partner with event hosts.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$83,057 total funds, including \$37,492 General Fund and \$45,565 cash funds, for the second-year impact of prior year legislation including S.B. 18-042 *Ag Workforce Development Program* and S.B. 18-200 (Eliminate Unfunded PERA Liability).

BIOLOGICAL PEST CONTROL STAFF: The appropriation includes an increase of \$64,794 General Fund and 0.9 FTE in FY 2019-20 to add an additional biological control scientist to the state insectary in Palisade. The new position will primarily focus on addressing the backlog of requests for the Canada thistle rust fungus, the new biological control agent developed in partnership with the United States Department of Agriculture, to control the spread of the Canada thistle invasive species. Once the backlog is addressed, the position will pursue developing programs to target invasive species identified as most threatening by the Western Governors' Association.

HEMP GRANT PROGRAM SPENDING AUTHORITY: The appropriation includes an increase of \$5,000 cash funds from the Hemp Grant Program Cash Fund to allow the Department to make hemp research grants from donations made to the program from one of Colorado's hemp growers.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the department's indirect cost assessment.

AGRICULTURE WORKFORCE DEVELOPMENT NEW LINE ITEM: The appropriation includes a transfer within the Department of Agriculture of \$64,108 cash funds from the Commissioner's Office to the Markets Division in a new line item, which reflects the General Assembly's intent based on the appropriation clause in S.B. 18-042, which enacted the program.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes several changes to reflect the out year impact of funding decisions made through the FY 2018-19 appropriation, including:

- A decrease of \$14 cash funds for annualization of funding for the FY 2018-19 Federal lands West Slope coordinator; and
 - A net \$0 transfer of funding centrally appropriated for FY 2018-19 salary survey to programs where it was allocated.
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DEPARTMENT OF CORRECTIONS

The Department is responsible for:

- Managing, supervising, and controlling the correctional facilities operated and supported by the State;
- Supervising the population of offenders placed in the custody of the Department, including inmates, parolees, and transition inmates who are placed into community corrections programs;
- Planning for the projected, long-range needs of the institutions under the Department's control; and
- Developing educational, treatment, and correctional industries programs that have a rehabilitative or therapeutic value for inmates and supply products for state and private purposes, as provided by law.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$751,095,253	\$778,298,230	\$829,097,218	\$885,094,026
Cash Funds	42,473,383	39,182,940	40,610,054	47,619,442
Reappropriated Funds	49,183,898	51,620,128	54,336,517	51,757,665
Federal Funds	1,357,641	4,167,290	4,004,817	3,575,312
TOTAL FUNDS	\$844,110,175	\$873,268,588	\$928,048,606	\$988,046,445
Full Time Equiv. Staff	6,242.7	6,247.0	6,247.4	6,279.3

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 89.6 percent General Fund, 4.8 percent cash funds, 5.2 percent reappropriated funds, and 0.4 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

OPERATING APPROPRIATIONS

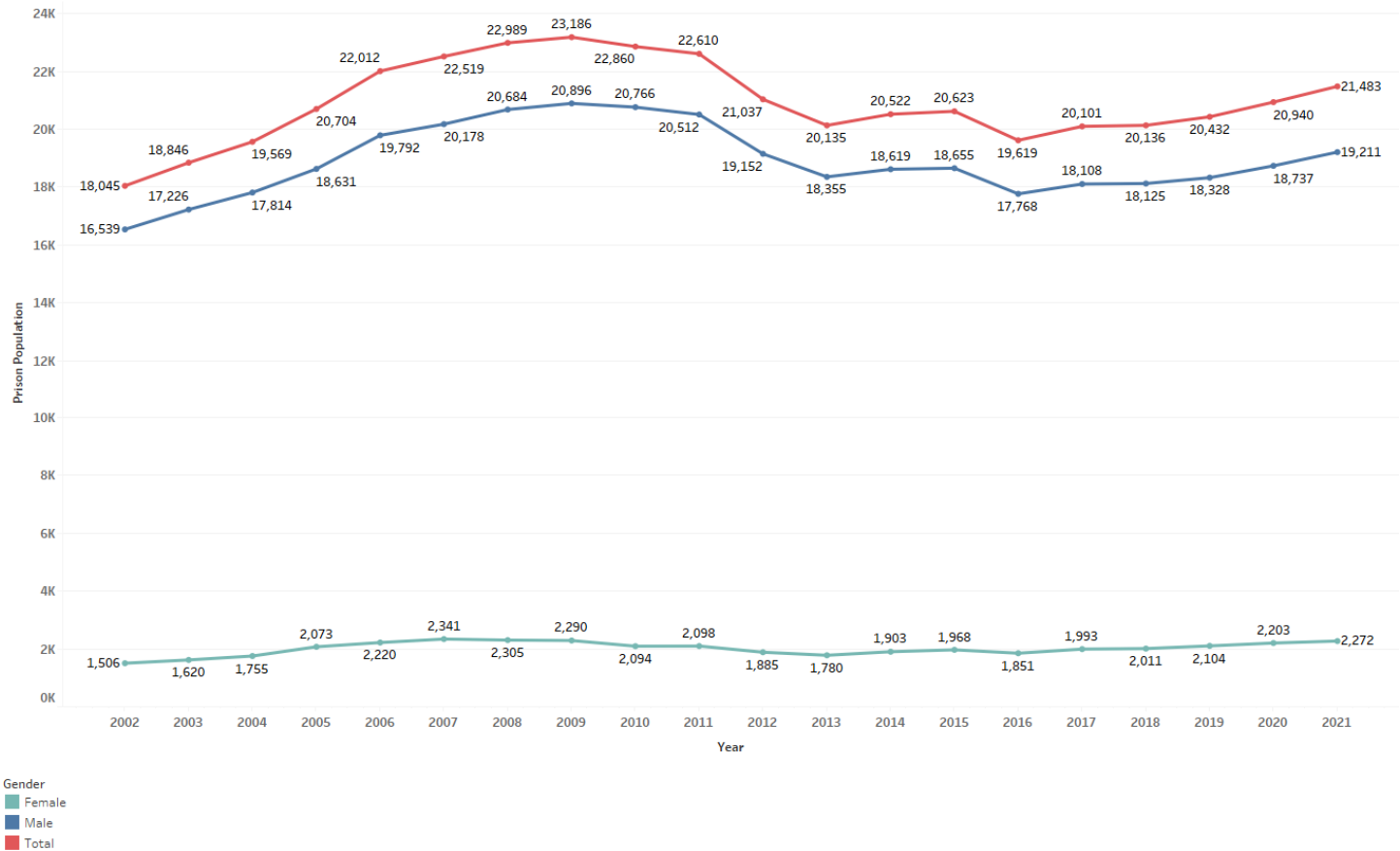
Appropriations for operating costs to the Department of Corrections (DOC) are largely dependent upon two key components of prison caseload:

- The DOC inmate population, which consists of DOC offenders with "inmate" status. These offenders have been sentenced to the DOC but are not on parole. They are housed in state-operated prisons, private prisons, county jails, and community corrections facilities; a small portion live independently in the community under an intensive supervision program.
- The DOC parole population, which consists of DOC offenders who have been paroled but have not yet reached the end of their parole term. Parolees whose parole has been revoked are classified as inmates until re-paroled.

INMATE POPULATION

The following chart, Prison Population 2002-2018, shows the prison population from June 2002 to June 2018. The chart is broken down by male, female, and total population. Males make up the vast majority of the total prison population.

**Prison Population 2002-2018 Actual and
2019-2021 LCS Projection**



DOC OFFENDERS IN COUNTY JAILS

At any given time, there are department inmates and parolees housed in county jails. Some are newly sentenced by a court to the Department and await transfer from jail to the Denver Reception and Diagnostic Center. Other offenders were paroled and, following a parole violation, have been placed in jail to deter further misbehavior. Individuals with more severe parole violations are awaiting a parole revocation hearing or are awaiting trial for a new crime. If parole is revoked, the parolee remains in jail until transferred to another facility.

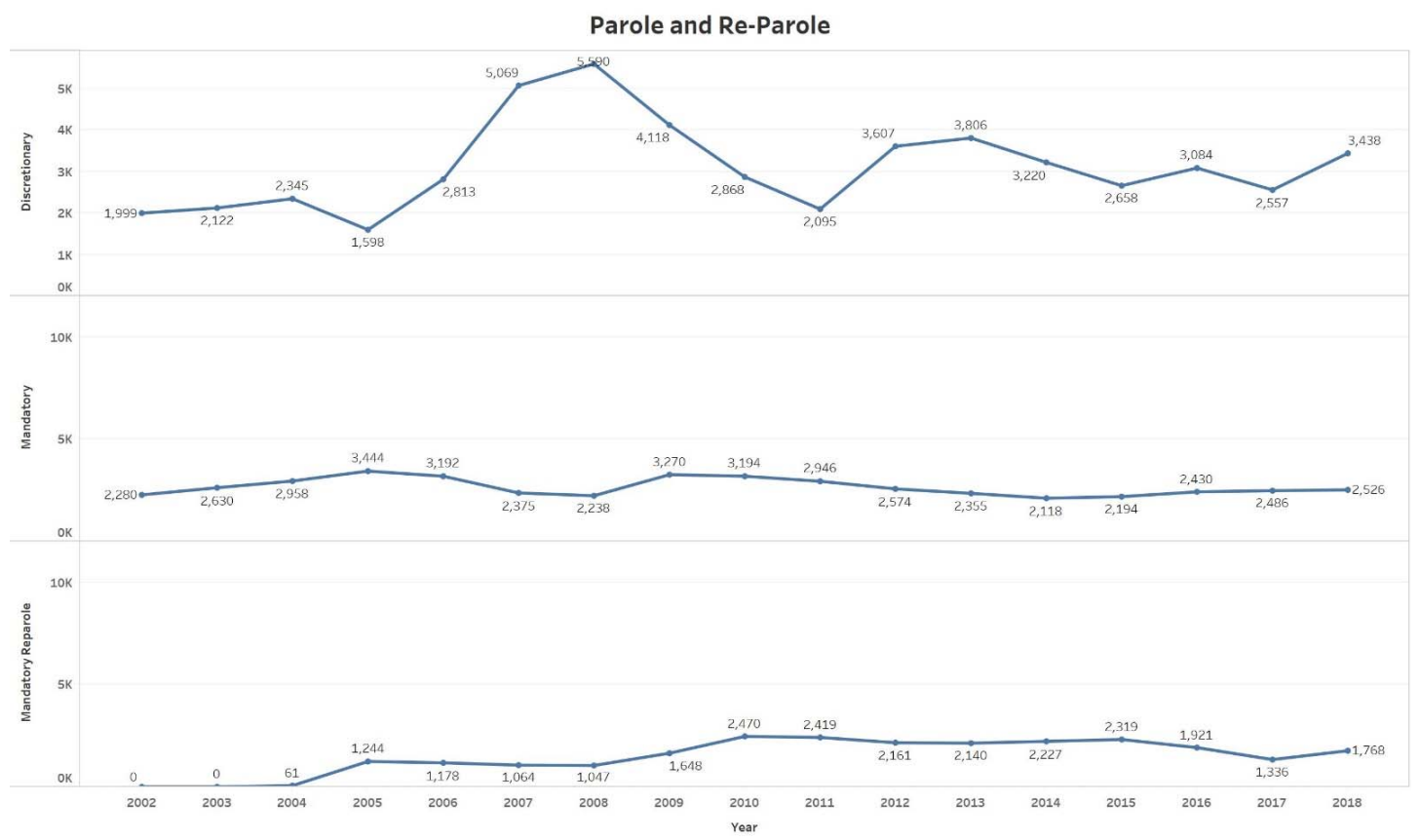
Additionally, DOC offenders may have been transported from prison to a jail on a writ from a judge who needs them to appear in court. The DOC sometimes contracts with county jails and places offenders in these facilities on a long term basis. The DOC pays jails to house some, but not all, of the DOC offenders who are in jail.

TRANSITION AND PAROLE – RETURNING OFFENDERS TO THE COMMUNITY

The process of returning an offender to the community almost always involves a period of parole. The process may include placement in a community corrections facility (previously known as a halfway house) and a period of intensely supervised independent living in the community before parole begins (known as the *Intensive Supervision Program-Inmate* or *ISP-I* Program). Inmates living in community corrections facilities or participating in the ISP-Inmate Program are often referred to as "transition" offenders.

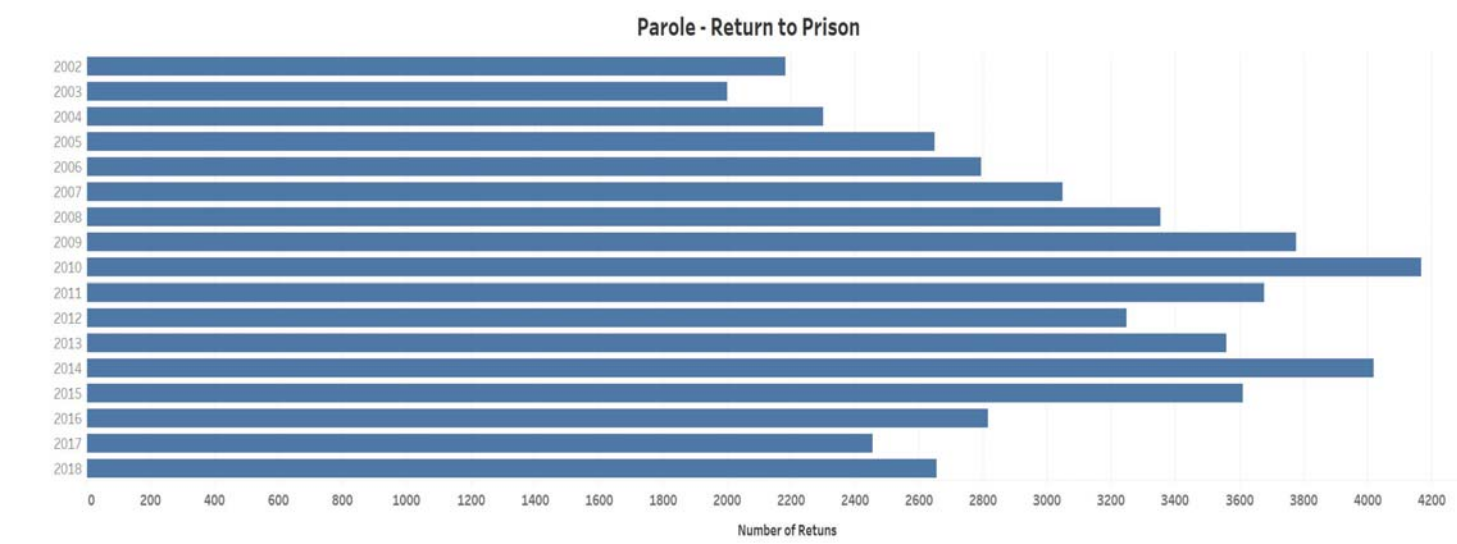
The costs of returning offenders to the community are shared by the DOC and the Division of Criminal Justice (DCJ), which is part of the Department of Public Safety. The DCJ is responsible for payments to community corrections facilities, which are operated by private entities, non-profits, and local governments. The DOC shares responsibility with the community corrections facilities for oversight of DOC offenders in community corrections.

The DOC alone is responsible for oversight of parolees and ISP-I offenders. In addition, the DOC pays (1) some of the jail costs that arise when community-corrections offenders, ISP-I offenders, and parolees are jailed for violations, and (2) all the incarceration costs following revocation. The following chart show the discretionary, mandatory, and mandatory re-parole from June 2002 to June 2018.



PAROLE RETURNS (RECIDIVISM)

Parole returns are individuals who are on parole and return to prison, which is known as recidivism. The State’s recidivism rate is just shy of 50 percent. The chart below shows the returns to parole in the state. The trend has been a sharp decline over the last few years, followed by growth in the most recent year.



APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF CORRECTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$893,072,938	\$800,096,300	\$38,410,054	\$51,050,517	\$3,516,067	6,245.9
SB 14-049	85,935	85,935	0	0	0	0.0
SB 14-176	82,534	82,534	0	0	0	0.0
HB 14-1037	21,484	21,484	0	0	0	0.0
HB 14-1214	59,295	59,295	0	0	0	0.0
SB 15-067	417,635	417,635	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0
HB 15-1229	22,068	22,068	0	0	0	0.0
HB 15-1305	11,034	11,034	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
SB 16-142	546	546	0	0	0	0.0
HB 16-1080	87,454	87,454	0	0	0	0.0
SB 18-119	22,072	22,072	0	0	0	0.0
SB 18-150	89,600	89,600	0	0	0	0.0
HB 18-1176	3,286,000	0	0	3,286,000	0	0.0
SB 19-111	2,095,990	2,095,990	0	0	0	0.0
SB 19-207	18,808,631	16,119,881	2,200,000	0	488,750	1.5
TOTAL	\$928,048,606	\$829,097,218	\$40,610,054	\$54,336,517	\$4,004,817	6,247.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$928,048,606	\$829,097,218	\$40,610,054	\$54,336,517	\$4,004,817	6,247.4
Centrally appropriated line items	27,459,576	26,776,361	688,091	(4,876)	0	0.0
Staff retention	27,304,122	26,584,206	68,637	651,279	0	0.0
Medical caseload	10,534,130	10,548,014	0	(13,884)	0	0.0
Prison capacity	10,415,478	8,215,478	2,200,000	0	0	0.0
Parole caseload	7,913,017	7,913,017	0	0	0	10.0
Re-entry grant for parolee support	3,741,409	3,741,409	0	0	0	0.0
DeCORuM operating	2,796,520	2,796,520	0	0	0	0.0
Provider rate increase	1,195,076	1,159,561	0	35,515	0	0.0
Parolee housing adjustment	1,000,000	1,000,000	0	0	0	0.0
Jail rate adjustment	793,829	793,829	0	0	0	0.0
La Vista staff increase	626,300	626,300	0	0	0	8.9
Mental health contract services adjustment	370,738	370,738	0	0	0	0.0
Offender dress out	270,847	270,847	0	0	0	0.0
Food service inflation	248,403	248,403	0	0	0	0.0
Technical changes	230,142	230,142	0	0	0	0.0
Parole board changes	105,000	105,000	0	0	0	2.0
Indirect cost assessment	41,623	(41,623)	(15,113)	39,114	59,245	0.0
Annualize prior year budget actions	(32,568,911)	(36,117,176)	4,037,015	0	(488,750)	(1.5)
Annualize prior year legislation	(14,660,029)	(11,404,787)	30,758	(3,286,000)	0	0.0
SB 19-207	\$975,865,876	\$872,913,457	\$47,619,442	\$51,757,665	\$3,575,312	6,266.8
SB 15-067	505,907	505,907	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0
HB 15-1229	5,076	5,076	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
HB 16-1080	131,181	131,181	0	0	0	0.0
SB 18-119	34,677	34,677	0	0	0	0.0
HB 18-1200	22,072	22,072	0	0	0	0.0
SB 19-008	492,750	492,750	0	0	0	1.6
SB 19-143	25,200	25,200	0	0	0	0.0
SB 19-165	293,774	293,774	0	0	0	1.8
HB 19-1064	784,542	784,542	0	0	0	9.1
TOTAL	\$988,046,445	\$885,094,026	\$47,619,442	\$51,757,665	\$3,575,312	6,279.3

DEPARTMENT OF CORRECTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$59,997,839	\$55,996,808	\$7,009,388	(\$2,578,852)	(\$429,505)	31.9
Percentage Change	6.5%	6.8%	17.3%	(4.7%)	(10.7%)	0.5%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-111 modifies the FY 2018-19 appropriation to increase overtime funding for correctional officers by \$2.1 million General Fund, which reflects the increased cost of overtime for correctional officers due to staffing shortages.

Senate Bill 19-207 modifies the FY 2018-19 appropriation to increase the appropriation by \$18.8 million total funds, of which \$16.1 million is General Fund, \$2.2 million is cash funds, and \$488,750 is federal funds for increases in medical caseload.

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$10,973,701	\$10,656,469	\$317,232	\$0	\$0	0.0
PERA Direct Distribution	9,854,160	9,569,276	284,884	0	0	0.0
Health, life, and dental adjustment	4,529,524	4,398,105	131,419	0	0	0.0
OIT Securing IT operations	2,471,322	2,456,954	14,368	0	0	0.0
AED adjustment	406,093	394,286	11,807	0	0	0.0
SAED adjustment	406,093	394,286	11,807	0	0	0.0
Legal services adjustment	359,395	347,185	12,210	0	0	0.0
Shift differential adjustment	347,028	353,979	(6,951)	0	0	0.0
Payments to OIT adjustment	283,217	281,843	1,374	0	0	0.0
Leased space adjustment	202,466	191,417	11,049	0	0	0.0
OIT Optimize self-service capabilities	69,492	69,088	404	0	0	0.0
Short-term disability adjustment	41,562	40,357	1,205	0	0	0.0
OIT Essential database support	9,483	9,428	55	0	0	0.0
OIT Application refresh and consolidation	8,799	8,748	51	0	0	0.0
Workers' compensation adjustment	(1,473,474)	(1,426,912)	(46,562)	0	0	0.0
Payment to risk management / property funds adjustment	(789,700)	(759,037)	(30,663)	0	0	0.0
DPA Annual fleet vehicle request	(110,372)	(89,976)	(20,396)	0	0	0.0
CORE adjustment	(102,236)	(92,804)	(4,556)	(4,876)	0	0.0
Capitol complex leased space adjustment	(26,977)	(26,331)	(646)	0	0	0.0
TOTAL	\$27,459,576	\$26,776,361	\$688,091	(\$4,876)	\$0	0.0

STAFF RETENTION: The appropriation includes an increase of \$27.3 million total funds, of which \$26.6 million is General Fund, \$68,637 is cash funds, and \$651,279 is reappropriated funds for staff retention. Of note: \$10.0 million of the General Fund appropriation is based on a transfer from the State Employees Reserve Fund (SERF).

MEDICAL CASELOAD: The appropriation includes an increase of \$10.5 million General Fund and a decrease of \$13,884 reappropriated funds for medical caseload changes due to inmate population changes and inflationary costs.

PRISON CAPACITY: The appropriation includes an increase of \$10.4 million total funds, of which \$8.2 million is General Fund and \$2.2 million is cash funds for changes to prison capacity.

PAROLE CASELOAD: The appropriation includes an increase of \$7.9 million General Fund and 10.0 FTE for parole caseload changes from increased use of parole in the Department.

RE-ENTRY GRANTS FOR PAROLEE SUPPORT: The appropriation includes an increase of \$3.7 million General Fund for offender re-entry support. The new funding will be used to cover the increased number of individuals being placed on parole.

DECORUM OPERATING: The appropriation includes an increase of \$2.8 million General Fund for the maintenance costs associated with the Department of Corrections Offender Records Management System (DeCORuM).

PROVIDER RATE INCREASE: The appropriation includes an increase of \$1.2 million total funds, of which \$1.2 million is General Fund and \$35,515 is reappropriated funds, for a provider rate increase of 1.0 percent.

PAROLEE HOUSING ADJUSTMENT: The appropriation includes an increase of \$1.0 million General Fund to increase the amount of support available for parolee housing.

JAIL RATE ADJUSTMENT: The appropriation includes an increase of \$793,829 General Fund for adjustments to jail rate reimbursements from the Department of Corrections to jails.

LA VISTA STAFF INCREASE: The appropriation includes an increase of \$626,300 General Fund and 8.9 FTE for staffing level increases at LA Vista Correctional Facility.

MENTAL HEALTH CONTRACT SERVICES ADJUSTMENT: The appropriation includes an increase of \$370,738 General Fund for increases to mental health contract services.

OFFENDER DRESS OUT: The appropriation includes an increase of \$270,847 General Fund to compensate for inflationary increases in offender release clothing.

FOOD SERVICE INFLATION: The appropriation includes an increase of \$248,403 General Fund to account for inflationary costs of providing food service.

TECHNICAL CHANGES: The appropriation includes an increase of \$230,142 General Fund for technical changes due to the additional day caused by the leap year.

PAROLE BOARD CHANGES: The appropriation includes an increase of \$105,000 General Fund for staffing in the parole board.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Department's indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Canteen operating	\$6,078,054	\$0	\$6,078,054	\$0	\$0	0.0
Annual depreciation-lease equivalent payments	235,033	235,033	0	0	0	0.0
CI minimum wage increase for PIE program	159,247	0	159,247	0	0	0.0
FY 18-19 Salary survey	23,054	23,340	(286)	0	0	0.0
Centennial South payment	(20,255,668)	(20,255,668)	0	0	0	0.0
Supplemental medical caseload	(9,874,541)	(9,385,791)	0	0	(488,750)	0.0
Supplemental prison capacity	(8,396,961)	(6,196,961)	(2,200,000)	0	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Supplemental parole caseload	(537,129)	(537,129)	0	0	0	(1.5)
TOTAL	(\$32,568,911)	(\$36,117,176)	\$4,037,015	\$0	(\$488,750)	(1.5)

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$1,217,192	\$1,186,434	\$30,758	\$0	\$0	0.0
Five year sentencing adjustment	(10,495,231)	(10,495,231)	0	0	0	0.0
HB 18-1176	(3,286,000)	0	0	(3,286,000)	0	0.0
SB 19-111	(2,095,990)	(2,095,990)	0	0	0	0.0
TOTAL	(\$14,660,029)	(\$11,404,787)	\$30,758	(\$3,286,000)	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF EDUCATION

The elected members of the State Board of Education are responsible for the general supervision of public schools throughout Colorado. The Commissioner of Education, appointed by the State Board, advises the State Board concerning the operation and status of public schools and serves as the executive officer of the Department of Education. Among other tasks and responsibilities, the Department supports the Board in its duties by:

- Accrediting public schools and school districts;
- Developing and maintaining state model academic content standards and administering associated student assessments for certain subject areas and grade levels; and
- Issuing school performance reports for every public school in the state.

The Department also administers a number of education-related programs, including: educator licensure and professional development; the School Finance Act and the distribution of state and federal funds to school districts; special education for children with disabilities; English language proficiency programs; the Colorado Preschool Program; educator effectiveness and evaluation programs; and adult basic education programs.

The Department includes three independent agencies: (1) the Board of Trustees for the Colorado School for the Deaf and the Blind; (2) the State Charter School Institute Board, which is responsible for authorizing and monitoring the operations of institute charter schools located within certain school districts; and (3) the Public School Capital Construction Assistance Board, which is responsible for assessing public school capital construction needs statewide and making recommendations concerning the prioritization and allocation of state financial assistance for school construction projects.

In addition to its responsibilities related to public schools, the Department is charged with promoting the improvement of library services statewide to ensure equal access to information, including providing library services to persons who reside in state-funded institutions and to persons who are blind or physically disabled.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund ¹	\$3,764,862,059	\$4,071,447,763	\$4,116,143,086	\$4,405,170,565
Cash Funds	1,012,079,491	737,188,510	1,146,052,221	1,118,704,379
Reappropriated Funds	33,261,008	34,930,424	39,385,509	42,577,029
Federal Funds	648,328,512	648,233,511	617,194,961	619,445,796
TOTAL FUNDS	\$5,458,531,070	\$5,491,800,208	\$5,918,775,777	\$6,185,897,769
Full Time Equiv. Staff	599.5	599.2	602.5	616.4

¹ Includes General Fund Exempt.

GENERAL FACTORS DRIVING THE BUDGET

Although local government revenues provide a significant source of funding for K-12 education in Colorado (including an anticipated \$3.0 billion for school finance in FY 2019-20), local funds are not reflected in the State's annual appropriations to the Department of Education. Funding for this department consists of 71.2 percent General Fund, 18.1 percent cash funds, 0.7 percent reappropriated funds, and 10.0 percent federal funds. Two primary factors driving the Department's budget, public school finance and categorical programs, are reviewed below.

PUBLIC SCHOOL FINANCE

Section 2 of Article IX of the Colorado Constitution requires the General Assembly to provide for the "establishment and maintenance of a thorough and uniform system of free public schools throughout the state." To comply with this provision, the General Assembly has established a statutory public school finance formula that takes into consideration the individual characteristics of each school district in order to provide thorough and uniform educational opportunities. The school finance formula allocates funds among school districts by calculating a per-pupil level of funding for each school district, as well as a specific state and local share of funding for each district.

The formula provides the same statewide base per-pupil funding amount for every school district (\$6,952 per pupil for FY 2019-20). The formula then increases this statewide base per-pupil funding amount for each district based on factors that affect districts' costs of providing educational services. Thus, per-pupil funding allocations vary for each district. For FY 2019-20, per-pupil funding allocations are anticipated to range from \$7,995 to \$18,714, with a statewide average of \$8,480 per pupil. Each district's per-pupil funding allocation is multiplied by its funded-pupil count to determine its total program funding. For FY 2019-20, pursuant to the formula, a total of \$7.6 billion in state and local funds will be allocated among school districts.

CONSTITUTIONAL INFLATIONARY REQUIREMENT (AMENDMENT 23)

Pursuant to Section 17 of Article IX of the Colorado Constitution, the General Assembly is required to provide annual inflationary increases in the statewide base per-pupil funding amount. For FY 2001-02 through FY 2010-11, this amount was required to increase annually by at least inflation plus one percent; for FY 2011-12 and subsequent fiscal years, this amount must increase annually by at least the rate of inflation. For example, for FY 2019-20, the General Assembly was required to increase the statewide base per-pupil funding amount by at least \$183 (from \$6,769 to \$6,952, or 2.7 percent), based on the actual 2.7 percent increase in the Denver-Aurora-Lakewood consumer price index in calendar year 2018. Given an estimated funded-pupil count of more than 894,000, the General Assembly was thus required to provide a minimum of \$6.2 billion in state and local funds for FY 2019-20, equal to 82.0 percent of the \$7.6 billion in total program funding.

FACTORS CONSIDERED IN PUBLIC SCHOOL FINANCE FORMULA

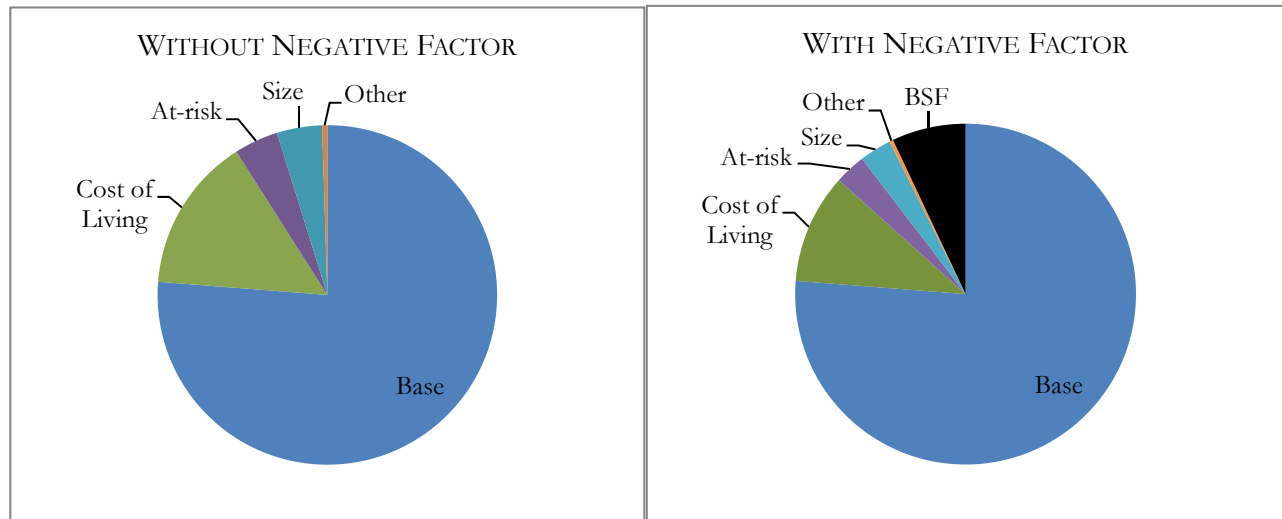
The remaining 18.0 percent of state and local funds that will be allocated among school districts in FY 2019-20 is driven by other factors in the statutory school finance formula that add varying amounts to the base per-pupil funding for each district to account for individual district characteristics. The formula includes three primary factors:

- Cost of Living Factor - Recognizes that the cost of living in a community affects the salaries required to attract and retain qualified personnel.
- Size Factor - Compensates districts lacking enrollment-based economies of scale.
- At-risk Factor - Provides additional funding for districts serving students who may be at risk of failing or dropping out of school. The formula utilizes a proxy to estimate the number of at-risk students: the number and concentration of students who are either eligible for free lunch under the federal school lunch program or English language learners.

In addition, the school finance formula requires a minimum level of per-pupil funding (\$8,050 per pupil for FY 2019-20), regardless of the impact of the above factors. For FY 2019-20, 10 districts are anticipated to receive funding based on this minimum level of per-pupil funding. The School Finance Act also provides a fixed amount of funding per pupil (established at \$7,776 for FY 2019-20) for two types of students:

- Students receiving full-time, on-line instruction through a multi-district program; and
- Students in their fifth year of high school who are participating in the Accelerating Students Through Concurrent Enrollment (ASCENT) Program.

Finally, since FY 2010-11 the formula has included a budget stabilization factor (previously known as the negative factor) designed to reduce districts' total program funding to a specified total amount. For FY 2019-20, this factor is estimated to be -7.0 percent, requiring a \$572.4 million reduction in total program funding. Thus, the Department will calculate total program funding for each district based on the formula described above, and then reduce each district's total program funding by 7.0 percent. Because the General Assembly cannot decrease base per-pupil funding, the budget stabilization factor has the effect of reducing the funding attributed to the other formula factors, as illustrated in the following graphic.



As a result of the enactment of H.B. 19-1262 (State Funding for Full-day Kindergarten), beginning in FY 2019-20 the school finance formula will fund all students attending full-day kindergarten programs as full-time students rather than as 0.58 student FTE under prior law. That bill increases the statewide funded pupil count by an estimated 22,367 student FTE in FY 2019-20, increasing the cost of total program funding by a total of \$190.2 million total funds, including \$182.9 million in state funds and \$7.3 million in local funds.

DETERMINING THE STATE AND LOCAL SHARES OF FUNDING

Once the total program funding amount is determined for each district, the state and local share of such funding is calculated for each district. Local property and specific ownership taxes provide the first source of revenue for each district's total program funding. Property taxes are based on each district's tax rate (the mill levy) and the portion of property value that is taxable (the assessment rate). Specific ownership taxes are paid when registering a motor vehicle. These local tax revenues are collected and expended by each school district, and thus are not reflected in the state budget. The FY 2019-20 appropriation anticipates a total of \$3.0 billion in local tax revenues will be available to support public schools pursuant to the statutory school finance formula (this amount does not include any mill levy override funds, as those amounts are outside of the school finance formula). State funding is appropriated to fill the gap between local tax revenues and total program funding. Thus, the General Assembly appropriated \$4.6 billion in state funding for FY 2019-20 to provide a total of \$7.6 billion for school district operations.

Two constitutional provisions, combined with a statutory provision in the School Finance Act of 1994, have limited property tax revenues available for public school operations:

- In 1982, voters approved a property tax reform measure that included a provision (generally called the "Gallagher amendment") which initially reduced the residential assessment rate from 30.0 percent to 21.0 percent, and capped the residential share of property taxes.
- In 1992 voters approved the Taxpayer's Bill of Rights (TABOR). Prior to TABOR, local governments could generally collect and spend the same amount of property tax revenue each year by periodically increasing or decreasing mill levies. With respect to school district property taxes, TABOR: (1) imposes a property tax revenue limit based on inflation and changes in student enrollment; (2) prohibits districts from increasing a mill levy without voter approval; and (3) requires voter approval for any increase in the assessment rate for a class of property.

As a result of the Gallagher amendment, the residential assessment rate has declined from 30.00 percent to 7.20 percent. Most recently, S.B. 19-255 (Gallagher Amendment Residential Assessment Rate) reduced the residential assessment rate from 7.20 percent to 7.15 percent beginning in FY 2019-20 to keep the residential share of property tax revenues at about 45.7 percent. Similarly, TABOR has reduced school district mill levies from the uniform mill of 40.080 (established by the General Assembly in 1988) to disparate mill levies that currently range from 1.680 to 27.000. These reductions, in combination with the inflationary spending increases required by Amendment 23, have caused the local share of total program funding to increase at a slower rate than overall funding, requiring the State's relative share of funding to increase. Specifically, from CY 1988 to FY 2006-07, the state share of funding rose from 43.4 percent to 63.9 percent, while the local share fell from 56.6 percent to 36.1 percent.

Senate Bill 07-199 (School Finance) changed the method for calculating school district property taxes, thereby allowing property tax revenues to increase at a rate more commensurate with overall funding. Due to the passage of S.B. 07-199 and increases in assessed valuation, the state share of funding (as a percentage of the total program) decreased in FY 2007-08 to 62.2 percent. Subsequently, due to declines in assessed valuation, the state share increased to 66.6 percent of total program funding in FY 2014-15. The state share is projected to provide 60.9 percent of total program funding in FY 2019-20.

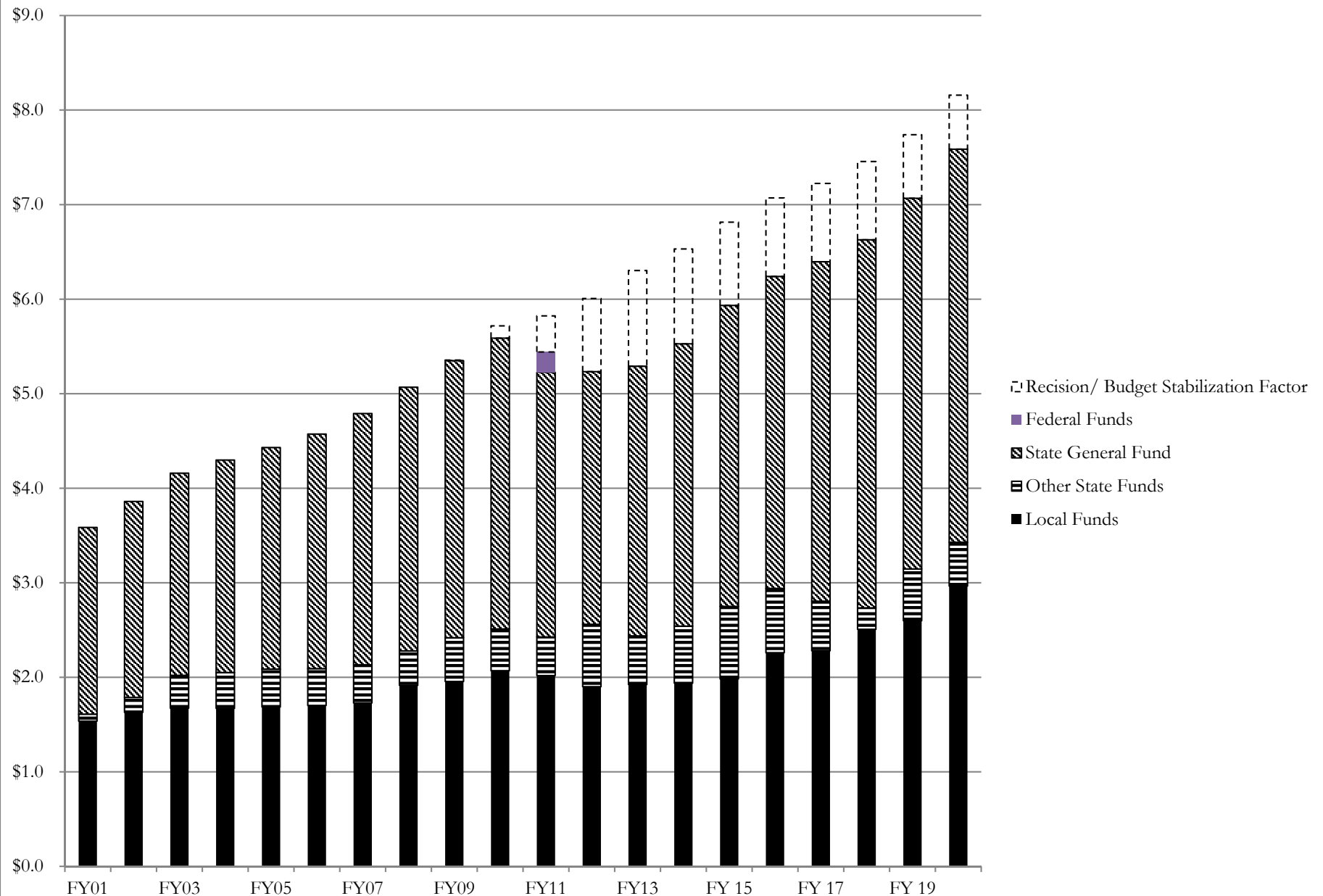
In summary, several factors affect the amount of state funding appropriated for public school finance, including:

- The number of pupils enrolled in public schools, including children attending state-supported preschool programs; students enrolled in full-time, on-line programs; and students participating in the ASCENT program.
- The rate of inflation.
- Changes in the relative cost-of-living in various regions of the state.
- The number of at-risk students enrolled in public schools.
- Fluctuations in local property and specific ownership tax revenues, as well as constitutional and statutory provisions that limit property tax revenues.
- Changes in statutory definitions, procedures, or mathematical factors that impact the calculation of per-pupil funding or state aid for each district.

The graphic on the following page illustrates school districts' total program funding, by fund source, from FY 2000-01 through FY 2019-20. The stacked bar segments outlined with a dotted line illustrate the mid-year rescissions required in FY 2008-09 and FY 2009-10 due to insufficient state appropriations, as well as the impact of the budget stabilization factor in subsequent fiscal years. The graphic is followed by key data related to school finance funding for the last four fiscal years, as well as appropriations for FY 2018-19 and FY 2019-20.

Total program funding for FY 2019-20 includes an increase of \$190.2 million (including \$182.9 million in state funding and \$7.3 million in local funding) associated with the transition to funding full-day kindergarten students as 1.0 student FTE as required by H.B. 19-1262 (State Funding for Full-day Kindergarten).

**School Districts' Total Program Funding
(\$ in billions)**



SCHOOL DISTRICTS' TOTAL PROGRAM FUNDING: KEY DATA						
DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 APPROP.	FY 2019-20 APPROP. ¹
Funded Pupil Count	844,546	853,251	858,872	865,017	870,085	894,569
<i>Annual Percent Change</i>	<i>1.7%</i>	<i>1.0%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.6%</i>	<i>2.8%</i>
<i>Change in Denver-Aurora Consumer Price Index for Previous Calendar Year</i>	<i>2.8%</i>	<i>2.8%</i>	<i>1.2%</i>	<i>2.8%</i>	<i>3.4%</i>	<i>2.7%</i>
Statewide <u>Base</u> Per Pupil Funding	\$6,121	\$6,292	\$6,368	\$6,546	\$6,769	\$6,952
<i>Annual Percent Change</i>	<i>2.8%</i>	<i>2.8%</i>	<i>1.2%</i>	<i>2.8%</i>	<i>3.4%</i>	<i>2.7%</i>
Statewide <u>Average</u> Per Pupil Funding	\$7,026	\$7,313	\$7,420	\$7,662	\$8,123	\$8,480
<i>Annual Percent Change</i>	<i>5.6%</i>	<i>4.1%</i>	<i>1.5%</i>	<i>3.3%</i>	<i>6.0%</i>	<i>4.4%</i>
Total Program Funding²	\$5,933,444,389	\$6,239,564,775	\$6,372,827,460	\$6,627,917,199	\$7,067,336,095	\$7,585,708,709
<i>Annual Percent Change</i>	<i>7.4%</i>	<i>5.2%</i>	<i>2.1%</i>	<i>4.0%</i>	<i>6.6%</i>	<i>7.3%</i>
<u>Local Share</u> of Total Program Funding	\$1,982,831,906	\$2,259,785,802	\$2,257,704,955	\$2,506,844,504	\$2,598,750,917	\$2,965,952,818
<i>Annual Percent Change</i>	<i>2.3%</i>	<i>14.0%</i>	<i>-0.1%</i>	<i>11.0%</i>	<i>3.7%</i>	<i>14.1%</i>
<u>State Share</u> of Total Program Funding	\$3,950,612,483	\$3,979,778,973	\$4,115,122,505	\$4,121,072,695	\$4,468,585,178	\$4,619,755,891
<i>Annual Percent Change</i>	<i>10.1%</i>	<i>0.7%</i>	<i>3.4%</i>	<i>0.1%</i>	<i>8.4%</i>	<i>3.4%</i>
<i>State Share as Percent of Districts' Total Program Funding</i>	<i>66.6%</i>	<i>63.8%</i>	<i>64.6%</i>	<i>62.2%</i>	<i>63.2%</i>	<i>60.9%</i>

¹ The FY 2019-20 appropriation includes an increase of 22,367.1 funded pupils and \$185.4 million state funds (in addition to \$7.3 million in local funds) associated with the implementation of full-day kindergarten under H.B. 19-1262.

² These figures reflect total program funding after application of the budget stabilization factor.

CATEGORICAL PROGRAMS

Programs designed to serve particular groups of students (e.g., students with limited proficiency in English) or particular student needs (e.g., transportation) have traditionally been referred to as "categorical" programs. Unlike public school finance funding, there is no legal requirement that the General Assembly increase funding commensurate with the number of students eligible for any particular categorical program.

However, Section 17 of Article IX of the Colorado Constitution requires the General Assembly to increase total state funding for all categorical programs annually by at least the rate of inflation plus one percent for FY 2001-02 through FY 2010-11, and by at least the rate of inflation for subsequent fiscal years. For example, in calendar year 2018 the percentage change in the Denver-Aurora-Lakewood consumer price index was 2.7 percent, so the General Assembly was required to increase state funding for categorical programs by at least that amount (\$8,309,018) for FY 2019-20.

The General Assembly determines on an annual basis how to allocate the required increase among the various categorical programs. Since FY 2000-01, the General Assembly has increased annual state funding for categorical programs by \$195.9 million. In certain fiscal years, the General Assembly elected to increase state funding by more than the minimum, constitutionally-required amount, resulting in appropriations that are now \$91.1 million higher than the minimum amount that would have otherwise been required.

The following table details the allocation of the \$195.9 million increase since FY 2000-01 among categorical programs. For details concerning the allocation of the funding increase provided for FY 2019-20, please see the Assistance to Public Schools, Categorical Programs section of Part III of this department.

INCREASES IN STATE FUNDING FOR CATEGORICAL PROGRAMS SINCE FY 2000-01				
LONG BILL LINE ITEM	FY 2000-01 APPROPRIATION	FY 2019-20 APPROPRIATION	TOTAL INCREASE IN ANNUAL APPROPRIATION OF STATE FUNDS SINCE FY 2000-01	
Special education - children with disabilities	\$71,510,773	\$202,700,611	\$131,189,838	183.5%
English Language Proficiency Program	3,101,598	22,994,436	19,892,838	641.4%
Public school transportation	36,922,227	60,480,645	23,558,418	63.8%
Career and technical education programs	17,792,850	27,238,323	9,445,473	53.1%
Special education - gifted and talented children	5,500,000	12,697,199	7,197,199	130.9%
Expelled and at-risk student services grant program	5,788,807	9,493,560	3,704,753	64.0%
Small attendance center aid	948,140	1,314,250	366,110	38.6%
Comprehensive health education	600,000	1,131,396	531,396	88.6%
Total	\$142,164,395	\$338,050,420	\$195,886,025	137.8%

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$5,760,809,014	\$4,051,091,776	\$1,053,136,768	\$39,385,509	\$617,194,961	601.6
SB 18-013	564,279	564,279	0	0	0	0.0
SB 18-085	240,000	0	240,000	0	0	0.0
HB 18-1019	30,000	30,000	0	0	0	0.0
HB 18-1070	34,000,000	0	34,000,000	0	0	0.0
HB 18-1189	600,000	600,000	0	0	0	0.0
HB 18-1193	260,937	0	260,937	0	0	0.3
HB 18-1309	1,019,110	1,019,110	0	0	0	0.3
HB 18-1379	189,504,911	123,428,205	66,076,706	0	0	0.0
HB 18-1393	1,000,000	0	1,000,000	0	0	0.0
HB 18-1396	554,869	554,869	0	0	0	0.3

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1412	3,000,000	3,000,000	0	0	0	0.0
SB 19-128	(77,057,343)	(64,145,153)	(12,912,190)	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
HB 19-1055	4,250,000	0	4,250,000	0	0	0.0
TOTAL	\$5,918,775,777	\$4,116,143,086	\$1,146,052,221	\$39,385,509	\$617,194,961	602.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$5,918,775,777	\$4,116,143,086	\$1,146,052,221	\$39,385,509	\$617,194,961	602.5
Categorical programs increase	8,309,018	0	8,309,018	0	0	0.0
ELC educator talent priorities	4,500,000	3,000,000	0	1,500,000	0	0.0
ELC career development priorities	4,500,000	4,500,000	0	0	0	0.0
Centrally appropriated line items	4,062,363	1,190,582	938,100	501,603	1,432,078	0.0
Charter school capital construction	3,000,000	0	3,000,000	0	0	0.0
CSI mill levy equalization	2,952,276	1,476,138	0	1,476,138	0	0.0
Funding for school turnaround	2,314,027	2,314,027	0	0	0	1.8
State grants to libraries increase	500,000	500,000	0	0	0	0.0
CPP tax checkoff	425,000	0	425,000	0	0	0.0
CSDB teacher salary increase	396,307	396,307	0	0	0	0.0
Technical changes	338,795	216,676	103,474	0	18,645	0.0
Schools of choice	315,504	315,504	0	0	0	0.0
Indirect cost assessment	275,134	0	60,633	0	214,501	0.0
Fund source adjustments	0	(2,179)	21,002	(555,588)	536,765	0.0
Annualize prior year legislation	(36,415,754)	(3,044,959)	(33,439,008)	15,577	52,636	2.1
READ Act adjustments	(33,242,424)	0	(33,242,424)	0	0	(1.0)
Total program adjustment	(26,366,916)	66,605,334	(92,972,250)	0	0	0.0
Annualize prior year budget actions	(3,509,201)	(3,485,900)	(23,301)	3,790	(3,790)	0.0
SB 19-207	\$5,851,129,906	\$4,190,124,616	\$999,232,465	\$42,327,029	\$619,445,796	605.4
SB 19-010	3,000,000	0	3,000,000	0	0	1.0
SB 19-059	250,000	250,000	0	0	0	0.3
SB 19-161	2,000	2,000	0	0	0	0.0
SB 19-176	1,544,916	44,916	1,500,000	0	0	0.8
SB 19-199	33,134,746	0	33,134,746	0	0	4.2
SB 19-204	493,097	493,097	0	0	0	0.4
SB 19-215	68,000	68,000	0	0	0	0.0
SB 19-216	129,563	129,563	0	0	0	0.3
SB 19-246	38,775,902	37,675,902	1,100,000	0	0	1.3
HB 19-1002	272,929	272,929	0	0	0	0.9
HB 19-1017	43,114	0	43,114	0	0	0.4
HB 19-1055	80,656,559	0	80,656,559	0	0	0.0
HB 19-1110	19,816	19,816	0	0	0	0.0
HB 19-1120	116,550	116,550	0	0	0	0.9
HB 19-1132	168,942	168,942	0	0	0	0.3
HB 19-1134	106,196	106,196	0	0	0	0.0
HB 19-1171	463,729	463,729	0	0	0	0.0
HB 19-1187	250,000	250,000	0	0	0	0.0
HB 19-1192	37,495	0	37,495	0	0	0.0
HB 19-1236	1,012,201	1,012,201	0	0	0	0.2
HB 19-1262	173,972,108	173,972,108	0	0	0	0.0
HB 19-1332	250,000	0	0	250,000	0	0.0
TOTAL	\$6,185,897,769	\$4,405,170,565	\$1,118,704,379	\$42,577,029	\$619,445,796	616.4
INCREASE/(DECREASE)	\$267,121,992	\$289,027,479	(\$27,347,842)	\$3,191,520	\$2,250,835	13.9
Percentage Change	4.5%	7.0%	(2.4%)	8.1%	0.4%	2.3%

¹ Includes General Fund Exempt.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-128 includes the following adjustments:

- A reduction of \$77.6 million in state funding distributed to public schools through the School Finance Act (including \$64.7 million General Fund and \$12.9 million cash funds from the State Education Fund) to account for higher-than-anticipated local revenues and lower-than-anticipated student counts. The reduction in state funds maintained the budget stabilization factor at the dollar amount anticipated in the original FY 2018-19 appropriation (\$672.4 million).
- An increase of \$545,147 General Fund to correct underpayments to State Charter School Institute schools in prior years.

Senate Bill 19-207 includes an adjustment to the FY 2018-19 Long Bill to allow the Department to roll forward a portion of information technology funding from FY 2018-19 to FY 2019-20. The bill also adjusts the portion of General Fund appropriations from the General Fund Exempt account.

House Bill 19-1055 includes an increase of \$4.25 million cash funds from the Charter School Facilities Assistance Account of the Public School Capital Construction Assistance Fund for charter school capital construction.

FY 2019-20 APPROPRIATION HIGHLIGHTS

CATEGORICAL PROGRAMS INCREASE: The Long Bill appropriation includes an increase of \$8.3 million cash funds from the State Education Fund in order to increase total *state* spending on categorical programs by 2.7 percent, based on the rate of inflation from CY 2018. The State Constitution requires the General Assembly to increase *total state funding* for all categorical programs (in aggregate) by at least the rate of inflation in FY 2019-20. The following table shows the allocation of the increase among the categorical programs.

INFLATIONARY INCREASE IN <i>STATE</i> FUNDING FOR CATEGORICAL PROGRAMS FOR FY 2019-20				
LONG BILL LINE ITEM	FY 2018-19 APPROPRIATION OF STATE FUNDS	ALLOCATION OF FY 2019-20 INCREASES IN STATE FUNDS		FY 2019-20 LONG BILL APPROPRIATION OF STATE FUNDS
		\$ CHANGE	% CHANGE	
DISTRICT PROGRAMS REQUIRED BY STATUTE				
Special education programs for children with disabilities	\$176,129,215	\$4,571,396	2.6%	\$180,700,611
English language proficiency programs	21,608,211	1,386,225	6.4%	22,994,436
OTHER CATEGORICAL PROGRAMS				
Public school transportation	59,099,150	1,381,495	2.3%	60,480,645
Career and technical education	26,675,279	563,044	2.1%	27,238,323
Special education programs for gifted and talented children	12,528,041	169,158	1.4%	12,697,199
Expelled and at-risk student services grant program	9,493,560	0	0.0%	9,493,560
Small attendance center aid	1,076,550	237,700	22.1%	1,314,250
Comprehensive health education	1,131,396	0	0.0%	1,131,396
Totals	\$307,741,402	\$8,309,018	2.7%	\$316,050,420

ELC EDUCATOR TALENT PRIORITIES: The appropriation includes an increase of \$4.5 million total funds (including \$3.0 million General Fund and \$1.5 million reappropriated funds) in one-time funding to support educator talent (recruitment, retention, and professional development) efforts aligned with the recommendations of the Education Leadership Council (ELC). The increase includes an appropriation of \$3.0 million to the Retaining Teachers Fund created in H.B. 18-1412, which is continuously appropriated to the Department. Because those funds are anticipated to be spent over two years, the bill reflects an increase of \$1.5 million reappropriated funds to support the Retaining Teachers Grant Program in FY 2019-20.

ELC CAREER DEVELOPMENT PRIORITIES: The appropriation includes an increase of \$4.5 million General Fund based on the Education Leadership Council's recommendations related to career development. The increase includes the following components: (1) \$3.0 million in ongoing funding to expand the Career Development Success

Program to pay incentives for participating school districts and charter schools that encourage high school students to complete a qualified workforce program; and (2) \$1.5 million in one-time funding to provide professional development for career counselors.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes a net increase of \$4.1 million total funds (including \$1.2 million General Fund) related to employee benefits and other centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,531,969	\$492,701	\$238,932	\$179,058	\$621,278	0.0
PERA direct distribution	1,288,681	410,346	201,941	151,296	525,098	0.0
Health, life, and dental	613,734	45,181	189,948	77,873	300,732	0.0
Payments to OIT	336,402	98,710	135,258	102,434	0	0.0
Payment to risk management and property funds	235,531	235,531	0	0	0	0.0
Legal services	150,487	86,989	59,637	3,861	0	0.0
Amortization equalization disbursement	66,536	(53,428)	37,367	18,469	64,128	0.0
Supplemental amortization equalization disbursement	66,536	(53,428)	37,367	18,469	64,128	0.0
Administrative law judges	25,310	0	20,944	4,366	0	0.0
Short-term disability	5,792	(582)	1,781	1,028	3,565	0.0
Shift differential	517	517	0	0	0	0.0
Capitol Complex leased space	(80,296)	(24,159)	(20,490)	(4,708)	(30,939)	0.0
Workers' compensation	(73,308)	(32,745)	(9,567)	(4,953)	(26,043)	0.0
Leased space	(68,850)	(10,469)	43,177	(11,689)	(89,869)	0.0
CORE operations	(32,150)	(54)	1,805	(33,901)	0	0.0
Vehicle lease payments	(4,528)	(4,528)	0	0	0	0.0
TOTAL	\$4,062,363	\$1,190,582	\$938,100	\$501,603	\$1,432,078	0.0

CHARTER SCHOOL CAPITAL CONSTRUCTION: The appropriation includes an increase of \$3.0 million cash funds from the Charter School Facilities Assistance Account of the Public School Capital Construction Assistance Fund for charter school capital construction.

CSI MILL LEVY EQUALIZATION: The appropriation includes an increase of \$3.0 million total funds (including \$1.5 million General Fund appropriated to the Mill Levy Equalization Fund and \$1.5 million reappropriated funds to appropriate those funds out of the cash fund) for distribution to Colorado Charter School Institute (CSI) schools to equalize local mill levy override revenues that are not available to CSI schools.

FUNDING FOR SCHOOL TURNAROUND: The appropriation includes an increase of \$2.3 million General Fund and 1.8 FTE to expand state support for schools identified as turnaround or priority improvement status (the two lowest categories) in the statewide accountability system.

STATE GRANTS TO LIBRARIES INCREASE: The appropriation includes an increase of \$500,000 General Fund for the State Grants to Publicly-Supported Libraries Program.

CPP TAX CHECKOFF: The appropriation includes \$425,000 cash funds in one-time funding for distribution to Colorado Preschool Program (CPP) providers. The cash funds were collected as a result of a voluntary tax checkoff authorized in S.B. 11-109 (Public Education Fund Tax Checkoff) and transferred to the Public Education Fund created in that bill.

CSDB TEACHER SALARY INCREASE: The appropriation includes an increase of \$396,307 General Fund for salary increases for teachers employed at the Colorado School for the Deaf and the Blind (CSDB). Statute (Sec. 22-80-106.5, C.R.S.) requires the CSDB to compensate teachers based on the Colorado Springs District 11 salary schedule, using the CSDB's salary policies to implement the salary schedule. To align with the revised District 11 salary

schedule for FY 2018-19 (the CSDB salaries lag District 11 by one year), the appropriation provides funding for experience step increases that align with the District 11 salary schedule.

TECHNICAL CHANGES: The appropriation includes several technical adjustments based on anticipated caseload changes, minor contract adjustments, and other technical changes.

TECHNICAL CHANGES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Facility schools adjustment	\$253,790	\$0	\$253,790	\$0	\$0	0.0
School lunch protection adjustment	191,676	191,676	0	0	0	0.0
CSDB utilities increase	25,000	25,000	0	0	0	0.0
Assessment contract technical	18,645	0	0	0	18,645	0.0
Interstate compact adjustment	2,486	0	2,486	0	0	0.0
Start smart adjustment	(150,000)	0	(150,000)	0	0	0.0
Counselor corps adjustment	(2,802)	0	(2,802)	0	0	0.0
TOTAL	\$338,795	\$216,676	\$103,474	\$0	\$18,645	0.0

SCHOOLS OF CHOICE: The appropriation includes an increase of \$315,504 General Fund to support the Schools of Choice Unit's ongoing support and oversight of charter schools statewide under the Charter Schools Act (Sections 22-30.5-101 through 22-30.5-704, C.R.S.). The bill also includes a transfer of 2.6 FTE previously reflected in the Appropriated Sponsored Programs line item into the newly created Schools of Choice line item.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Department's indirect cost assessments.

FUND SOURCE ADJUSTMENTS: The appropriation includes net-zero fund source adjustments to align with anticipated revenues, driven by adjustments within the Appropriated Sponsored Programs line item to align with anticipated grant funds and federal funds available to that line item.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation. The reduction is driven by the elimination of one-time funding provided for distribution to rural schools in H.B. 18-1379 (School Finance).

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1306 Improving Ed Stability for Foster Youth	\$1,045,030	\$1,045,030	\$0	\$0	\$0	1.0
HB 18-1266 Career Development Success Prog. Expansion	1,000,000	1,000,000	0	0	0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	127,030	41,065	17,752	15,577	52,636	0.0
HB 18-1019 K12 Accreditation Weighted Factors	22,500	22,500	0	0	0	0.0
HB 18-1396 Adv. Placement Exam Fee Grant Program	5,714	5,714	0	0	0	0.1
HB 18-1070 Additional Public School Capital Construction	0	0	0	0	0	0.0
HB 18-1379 School Finance	(30,000,000)	0	(30,000,000)	0	0	0.0
HB 19-1055 Public School Capital Construction Financial Assistance	(4,250,000)	0	(4,250,000)	0	0	0.0
HB 18-1412 Retaining Teachers Grant Program	(2,000,000)	(3,000,000)	1,000,000	0	0	1.0
HB 18-1309 Programs Addressing Educator Shortages	(996,177)	(996,177)	0	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1189 Expanding Effective Teacher Residency Programs	(600,000)	(600,000)	0	0	0	0.0
SB 19-128 Mid-year School Finance	(533,082)	(545,147)	12,065	0	0	0.0
SB 15-290 Colorado Student Leaders Institute	(218,825)	0	(218,825)	0	0	0.0
HB 18-013 Expand Child Nutrition School Lunch Protection	(17,944)	(17,944)	0	0	0	0.0
TOTAL	(\$36,415,754)	(\$3,044,959)	(\$33,439,008)	\$15,577	\$52,636	2.1

READ ACT ADJUSTMENTS: The Long Bill appropriation includes a reduction of \$33.2 million cash funds from the Early Literacy Fund to eliminate the appropriation for Early Literacy Program Per Pupil Intervention Funding.

TOTAL PROGRAM ADJUSTMENT: The Long Bill appropriation includes a net decrease of \$26.4 million total funds (including an increase of \$66.6 million General Fund that is offset by a decrease of \$93.0 million cash funds from the State Education Fund and the State Public School Fund) for school finance related appropriations.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Educator perception	\$75,000	\$75,000	\$0	\$0	\$0	0.0
FY 2018-19 Staffing information mgt.	(2,304,550)	(2,304,510)	0	0	0	0.0
FY 2018-19 Career Development Success	(1,000,000)	(1,000,000)	0	0	0	0.0
FY 2018-19 Salary survey	(164,823)	(141,522)	(23,301)	3,790	(3,790)	0.0
FY 18-19 State Board meeting transcription	(114,828)	(114,828)	0	0	0	0.0
TOTAL	(\$3,509,201)	(\$3,485,900)	(\$23,301)	\$3,790	(\$3,790)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

GOVERNOR – LIEUTENANT GOVERNOR – STATE PLANNING AND BUDGETING

The Department is comprised of the Office of the Governor, the Office of the Lieutenant Governor, the Office of State Planning and Budgeting, Economic Development Programs, and the Office of Information Technology.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$35,966,004	\$35,324,665	\$42,508,950	\$53,098,394
Cash Funds	44,733,104	47,400,500	47,889,843	51,552,746
Reappropriated Funds	220,765,787	245,351,971	256,873,308	293,603,363
Federal Funds	6,511,867	6,455,720	6,767,275	6,897,440
TOTAL FUNDS	\$307,976,762	\$334,532,856	\$354,039,376	\$405,151,943
Full Time Equiv. Staff	1,090.0	1,091.2	1,102.8	1,157.0

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 13.1 percent General Fund, 12.7 percent cash funds, 72.5 percent reappropriated funds, and 1.7 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

OFFICE OF THE GOVERNOR (DIVISION)

CENTRALLY APPROPRIATED LINE ITEMS

The budget for the Office of the Governor (division) is driven by the centrally appropriated line items (e.g. health, life, and dental insurance coverage, short-term disability payments, and payments to PERA) supporting 148.7 FTE within several agencies of the department (does not include the Governor's Office of Information Technology). The amount of funding provided is determined by common policies adopted by the General Assembly.

COLORADO ENERGY OFFICE

House Bill 12-1315 (Reorganization Of Governor's Energy Office) changed the statutory mission of the Colorado Energy Office (CEO) from promoting renewable energy and energy efficiency to encouraging all sources of energy development and funded the Office's operations with transfers into cash funds from the General Fund and severance tax revenue. For five consecutive fiscal years (FY 2012-13 through FY 2016-17), H.B. 12-1315 mandated that CEO receive an annual transfer of \$1.6 million General Fund and \$1.5 million from severance tax revenue to support its statutorily-obligated programming. The final transfers of these funds occurred on July 1, 2016. The General Assembly did not reauthorize these transfers for FY 2017-18. In absence of state funding, CEO worked with its federal partners at the U.S. Department of Energy to repurpose \$3.1 million from a federal grant to cover the costs of the Office for FY 2017-18. Beginning in FY 2018-19, the Office was appropriated \$3.1 million General Fund to fund its operations.

In addition to General Fund, the Office also receives transfers of severance tax revenue (tier two) into two funds: the Weatherization Low-Income Energy Assistance Fund and the Energy Outreach Low-Income Energy Assistance Fund. The Weatherization Low-Income Energy Assistance Fund receives an annual transfer of up to \$6,500,000 for energy efficiency services for low-income households. The Energy Outreach Low-Income Energy Assistance Fund receives an annual transfer of up to \$3,250,000, which is passed through to Energy Outreach Colorado to provide

utility bill payment assistance for low-income households. These transfers fluctuate based on the total amount of severance taxes collected by the state.

OFFICE OF THE LIEUTENANT GOVERNOR

Nearly 100.0 percent of the funding for the Office of the Lieutenant Governor in FY 2019-20 was from the General Fund. From FY 2016-17 to FY 2019-20, the agency's General Fund appropriations grew by 114.3 percent for a variety of purposes summarized below.

- For FY 2017-18, the Office received an increase of \$67,090 General Fund for the Commission of Indian Affairs to lead an initiative to coordinate health care issues between Medicaid providers, the federal Indian Health Services (IHS) agency, and tribal governments. In cooperation with the Departments of Health Care Policy and Financing and Human Services, the goal of the initiative is to reduce travel time for Native Americans seeking affordable care at an IHS facility and to improve coordination of care between IHS facilities and outside providers.
- For FY 2018-19, the Office received an increase of \$100,000 General Fund to support the administrative functions of the Education Leadership Council. This multi-stakeholder council, created through an Executive Order in June 2017 by the Governor, is tasked with creating a blueprint for the state's educational system, from early childhood through the participation in the workforce.
- For FY 2018-19, the Office received an increase of \$100,000 General Fund for Serve Colorado (the Governor's Commission on Community Service) to support building a culture of civic engagement in the state by working in partnership with community-based organizations. This initiative was authorized in statute by the Joint Budget Committee-sponsored H.B. 18-1324 (Codify Governor's Commission On Community Service).
- For FY 2018-19, the Office received an increase of \$90,000 General Fund to add a Program Assistant position to support the Commission of Indian Affairs' Executive Director and to provide additional funding for existing services and programs that the Commission delivers to fulfill its statutory obligations.
- For FY 2019-20, the Office received an increase of \$75,000 General Fund and 1.3 FTE to fully fund the four positions in the Office of the Lieutenant Governor. The Office is staffed by the following: Lieutenant Governor, Chief of Staff, Deputy Chief of Staff, and Executive Assistant.

OFFICE OF STATE PLANNING AND BUDGETING (OSPB)

Base funding for the Office of State Planning and Budgeting has remained relatively constant in recent fiscal years at a level of approximately \$1.5 million reappropriated funds transferred to the agency from the collection of statewide indirect costs in other departments. Additionally, the General Assembly has provided funding to the Office for a variety of special projects in recent years, increasing General Fund appropriations gradually from zero in FY 2011-12 to \$0.6 million for FY 2019-20. These projects have included a prison utilization study, the implementation of a continuous incremental process improvement program known as LEAN, and the implementation of a cost-benefit analysis tool dubbed Results First.

Beginning in FY 2017-18, the Office received an appropriation of \$500,000 cash funds from the Marijuana Tax Cash Fund to fund a grant program for state agencies to embark on projects to evaluate and/or assist in the implementation of programs funded from the Marijuana Tax Cash Fund. Program evaluations assist the General Assembly in determining if investments of state resources are improving outcomes.

ECONOMIC DEVELOPMENT PROGRAMS

Funding for the Office of Economic Development and International Trade (OEDIT) is primarily from the General Fund (35.8 percent in FY 2019-20) and cash funds (59.6 percent in FY 2019-20). General Fund is appropriated to

the Office for general administration and program support, tourism promotion, financial incentives, film incentives, and job training grants. In FY 2017-18, the General Assembly reduced the Office's General Fund appropriations by 20.8 percent due to two actions. First, the appropriation for film incentives was reduced by \$2,250,000 General Fund. Second, a portion of the General Fund appropriation for the advanced industries grant program (\$3,073,630) was refinanced with cash funds from the Advanced Industries Acceleration Cash Fund.

65.6 percent of the Office's cash fund appropriations for FY 2019-20 originated as limited gaming tax revenue. Senate Bill 13-133 (Distribution of State Share of Ltd Gaming Revenues) modified the distribution of the state share of the Limited Gaming Fund to bring more consistency to the transfers. Specifically, the bill amended the distribution to various cash funds at the close of each fiscal year from a percentage-based amount to a fixed-dollar amount, as shown in the following table.

LIMITED GAMING TAX REVENUE TRANSFERS TO OEDIT PER S.B. 13-133	
Travel and Tourism Promotion Fund	\$15,000,000
Advanced Industries	5,500,000
Creative Industries	2,000,000
Film, TV, and Media	500,000
TOTAL	\$23,000,000

Additionally, cash fund revenue is appropriated to the Office from the Advanced Industries Acceleration Cash Fund, mentioned above. Beginning in FY 2013-14 and running through FY 2023-24, S.B. 11-047 (Bioscience & Clean Tech Reinvestment) redirects 50.0 percent of the growth of the total amount state income taxes deducted and withheld from employees' wages who work in specific Colorado businesses to the Advanced Industries Acceleration Cash Fund instead of the General Fund. For FY 2017-18, \$9,862,210 was credited to the Advanced Industries Acceleration Cash Fund instead of the General Fund, pursuant to statute added by S.B. 11-047.

It is important to note that OEDIT is also responsible for implementing several other programs that impact the amount of General Fund revenue available for appropriations each year, including the Enterprise Zone Program, the Job Growth Incentive Tax Credit Program, and the Regional Tourism Act. These programs are summarized below.

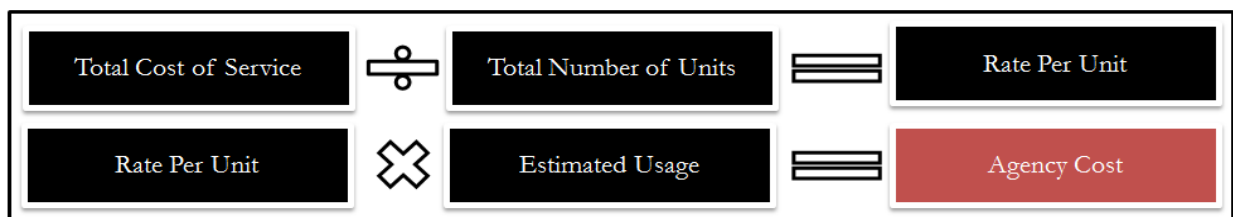
- The Enterprise Zone Program provides state income tax credits to encourage businesses to locate and grow in areas of high unemployment, low per capita income, and out-migration or slow population growth. \$54,258,780 in business tax credits were issued (or certified) in FY 2017-18 as part of the Program.
- The Job Growth Incentive Tax Credit Program provides a state income tax credit to businesses undertaking job creation projects that would not occur in Colorado without this program and that have created new high paying positions in the state. Approximately \$11.0 million in business tax credits were issued in calendar year 2018 as part of the Program.
- The Regional Tourism Act funds five tourism projects via state sales tax increment financing with the goal of increasing the amount of new out-of-state visitors. \$6,656,505 was paid by the Department of Revenue to Regional Tourism Act project financing entities in FY 2017-18. Note, the Program is no longer accepting applications.

OFFICE OF INFORMATION TECHNOLOGY

Senate Bill 08-155 (Centralize IT Management in OIT) consolidated the responsibility for information technology oversight of most of the state's executive branch agencies in the Governor's Office of Information Technology (OIT). As a result, information technology employees in state agencies were transferred to OIT between July 1, 2008 and July 1, 2012. The largest transfer of employees occurred during FY 2010-11 when 680.7 FTE and \$57.7 million were transferred from state agencies to OIT.

Pursuant to the centralization initiative, OIT provides services to state agencies on a cost reimbursement basis, with OIT acting as a vendor. Each service offered by OIT to state agencies has a mixture of costs associated with its delivery (e.g. personal services and operating expenses). The appropriations needed to support these costs for each service offered by OIT are determined by the Joint Budget Committee during the figure setting process. The appropriations appear in the Long Bill in the OIT division as reappropriated funds (spending authority for moneys transferred to OIT from other state agencies). The revenue needed to support OIT's spending authority is derived from direct appropriations made to state agencies each year in a "Payments to OIT" line item that appears in the Long Bill for each agency. These appropriations are made from the General Fund, cash funds, and federal funds.

The cost to each agency for services provided by OIT is based on a service-by-service rate structure whereby the total cost for OIT to provide the service across the state is divided by the total number of units of that service. This calculation generates a rate per unit. The cost to each agency is based on its anticipated consumption of a service's unit of measurement multiplied times the established rate. OIT bills each agency on a monthly basis for 1/12th of the full amount of the agency's appropriation in its Payments to OIT line item.



The General Assembly has provided additional appropriations in recent fiscal years for a variety of services. These increases, highlighted on the following page, have increased the amount appropriated to state agencies for the information technology common policy.

- For FY 2017-18, the Office received an increase of \$2,973,689 reappropriated funds transferred from state agencies for several initiatives related to the state's cybersecurity program known as "Secure Colorado."
- For FY 2017-18, the Office received an increase of \$965,084 reappropriated funds transferred from state agencies to add state employees and contract resources to the Office's deskside support team.
- For FY 2018-19, the Office received an increase of \$5,228,160 reappropriated funds transferred from state agencies to transition from a non-consolidated licensing approach for operating system and Microsoft Office applications to a centralized approach managed by the Office for all state agencies. A portion of the total funds needed for this item were offset by reductions across nearly all agencies from operating line items that historically funded operating system and Microsoft Office licenses.
- For FY 2019-20, the Office received an increase of \$11,857,490 reappropriated funds transferred from state agencies for several initiatives related to the state's cybersecurity program known as "Secure Colorado."

Outside of OIT's collection of recoverable costs associated with the information technology common policy, expenses for the operation of the Colorado Benefits Management System (CBMS) are billed directly to the Department of Human Services and Department of Health Care Policy and Financing. CBMS is the information technology system used to determine a citizen's eligibility for public assistance programs like Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Old Age Pension (OAP), and many others. The following table highlights appropriations made to OIT for CBMS over the past seven fiscal years.

APPROPRIATIONS TO OIT FOR CBMS (REAPPROPRIATED FUNDS)

FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
\$41,330,303	\$64,996,580	\$30,529,339	\$53,026,031	\$60,743,224	\$61,868,613	\$66,653,122

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$346,224,463	\$39,708,812	\$47,171,431	\$252,576,945	\$6,767,275	1,100.5
SB 18-036	4,630	0	0	4,630	0	0.0
SB 18-086	250,000	250,000	0	0	0	1.0
SB 18-150	89,600	0	0	89,600	0	0.0
HB 18-1017	80,000	0	0	80,000	0	0.0
HB 18-1042	16,016	0	0	16,016	0	0.0
HB 18-1135	350,000	175,000	0	175,000	0	0.0
HB 18-1256	10,000	0	0	10,000	0	0.0
HB 18-1267	65,508	0	0	65,508	0	0.0
HB 18-1299	0	0	0	0	0	0.0
HB 18-1323	718,412	0	718,412	0	0	0.0
HB 18-1324	200,000	200,000	0	0	0	0.0
HB 18-1325	4,000,000	2,000,000	0	2,000,000	0	0.0
HB 18-1339	6,188	6,188	0	0	0	0.0
HB 18-1353	4,480	0	0	4,480	0	0.0
SB 19-112	2,007,656	156,527	0	1,851,129	0	1.3
HB 19-1127	12,423	12,423	0	0	0	0.0
TOTAL	\$354,039,376	\$42,508,950	\$47,889,843	\$256,873,308	\$6,767,275	1,102.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$354,039,376	\$42,508,950	\$47,889,843	\$256,873,308	\$6,767,275	1,102.8
Securing information technology operations	11,857,490	0	0	11,857,490	0	9.0
Centrally appropriated line items	5,214,031	546,787	335,594	4,233,846	97,804	0.0
Enterprise data integration services	3,139,756	0	0	3,139,756	0	2.0
Department of Corrections' offender records management system operating increase	2,796,520	0	0	2,796,520	0	0.0
Colorado Benefits Management System adjustments	2,520,566	0	0	2,520,566	0	0.0
Department of Human Services' child protective services computer system maintenance increase	2,452,920	0	0	2,452,920	0	0.0
Annualize prior year budget actions	1,400,655	1	9,508	1,391,146	0	0.0
Revenue adjustment for income tax withholdings used for advanced industries	1,321,444	0	1,321,444	0	0	0.0
Lottery information technology staff consolidation	1,253,065	0	0	1,253,065	0	13.0
Department of Health Care Policy and Financing's Medicaid operational and compliance issue resolution	1,189,470	0	0	1,189,470	0	3.0
Department of Health Care Policy and Financing's customer interaction improvements	1,020,000	0	0	1,020,000	0	0.0
Database security support resource increase	936,776	0	0	936,776	0	8.0
Department of Health Care Policy and Financing's local program administration improvements	821,240	0	0	821,240	0	0.0
Information technology application refresh and consolidation	800,700	0	0	800,700	0	0.0

GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Electric vehicle grant fund spending authority increase	723,204	0	723,204	0	0	0.0
Department of Revenue's tax processing system enhancements	681,477	0	0	681,477	0	6.0
Department of Labor and Employment's unemployment insurance migrated information technology system operations increase	601,509	0	0	601,509	0	4.5
Information technology self-service capability implementation	333,426	0	0	333,426	0	0.0
Information technology project management adjustment	144,342	0	0	144,342	0	1.0
Lieutenant Governor's Office administration adjustment	75,000	75,000	0	0	0	1.3
Governor's Director of Operations and Cabinet Affairs position	73,920	73,920	0	0	0	0.5
Office of Saving People Money on Health Care implementation	67,500	67,500	0	0	0	0.7
Indirect cost assessment	62,399	(130,900)	23,794	141,404	28,101	0.0
Minority Business Office operating increase	25,000	0	25,000	0	0	0.0
Annualize prior year legislation	(990,980)	(75,401)	1,094,294	(2,014,133)	4,260	0.9
SB 19-207	\$392,560,806	\$43,065,857	\$51,422,681	\$291,174,828	\$6,897,440	1,152.7
SB 19-006	10,000,000	9,183,000	0	817,000	0	0.0
SB 19-073	750,000	0	0	750,000	0	0.0
SB 19-143	25,200	0	0	25,200	0	0.0
SB 19-165	5,936	0	0	5,936	0	0.0
SB 19-178	60,204	0	0	60,204	0	0.0
SB 19-223	454,539	0	0	454,539	0	0.9
SB 19-235	136,240	0	0	136,240	0	0.0
SB 19-251	775,000	775,000	0	0	0	2.0
SB 19-256	16,590	0	0	16,590	0	0.0
HB 19-1009	2,620	0	0	2,620	0	0.0
HB 19-1127	74,537	74,537	0	0	0	0.0
HB 19-1287	160,206	0	0	160,206	0	1.4
HB 19-1309	130,065	0	130,065	0	0	0.0
TOTAL	\$405,151,943	\$53,098,394	\$51,552,746	\$293,603,363	\$6,897,440	1,157.0
INCREASE/(DECREASE)	\$51,112,567	\$10,589,444	\$3,662,903	\$36,730,055	\$130,165	54.2
Percentage Change	14.4%	24.9%	7.6%	14.3%	1.9%	4.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-112 modifies FY 2018-19 appropriations to:

- Add \$1,309,206 reappropriated funds for OIT to provide the agency with spending authority to support the Department of Health Care Policy and Financing on a Colorado Benefits Management System (CBMS) project. The Department of Health Care Policy and Financing was appropriated funds for the project in the FY 2018-19 Long Bill, however, the corresponding spending authority for these funds was erroneously omitted for OIT;
- Add \$538,623 reappropriated funds transferred from the Department of Human Services to OIT to improve server performance supporting the Automated Child Support Enforcement System;
- Add \$67,500 General Fund and 0.8 FTE to add two support positions (Health Care Manager and Health Care Coordinator) for the Office of Saving People Money on Health Care located in the Governor's Office;
- Add \$60,000 General Fund and 0.5 FTE to replace the role of the state's Chief Operating Officer with a Director of Operations and Cabinet Affairs position located in the Governor's Office;

- Add \$29,027 General Fund to cover the statutorily-mandated increases to the salaries for the Governor and Lieutenant Governor. Pursuant to Section 24-9-101, C.R.S., the salaries paid to statewide elected officials are adjusted for the term commencing on the second Tuesday in January 2019. The amount of the adjustments are based on the salaries paid to certain judicial officers; and
- Add \$3,300 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT to license time-keeping tools for staff working on the care and case management system.

House Bill 19-1127 modifies FY 2018-19 appropriations to add \$12,423 General Fund for the Lieutenant Governor to serve as the Director of the Office of Saving People Money on Health Care.

FY 2019-20 APPROPRIATION HIGHLIGHTS

SECURING INFORMATION TECHNOLOGY OPERATIONS: The appropriation includes an increase of \$11,857,490 reappropriated funds transferred from state agencies to OIT and 9.0 FTE to accelerate the pace at which the Secure Colorado cybersecurity strategic plan, created by the agency's Office of Information Security and the Colorado Information Security Advisory Board, is implemented, as well as to implement new initiatives identified through recent analyses of the state's capabilities.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$2,867,410	\$256,685	\$130,844	\$2,426,439	\$53,442	0.0
PERA Direct Distribution	2,540,398	218,210	110,549	2,166,486	45,153	0.0
Health, life, and dental	303,165	184,075	33,247	96,792	(10,949)	0.0
Payment to risk management / property funds	40,843	12,277	0	28,566	0	0.0
Leased space	9,330	9,330	0	0	0	0.0
SAED	(92,754)	31,140	30,351	(151,149)	(3,096)	0.0
AED	(92,529)	31,140	30,576	(151,149)	(3,096)	0.0
Workers' compensation	(72,800)	(6,425)	0	(66,375)	0	0.0
Capitol Complex leased space	(64,056)	(31,090)	0	(32,966)	0	0.0
Payments to OIT	(62,586)	(62,586)	0	0	0	0.0
Legal services	(55,816)	(95,811)	0	21,993	18,002	0.0
Shift differential	(55,148)	0	0	(55,148)	0	0.0
CORE	(42,999)	0	(1,085)	(40,323)	(1,591)	0.0
Fleet vehicle	(4,888)	(1,358)	0	(3,530)	0	0.0
Short-term disability	(3,539)	1,200	1,112	(5,790)	(61)	0.0
TOTAL	\$5,214,031	\$546,787	\$335,594	\$4,233,846	\$97,804	0.0

ENTERPRISE DATA INTEGRATION SERVICES: The appropriation includes an increase of \$3,139,756 reappropriated funds transferred from state agencies to OIT and 2.0 FTE to enter into a statewide enterprise license agreement (ELA) with a vendor for Enterprise Service Bus technologies. The requested staff increase of 2.0 FTE would be used for Enterprise Service Bus implementation support services. An Enterprise Service Bus implements a communication system between mutually interacting software applications such that data can be shared from application to application without removing the data from its underlying databases.

DEPARTMENT OF CORRECTIONS' OFFENDER RECORDS MANAGEMENT SYSTEM OPERATING INCREASE: The appropriation includes an increase of \$2,796,520 reappropriated funds transferred from the Department of Corrections to OIT for the maintenance costs associated with the offender records management system known as "DeCORuM."

COLORADO BENEFITS MANAGEMENT SYSTEM ADJUSTMENTS: The appropriation includes an increase of \$2,520,566 reappropriated funds transferred from the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment to OIT for a variety of changes associated with the implementation of the Colorado Benefits Management System (CBMS) and the Program Eligibility and the Application Kit (PEAK). These changes are meant to ensure compliance with state and federal requirements, to reduce security risks, to improve interactions with citizens engaged in the eligibility and enrollment processes associated with public assistance programs, and to implement a series of technical appropriation adjustments.

DEPARTMENT OF HUMAN SERVICES' CHILD PROTECTIVE SERVICES COMPUTER SYSTEM MAINTENANCE INCREASE: The appropriation includes an increase of \$2,452,920 reappropriated funds transferred from the Department of Human Services to OIT to contract for additional developers, business analysts, database administrators, service desk support, and infrastructure to maintain the state's child protective services computer system, known as Trails.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, as detailed in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Office of Information Technology CBMS PEAK	\$1,306,463	\$0	\$0	\$1,306,463	\$0	0.0
FY 2018-19 Office of Information Technology Microsoft enterprise license agreement	409,096	0	0	409,096	0	0.0
FY 2018-19 Office of Information Technology Voice and data services	328,386	0	0	328,386	0	0.0
FY 2018-19 Office of State Planning and Budgeting 2% reduction	64,325	0	64,325	0	0	0.0
FY 2018-19 Department of Revenue DRIVES system	32,585	0	0	32,585	0	0.0
FY 2018-19 Office of Information Technology Human Resource Information System timekeeping savings	8,055	0	0	8,055	0	0.0
FY 2018-19 Department of Public Safety Sex Offender Management Board data system	(361,424)	0	0	(361,424)	0	0.0
FY 2018-19 Department of Health Care Policy and Financing BUS continuation	(230,040)	0	0	(230,040)	0	0.0
FY 2017-18 Department of Revenue telephone replacement	(67,500)	0	0	(67,500)	0	0.0
Prior year salary survey	(60,763)	1	(54,817)	(5,947)	0	0.0
FY 2018-19 Department of Local Affairs Peace Officer grant program	(23,825)	0	0	(23,825)	0	0.0
FY 2018-19 Department of Natural Resources application development and support	(4,703)	0	0	(4,703)	0	0.0
TOTAL	\$1,400,655	\$1	\$9,508	\$1,391,146	\$0	0.0

REVENUE ADJUSTMENT FOR INCOME TAX WITHHOLDINGS USED FOR ADVANCED INDUSTRIES: The appropriation includes an increase of \$1,321,444 cash funds from the Advanced Industries Acceleration Cash Fund due to updated data associated with income tax withholdings that support advanced industries development, pursuant to Section 39-22-604.3, C.R.S.

LOTTERY INFORMATION TECHNOLOGY STAFF CONSOLIDATION: The appropriation includes an increase of \$1,253,065 reappropriated funds and 13.0 FTE to transfer information technology employees from the Department of Revenue's Lottery Division to OIT who were not previously consolidated in the Office following the passage of

S.B. 05-155 (Centralize IT Management In OIT). Note, the Department of Revenue's FY 2019-20 Long Bill includes a corresponding reduction of \$1.3 million total funds and 13.0 FTE.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S MEDICAID OPERATIONAL AND COMPLIANCE ISSUE RESOLUTION: The appropriation includes an increase of \$1,189,470 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT and 3.0 FTE to address operating and compliance issues with a collection of information technology systems and processes related to eligibility, benefits authorization, and claims processing.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S CUSTOMER INTERACTION IMPROVEMENTS: The appropriation includes an increase of \$1,020,000 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT for a series of information technology updates to assist the citizens in its communications with the Department regarding its public assistance programs.

DATABASE SECURITY SUPPORT RESOURCE INCREASE: The appropriation includes an increase of \$936,776 reappropriated funds transferred from state agencies to OIT and 8.0 FTE to augment the database services team with additional staff to support non-production databases (development and testing). Currently, the database services team only has resources to support production databases, which leaves non-production databases vulnerable to security breaches.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S LOCAL PROGRAM ADMINISTRATION IMPROVEMENTS: The appropriation includes an increase of \$821,240 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT to process all returned mail generated from the Colorado Benefits Management System.

INFORMATION TECHNOLOGY APPLICATION REFRESH AND CONSOLIDATION: The appropriation includes an increase of \$800,700 reappropriated funds transferred from state agencies to OIT to replace state agency "one off" applications with solutions built on current, enterprise-level technologies that are supported by the Office.

ELECTRIC VEHICLE GRANT FUND SPENDING AUTHORITY INCREASE: The appropriation includes an increase of \$723,204 cash funds from the Electric Vehicle Grant Fund to fund additional grants to build electric vehicle charging stations. Pursuant to statute, in addition to other vehicle registration fees, electric vehicle owners must pay a \$50 vehicle registration fee. Of this additional fee, \$30 is transmitted to the Highway Users Trust Fund and \$20 is transmitted to the Colorado Energy Office's Electric Vehicle Grant Fund. Money in the Electric Vehicle Grant Fund may be used to install recharging stations for electric vehicles via grants made to state agencies, public universities, public transit agencies, local governments, landlords of multi-family apartment buildings, private nonprofit or for-profit corporations, and the unit owners' associations of common interest communities.

DEPARTMENT OF REVENUE'S TAX PROCESSING SYSTEM ENHANCEMENTS: The appropriation includes an increase of \$681,477 reappropriated funds transferred from the Department of Revenue to OIT and 6.0 FTE to create an in-house technical team to support the state's tax administration system known as "GenTax". Historically, GenTax has relied on vendor services for the day-to-day, technical operation of the system, including the provision of programming changes to accommodate tax policy changes.

DEPARTMENT OF LABOR AND EMPLOYMENT'S UNEMPLOYMENT INSURANCE MIGRATED INFORMATION TECHNOLOGY SYSTEM OPERATIONS INCREASE: The appropriation includes an increase of \$601,509 reappropriated funds transferred from the Department of Labor and Employment to OIT and 4.5 FTE for ongoing annual operating support for the Department's upgraded unemployment insurance system.

INFORMATION TECHNOLOGY SELF-SERVICE CAPABILITY IMPLEMENTATION: The appropriation includes an increase of \$333,426 reappropriated funds transferred from state agencies to OIT to augment service desk capabilities with artificial intelligence and chatbots to provide basic support services to state agencies.

INFORMATION TECHNOLOGY PROJECT MANAGEMENT ADJUSTMENT: The appropriation includes an increase of \$144,342 reappropriated funds transferred from the Department of Transportation to OIT and 1.0 FTE to convert a 1.0 FTE term-limited project manager supporting the Department to a full-time employee due to the Department's ongoing need for project management services. This change does not increase appropriations for the Department, as the agency was paying the Office through an inter-agency agreement for this project management function.

LIEUTENANT GOVERNOR'S OFFICE ADMINISTRATION ADJUSTMENT: The appropriation includes an increase of \$75,000 General Fund and 1.3 FTE to fully fund the four positions in the Office of the Lieutenant Governor. The Office is staffed by the following: Lieutenant Governor, Chief of Staff, Deputy Chief of Staff, and Executive Assistant.

GOVERNOR'S DIRECTOR OF OPERATIONS AND CABINET AFFAIRS POSITION: The appropriation includes an increase of \$73,920 General Fund and 0.5 FTE to annualize funding for the Director of Operations and Cabinet Affairs position to a total of \$133,920 General Fund and 1.0 FTE. This is a continuation of the increase included in the Office of the Governor's FY 2018-19 supplemental bill.

OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE IMPLEMENTATION: The appropriation includes an increase of \$67,500 General Fund and 0.7 FTE to annualize funding for the Office of Saving People Money on Health Care's two support positions (a full-time Health Care Manager and a half-time Health Care Coordinator) to a total of \$135,000 General Fund and 1.5 FTE. This is a continuation of the increase included in the Office of the Governor's FY 2018-19 supplemental bill.

INDIRECT COST ASSESSMENT: The appropriation includes adjustments based on the Office's indirect cost assessment plan. The adjustments reduce the General Fund required by the Office by \$130,900.

MINORITY BUSINESS OFFICE OPERATING INCREASE: The appropriation includes an increase of \$25,000 cash funds from the Minority Business Fund to support initiatives of the Office of Economic Development and International Trade's Minority Business Office. The agency is tasked with promoting the business development of new and existing minority businesses in coordination with state economic development activities.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1323 Pay For Success Contracts Pilot Program Funding	\$1,090,027	\$0	\$1,090,027	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	226,236	20,161	5,267	196,548	4,260	0.0
HB 18-1430 State Agency Long-range Financial Plan	77,962	77,962	0	0	0	0.9
SB 19-112 Suppl Approp Dept Governor, Lt. Gov, OSPB	(1,822,103)	29,026	0	(1,851,129)	0	0.0
SB 18-086 Cyber Coding Cryptology For State Records	(114,830)	(114,830)	0	0	0	0.0
SB 18-150 Voter Registration Individuals Criminal Justice System	(89,600)	0	0	(89,600)	0	0.0
HB 18-1017 Psychology Interjurisdictional Compact	(77,000)	0	0	(77,000)	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 17-1057 Interstate Physical Therapy Licensure Compact	(74,000)	0	0	(74,000)	0	0.0
HB 14-1326 Tax Incentives For Alternative Fuel Trucks	(70,000)	(70,000)	0	0	0	0.0
HB 18-1267 Income Tax Credit For Retrofitting Home For Health	(65,508)	0	0	(65,508)	0	0.0
HB 18-1299 Electronic Filing Title Registration Motor Vehicle	(16,590)	0	0	(16,590)	0	0.0
HB 18-1042 Private Interstate Commercial Vehicle Registration	(16,016)	0	0	(16,016)	0	0.0
HB 19-1127 Lieutenant Governor Concurrent State Service	(12,423)	(12,423)	0	0	0	0.0
HB 18-1256 Sunset Continue Civil Rights Division And Commission	(10,000)	0	0	(10,000)	0	0.0
HB 18-1339 Background Checks Employees Access Federal Tax Information	(5,297)	(5,297)	0	0	0	0.0
SB 18-036 Relocate Title 24 Tobacco Sales Minors To Title 44	(4,630)	0	0	(4,630)	0	0.0
HB 17-1326 Justice Reinvestment Crime Prevention Initiative	(3,296)	0	0	(3,296)	0	0.0
HB 17-1313 Civil Forfeiture Reform	(2,912)	0	0	(2,912)	0	0.0
HB 18-1364 Sunset Colorado Council Persons With Disabilities	(1,000)	0	(1,000)	0	0	0.0
TOTAL	(\$990,980)	(\$75,401)	\$1,094,294	(\$2,014,133)	\$4,260	0.9

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

The Department helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs, the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. The major programs administered by the Department include:

- **Medicaid** – serves people with low income and people needing long-term care
- **Children's Basic Health Plan** – provides a low-cost insurance option for children and pregnant women with income slightly higher than the Medicaid eligibility criteria
- **Colorado Indigent Care Program** – defrays a portion of the costs to providers of uncompensated and under-compensated care for people with low income, if the provider agrees to program requirements for discounting charges to patients on a sliding scale based on income
- **Old Age Pension Health and Medical Program** – serves elderly people with low income who qualify for a state pension but do not qualify for Medicaid or Medicare

The Department also performs functions related to improving the health care delivery system, including advising the General Assembly and the Governor, distributing tobacco tax funds through the Primary Care and Preventive Care Grant Program, financing Public School Health Services, and housing the Commission on Family Medicine Residency Training Programs.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund ¹	\$2,630,255,841	\$2,832,866,579	\$2,957,484,523	\$3,151,370,264
Cash Funds	1,030,963,941	1,215,445,935	1,389,264,217	1,386,291,098
Reappropriated Funds	15,828,008	77,491,711	83,491,228	93,615,672
Federal Funds	5,420,330,083	5,802,250,189	5,944,110,291	6,057,784,830
TOTAL FUNDS	\$9,097,377,873	\$9,928,054,414	\$10,374,350,259	\$10,689,061,864
Full Time Equiv. Staff	435.8	459.3	506.3	544.6

¹ Includes General Fund Exempt.

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 29.5 percent General Fund, 13.0 percent cash funds, 0.9 percent reappropriated funds, and 56.7 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

MEDICAID

Medicaid provides health insurance to people with low income and to people needing long-term care. Participants generally do not pay annual premiums¹ and copayments at the time of service are either nominal or not required. Administration and policy-making responsibilities for the program are shared between the federal and state governments.

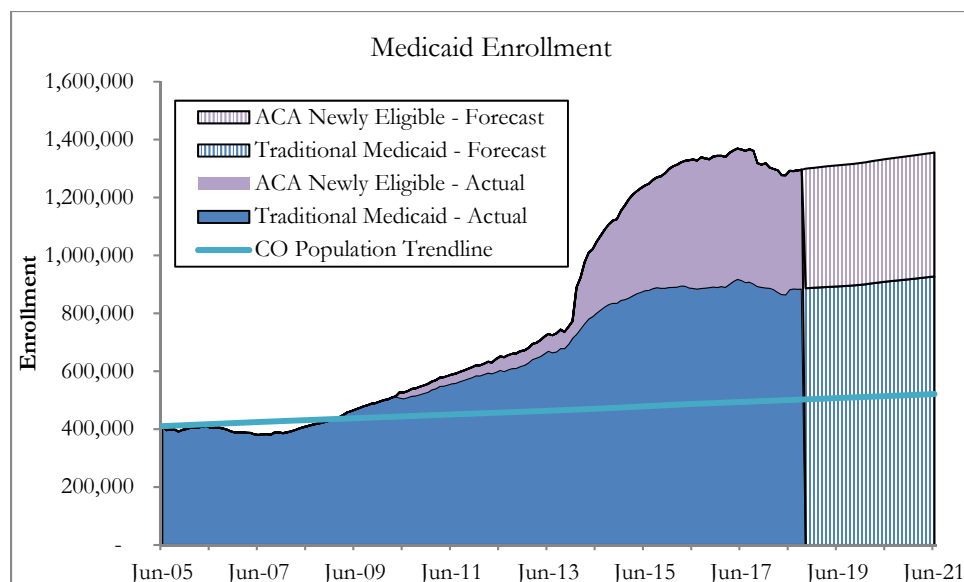
¹ The exception where participants would pay a premium is the voluntary "buy-in" program for people with disabilities whose income is above the standard Medicaid eligibility criteria but below 400 percent of the federal poverty guidelines.

Medicaid should not be confused with the similarly named **Medicare** that provides insurance for people who are elderly or have a specific eligible diagnosis regardless of income. Medicare is federally administered and financed with a combination of federal funds and annual premiums charged to participants. While the two programs are distinct, they do interact with each other as some people are eligible for both Medicaid, due to their income, and Medicare, due to their age. For these people (called "dual eligible"), Medicaid pays the Medicare premiums and may assist with copayments, depending on the person's income. Also, there are some differences in the coverage provided by Medicaid and Medicare. Most notably from a budgeting perspective, Medicaid covers long-term services and supports (LTSS), while Medicare coverage for LTSS is limited to post-acute care.

The federal government matches state expenditures for the Medicaid program. The federal match rate, called the Federal Medical Assistance Percentage (FMAP), can vary based on economic conditions in the state, the type of services being provided, and the population receiving services. For state fiscal year 2018-19 the average FMAP for the majority of Colorado Medicaid expenditures is 50.0 percent. For adults "newly eligible" pursuant to the federal Affordable Care Act, Colorado will receive a 93.0 percent federal match in calendar year 2019 and a 90.0 percent federal match in calendar year 2020 for an average match of 91.5 percent for the state fiscal year. The federal match for the "newly eligible" is scheduled to remain at 90 percent in years after 2020.

Medicaid generally operates as an entitlement program, meaning the people deemed eligible have a legal right to the plan benefits. As a result, if the eligible population and/or the eligible services utilized are greater than expected, then the state and federal government must pay the resulting higher cost, regardless of the initial appropriation. There are exceptions where federal waivers allow enrollment and/or expenditure caps for expansion populations and services. In the event that the State's Medicaid obligation is greater than anticipated, the Department has statutory authority to overexpend the Medicaid appropriation.²

The most significant factor affecting Medicaid expenditures is enrollment. Medicaid enrollment has increased significantly in recent years, due to increases in the state population, economic conditions that impact the number of people who meet the income eligibility criteria, and state and federal policy changes regarding eligibility. The following chart shows the actual and forecasted Colorado Medicaid population. The chart highlights the population that is "newly eligible" pursuant to the federal Affordable Care Act and therefore qualifies for the enhanced federal match. The "CO Population Trendline" shows the projected trajectory of enrollment if Medicaid had grown at the same rate as Colorado's population since June 2005.



² See Section 24-75-109 (1)(a), C. R. S.

MEDICAL SERVICES PREMIUMS

Medical Services Premiums is a subset of Medicaid expenditures that pays for acute care services (such as physician visits, prescription drugs, and hospital visits) and long-term care services (provided within nursing facilities and community settings).³ The Department contracts with health care providers through fee-for-service and managed care organizations in order to provide these services to eligible clients. Total costs for the program are driven by the number of clients, the costs of providing health care services, and the utilization of health care services.

The table below summarizes recent changes in enrollment, expenditures, and per capita costs by broad eligibility category. A more detailed breakout of enrollment and expenditures by eligibility category is available for FY 2018-19 and FY 2019-20 in the Health Care Policy and Financing Section of Part III of this report.

MEDICAL SERVICES PREMIUMS						
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19 PROJECTED	FY 2019-20 PROJECTED
Medicaid Enrollment						
Elderly	69,862	74,988	77,750	80,735	83,109	86,060
People with Disabilities	80,641	85,546	85,111	87,503	90,700	93,640
Adults	494,831	589,823	628,160	622,388	598,370	610,797
Children	515,872	546,629	555,153	524,591	504,019	502,300
TOTAL Enrollment	1,161,206	1,296,986	1,346,174	1,315,217	1,276,198	1,292,797
Percent Change	34.9%	11.7%	3.8%	(2.3%)	(3.0%)	1.3%
Medical Services Premiums Expenditures						
Elderly	\$991,476,023	\$1,064,612,128	\$1,209,899,318	\$1,322,781,810	\$1,394,036,712	\$1,485,119,334
People with Disabilities	1,240,011,362	1,362,315,393	1,316,597,343	1,548,530,266	1,674,077,898	1,788,354,955
Adults	1,819,184,764	2,145,557,380	2,028,017,221	2,349,315,991	2,193,572,589	2,211,423,827
Children	963,947,712	1,053,299,277	998,390,930	1,093,108,539	1,076,025,130	1,097,422,358
Medical Services Expenditures	\$5,014,619,861	\$5,625,784,178	\$5,552,904,812	\$6,313,736,606	\$6,337,712,329	\$6,582,320,474
Percent Change	29.0%	12.2%	(1.3%)	13.7%	0.4%	3.9%
Supplemental Payments	714,020,263	1,213,503,759	777,373,946	1,159,709,886	1,481,602,841	1,313,097,053
TOTAL Expenditures	\$5,728,640,124	\$6,839,287,937	\$6,330,278,758	\$7,473,446,492	7,819,315,170	7,895,417,527
Percent Change	24.0%	19.4%	(7.4%)	18.1%	4.6%	1.0%
Per Capita Expenditures						
Elderly	\$14,192	\$14,197	\$15,561	\$16,384	\$16,774	\$17,257
People with Disabilities	15,377	15,925	15,469	17,697	18,457	19,098
Adults	3,676	3,638	3,229	3,775	3,666	3,621
Children	1,869	1,927	1,798	2,084	2,135	2,185
Overall	\$4,318	\$4,338	\$4,125	\$4,801	\$4,966	\$5,092
Percent Change	(4.3%)	0.4%	(4.9%)	16.4%	3.4%	2.5%

BEHAVIORAL HEALTH CAPITATION PAYMENTS

Behavioral health services, which include both mental health and substance use-related services, are provided to Medicaid clients through a statewide managed care or "capitated" program. The Department contracts with "regional accountable entities" (RAEs) to provide or arrange for behavioral health services for clients enrolled with each RAE⁴. In order to receive services through behavioral health capitation, a client must have a covered diagnosis and receive a covered service or procedure that is medically necessary. Each RAE receives a pre-determined monthly amount for each Medicaid client who is eligible for behavioral health services and enrolled with the RAE. The "per-member-per-month" rates paid to each RAE are unique for each Medicaid eligibility category in each geographic region. The Department adjusts these rates periodically based on historical rate experience and data concerning client service utilization. Appropriations for FY 2019-20 reflect funding for a projected 1,253,704 Medicaid clients eligible for behavioral health services. Behavioral health services are primarily supported by the

³ Medicaid expenditures not included in Medical Services Premiums are behavioral health services, long-term services and supports for people with intellectual and developmental disabilities, financing through the indigent care program, the State's obligation under the Medicare Modernization Act, programs administered by other departments, and department administration.

⁴ Clients are attributed to RAEs based on the location of their primary care provider, rather than their own address.

General Fund and federal funds. Cash fund sources include the Healthcare Affordability and Sustainability Fee Cash Fund and the Breast and Cervical Cancer Prevention and Treatment Fund.

The enrollment changes that are described in detail above for the Medical Services Premiums section also apply to services that are funded in this section, with two exceptions. Two Medicaid populations that are eligible for certain medical benefits are not eligible for behavioral health services: (1) non-citizens; and (2) adults who are eligible for both Medicaid and Medicare but for whom the Medicaid benefit is limited to payment of Medicare premiums and co-insurance payments. In addition, Medicaid-eligible clients who are enrolled in a Program of All-inclusive Care for the Elderly (PACE Program) are excluded from enrollment in a RAE.

The following three tables show the year-over-year changes projected for FY 2019-20 in Medicaid enrollment, payments made to RAEs through the capitation program, and expenditures per capita by enrollment category.

BEHAVIORAL HEALTH CAPITATION PROGRAM: ENROLLMENT				
CATEGORY	FY 2018-19 REVISED ESTIMATE	FY 2019-20 REVISED ESTIMATE	DIFFERENCE	PERCENT
Children to 147% FPL	481,907	479,492	(2,415)	(0.5%)
Adults w/out Dependent Children to 138% FPL	337,338	343,167	5,829	1.7%
Parents/Caretakers to 68% FPL; Pregnant Adults to 200% FPL	192,115	194,250	2,135	1.1%
Individuals with Disabilities to age 64 (to 450% FPL)	90,700	93,640	2,940	3.2%
Parents/Caretakers 69% to 138% FPL	66,149	70,601	4,452	6.7%
Adults age 65+ (to SSI)	47,849	49,615	1,766	3.7%
Foster Care to 26 years	22,112	22,808	696	3.1%
Breast & Cervical Cancer to 250% FPL	141	131	(10)	(7.1%)
TOTAL	1,238,311	1,253,704	15,393	1.2%

BEHAVIORAL HEALTH CAPITATION PROGRAM: ANNUAL EXPENDITURES				
CATEGORY	FY 2018-19 REVISED ESTIMATE	FY 2019-20 APPROPRIATION	DIFFERENCE	PERCENT
Children to 147% FPL	\$120,613,839	\$127,768,727	\$7,154,888	5.9%
Adults w/out Dependent Children to 138% FPL	217,195,197	244,819,458	27,624,261	12.7%
Parents/Caretakers to 68% FPL; Pregnant Adults to 200% FPL	71,333,951	76,305,937	4,971,986	7.0%
Individuals with Disabilities to age 64 (to 450% FPL)	151,702,077	161,182,394	9,480,317	6.2%
Parents/Caretakers 69% to 138% FPL	13,336,499	15,591,832	2,255,333	16.9%
Adults age 65+ (to SSI)	11,980,804	12,822,849	842,045	7.0%
Foster Care to 26 years	32,391,341	34,716,315	2,324,974	7.2%
Breast & Cervical Cancer to 250% FPL	41,268	41,468	200	0.5%
Targeted provider rate increase	0	8,573,533	8,573,533	n/a
Rate change for adults without dependent children (for previous year)	946,398	0	(946,398)	n/a
Health insurance provider fee payments (for previous year)	5,419,061	0	(5,419,061)	n/a
Estimated incentive payments (for previous year)	28,696,147	31,007,689	2,311,542	n/a
TOTAL	\$653,656,582	\$712,830,202	\$59,173,620	9.1%

BEHAVIORAL HEALTH CAPITATION PROGRAM: ANNUAL PER CAPITA EXPENDITURES				
CATEGORY	FY 2018-19 REVISED ESTIMATE	FY 2019-20 REVISED ESTIMATE	DIFFERENCE	PERCENT
Children to 147% FPL	\$250	\$266	\$16	6.5%
Adults w/out Dependent Children to 138% FPL	644	713	70	10.8%
Parents/Caretakers to 68% FPL; Pregnant Adults to 200% FPL	371	393	22	5.8%
Individuals with Disabilities to age 64 (to 450% FPL)	1,673	1,721	49	2.9%
Parents/Caretakers 69% to 138% FPL	202	221	19	9.5%
Adults age 65+ (to SSI)	250	258	8	3.2%
Foster Care to 26 years	1,465	1,522	57	3.9%
Breast & Cervical Cancer to 250% FPL	293	317	24	8.2%
TOTAL (excluding rate adjustments and payments associated with previous fiscal years)	\$500	\$537	\$37	7.5%

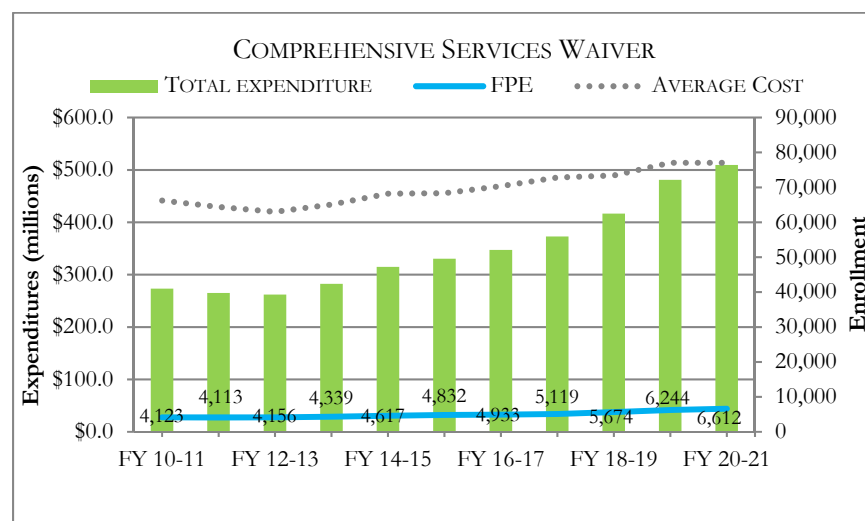
OFFICE OF COMMUNITY LIVING

DIVISION OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES

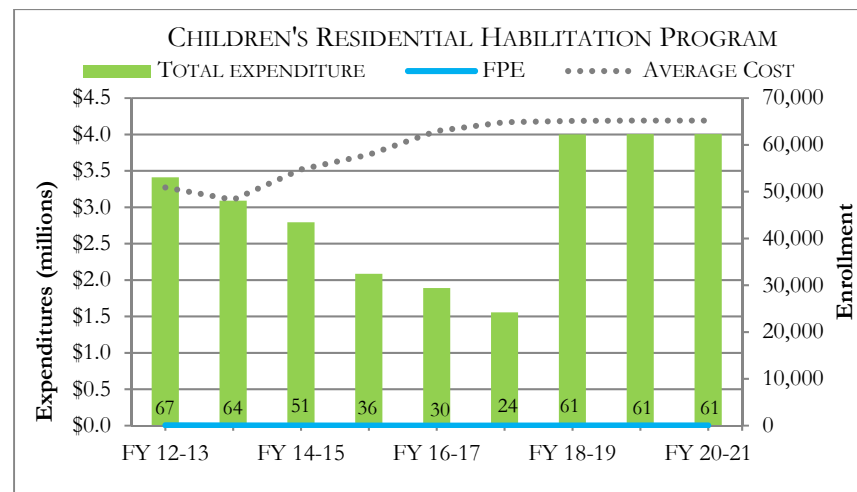
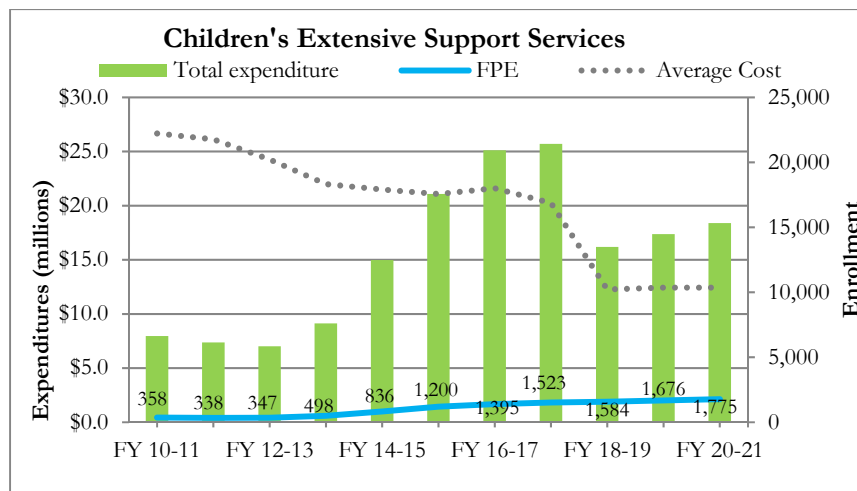
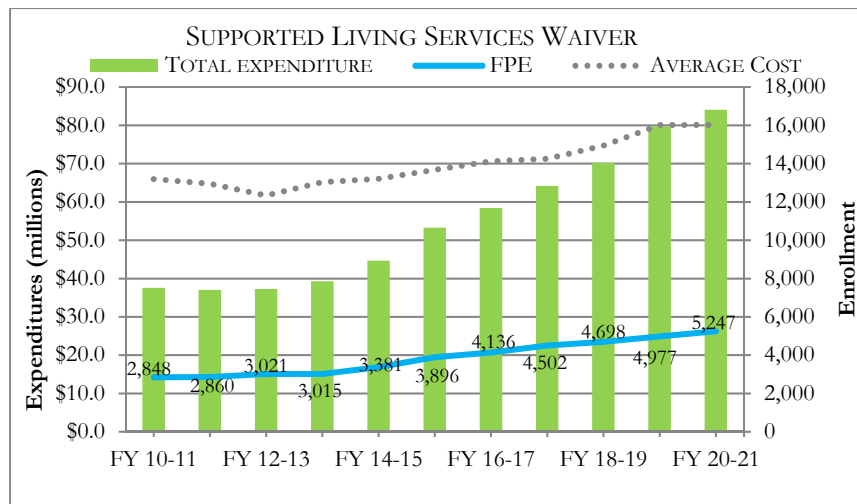
Intellectual and developmental disability waiver services are not subject to standard Medicaid State Plan service and duration limits. Instead, these services are provided under a Medicaid waiver program. As part of the waiver, Colorado is allowed to limit the number of waiver program participants which has resulted in some individuals being unable to immediately access the services they need. Colorado has four Medicaid waivers for intellectual and developmental disability services:

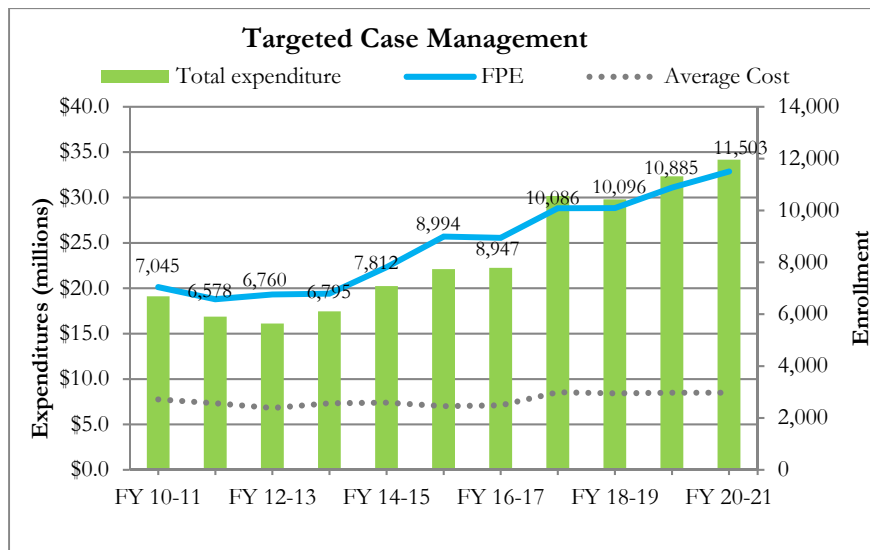
- Comprehensive waiver for individuals over the age of eighteen who require residential and daily support services to live in the community;
- Supported Living Services waiver (SLS waiver) for individuals over the age of eighteen who do not require residential services but require daily support services to live in the community;
- Children's Extensive Services waiver (CES waiver) for youth ages five to eighteen who do not require residential services but do require daily support services to be able to live in their family home; and
- Children's Habilitation Residential Program waiver (CHRP) for children with intellectual and developmental disabilities and complex behavioral support needs requiring home- and community-based services.

New enrollments have historically been funded for youth transitioning to adult services, individuals requiring services resulting from emergency situations, and all individuals eligible for the Supported Living Services (SLS) and Children's Extensive Services (CES) waivers. The following graphs illustrate the growth in adult and child enrollments respectively.



Note: Data labels indicate Full Program Equivalent (FPE)





Note: Targeted Case Management is provided for the HCBS Waivers, State SLS, and FSSP. Data labels indicate Full Program Equivalent (FPE).

INDIGENT CARE PROGRAM

The Indigent Care Program distributes Medicaid funds to hospitals and clinics that have uncompensated costs from treating uninsured or underinsured Coloradans. Unlike the rest of Medicaid, this is not an insurance program or an entitlement. Funding for this program is based on policy decisions at the state and federal levels and is not directly dependent on the number of individuals served or the cost of the services provided. The majority of the funding is from federal sources. State funds for the program come from provider fees paid by hospitals and the General Fund.

COLORADO INDIGENT CARE PROGRAM						
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 APPROPRIATION	FY 2019-20 APPROPRIATION
Safety Net Provider Payments	\$309,470,584	\$310,125,957	\$311,296,186	\$298,355,771	\$311,296,186	\$311,296,186
Clinic Based Indigent Care	6,119,760	6,119,760	6,119,760	6,119,760	6,119,760	6,079,573
Pediatric Specialty Hospital	13,455,012	13,455,012	13,455,012	13,455,012	13,455,012	13,455,012
TOTAL	\$329,045,356	\$329,700,729	\$330,870,958	\$317,930,543	\$330,870,958	\$330,830,771
General Fund	9,639,107	9,632,746	9,748,236	9,786,412	9,758,522	9,747,199
Cash Funds	153,201,150	152,556,889	155,073,238	149,107,296	155,648,093	155,648,093
Federal Funds	166,205,099	167,511,094	166,049,484	159,036,835	165,464,343	165,435,479
Total Funds Change		\$655,373	\$1,170,229	(\$12,940,415)	\$12,940,415	(\$40,187)
Percent Change		0.2%	0.4%	(3.9%)	4.1%	0.0%

CHILDREN'S BASIC HEALTH PLAN

The Children's Basic Health Plan (marketed by the Department as the Children's Health Plan *Plus* and abbreviated as CHP+) compliments the Medicaid program, providing low-cost health insurance for children and pregnant women in families with slightly more income than Medicaid eligibility criteria allow. Annual membership premiums are variable based on income, with an example being \$75 to enroll one child in a family earning 205 percent of the federal poverty guidelines. Coinsurance costs are nominal. The federal match rate is indexed to the match rate for Medicaid and can change based on economic conditions in the state. The projected average federal match rate for state FY 2019-20 is 79.38 percent of the program costs not covered by member contributions, and state funds pay the remaining 20.62 percent as a match. CHP+ typically receives approximately \$15 million in revenue from the Tobacco Master Settlement Agreement, and any remaining state match comes from the General Fund.

Enrollment in CHP+ is highly changeable, in part because eligibility for the program is sandwiched between an upper income limit and a lower income limit below which an applicant is eligible for Medicaid and not eligible for

CHP+. In addition, the program has experienced frequent adjustments to state and federal eligibility criteria and to administrative procedures for handling eligibility determinations that have impacted enrollment.

CHILDREN'S BASIC HEALTH PLAN			
	TOTAL	CHILDREN	PRENATAL
FY 2018-19			
Caseload	84,151	83,358	793
Per Capita	\$2,440	\$2,294	\$17,750
Expenditures	\$205,322,088	\$191,246,282	\$14,075,806
Recoveries/disallowances	\$0		
TOTAL	\$205,322,088		
FY 2019-20			
Caseload	88,794	87,916	878
Per Capita	\$2,353	\$2,238	\$13,912
Expenditures	\$208,935,025	\$196,719,921	\$12,215,104
Recoveries/disallowances	\$0		
TOTAL	\$208,935,025		
Difference			
Caseload	4,643	4,558	85
Per Capita	(\$87)	(\$57)	(\$3,838)
Expenditures	\$3,612,937	\$5,473,639	(\$1,860,702)
Percent Difference			
Caseload	5.5%	5.5%	10.7%
Per Capita	(3.6%)	(2.5%)	(21.6%)
Expenditures	1.8%	2.9%	(13.2%)

MEDICARE MODERNIZATION ACT STATE CONTRIBUTION

The federal Medicare Modernization Act requires states to reimburse the federal government for a portion of prescription drug costs for people dually eligible for Medicare and Medicaid. In 2006 Medicare took over responsibility for these drug benefits, but to defray federal costs the federal legislation required states to make an annual payment based on a percentage of what states would have paid for this population in Medicaid, as estimated by a federal formula. This payment is sometimes referred to as the "clawback." From FY 2012-13 through FY 2014-15, in order to offset General Fund costs, Colorado applied bonus payments received from the federal government for meeting performance goals in CHP+ toward this obligation. The table below summarizes Colorado's payments to the federal government.

MEDICARE MODERNIZATION ACT STATE CONTRIBUTION					
FISCAL YEAR	TOTAL FUNDS	GENERAL FUND	FEDERAL FUNDS	TOTAL CHANGE	PERCENT CHANGE
FY 09-10	57,624,126	57,624,126	0		
FY 10-11	72,377,768	72,377,768	0	14,753,642	25.6%
FY 11-12	93,582,494	93,582,494	0	21,204,726	29.3%
FY 12-13	101,817,855	52,136,848	49,681,007	8,235,361	8.8%
FY 13-14	106,376,992	68,306,130	38,070,862	4,559,137	4.5%
FY 14-15	107,620,224	107,190,799	429,425	1,243,232	1.2%
FY 15-16	114,014,334	114,014,334	0	6,394,110	5.9%
FY 16-17	129,807,096	129,807,096	0	15,792,762	13.9%
FY 17-18	143,579,022	143,579,022	0	13,771,926	10.6%
FY 18-19 proj.	147,198,659	147,198,659	0	3,619,637	2.5%
FY 19-20 proj.	151,073,595	151,073,595	0	3,874,936	2.6%

DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS

Many programs administered by the Department of Human Services (DHS) qualify for Medicaid funding. The federal government requires that one state agency receive all federal Medicaid funding. Therefore, the state and federal funding for all DHS programs that qualify for Medicaid funding is first appropriated in the Department of Health Care Policy and Financing and then transferred to DHS (as reappropriated funds). For detail regarding the changes in the Department of Human Services Medicaid-Funded programs, please see the Department of Human Services section of this report.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$10,130,526,763	\$2,891,689,537	\$1,290,827,504	\$84,557,891	\$5,863,451,831	491.4
SB 18-145	27,675	27,675	0	0	0	0.4
SB 18-231	109,500	109,500	0	0	0	0.0
SB 18-266	(2,061,973)	(730,316)	222,613	0	(1,554,270)	6.8
HB 18-1003	925,000	0	925,000	0	0	0.0
HB 18-1136	473,655	155,193	81,634	0	236,828	1.5
HB 18-1321	(104,303)	0	(34,052)	0	(70,251)	0.8
HB 18-1326	(684,116)	(477,058)	0	0	(207,058)	0.0
HB 18-1327	2,640,790	1,570,395	0	0	1,070,395	0.9
HB 18-1328	97,263	48,630	0	0	48,633	1.8
HB 18-1407	24,586,381	12,185,446	0	0	12,400,935	2.7
SB 19-113	270,028,661	41,018,888	128,959,905	(1,626,177)	101,676,045	0.0
SB 19-207	(52,290,037)	11,811,633	(31,718,387)	559,514	(32,942,797)	0.0
HB 19-1004	75,000	75,000	0	0	0	0.0
TOTAL	\$10,374,350,259	\$2,957,484,523	\$1,389,264,217	\$83,491,228	\$5,944,110,291	506.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$10,374,350,259	\$2,957,484,523	\$1,389,264,217	\$83,491,228	\$5,944,110,291	506.3
Enrollment/utilization trends						
Medical Services Premiums	114,137,435	123,149,133	(45,643,686)	74,924	36,557,064	0.0
Behavioral health	49,846,697	10,870,960	8,972,635	0	30,003,102	0.0
Office of Community Living	44,942,970	22,537,399	283,785	0	22,121,786	0.0
Medicare Modernization Act	3,874,936	3,874,936	0	0	0	0.0
Children's Basic Health Plan	3,612,937	(43,369)	18,766,987	0	(15,110,681)	0.0
Public school health services	<u>(6,992,912)</u>	<u>(26,020)</u>	<u>(3,580,633)</u>	<u>82,776</u>	<u>(3,469,035)</u>	<u>0.0</u>
<i>Subtotal - Enrollment/utilization trends</i>	<i>209,422,063</i>	<i>160,363,039</i>	<i>(21,200,912)</i>	<i>157,700</i>	<i>70,102,236</i>	<i>0.0</i>
Provider rates						
Community provider rate adjustment	46,238,880	16,574,259	1,962,959	0	27,701,662	0.0
Targeted rate adjustments	24,621,756	11,820,212	299,552	0	12,501,992	0.0
CU School of Medicine	<u>19,432,406</u>	<u>0</u>	<u>0</u>	<u>9,716,203</u>	<u>9,716,203</u>	<u>0.0</u>
<i>Subtotal - Provider rates</i>	<i>90,293,042</i>	<i>28,394,471</i>	<i>2,262,511</i>	<i>9,716,203</i>	<i>49,919,857</i>	<i>0.0</i>
Eligibility/benefits changes						
Services for individuals with IDD	13,930,525	2,777,250	5,376,025	0	5,777,250	0.0
Adult dental annual cap	11,130,000	0	2,941,728	0	8,188,272	0.0
Senior dental	1,000,000	1,000,000	0	0	0	0.0
Benefits and technology advisory committee	314,696	114,702	42,646	0	157,348	1.8
Breast and cervical cancer	<u>(2,425,021)</u>	<u>0</u>	<u>(857,783)</u>	<u>0</u>	<u>(1,567,238)</u>	<u>0.0</u>
<i>Subtotal - Eligibility/benefits changes</i>	<i>23,950,200</i>	<i>3,891,952</i>	<i>7,502,616</i>	<i>0</i>	<i>12,555,632</i>	<i>1.8</i>
Medicaid enterprise operations	16,897,990	211,651	1,389,073	0	15,297,266	1.8
County administration financing	7,625,469	0	2,571,082	0	5,054,387	0.0
Local administration	3,075,875	1,926,467	196,170	3	953,235	2.5
Centrally appropriated items	2,949,163	681,507	223,351	513,042	1,531,263	0.0
Primary care alternative payment	2,544,093	527,154	277,293	0	1,739,646	1.8
All-Payer Claims Database	2,319,731	2,511,464	0	0	(191,733)	0.0
Office of Electronic Health Information	1,709,468	931,831	0	0	777,637	2.7

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Customer experience	1,589,000	524,260	270,240	0	794,500	1.8
Office of Community Living governance	1,285,151	409,484	0	0	875,667	0.9
Operational compliance and oversight	762,594	346,499	70,930	0	345,165	5.4
Employment first initiatives	626,230	(510,382)	1,136,612	0	0	1.8
CBMS-PEAK	585,811	52,417	216,556	1,567	315,271	0.0
Transfers to other agencies	458,029	177,774	0	30,738	249,517	0.0
Home health and private duty nursing acuity tool	358,583	179,292	0	0	179,291	0.0
State Innovation Model	202,434	202,434	0	0	0	1.5
Annualize prior year budget actions	(80,551,953)	(20,225,196)	900,302	(294,809)	(60,932,250)	4.5
Colorado Choice Transitions	(1,478,565)	(739,282)	0	0	(739,283)	0.0
Human Services programs	(883,650)	(441,826)	0	0	(441,824)	0.0
Fraud investigation	(213,364)	(78,518)	(7,980)	0	(126,866)	0.0
Other	(22,206)	21,163	(43,369)	0	0	0.0
SB 19-207	\$10,657,855,447	\$3,136,842,180	\$1,385,028,692	\$93,615,672	\$6,042,368,903	532.8
SB 19-005	971,802	1,041,802	0	0	(70,000)	4.1
SB 19-195	1,391,387	619,484	0	0	771,903	3.9
SB 19-209	13,510,958	6,755,479	0	0	6,755,479	0.0
SB 19-222	150,000	51,000	24,000	0	75,000	0.0
SB 19-238	11,427,252	5,682,377	0	0	5,744,875	0.0
SB 19-254	250,000	0	250,000	0	0	0.0
HB 19-1004	150,000	150,000	0	0	0	0.0
HB 19-1038	439,425	0	66,955	0	372,470	0.0
HB 19-1176	92,649	92,649	0	0	0	0.0
HB 19-1269	334,001	113,560	53,440	0	167,001	3.0
HB 19-1287	63,922	21,733	10,228	0	31,961	0.8
HB 19-1302	2,425,021	0	857,783	0	1,567,238	0.0
TOTAL	\$10,689,061,864	\$3,151,370,264	\$1,386,291,098	\$93,615,672	\$6,057,784,830	544.6
INCREASE/(DECREASE)	\$314,711,605	\$193,885,741	(\$2,973,119)	\$10,124,444	\$113,674,539	38.3
Percentage Change	3.0%	6.6%	(0.2%)	12.1%	1.9%	7.6%

¹ Includes General Fund Exempt.

² Includes \$429,909 in FY 2018-19 and \$407,703 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 includes a net increase of \$270.0 million total funds to existing FY 2018-19 appropriations, including \$41.0 million General Fund, primarily for revised caseload and expenditure estimates for the following programs:

- Medical Services Premiums – An increase of \$235.7 million total funds, including \$39.2 million General Fund, for medical services and long-term services and supports provided through Medicaid
- Children's Basic Health Plan – An increase of \$7.3 million total funds for children and pregnant women enrolled in the Children's Basic Health Plan
- Public School Health Services – An increase of \$4.0 million total funds for expenditures by school districts and Boards of Cooperative Education Services (BOCES) in support of Medicaid eligible children with an Individual Education Plan (IEP) or Individualized Family Services Plan (IFSP) and a true-up of appropriations for administration
- Behavioral health programs – A net decrease of \$16.9 million total funds, including a decrease of \$208,296 General Fund, for the capitation and fee-for-service Medicaid behavioral health programs
- Medicare Modernization Act – A decrease of \$4.5 million General Fund in reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare

In addition to the changes for revised caseload and expenditure estimates, S.B. 19-113 includes: (1) An increase of \$22.7 million total funds, including \$5.8 million General Fund, to adjust appropriations supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK) based on the implementation of a new cost allocation model on July 1, 2018 for sharing the expenses of operating and maintaining CBMS and PEAK across the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment; (2) An increase of \$10.6 million total funds to reimburse counties for eligibility determination and related services for Medicaid and the Children's Basic Health Plan; (3) An increase of \$9.5 million total funds, including \$433,424 General Fund, to address operating and compliance issues for systems related to eligibility, enrollment, benefits authorization, and claims processing; (4) An increase of \$0.6 million total funds to cover the cost of the third and final year of the Cross-system Response for Behavioral Health Crises Pilot Program; (5) An increase of \$0.4 million total funds for a Denver Health intergovernmental transfer; and, (6) An increase of \$0.4 million total funds, including \$0.2 million General Fund, for programs that are administered by the Department of Human Services.

Senate Bill 19-207 includes a net decrease of \$52.3 million to existing FY 2018-19 appropriations, including an increase of \$11.8 million General Fund, primarily for revised caseload and expenditure estimates as follows:

- Behavioral Health – An increase of \$23.5 million total funds, including \$4.1 million General Fund, for the capitation and fee-for-service Medicaid behavioral health programs
- Children's Basic Health Plan – An increase of \$3.0 million total funds for children and pregnant women enrolled in the Children's Basic Health Plan
- Medical Services Premiums – A net decrease of \$48.3 million total funds, including an increase of \$23.4 million General Fund, for medical services and long-term services and supports provided through Medicaid
- Office of Community Living – A net decrease of \$30.3 million total funds, including a decrease of \$15.6 General Fund, for home- and community-based services for people with intellectual and developmental disabilities
- Medicare Modernization Act – A decrease of \$183,279 General Fund in reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare

Senate Bill 19-1004 includes \$75,000 General Fund for consulting costs associated with developing a proposal for a state option for health care coverage.

FY 2019-20 APPROPRIATION HIGHLIGHTS

ENROLLMENT/UTILIZATION TRENDS: The appropriation includes a net increase of \$209.4 million, including an increase of \$160.4 million General Fund, based on the projected caseload and expenditures under current law and policy for the following programs:

- Medical Services Premiums – A net increase of \$114.1 million total funds, including an increase of \$123.1 million General Fund, for medical services and long-term services and supports provided through Medicaid
- Behavioral Health – An increase of \$49.8 million total funds, including \$10.9 million General Fund, for the capitation and fee-for-service Medicaid behavioral health programs
- Office of Community Living – An increase of \$44.9 million total funds, including \$22.5 million General Fund, for home- and community-based services for people with intellectual and developmental disabilities
- Medicare Modernization Act – An increase of \$3.9 million General Fund for reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare
- Children's Basic Health Plan – A net increase of \$3.6 million total funds, including a decrease of \$43,369 General Fund, for children and pregnant women enrolled in the Children's Basic Health Plan

- Public school health services – A decrease of \$7.0 million total funds, including a decrease of \$26,020 General Fund, based on expected certified public expenditures by school districts and boards of cooperative education for public school health services

For more information about the enrollment/utilization trends see the narrative for the respective divisions in the Health Care Policy and Financing section of Part III of this report.

PROVIDER RATES: The appropriation includes an increase of \$90.3 million total funds, including \$28.4 million General Fund, for changes to provider rates, including:

- Community provider rate adjustment – An increase of \$46.2 million, including \$16.6 million General Fund, for a common policy across-the-board increase for most community providers of 1.0 percent. The adjustment does not apply to rates that are capitated, cost-based, or based on a methodology defined in statute or regulation, such as rates for pharmacy reimbursements, rural health centers, federally qualified health centers, home- and community-based services for children with autism, hospice care in nursing facilities, nursing reimbursements, disease management, and administrative contracts. The increase does not apply to rates receiving a targeted adjustment.
- Targeted rate adjustments – A net increase of \$24.6 million total funds, including \$11.8 million General Fund, for the following targeted adjustments to Medicaid rates:
 - Home- and Community-Based Services (HCBS) – An increase of \$10.2 million total funds, including \$5.1 million General Fund, to increase select HCBS waiver services with large gaps between current rates and expected costs, including eliminating the budget neutrality factor for respite care, transition services, and behavioral health counseling, and reducing the budget neutrality factor by 24.0 percent for adult day programs.
 - Consumer Directed Personal Care/Homemaker – An increase of \$9.2 million total funds, including \$4.6 million General Fund, to increase personal care and homemaker rates for consumer directed services by approximately 8.1 percent with an assumed October implementation.
 - Behavioral Health Capitation – An increase of \$8.6 million total funds, including \$2.4 million General Fund, to increase base rates for community mental health centers and other mental health and substance use disorder providers, excluding hospitals and federally qualified health centers. This increase is based on applying a 2.0 percent increase to providers' employee compensation expenses.
 - Transportation – An increase of \$6.8 million total funds, including \$1.8 million General Fund, to increase a subset of emergency medical transportation and non-emergency medical transportation rates.
 - Maternity Services – An increase of \$4.4 million total funds, including \$2.0 million General Fund, to increase maternity service rates to 80 percent of the benchmark⁵.
 - Tracheae Prosthesis/Aquatic Therapy/Polysomnography – An increase of \$211,190 total funds, including \$62,517 General Fund, for miscellaneous rates the Department indicates are outdated and have been identified by stakeholders as creating access-to-care issues.
 - Primary Care/Radiology/PT and OT – A budget neutral rebalancing of rates that are below 80 percent or above 100 percent of the benchmark Medicare rates for primary care, evaluation and management, radiology, physical therapy, and occupational therapy. To preserve budget neutrality, prevent disproportionate negative impacts on providers, and ensure investments in high value services, the Department may not rebalance all rates that otherwise meet the criteria.
 - Laboratory/Pathology – A decrease of \$9.3 million total funds, including \$3.5 million General Fund, to rebalance laboratory and pathology rates below 80 percent and above 100 percent of the benchmark Medicare rates. There are 54 rates above or below the 80-100 percent band and rebalancing all of them to fit in the band would result in a net reduction to expenditures.

⁵ The Medicaid Provider Rate Review Advisory Committee identified the benchmark based on Medicaid rates in Arizona, Nebraska, Oklahoma, Oregon, and Wyoming.

- Anesthesia – A decrease of \$3.1 million total funds, including \$925,095 General Fund, to reduce anesthesia rates to 120 percent of the benchmark Medicare rates.
- Diabetes Test Strips – A decrease of \$2.3 million total funds, including \$873,026 General Fund, to reduce rates for diabetes test strips.
- CU School of Medicine -- An increase of \$19.4 million total funds, including \$9.7 million reappropriated funds transferred from the University of Colorado, for Medicaid payments to physicians employed by the University of Colorado School of Medicine.

ELIGIBILITY/BENEFITS CHANGES: The appropriation includes an increase of \$24.0 million total funds, including \$3.9 million General Fund, for changes in eligibility or benefits, including:

- Services for individuals with IDD - An increase of \$13.9 million total funds, including \$2.8 million General Fund, for services for people with intellectual and developmental disabilities (IDD) to: 1) eliminate the current waitlist for the State-only Supported Living Services Program; 2) enroll 272 waitlist members onto the Family Support Services Program; and 3) enroll 150 people onto the adult comprehensive services waiver.
- Adult dental annual cap – An increase of \$11.1 million total funds to raise the annual cap on adult dental services from \$1,000 to \$1,500. The state match is cash funds including \$2.3 million from revenue earned by the Unclaimed Property Trust Fund that is deposited in the Adult Dental Fund and \$662,924 from the Healthcare Affordability and Sustainability Fee.
- Senior dental – An increase of \$1.0 million General Fund to increase services provided through the senior dental program.
- Benefits and technology advisory committee – An increase of \$314,696 total funds, including \$114,702 General Fund, and 1.8 FTE to create a standing benefits and technology advisory committee to evaluate new evidence-based research to inform decisions about the amount, scope, and duration of benefits.
- Breast and cervical cancer – A decrease of \$2.4 million total funds for the expiration of the statutory authority for the Breast and Cervical Cancer Prevention and Treatment Program that insures approximately 130 people annually with breast or cervical cancer who were screened at designated sites and have income up to 250 percent of the federal poverty guidelines and do not otherwise qualify for Medicaid. The program has been supported using cash funds revenue from specialty license plate fees.

MEDICAID ENTERPRISE OPERATIONS: The appropriation includes \$16.9 million total funds, including \$211,651 General Fund, and 1.8 FTE to address operating and compliance issues with a collection of information technology systems and processes related to eligibility, benefits authorization, and claims processing. The federal government refers to these information technology systems and processes as the Medicaid Enterprise System. The funding is not related to the provider fee on hospitals that is designated as an enterprise under TABOR. Most of the expenditures are expected to receive an enhanced federal match of 90 percent for development and 75 percent for ongoing operations.

COUNTY ADMINISTRATION FUNDING: The appropriation includes \$7.6 million total funds to increase the Department's spending authority for eligibility determinations, customer service functions, and related activities performed by counties. The total includes \$2.6 million cash funds from counties that matches \$5.1 million federal funds.

LOCAL ADMINISTRATION: The appropriation includes \$3.1 million total funds, including \$1.9 million General Fund, and 2.5 FTE for three initiatives to improve county administration of public assistance:

- Consolidate returned mail processing to remove it from county responsibilities
- Increase incentive funding for county performance
- Centralize administration of non-emergency medical transportation (NEMT)

CENTRALLY APPROPRIATED ITEMS: The appropriation includes \$2.9 million total funds, including \$681,507 General Fund, for adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

PRIMARY CARE ALTERNATIVE PAYMENT: The appropriation includes \$2.5 million total funds, including \$527,154 General Fund, and 1.8 FTE for three initiatives to expand and improve performance payments for primary care.

- Risk Sharing Option - Request federal approval to offer providers an option to split current fee-for-service payments into a portion that is paid on a capitated basis and a remainder that is paid on a fee-for-service basis
- Clinical Quality Measures - Collect Electronic Clinical Quality Measure (eCQM) information from providers, which can be more useful for designing effective performance payments than claims data
- Claims data common format - Finance Medicaid's share of work by the Multi-Payer Collaborative to aggregate claims data in a common format, so that Medicaid can use the same performance measures, definitions, and data sources as other payers and not pull providers in multiple directions

ALL-PAYER CLAIMS DATABASE: The appropriation includes a net increase of \$2.3 million total funds, including \$2.5 million General Fund, to finance the All-Payer Claims Database (APCD) to allow the APCD staff to focus on data quality, rather than fundraising, and to stabilize support for the APCD. In addition, the APCD is expected to reduce costs to users of purchasing data sets and custom reports.

OFFICE OF ELECTRONIC HEALTH INFORMATION: The appropriation includes \$1.7 million total funds, including \$931,831 General Fund, and 2.7 FTE for the Colorado Health IT Roadmap.

CUSTOMER EXPERIENCE: The appropriation includes \$1.6 million total funds, including \$524,260 General Fund, and 1.8 FTE for several initiatives to improve customer experience.

- Update, index, and expand the automated call center knowledge library
- Contract for assistance ensuring that all communications to clients, including those produced by vendors, use plain language, consistent terminology, and proper translation
- Automate online chat assistance to use artificial intelligence for the most commonly asked questions
- Utilize one-time contract services and on-going in-house staff to improve and maintain training for call center staff and quality control for communications
- Provide funding to support volunteer clients who serve on the Member Experience Advisory Councils that provide recommendations on Department communications and procedures for Medicaid and the Children's Basic Health Plan

OFFICE OF COMMUNITY LIVING GOVERNANCE: The appropriation includes \$1.3 million total funds, including \$409,484 General Fund, and 0.9 FTE for four initiatives to improve the Office of Community Living:

- Contract with a case management broker to assist clients in selecting a case management agency, in order to comply with conflict-free case management requirements
- Address inadequate funding for the federally-mandated Preadmission Screening and Resident Review (PASRR) that identifies mental health or intellectual and developmental disability needs before people enter a nursing home, and separate responsibility for administering the PASRR from entities that provide services, in order to remove a potential conflict of interest
- Continue funding for staff associated with the Behavioral Health Crisis Pilot, in order to coordinate behavioral health services for people with intellectual and developmental disabilities
- Increase oversight of Individual Residential Support Services for people with intellectual and developmental disabilities by providing funding for the Department of Local Affairs to conduct housing quality inspections

OPERATIONAL COMPLIANCE AND OVERSIGHT: The appropriation includes \$762,594 total funds, including \$346,499 General Fund, and 5.4 FTE for seven compliance and oversight initiatives:

- Eligibility system audits – Contract for services and hire internal staff to audit eligibility determinations, which the Department projects will lead to faster corrections and savings
- PACE oversight – Hire staff to increase oversight of billing, quality and adequacy of care, and enrollment for the Program for All-Inclusive Care for the Elderly (PACE), which serves elderly people who meet nursing level of care and within a flat rate tries to manage care and provide community supports to allow clients to live as independently as possible
- Managed care financial reviews – Increase contracts to perform financial reviews of managed care organizations and their subcontracts to ensure accurate rates
- Hospital back-up data validation – Contract for services to validate data used in rate setting for the hospital back-up program, which provides nursing services for high-acuity patients and allows them to discharge from a hospital setting
- Single Entry Point oversight - Hire staff to meet federal oversight standards for the Single Entry Points, which provide case management, care planning, and referrals for long-term services and supports
- Audit management – Hire staff to manage an announced increase in federal audits and ensure federal auditors receive the information needed in a timely and coordinated fashion
- Claims review for intellectual and developmental disability services – Hire staff to investigate and recover erroneously paid claims for services for people with intellectual and developmental disabilities in response to referrals from the Department of Public Health and Environment, internal staff, case management agencies, etc.

EMPLOYMENT FIRST INITIATIVES: The appropriation includes a net increase of \$626,230 total funds, including a decrease of \$510,382 General Fund, and 1.8 FTE to conduct a supported employment pilot program for individuals with intellectual and developmental disabilities.

CBMS-PEAK: The appropriation includes \$585,811 total funds, including \$52,417 General Fund, for supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK) based on the implementation of a new cost allocation model on July 1, 2018 for sharing the expenses of operating and maintaining CBMS and PEAK across the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment.

TRANSFERS TO OTHER AGENCIES: The appropriation includes an increase of \$458,029 total funds, including \$177,774 General Fund, for transfers to other agencies, primarily for the Department of Public Health and Environment.

HOME HEALTH AND PRIVATE DUTY NURSING ACUITY TOOL: The appropriation includes \$358,583 total funds, including \$179,292 General Fund, to develop a statistically-valid and clinically-based tool for assessing the needs of clients for long-term home health services and for private duty nursing services.

STATE INNOVATION MODEL: The appropriation includes \$202,434 General Fund, for three staff for six months (1.5 FTE) to work on the Colorado State Innovation Model (SIM) and the Transforming Clinical Practice Initiative (TCPi).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a net reduction of \$80.6 million total funds, including \$20.2 million General Fund, for out-year impacts of prior year legislation and budget actions. In the following table the titles of the annualizations begin with either a bill number or the relevant fiscal year. For budget decisions made in the Long Bill, the title includes a reference to the priority number the Department used in that year for the initiative, if relevant.

The largest increase is for H.B. 18-1407 (Access to Disability Services and a Stable Workforce), which expanded eligibility and increased provider rates for certain services for people with intellectual and developmental disabilities. The largest decrease is for H.B. 17-1353 (Implement Medicaid Delivery and Payment Initiatives), which projected savings as a result of changes to the Accountable Care Collaborative and performance-based payments for primary care and behavioral health services. The second largest decrease is for S.B. 18-266 (Controlling Medicaid Costs), which (1) authorized cost and quality technology to help the Regional Accountable Entities identify the most effective providers and medications and steer clients to these resources, (2) implemented a hospital admission review program, (3) authorized billing system safeguards, and (4) created an administrative unit dedicated to resource control.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1407 Access to disability services	\$42,809,549	\$21,512,521	\$0	\$0	\$21,297,028	0.3
FY 2018-19 BA12 Public school health	12,223,893	0	6,111,946	0	6,111,947	0.0
FY 2018-19 R17 Single assessment tool	6,521,399	3,260,700	0	0	3,260,699	0.0
FY 2018-19 R9 Provider rate adjustments	6,125,482	2,392,249	175,341	0	3,557,892	0.0
SB 16-192 IDD Assessment tool	2,934,860	1,467,430	0	0	1,467,430	0.0
FY 2018-19 Twelve-month contraceptive supply	1,160,668	28,016	102,189	0	1,030,463	0.0
FY 2007-08 S5 Revised federal rule for PERM program	588,501	147,125	102,988	0	338,388	0.0
FY 2018-19 R6 Electronic visit verification	581,196	350,707	0	0	230,489	0.3
FY 2018-19 NP CBMS-PEAK annual funding	542,909	118,673	69,443	1,743	353,050	0.0
HB 18-1328 Redesign children health waiver	339,835	169,917	0	0	169,918	0.2
SB 18-145 Employment first recommendations	303,525	303,525	0	0	0	0.1
SB 17-091 Home health services in community	148,050	69,867	4,032	0	74,151	0.0
SB 18-200 Eliminate Unfunded PERA Liability	114,395	41,645	9,258	2,635	60,857	0.0
FY 2017-18 R10 RCTF recommendation	13,217	6,609	0	0	6,608	0.0
FY 2018-19 R18 Vendor consolidation	7,328	2,401	1,263	0	3,664	0.0
FY 2018-19 CHASE admin costs	3,932	0	1,965	0	1,967	1.1
HB 18-1327 All-payer Health Claims	3,141	1,571	0	0	1,570	0.1
FY 2017-18 R8 MMIS operations	0	(15,266)	32,717	22	(17,473)	0.0
FY 2017-18 R16 CU School of Medicine sup payment	0	0	0	1	(1)	0.0
HB 17-1353 Medicaid delivery and payment initiatives	(104,141,668)	(35,769,688)	(3,842,355)	0	(64,529,625)	0.4
SB 18-266 Controlling Medicaid costs	(37,781,506)	(10,444,428)	(1,926,770)	0	(25,410,308)	1.2
FY 2018-19 R8 Medicaid savings initiatives	(3,200,085)	(2,201,319)	2,447,255	(3,304)	(3,442,717)	1.1
HB 18-1326 Transition from institutional setting	(3,159,236)	(1,444,618)	0	0	(1,714,618)	0.0
HB 15-1368 Cross-system Response Pilot	(1,508,029)	0	(1,212,123)	(295,906)	0	(1.0)
FY 2018-19 R11 Admin contracts	(1,246,191)	(1,275,237)	0	0	29,046	0.0
FY 2018-19 R14 Safety net program adjustments	(611,367)	0	(611,367)	0	0	0.0
FY 2018-19 R10 Drug cost containment	(505,885)	(38,124)	(13,307)	0	(454,454)	0.0
SB 17-267 Sustainability of rural CO	(436,536)	(76,809)	(15,560)	0	(344,167)	0.0
FY 2017-18 R6 Delivery system and payment reform	(431,184)	2,010,359	(273,520)	0	(2,168,023)	0.0
FY 2018-19 IDD Waiver consolidation	(301,500)	(150,750)	0	0	(150,750)	0.0
FY 2006-07 R8 Nursing facility appraisals	(279,746)	(139,873)	0	0	(139,873)	0.0
FY 2017-18 BA9 Pueblo regional center corrective action	(267,864)	(133,932)	0	0	(133,932)	0.0
FY 2018-19 BA14 Business utilization system	(230,040)	(115,020)	0	0	(115,020)	0.0
HB 18-1321 Non-emergency medical transportation	(212,863)	(101,559)	9,748	0	(121,052)	0.2
HB 18-1003 Opioid misuse prevention	(175,000)	0	(175,000)	0	0	0.0
HB 17-1343 Conflict-free case management	(150,000)	0	(75,000)	0	(75,000)	0.0
SB 18-231 Transition to community services	(109,500)	(109,500)	0	0	0	0.0
FY 2015-16 R9 Public health record and online health ed	(95,070)	(9,507)	0	0	(85,563)	0.0
HB 19-1005 Health coverage option	(75,000)	(75,000)	0	0	0	0.0
HB 18-1136 Substance use disorder treatment	(49,681)	(16,278)	(8,562)	0	(24,841)	0.5
HB 15-1368 Cross-system Response Pilot cost allocation	(5,882)	8,397	(14,279)	0	0	0.0
TOTAL	(\$80,551,953)	(\$20,225,196)	\$900,302	(\$294,809)	(\$60,932,250)	4.5

COLORADO CHOICE TRANSITIONS: The appropriation includes a net decrease of \$1.5 million total funds, including \$739,282 General Fund, for an expected decrease in nursing home costs and increase in Home- and Community-Based Services costs associated with more housing vouchers in the Department of Local Affairs for people transitioning from a Medicaid-financed nursing home to a community setting.

HUMAN SERVICES PROGRAMS: The appropriation reflects adjustments for several programs that are financed wholly or in part with Medicaid funds, but operated by the Department of Human Services. The table below summarizes the changes in Medicaid funds by division. The changes include annualizations and provider rate adjustments, and so the total will not match the total in the summary table for the Department.

DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Appropriation	\$122,042,510	\$58,882,351	\$1,888,903	\$61,271,256	0.0
CHANGES FROM FY 2018-19 APPROPRIATION					
Executive Director's Office	(\$4,136,730)	(\$2,068,365)	\$0	(\$2,068,365)	0.0
Office of Information Technology Services	0	0	0	0	0.0
Office of Operations	0	0	0	0	0.0
Division of Child Welfare	2,498	1,249	0	1,249	0.0
Office of Early Childhood	0	0	0	0	0.0
Office of Self Sufficiency	1,425	712	0	713	0.0
Behavioral Health Services	66,124	33,062	0	33,062	0.0
Services for People with Disabilities	1,630,945	815,472	0	815,473	0.0
Adult Assistance Programs, Community Services for the Elderly	0	0	0	0	0.0
Division of Youth Corrections	(205,425)	(102,712)	0	(102,713)	0.0
Other	1,757,513	878,756	0	878,757	0.0
TOTAL FY 2019-20 LONG BILL APPROPRIATION	\$121,158,860	\$58,440,525	\$1,888,903	\$60,829,432	0.0
\$ Change from prior year	(\$883,650)	(\$441,826)	\$0	(\$441,824)	0.0
% Change from prior year	(0.7%)	(0.8%)	0.0%	(0.7%)	n/a

FRAUD INVESTIGATION: The appropriation includes a decrease of \$213,364 total funds, including \$78,518 General Fund, as a minimum estimate of increased fraud recoveries due to an increase of 3.0 fraud investigators in the Department of Law.

OTHER: The appropriation includes miscellaneous other changes, primarily related to fund source adjustments for tobacco revenues.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF HIGHER EDUCATION

The Department is responsible for higher education and vocational training programs in the State. The Colorado Commission on Higher Education (CCHE) serves as the central policy and coordinating board for state higher education institutions. Most financial aid programs also fall under the purview of CCHE and, for state-funded programs, are included in the higher education budget. The executive director of CCHE is the executive director of the Department and appoints the directors of College Assist and CollegeInvest, which are both statutorily authorized state enterprises with responsibilities related to student loans and college savings programs. In addition, the Department administers various state and federal programs designed to promote higher education participation and success.

The College Opportunity Fund Program provides stipends for undergraduate resident students to attend public colleges and participating private colleges in Colorado. Statute also provides for appropriations for fee-for-service contracts with public higher education institutions for educational services not covered by the stipends. These contracts support institutional roles and missions, student outcomes, and specialty programs such as medical and veterinary schools. Tuition, stipend, and fee-for-service spending authority for public higher education institutions is provided in the Governing Boards section.

The Division of Occupational Education oversees Colorado Vocational Act programs, including support for the Area Technical Colleges (previously known as area vocational schools), federal Perkins technical training programs, and resources for the promotion of job development, training, and retraining supported through state and federal funds.

The Department also includes: state subsidies for local district colleges; History Colorado; and the Auraria Higher Education Center, which maintains the single shared campus of the Community College of Denver, Metropolitan State College of Denver, and the University of Colorado at Denver.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund ¹	\$871,034,716	\$894,907,900	\$1,003,593,739	\$1,112,705,645
Cash Funds	2,513,598,084	2,637,471,193	2,739,337,662	2,836,261,687
Reappropriated Funds	715,348,692	738,374,874	819,590,900	900,986,375
Federal Funds	22,512,517	22,641,490	22,785,619	25,884,840
TOTAL FUNDS	\$4,122,494,009	\$4,293,395,457	\$4,585,307,920	\$4,875,838,547
Full Time Equiv. Staff	24,491.4	25,087.2	26,150.0	26,303.8

¹ Includes General Fund Exempt.

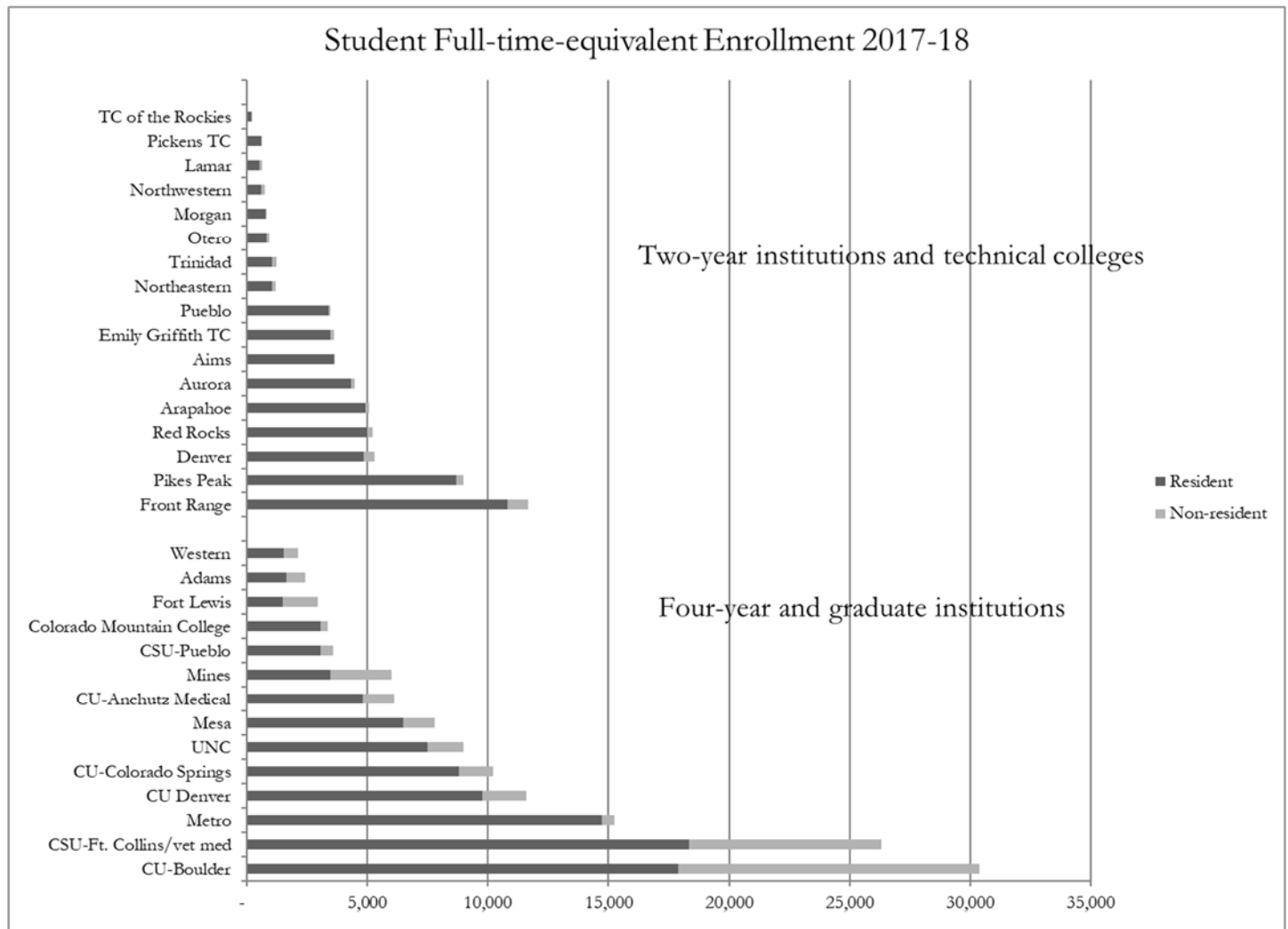
GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 22.8 percent General Fund, 58.2 percent cash funds, 18.5 percent reappropriated funds, and 0.5 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

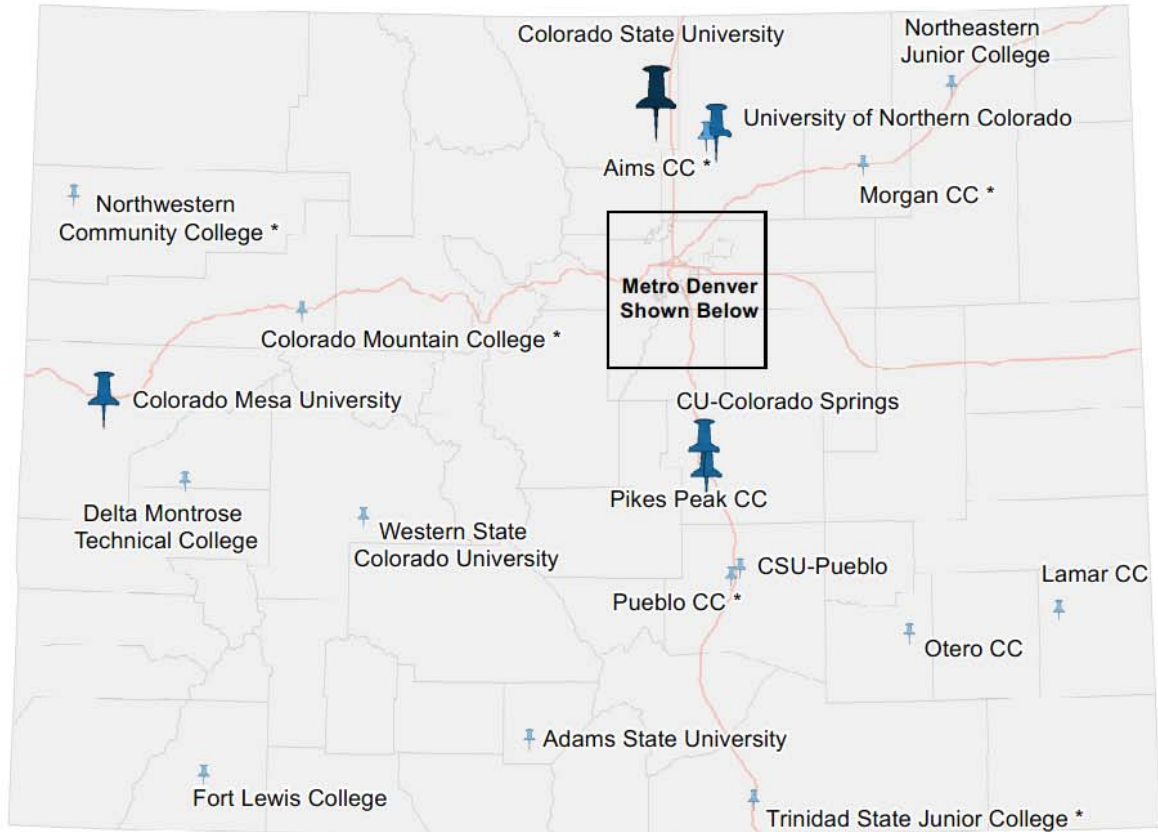
OVERVIEW AND ORGANIZATION

The public higher education system served 194,833 full-time equivalent students (FTE) in FY 2017-18, including 157,171 Colorado residents, in 31 institutions. Of the total, 183,402 students attended one of the 27 institutions overseen by 10 state governing boards. The remaining 11,431 student FTE attended local district colleges, which receive regional property tax revenues in addition to state funding, or area technical colleges (TC), which offer occupational certificates and serve both secondary and post-secondary students. Approximately one-third of student FTE attend two-year and certificate institutions. Students attending institutions that offer baccalaureate and higher degrees are concentrated at the University of Colorado, Colorado State University, and Metropolitan State University of Denver.

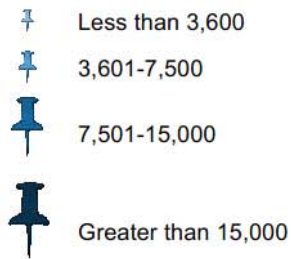
The Colorado Commission on Higher Education (Commission) coordinates the higher education delivery system, including requests for state funding. However, each institution has a governing board that makes policy and budget decisions for the institution.



Colorado Public Higher Education Institutions



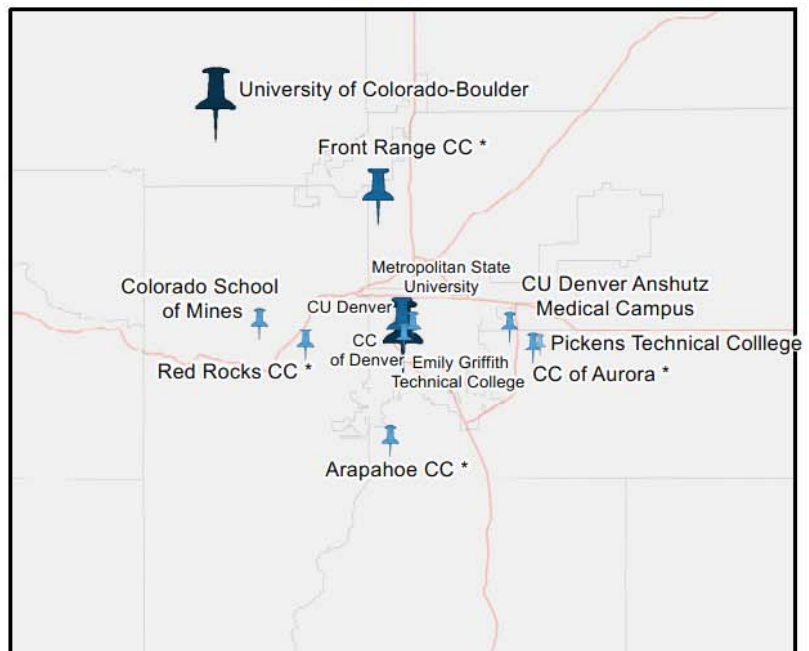
Student FTE Served, FY 2017-18



* This institution has additional campuses that are not reflected on the map. The size of the symbol at the primary location is based on total student FTE for the institution, including all campuses.

Source: Joint Budget Committee Staff

Metro Denver

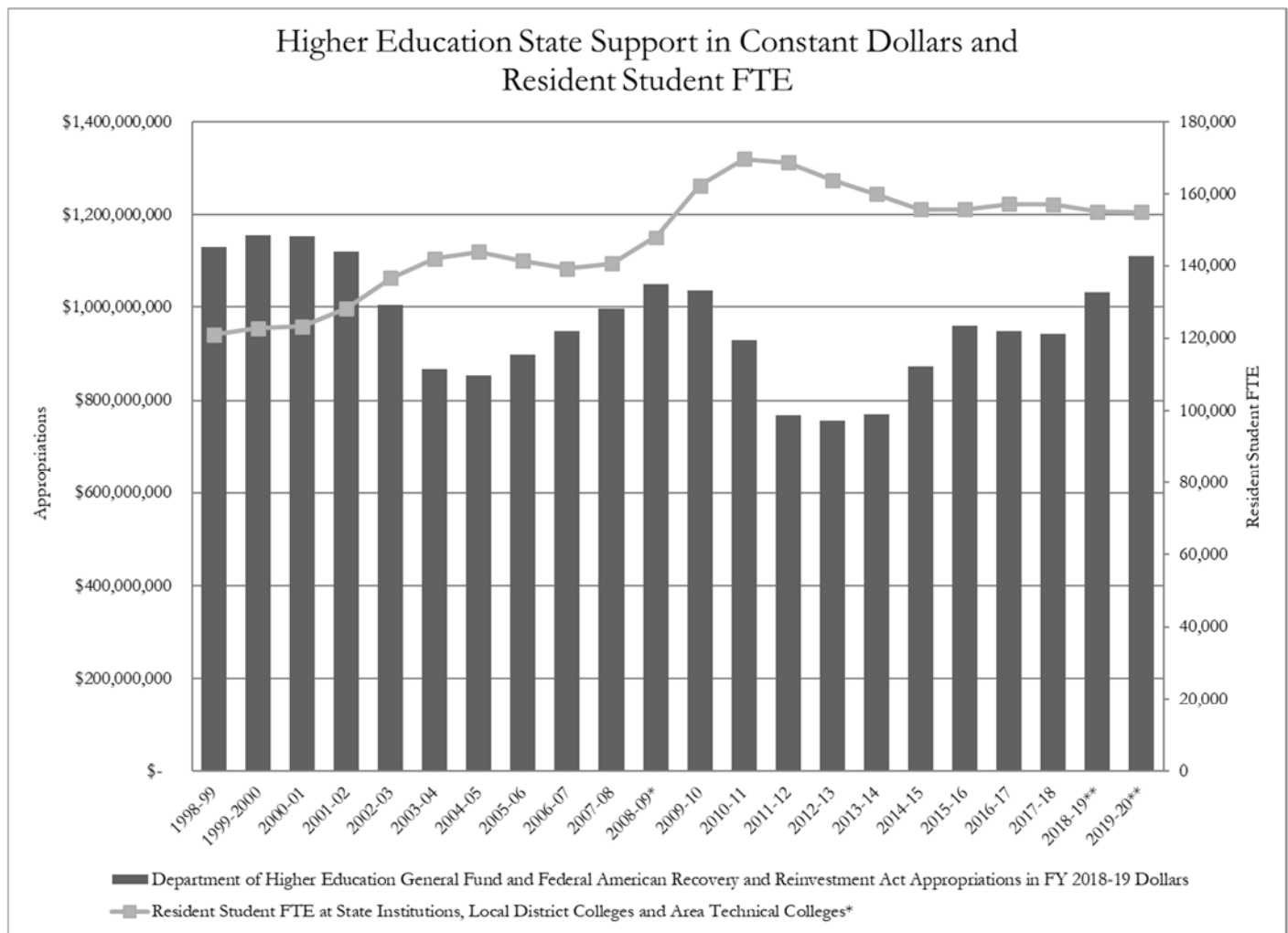


IMPACT OF THE STATEWIDE BUDGET OUTLOOK

The State has historically subsidized higher education at state institutions based on the public benefits of providing educational access to all citizens and promoting a more educated population. An educated population is associated with higher wages, lower unemployment, and lower dependence on public resources. Higher education may also be part of strategies to fill unmet needs in the community, such as nurses or teachers or engineers. Finally, subsidizing higher education is frequently described as a form of economic development for the community, as it attracts business and cultural resources.

While there are many potential benefits to supporting higher education, there are no statutes, constitutional provisions, or federal guidelines requiring specific amounts of state funding per student. As a result, this is one of the budget areas most affected by the availability of state funds.

The chart below shows how statewide General Fund support for higher education has declined during economic downturns and rebounded under stronger economic conditions. General Fund appropriations for higher education were reduced in response to recessions in FY 2002-03 through FY 2004-05 and FY 2008-09 through FY 2011-12. The reductions to higher education were disproportionate compared to reductions to other state agencies. As the economy and state revenues improved, the General Assembly increased funding. As also reflected in the chart, student demand for higher education tends to be higher during recessions and lower as the economy improves.



* Resident student FTE for years prior to FY 2008-09 include only state institution and local district college FTE. Beginning with FY 2008-09, FTE figures also include area technical college FTE.

**Resident student FTE for FY 2018-19 and FY 2019-20 reflect institutional projections for state institutions and local district colleges. For area technical colleges, FY 2018-19 and FY 2019-20 FTE figures are assumed to equal FY 2017-18 actual FTE.

For FY 2018-19, the General Assembly provided a 12.1 percent General Fund increase for higher education, bringing total FY 2018-19 state support above the \$1.0 billion level. For FY 2019-20, the General Assembly provided a 10.9 percent General Fund increase for higher education, bringing funding above the FY 2008-09 peak, even after adjusting for inflation.

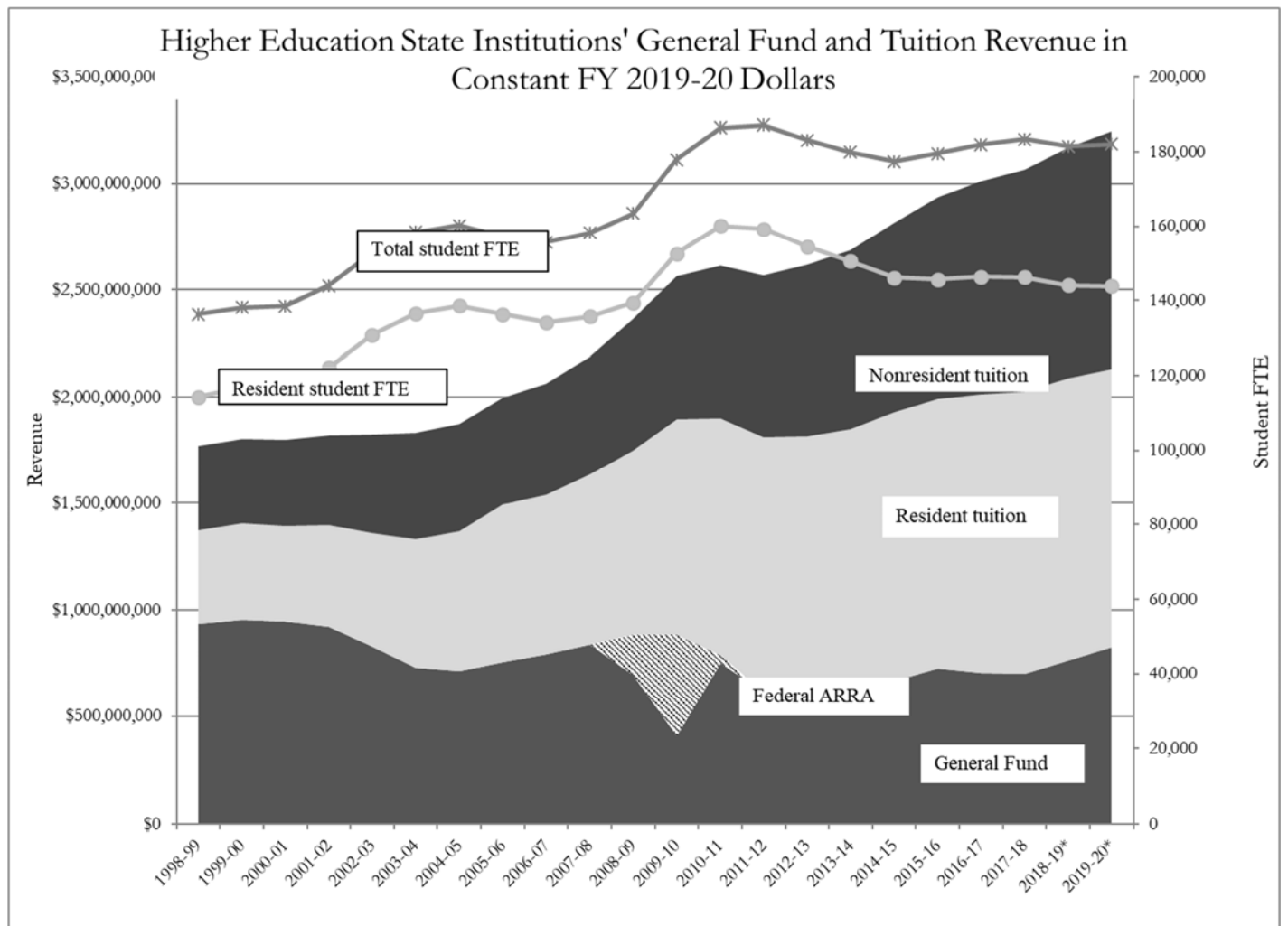
The table below shows the allocation of the overall increase in General Fund support by governing board and funding category.

DEPARTMENT OF HIGHER EDUCATION OPERATING BUDGET: GENERAL FUND APPROPRIATIONS ¹ CHANGES BY CATEGORY AND GOVERNING BOARD FY 2018-19 TO FY 2019-20				
	FY 2018-19	FY 2019-20	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$15,834,361	\$17,280,257	\$1,445,896	9.1%
Colorado Mesa University	29,474,193	32,484,959	3,010,766	10.2%
Metropolitan State University of Denver	58,343,983	63,969,142	5,625,159	9.6%
Western Colorado University	14,043,348	15,235,379	1,192,031	8.5%
Colorado State University System	154,858,072	172,378,536	17,520,464	11.3%
Fort Lewis College	13,053,096	14,136,437	1,083,341	8.3%
University of Colorado System	218,505,019	244,273,926	25,768,907	11.8%
Colorado School of Mines	22,873,493	25,371,265	2,497,772	10.9%
University of Northern Colorado	42,492,726	47,079,464	4,586,738	10.8%
Community College System	172,072,047	190,447,695	18,375,648	10.7%
Colorado Mountain College	8,119,248	9,010,042	890,794	11.0%
Aims Community College	9,615,302	10,653,783	1,038,481	10.8%
Area Technical Colleges	12,311,435	13,910,021	1,598,586	13.0%
Subtotal - Governing Boards/Institutions	\$771,596,323	\$856,230,906	\$84,634,583	11.0%
Financial Aid	196,617,879	219,988,594	23,370,715	11.9%
Lease Purchase Payments/Capital-related for HED Buildings	24,644,511	26,030,291	1,385,780	5.6%
History Colorado	2,720,710	2,830,198	109,488	4.0%
Other	8,014,316	7,625,656	(388,660)	(4.8%)
TOTAL	\$1,003,593,739	\$1,112,705,645	\$109,111,906	10.9%

¹ Includes College Opportunity Fund stipends, fee-for-service contracts, and grants to local district colleges and area technical colleges in all enacted bills.

One reason this budget area is more subject to state-funding adjustments than some others is that there is an alternative funding source: individual tuition payments. Colorado has always expected that individuals and families who benefit from higher education will bear at least some portion of the cost. Policymakers differ in the extent to which they believe higher education should be an individual versus a public responsibility. However, because state funds are limited and tuition increases are feasible, Colorado and other states have addressed state budget constraints by increasing the share of higher education costs borne by individuals and families.

The chart below illustrates how tuition, as well as temporary federal American Recovery and Reinvestment Act (ARRA) funds, have augmented and substituted for General Fund revenues for the higher education institutions. As shown, tuition revenue increases have more than compensated for declines in General Fund support.



* FY 2018-19 and FY 2019-20 tuition revenue and student FTE reflect estimates used for budgeting purposes.

TUITION AND FEES

Tuition and fee rates have a significant impact on public access to higher education: high rates may discourage participation or may result in high debt loads for those who do participate. Nonetheless, Colorado and other states have often used tuition increases to substitute for higher education General Fund support due to the multiple demands on state General Fund revenue.

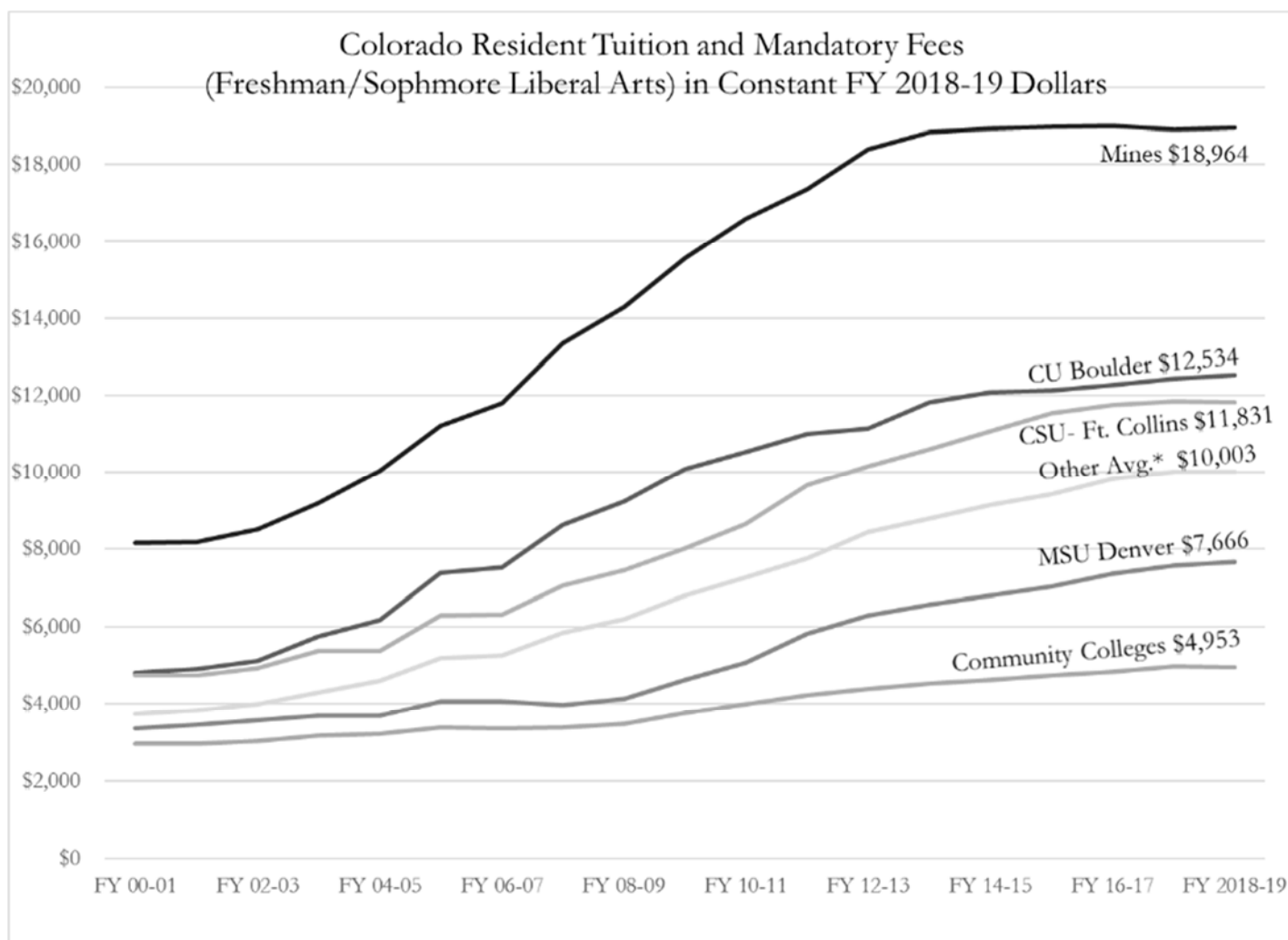
The General Assembly has provided more flexibility for institutions to increase tuition revenue in times of state General Fund cuts and has restricted tuition growth when more state revenue is available for higher education.

- Prior to FY 2011-12, the General Assembly appropriated tuition revenue to the institutions and set forth its assumptions about tuition increases in a Long Bill footnote.
- For the five-year period from FY 2011-12 through FY 2015-16, the General Assembly delegated tuition-setting authority to the higher education governing boards within specified statutory limits. From FY 2011-12 through FY 2013-14, governing boards could increase resident undergraduate tuition rates up to 9.0 percent per year, and could submit a plan to ensure access and affordable tuition for low- and middle-income students to the Commission for permission to implement larger rate increases. In FY 2014-15 and FY 2015-16, the General Assembly paired increases in state funding with a 6.0 percent "hard" cap on undergraduate resident tuition increases.
- Beginning in FY 2016-17, the General Assembly again began to appropriate tuition and set limits on tuition through the Long Bill for all institutions except the Colorado School of Mines [Sections 23-1-104 (1)(b) and 23-

41-104.6 (5)(c)(I)(A), C.R.S.]. The tuition increases used to derive the total spending authority for each governing board are detailed in a footnote to the Long Bill [Section 23-18-202 (3)(b)(I), C.R.S.]. The General Assembly typically imposes higher or lower limits on resident undergraduate tuition increases based on the General Fund appropriations authorized for the year. Specific limits may differ by institution.

- For FY 2019-20, Long Bill footnotes and tuition spending authority require resident undergraduate tuition to remain flat for most governing boards, in light of the large General Fund increase authorized. (For FY 2018-19, most institutions were restricted to a 3.0 percent increase.)

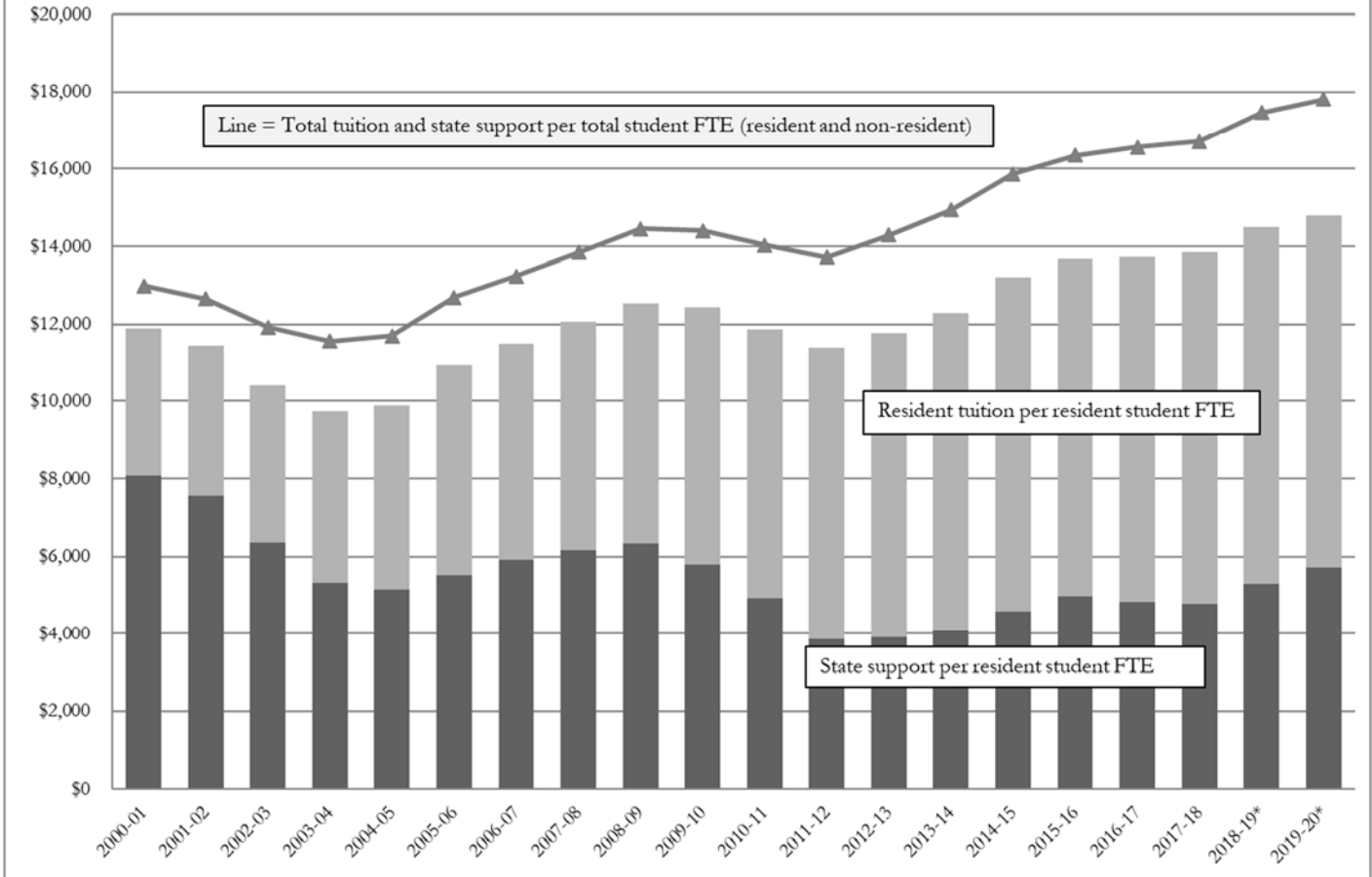
The chart below shows the growth in tuition and fee rates through FY 2018-19. All rates are for students who are full-time (30 credit hours per year), beginning their studies, Colorado resident, undergraduate, and taking liberal arts and sciences courses. The amounts for prior years are shown *after* adjusting for inflation (FY 2018-19 dollars). With the exception of tuition for MSU Denver, which has been allowed to increase by up to 3.0 percent, these rates will remain the same.



*CSU-Pueblo, Fort Lewis College, University of Northern Colorado, Adams State University, Colorado Mesa University, Western Colorado University

The decline in state support per student FTE over the last two decades explains most, but not all, tuition increases. The chart on the following page shows the change in General Fund and tuition revenue to the institutions per student since FY 2000-01 after adjusting for inflation (years prior to FY 2019-20 are reflected in FY 2019-20 dollars, based on the Denver-Boulder-Greeley consumer price index/CPI).

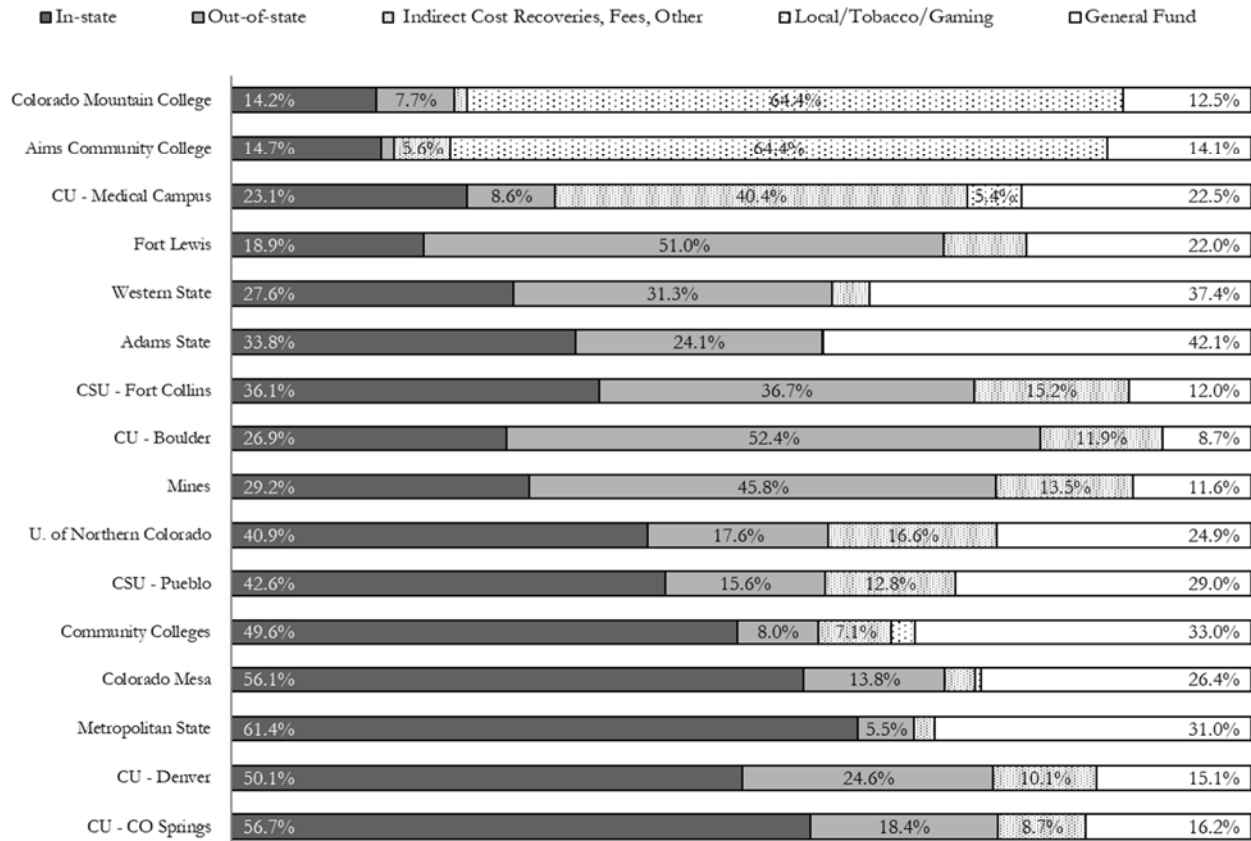
Higher Education State Institutions' Tuition and State Support per Student FTE in Constant FY 2019-20 Dollars



*FY 2018-19 and FY 2019-20 tuition revenue and student FTE figures reflect estimates used for budgeting purposes.

Institutions have different abilities to bring in out-of-state student tuition revenue or to raise tuition above that of other institutions based upon their individual missions and the populations they serve. The chart below compares the revenue mix at various state institutions for educational expenditures reported to the General Assembly in FY 2017-18. Note that this excludes revenue and expenditures for research grants and auxiliary facilities such as dormitories and dining halls.

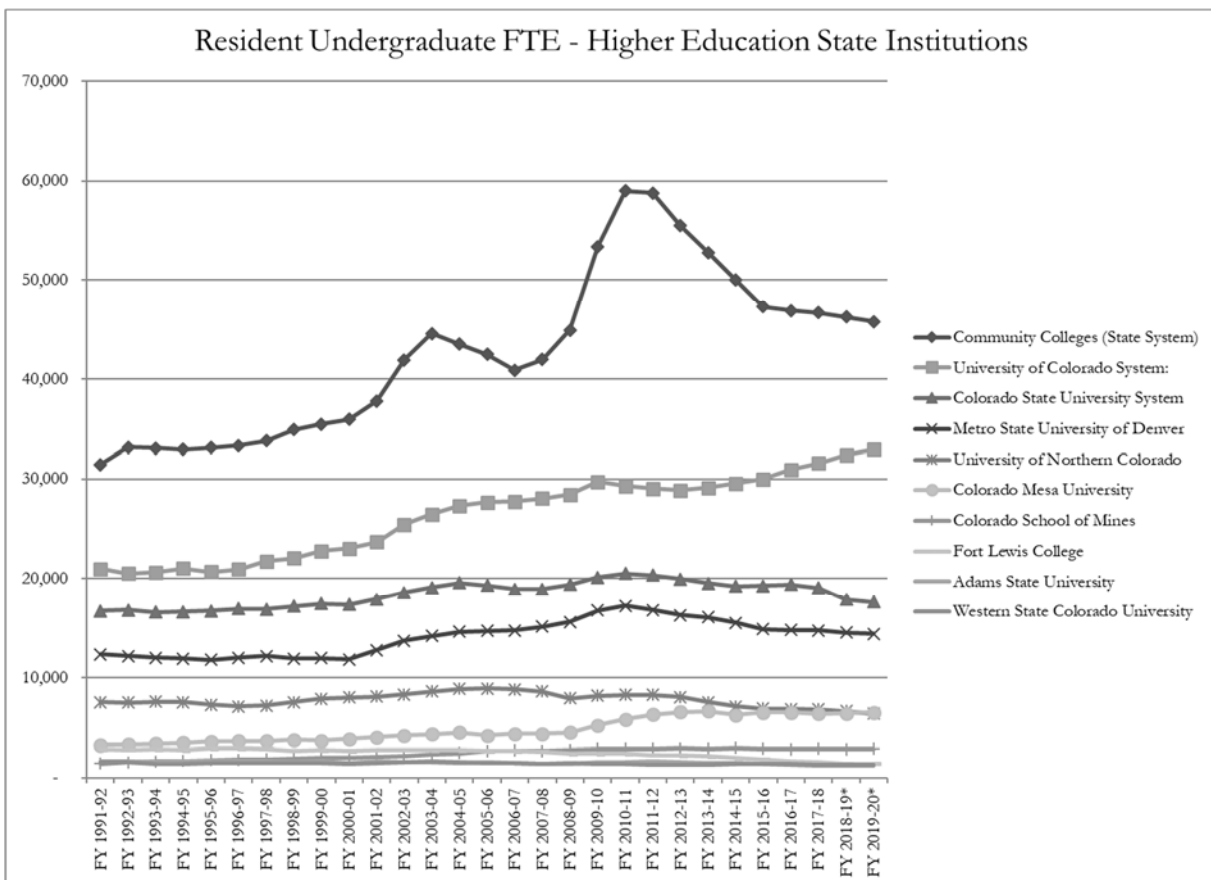
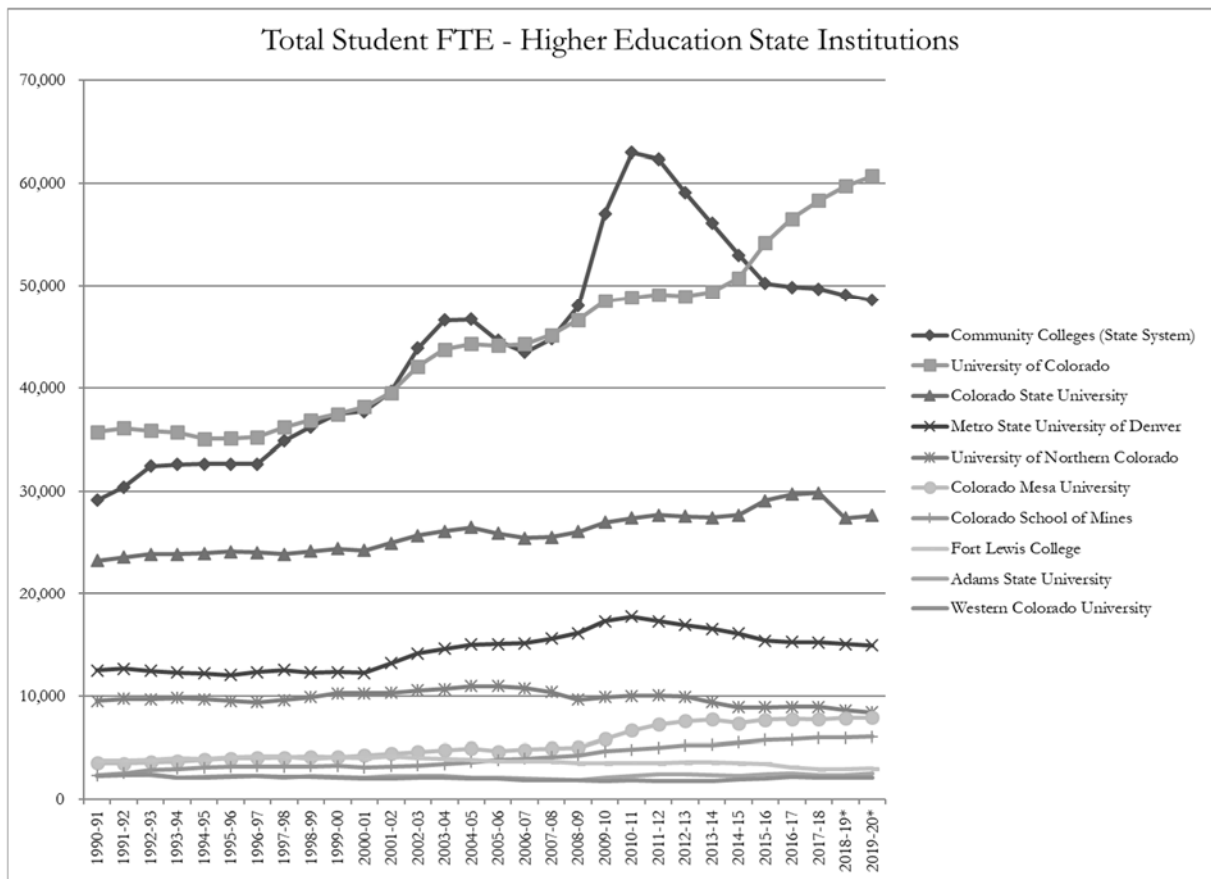
Proportion of Funding from Students vs the State FY 2017-18



ENROLLMENT

Enrollment is both a workload and performance measure for campuses, and it affects tuition and fee revenue, as well as state support. For some institutions, nonresident enrollment is important because nonresident tuition helps subsidize resident education. Increases in enrollment also drive costs for faculty, advising, and general operating.

Enrollment tends to be counter-cyclical: when the economy slows, higher education enrollment grows more rapidly. This affects most institutions to some extent but is particularly notable for the community college system. The following chart reports student FTE since FY 1991-92 (excluding local district college and area technical college data). Thirty credit hours in a year equals one full-time-equivalent student for undergraduates. In FY 2015-16, total student FTE enrollment increased for the first time since FY 2011-12, but there was wide variation in the enrollment trend by institution. The charts below show: (1) total FTE by institution, including residents, non-residents, undergraduate, and graduate students; and (2) resident undergraduate FTE by institution. The University of Colorado System now serves more students in total than any other governing board, but the community college system serves by far the largest share of resident undergraduate students.



PERSONNEL

Higher education governing boards are allowed by statute to determine the number of employees they need, but the Long Bill reflects estimates provided by the governing boards of the numbers of employees at their institutions. In FY 2017-18, the state institutions, including the Auraria Higher Education Center, employed an estimated 25,900.4 FTE, excluding employees of self-supporting auxiliary programs such as food services, bookstores, or housing.

Of the amount state-operated institutions spend on education, approximately two-thirds is spent on salaries and benefits, and most of this is spent on instructional faculty. Some higher education FTE such as administrative support and maintenance staff, are classified staff for whom salaries and benefits are defined by the state personnel system and the policies of the General Assembly. However, the majority of FTE and personal services expenditures are for exempt staff such as faculty for whom governing boards have control of compensation.

Increases in benefit costs have been a consistent cost driver at state institutions. Staff salary trends, however, have varied by institution in response to a range of internal and external factors. In general, when institutions faced enrollment increases and state funding declines during the recession, both 4-year and 2-year institutions increased the number of lower-paid, often part-time staff, thus reducing average compensation costs. As the economy and state funding have increased, institutions have faced pressure to improve salaries and have often done so.

Four-year institutions that employ tenure-track faculty in high-demand fields may need to offer compensation to professors competitive with peer institutions in other states and, in some cases, the private sector. However, this pressure is not consistent across all academic fields. At two-year institutions, the vast majority of staff are adjunct faculty who carry part-time teaching loads and receive modest compensation.

THE HIGHER EDUCATION FUNDING MODEL

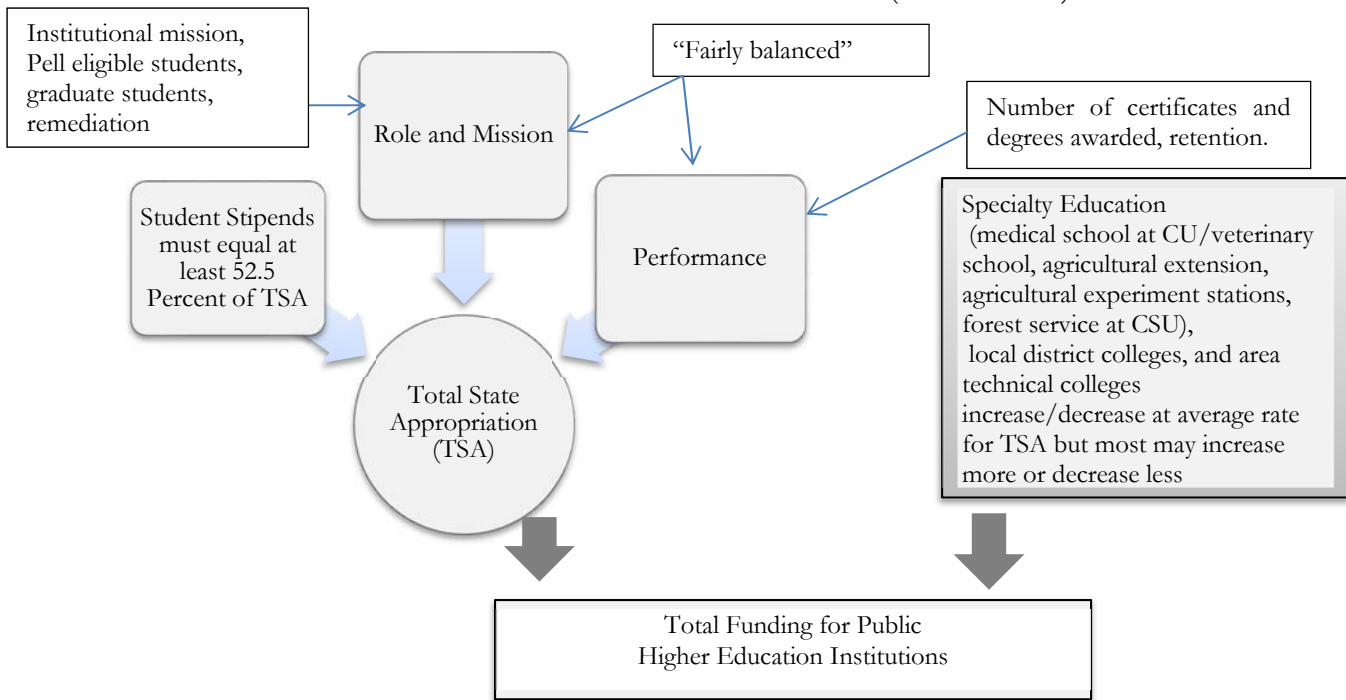
Pursuant to the provisions of H.B. 14-1319 (Outcomes-based Funding for Higher Education), Colorado adopted a new model for allocating funds among the higher education governing boards effective FY 2015-16. The new model includes three major components:

- funding for institutional roles and missions;
- funding for institutional outcomes (such as numbers of graduates); and
- funding provided per resident undergraduate student (student stipends).

The chart below outlines the key components of the model. Each state-operated governing board receives an allocation for role and mission, outcomes, and resident undergraduate student stipends. In addition, the University of Colorado and Colorado State University receive allocations for their specialty education programs (such as the medical and veterinary schools), and local district colleges and area technical colleges also receive allocations. Specialty education programs, local district colleges, and area technical colleges increase and decrease at the same rate as overall funding for the model, with some exceptions.

The General Assembly may authorize funding outside the model when it adopts statutory provisions that require governing boards to fulfill specific new obligations; however, most funding for the governing boards is allocated through the model.

HIGHER EDUCATION FUNDING MODEL (H.B. 14-1319)



For FY 2019-20, model components were adjusted to provide institutions with almost uniform percentage funding increases. Senate Bill 19-095 (Five-year Review Higher Education Funding Formula) requires CCHE to review the funding formula and submit a report by November 1, 2019 and every five years thereafter containing changes to the formula and any recommendations for legislative changes.

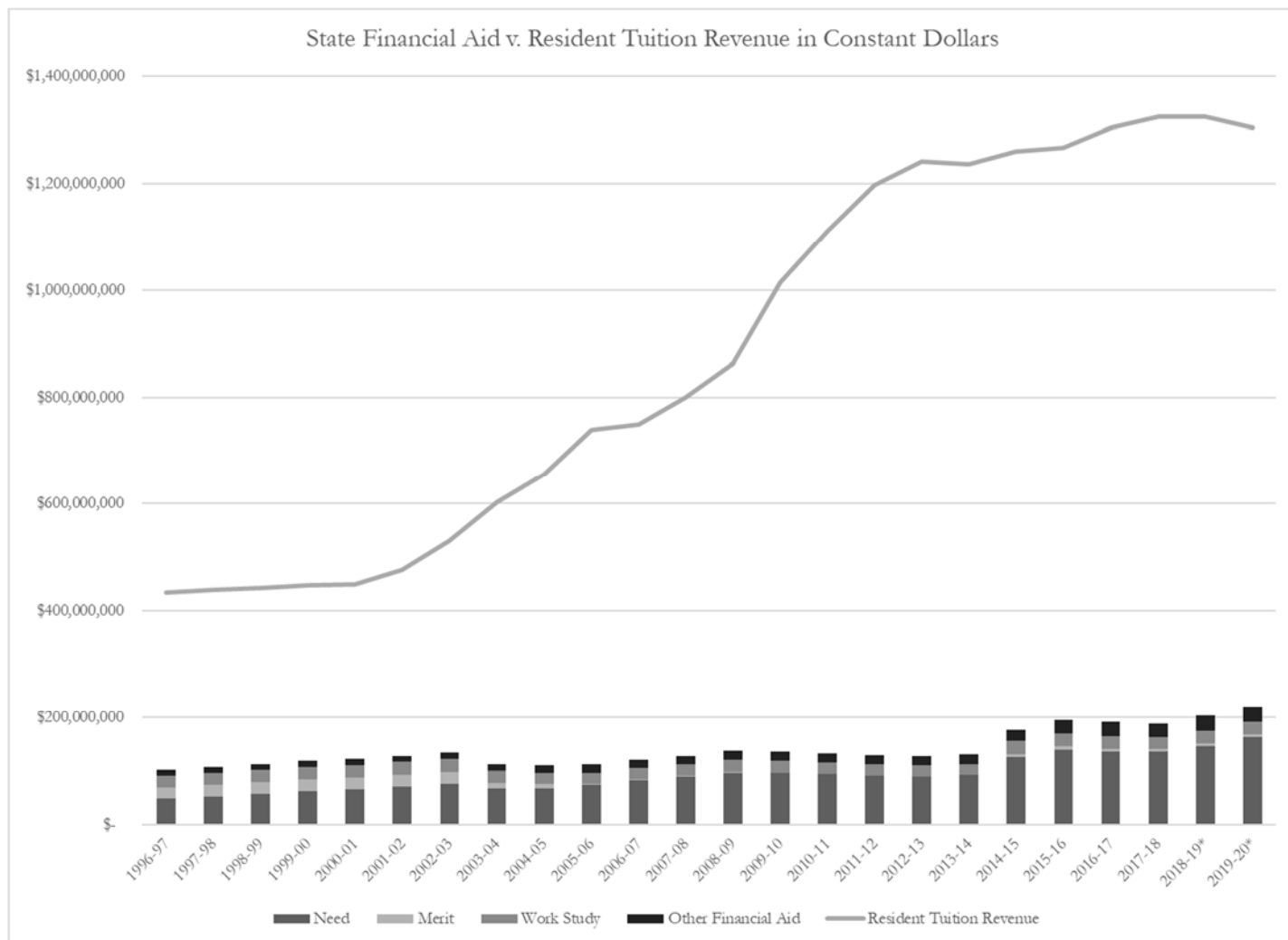
TABOR Impact: Since 2004, funding for state higher education has been provided through student stipends and fee-for-service contracts with the state institutions. This enables the State to designate qualifying state higher education institutions as enterprises under Section 20 of Article X of the Colorado Constitution (TABOR). Revenue, such as tuition, that is generated by enterprises is exempt from the statewide revenue limits imposed by TABOR and has no impact on any refund that may be due pursuant to TABOR. To achieve enterprise status under TABOR, a program must: (1) be a government-owned business; (2) have authority to issue revenue bonds; and (3) receive less than 10 percent of annual revenue from state and local grants. Stipends and fee-for-service contracts are defined in statute as different from a state grant. All of the institutions are designated as TABOR enterprises, although some smaller institutions may temporarily lose this status in years in which they receive large state capital construction grants.

FINANCIAL AID

Of state appropriations for higher education in FY 2019-20, \$220.3 million total funds, including \$220.0 million General Fund, is for financial aid. This represents 19.8 percent of all the state General Fund appropriations for higher education. The majority of the money goes for need-based aid and work-study. There are also a number of smaller, special purpose financial aid programs. These include the Fort Lewis College Native American tuition waiver, which covers tuition for any Native American student attending Fort Lewis College pursuant to a treaty obligation, and the Colorado Opportunity Scholarship Initiative, which funds services and scholarships for high achieving low-income students in collaboration with private funders and agencies.

For most of the financial aid programs, the General Assembly appropriates state financial aid funds to the Colorado Commission on Higher Education, which allocates them to institutions, including to some private institutions, based on formulas that consider financial need at the schools, total student enrollment, student retention, and program eligibility criteria. A total of 74,044 students received state-supported financial aid in FY 2017-18. The average state need-based award was \$2,080 and the average state work-study award was \$2,013.

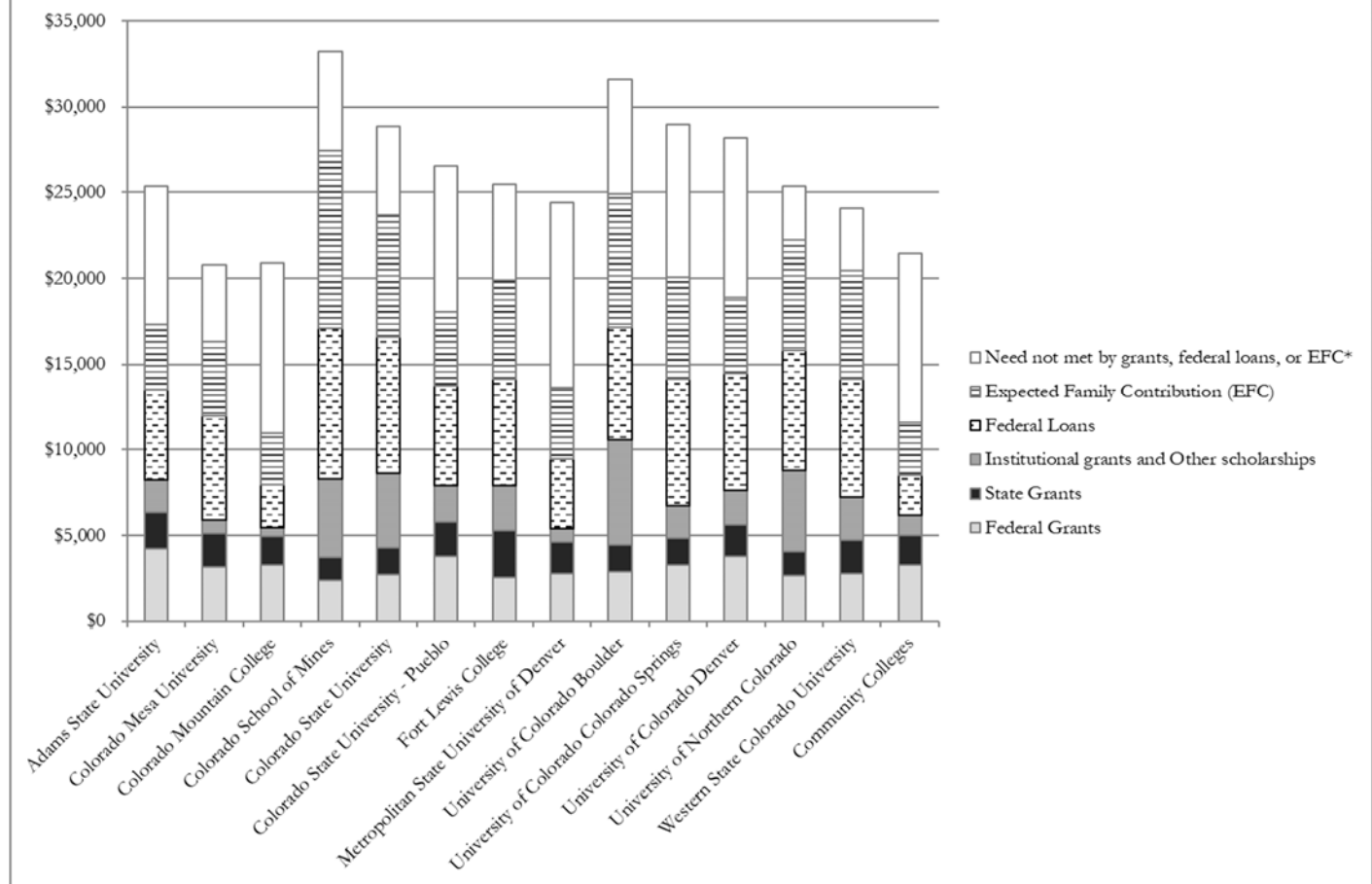
Statute at Section 23-3.3-104, C.R.S., requires that most state-funded financial aid increase at no less than the increase for the governing boards, and there have been significant increases in recent years, including \$19.1 million (10.7 percent) in FY 2018-19 and \$23.4 million (11.9 percent) in FY 2019-20. However, overall demand for aid continues to outstrip available funding. In FY 2001-02, total state financial aid disbursements equaled 26.8 percent of resident tuition revenue at state institutions; in FY 2019-20 this figure is estimated to be 16.9 percent.



*Tuition revenue reflects estimates used for budgeting purposes for FY 2018-19 and FY 2019-20.

Most sources of student financial aid are not reflected in the state budget. Yet even when these other funding sources are included, financial aid support is far less than the cost of higher education. The following chart compares grants and loans awarded in FY 2017-18 to full-time resident undergraduate students with financial need (calculated based on federal formulas) and the average cost of attendance for a resident student at various institutions. The average cost of attendance includes the cost of room, board, transportation, and learning materials, in addition to tuition and fees. Depending on the institution, these other costs of attendance may dwarf the price of tuition. The total cost of attendance for a resident student in FY 2017-18 ranged from \$16,075 at Aims Community College to \$33,236 at the Colorado School of Mines.

Average Grants, Federal Loans, and Unmet Need by Institution for Full-time Resident Undergraduate Students Qualifying for Financial Aid FY 2017-18



*This shortfall may be addressed by the student by reducing their out-of-pocket costs, e.g., by living with family or in less expensive accommodation than the cost of attendance formula calculates, by additional earned income or savings, or by private unsubsidized loans taken out by the student or family.

Federal Grants: The largest source of need-based aid is the federal government. The federal Pell grant program provided up to \$5,920 per eligible student in FY 2017-18, with an average grant of \$3,360. Among undergraduate resident students attending Colorado public institutions of higher education, about 30 percent qualified for the Pell grant in FY 2017-18.

Institutional Grants: Students may also receive grants from the higher education institutions they attend. About 29.5 percent of all the aid students receive at public and private Colorado institutions is institutional aid. Some institutions make significant funds available from their operating budgets and donated funds, based on money available and the number of students who qualify for institutional aid. About one-third of institutional aid is used for need-based aid, primarily for resident students, and this is reflected in the chart above.

Federal Student Loans: In order to fill the gap between cost of attendance and available grant funds, students typically rely on student loans. In addition to grant funds, the federal government provides guaranteed loans and tax credits and deductions for tuition.

- Sixty-seven percent of students completing a bachelor's degree from a public institution graduated with federal student debt in FY 2017-18, and the average federal student loan debt at graduation was \$23,425.
- Fifty-five percent of students completing an associate's degree from a public institution graduated with federal student debt in FY 2017-18, and the average federal student loan debt at graduation was \$13,261.

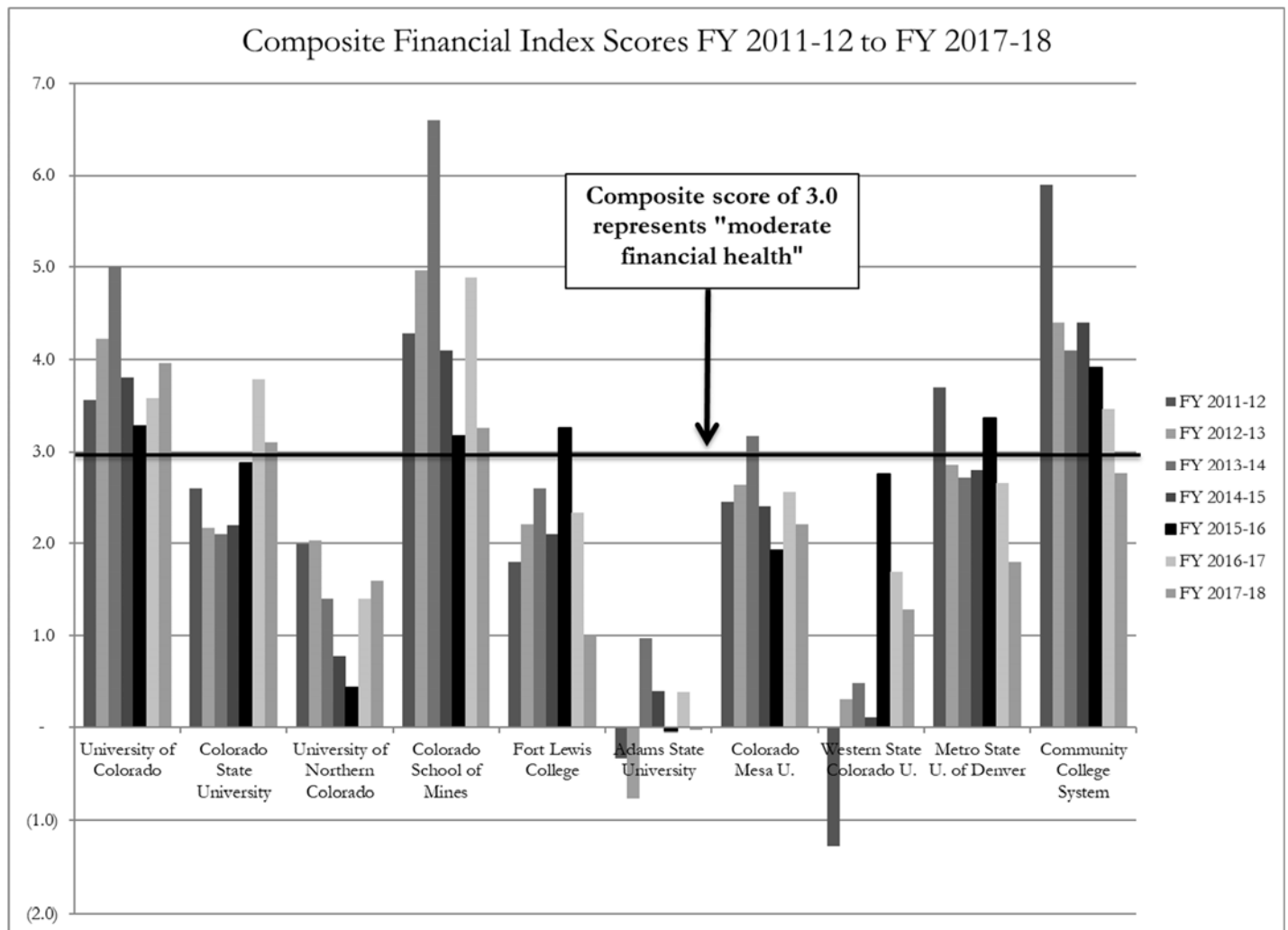
Other Sources: There is a substantial gap between the calculated cost of attendance for students with need and known sources of student support. A portion of this gap may be filled with additional unsubsidized student or family loans, which are not included in these figures.

INSTITUTIONAL FINANCIAL HEALTH

As state institutions become more dependent upon tuition revenue, their survival has become more dependent upon their performance as businesses. While the governing boards have considerable operating autonomy and independent responsibility for their financial well-being, they are components of state government, employ large numbers of state staff, and play a critical role in the state economy. Thus, the General Assembly has an active interest in how well or poorly the institutions are performing financially.

In addition, the State provides a financial backstop for bonds issued by most of the state institutions. For bonds issued under the higher education revenue bond intercept program (Section 23-5-139, C.R.S.), loan rates are based on the state's credit rating rather than the institution's, and the State agrees to make bond payments if the institution is unable to do so. Under statutory provisions amended in S.B. 16-204 (Higher Education Revenue Bond Intercept), the Capital Development Committee and Joint Budget Committee must approve requests that increase a governing board's debt under the program.

The Composite Financial Index (CFI) is a tool designed to summarize institutional financial health. It combines four financial ratios (primary reserve ratio, viability ratio, return on net assets, and net operating ratio) to provide an overall indicator of a governing board's financial well-being. The CFI is calculated on a scale from below 0 to 10.0, with a result below 0 indicating that the institution's viability is in question and a score of 3.0 representing the threshold for moderate financial health. The governing boards reflect a mix of financial positions in FY 2017-18, with four of ten close to or above a score of 3.0 (moderate financial health on the CFI scale). A number of the boards appear very weak, largely due to enrollment declines.



Source: Institutional data submissions using the methodology outlined in KPMG, Prager, Sealy & Co, Attain, "Strategic Financial Analysis for Higher Education, Seventh Edition", 2010.

Notes: Figures are adjusted to remove the impact of GASB 68 and GASB 75 (pension and post-employment liabilities) and Perkins Loan liquidations.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,537,265,323	\$978,325,997	\$2,735,130,010	\$801,023,697	\$22,785,619	26,148.6
SB 18-085	240,000	0	0	240,000	0	0.0
SB 18-086	10,200,000	5,100,000	0	5,100,000	0	0.0
SB 18-206	8,181,450	0	8,181,450	0	0	0.0
SB 18-262	29,974,228	16,747,025	0	13,227,203	0	0.0
HB 18-1002	530,448	530,448	0	0	0	0.5
HB 18-1003	750,000	0	750,000	0	0	0.0
HB 18-1226	74,153	74,153	0	0	0	0.0
HB 18-1309	156,116	156,116	0	0	0	0.0
HB 18-1331	660,000	660,000	0	0	0	0.9
HB 18-1332	2,000,000	2,000,000	0	0	0	0.0
SB 19-207	(4,723,798)	0	(4,723,798)	0	0	0.0
TOTAL	\$4,585,307,920	\$1,003,593,739	\$2,739,337,662	\$819,590,900	\$22,785,619	26,150.0

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,585,307,920	\$1,003,593,739	\$2,739,337,662	\$819,590,900	\$22,785,619	26,150.0
Operating and financial aid adjustment for public colleges and universities	214,741,028	120,877,419	0	93,863,609	0	0.0
Tuition spending authority	80,437,084	0	80,437,084	0	0	0.0
Student fee adjustments	8,655,140	0	8,655,140	0	0	0.0
Informational funds adjustment for occupational education programs	3,291,941	0	0	0	3,291,941	0.0
Fort Lewis College Native American tuition waiver	2,601,184	2,601,184	0	0	0	0.0
Higher education limited gaming revenue	2,588,363	0	2,588,363	0	0	0.0
Depreciation payments for higher education capital projects	2,271,303	2,271,303	0	0	0	0.0
Cumbres and Toltec Scenic Railroad	1,162,500	1,162,500	0	0	0	0.0
Auraria Higher Education Center	902,713	0	0	902,713	0	0.0
History Colorado informational funds	716,000	0	716,000	0	0	0.0
State Assistance for Career and Technical Education adjustment	563,044	0	0	563,044	0	0.0
Tobacco Master Settlement Agreement revenue adjustment	307,913	0	307,913	0	0	0.0
Community museum connectivity project	129,249	29,249	100,000	0	0	0.0
COF private stipend enrollment	89,890	89,890	0	0	0	0.0
Inflationary adjustment for Colorado Geological Survey	71,749	14,912	47,402	1,366	8,069	0.0
Occupational Education Perkins increase	62,309	0	0	62,309	0	0.0
Indirect cost study	40,000	40,000	0	0	0	0.0
Indirect cost adjustments	0	512,881	2,304	(515,185)	0	0.0
General Fund Exempt adjustment	0	0	0	0	0	0.0
Governing board FTE adjustments	0	0	0	0	0	148.7
Annualize prior year legislation	(33,140,126)	(18,444,098)	(1,250,000)	(13,446,028)	0	(0.9)
Annualize prior year budget actions	(1,051,128)	(976,324)	19,109	0	(93,913)	0.0
Lease-purchase payment adjustments	(996,093)	(885,523)	630,443	(741,013)	0	0.0
Centrally appropriated line items	(819,796)	(2,017,530)	1,070,267	234,343	(106,876)	0.0
SB 19-207	\$4,867,932,187	\$1,108,869,602	\$2,832,661,687	\$900,516,058	\$25,884,840	26,297.8
SB 19-001	2,500,000	0	2,500,000	0	0	0.0
SB 19-003	623,969	623,969	0	0	0	1.4
SB 19-137	218,825	218,825	0	0	0	1.0
SB 19-176	210,000	105,000	0	105,000	0	1.0
SB 19-190	1,217,787	1,217,787	0	0	0	0.9
SB 19-228	1,100,000	0	1,100,000	0	0	0.0
SB 19-231	305,145	305,145	0	0	0	0.8
HB 19-1006	1,000,000	1,000,000	0	0	0	0.0
HB 19-1202	200,634	100,317	0	100,317	0	0.9
HB 19-1264	500,000	250,000	0	250,000	0	0.0
HB 19-1294	30,000	15,000	0	15,000	0	0.0
TOTAL	\$4,875,838,547	\$1,112,705,645	\$2,836,261,687	\$900,986,375	\$25,884,840	26,303.8
INCREASE/(DECREASE)	\$290,530,627	\$109,111,906	\$96,924,025	\$81,395,475	\$3,099,221	153.8
Percentage Change	6.3%	10.9%	3.5%	9.9%	13.6%	0.6%

¹Includes General Fund Exempt.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 includes adjustments to higher education tuition and fee revenue estimates for FY 2018-19 as reflected in the tables below.

FY 2018-19 REVISED TUITION REVENUE ESTIMATE			
	FY 2018-19 APPROPRIATION	FY 2018-19 REVISED FORECAST/APPROPRIATION	CHANGE
Adams State University	\$19,495,000	\$19,310,315	(\$184,685)
Colorado Mesa University	71,090,824	71,848,494	757,670
Metropolitan State University	113,949,031	112,664,652	(1,284,379)
Western Colorado University	19,095,358	18,859,870	(235,488)
Colorado State University System	474,624,870	480,482,538	5,857,668
Fort Lewis College	36,470,841	39,493,677	3,022,836
University of Colorado System	1,079,305,504	1,076,065,759	(3,239,745)
Colorado School of Mines	151,118,127	146,664,696	(4,453,431)
University of Northern Colorado	99,213,832	91,513,486	(7,700,346)
Community College System	270,395,914	275,882,906	5,486,992
TOTAL	\$2,334,759,301	\$2,332,786,393	(\$1,972,908)

FY 2018-19 REVISED MANDATORY FEE REVENUE ESTIMATE			
	FY 2018-19 APPROPRIATION	FY 2018-19 REVISED FORECAST/APPROPRIATION	CHANGE
Adams State University	\$5,921,735	\$5,694,094	(\$227,641)
Colorado Mesa University	5,557,261	5,577,647	20,386
Metropolitan State University	19,592,820	19,461,925	(130,895)
Western Colorado University	6,033,106	6,092,044	58,938
Colorado State University System	77,376,685	76,704,620	(672,065)
Fort Lewis College	5,578,254	5,733,497	155,243
University of Colorado System	92,192,437	90,808,047	(1,384,390)
Colorado School of Mines	15,053,276	14,704,556	(348,720)
University of Northern Colorado	20,768,704	20,389,223	(379,481)
Community College System	20,727,063	20,845,179	118,116
TOTAL	\$268,801,341	\$266,010,832	(\$2,790,509)

In addition, S.B. 19-207:

- Adds technical corrections to increase the spending authority for Legal Services by \$39,619 cash funds and adjust cash fund sources in the Department Administrative Office;
- Adjusts the portion of General Fund appropriations from the General Fund exempt account; and
- Adds a footnote in History Colorado allowing up to \$329,833 General Fund appropriated for community museums in FY 2018-19, if not expended by June 30, 2019, to be rolled forward for expenditure in FY 2019-20.

FY 2019-20 APPROPRIATION HIGHLIGHTS

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education (state governing boards, local district colleges, and area technical colleges) and financial aid. The appropriation includes: (1) an overall increase of \$97,722,026 (12.9 percent) for student stipends, fee-for-service contracts, and grants for the public governing boards, allocated based on the H.B. 14-1319 funding model; and (2) an increase of \$22,967,385 for financial aid, reflecting the statutory requirements that financial aid increase at the same rate as support for the governing boards. The appropriation also includes \$188,008 to align stipend amounts for students attending private institutions with stipends for students at the public institutions, as required by statute.

The allocation of funds among the state governing boards was produced by the H.B. 14-1319 funding model but reflects an effort to provide each board with an approximately equal percentage increase in funding.

**GENERAL FUND APPROPRIATIONS AND CHANGES BY CATEGORY AND GOVERNING BOARD
FY 2018-19 TO FY 2019-20**

GOVERNING BOARDS/INSTITUTIONS ¹	FY 2018-19 ADJUSTED BASE APPROPRIATION	FY 2019-20 LONG BILL	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$15,294,223	\$17,280,257	\$1,986,034	12.99%
Colorado Mesa University	28,732,752	32,484,959	3,752,207	13.06%
Metropolitan State University of Denver	56,785,329	63,969,142	7,183,813	12.65%
Western Colorado University	13,501,710	15,235,379	1,733,669	12.84%
Colorado State University System	152,751,802	172,028,219	19,276,417	12.62%
Fort Lewis College	12,521,493	14,136,437	1,614,944	12.90%
University of Colorado System	216,039,212	244,273,926	28,234,714	13.07%
Colorado School of Mines	22,396,891	25,371,265	2,974,374	13.28%
University of Northern Colorado	41,822,358	47,079,464	5,257,106	12.57%
Community College System	168,477,365	190,327,695	21,850,330	12.97%
Colorado Mountain College	7,974,578	9,010,042	1,035,464	12.98%
Aims Community College	9,429,415	10,653,783	1,224,368	12.98%
Area Technical Colleges	12,311,435	13,910,021	1,598,586	12.98%
Subtotal - Governing Boards/Institutions	\$758,038,563	\$855,760,589	\$97,722,026	12.89%
Need Based Grants (total funds) ²	140,347,061	163,314,446	22,967,385	16.36%
Other: Private COF stipends	1,447,941	1,635,949	188,008	12.98%
TOTAL	\$899,833,565	\$1,020,710,984	\$120,877,419	13.43%

¹Includes College Opportunity Fund stipends, fee-for-service contracts, and grants to local district colleges and area technical colleges.

²Statute requires a proportionate increase for financial aid on a base that includes other components, in addition to Need Based Grants.

TUITION SPENDING AUTHORITY: The appropriation includes an increase of \$80,437,084 cash funds spending authority for state public institutions' tuition revenue for FY 2019-20. The spending authority is based on the assumption that undergraduate resident tuition revenue will be held flat, except at Metropolitan State University of Denver, where a 3.0 percent rate increase is assumed. No limitations are assumed on tuition rates for graduate and nonresident students. The tables below show the total change and the FY 2019-20 amounts including estimates of resident and non-resident tuition, enrollment, and weighted tuition per full-time-equivalent student.

FY 2019-20 TUITION REVENUE ESTIMATE				
	FY 2018-19 REVISED FORECAST	FY 2019-20 FORECAST	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$19,310,315	\$20,230,385	\$920,070	4.8%
Colorado Mesa University	71,848,494	73,257,086	1,408,592	2.0%
Metropolitan State University	112,664,652	114,596,033	1,931,381	1.7%
Western Colorado University	18,859,870	19,363,743	503,873	2.7%
Colorado State University System	480,482,538	501,157,843	20,675,305	4.3%
Ft. Lewis College	39,493,677	41,545,266	2,051,589	5.2%
University of Colorado System	1,084,247,209	1,133,343,699	49,096,490	4.5%
Colorado School of Mines	146,664,696	152,799,763	6,135,067	4.2%
University of Northern Colorado	91,513,486	91,859,771	346,285	0.4%
Community College System	275,882,906	273,251,338	(2,631,568)	-1.0%
TOTAL	\$2,340,967,843	\$2,421,404,927	\$80,437,084	3.4%

FY 2019-20 ESTIMATED RESIDENT AND NON-RESIDENT TUITION, ENROLLMENT, AND TUITION PER FULL TIME EQUIVALENT (FTE) STUDENT						
	RESIDENT TUITION	RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER RESIDENT STUDENT FTE	NON- RESIDENT TUITION	NON- RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER NON-RESIDENT STUDENT FTE
Adams State University	\$11,351,694	1,735.3	\$6,542	\$8,878,691	785.1	\$11,309
Colorado Mesa University	58,764,831	6,584.1	8,925	14,492,255	1,379.5	10,506
Metropolitan State University	104,767,792	14,394.0	7,279	9,828,241	556.0	17,677
Western Colorado Univ.	8,767,756	1,523.3	5,756	10,595,987	646.7	16,384
Colorado State University System	233,680,469	19,174.2	12,187	267,477,374	8,489.4	31,507
Fort Lewis College	9,747,790	1,431.0	6,812	31,797,476	1,586.0	20,049

FY 2019-20 ESTIMATED RESIDENT AND NON-RESIDENT TUITION, ENROLLMENT, AND TUITION PER FULL TIME EQUIVALENT (FTE) STUDENT						
	RESIDENT TUITION	RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER RESIDENT STUDENT FTE	NON- RESIDENT TUITION	NON- RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER NON-RESIDENT STUDENT FTE
University of Colorado System	522,287,590	42,856.0	12,187	611,056,109	17,843.5	34,245
Colorado School of Mines	55,934,480	3,416.0	16,374	96,865,283	2,676.6	36,190
University of Northern Colorado	63,476,297	6,965.3	9,113	28,383,474	1,457.1	19,479
Community College System	236,596,094	45,776.8	5,168	36,655,244	2,798.1	13,100
TOTAL	\$1,305,374,793	143,856.0	\$9,074	\$1,116,030,134	38,218.0	\$29,202

STUDENT FEE ADJUSTMENTS: The appropriation includes an increase of \$8,655,140 for the projected increase in mandatory student fee revenue. Mandatory higher education fees are shown for informational purposes only.

FY 2019-20 FEE REVENUE ESTIMATE - MANDATORY FEES				
	FY 2018-19 ADJUSTED ESTIMATE	FY 2019-20 ESTIMATE	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$5,694,094	\$5,694,094	\$0	n/a
Colorado Mesa University	5,577,647	5,971,429	393,782	7.1%
Metropolitan State University	19,461,925	24,179,710	4,717,785	24.2%
Western Colorado University	6,092,044	6,648,918	556,874	9.1%
Colorado State University System	76,704,620	78,550,620	1,846,000	2.4%
Ft. Lewis College	5,733,497	5,198,934	(534,563)	(9.3%)
University of Colorado System	90,808,047	92,288,190	1,480,143	1.6%
Colorado School of Mines	14,704,556	15,423,338	718,782	4.9%
University of Northern Colorado	20,389,223	19,624,065	(765,158)	(3.8%)
Community College System	20,845,179	21,086,674	241,495	1.2%
TOTAL	\$266,010,832	\$274,665,972	\$8,655,140	3.3%

INFORMATIONAL FUNDS ADJUSTMENT FOR OCCUPATIONAL EDUCATION PROGRAMS: The appropriation includes an increase of \$3,291,941 federal funds to reflect anticipated increases in federal funding for the Carl D. Perkins Vocational and Technical Education Act.

FORT LEWIS COLLEGE NATIVE AMERICAN TUITION WAIVER: The appropriation includes an increase of \$2,601,184 General Fund for the Fort Lewis College Native American tuition waiver, bringing the total waiver payment to \$19,626,043 General Fund. Waiver payments are mandated by Section 23-52-105 (1)(b)(I), C.R.S., which requires the General Assembly to fund 100 percent of the tuition obligations for qualifying Native American students attending Fort Lewis College. Funding for the tuition waiver is made one year in arrears and is calculated based on the prior year enrollment estimates.

HIGHER EDUCATION LIMITED GAMING REVENUE: The appropriation reflects the increase in limited gaming revenue distributed to institutions with a two-year mission, pursuant to state Constitutional provisions. Limited gaming distributions are shown for informational purposes only. Amounts in the Long Bill are based on the most recent actual data available (FY 2017-18 for the FY 2019-20 Long Bill).

HIGHER EDUCATION LIMITED GAMING REVENUE			
AMENDMENT 50 LIMITED GAMING	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	CHANGE INCLUDED IN FY 2019-20 LONG BILL
<u>State Institutions</u>			
State Community College System	\$8,843,987	\$10,904,253	\$2,060,266
Adams State University	26,169	15,667	(10,502)
Colorado Mesa University	433,354	577,069	143,715
Subtotal - State Boards	\$9,303,510	\$11,496,989	\$2,193,479
<u>Local District Colleges</u>			
Aims Community College	633,284	712,850	79,566

HIGHER EDUCATION LIMITED GAMING REVENUE			
AMENDMENT 50 LIMITED GAMING	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	CHANGE INCLUDED IN FY 2019-20 LONG BILL
Colorado Mountain College	530,702	846,020	315,318
TOTAL	\$10,467,496	\$13,055,859	\$2,588,363

DEPRECIATION PAYMENTS FOR HIGHER EDUCATION CAPITAL PROJECTS: Pursuant to Section 24-30-1310 (2)(b), C.R.S., the appropriation adds \$2,271,303 General Fund to the depreciation-lease equivalent payment line item for higher education projects funded with the General Fund, Capital Construction Fund, or Controlled Maintenance Trust Fund money on or after FY 2015-16. The amount due is based on a building's depreciation schedule. One percent of the project cost is credited to the Controlled Maintenance Trust Fund, and the balance is deposited to the Capital Construction Fund.

CUMBRES AND TOLTEC SCENIC RAILROAD: The appropriation includes \$1,162,500 General Fund to support ongoing capital improvements and an inflationary adjustment for operating expenses for the railroad.

AURARIA HIGHER EDUCATION CENTER: The appropriation increases spending authority for the Auraria Higher Education Center by \$902,713 reappropriated funds for amounts received from the institutions operating on the Auraria campus (University of Colorado – Denver, Metropolitan State University of Denver, and the Community College of Denver).

HISTORY COLORADO INFORMATIONAL FUNDS: The appropriation includes adjustments for amounts in History Colorado that are shown for informational purposes only. This includes an increase of \$616,000 cash funds for an anticipated increase in New Mexico's contributions for the capital and operating expenses of the Cumbres and Toltec Scenic Railroad and \$100,000 for an anticipated increase in State Historical Fund money (limited gaming revenue) distributed for historic preservation projects in Central City, Black Hawk, and Cripple Creek.

STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION ADJUSTMENT: The appropriation includes an increase of \$563,044 reappropriated funds from the Department of Education for the State Assistance for Career and Technical Education line item. This aligns with the increase for this categorical program in the Department of Education.

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The appropriation includes an increase of \$307,913 cash funds for the projected increase in revenue to the Tobacco Settlement Health Education Fund appropriated to the Regents of the University of Colorado for programs on the medical campus.

COMMUNITY MUSEUM CONNECTIVITY PROJECT: The appropriation includes \$129,249 total funds, including \$29,249 General Fund and \$100,000 cash funds, for additional costs associated with implementing effective wi-fi connectivity at the History Colorado community museums.

COF PRIVATE STIPEND ENROLLMENT: The appropriation includes an increase of \$89,890 General Fund for projected increases in enrollment for students qualifying for the College Opportunity Fund (COF) stipend at certain private institutions. The COF stipend program allows Pell-eligible students at designated private higher educational institutions to receive a stipend at 50 percent of the rate provided for students at public institutions.

INFLATIONARY ADJUSTMENT FOR THE COLORADO GEOLOGICAL SURVEY: The appropriation includes an increase of \$71,749 total funds, representing a 2.7 percent inflationary adjustment, for the Colorado Geological Survey at the Colorado School of Mines. The increase is intended to support inflationary increases in salaries and benefits.

OCCUPATIONAL EDUCATION PERKINS INCREASE: The appropriation includes \$62,309 reappropriated funds for the Division of Occupational Education Administrative Costs line item to provide the federally required state match associated with increased federal funding for the Perkins Grant.

INDIRECT COST STUDY: The appropriation includes \$40,000 General Fund for the Department to conduct a study of its indirect cost collection plan and determine whether additional adjustments are required.

INDIRECT COST ADJUSTMENTS: The appropriation includes a decrease in the amount of indirect cost recoveries applied to offset the need for General Fund in this department. The appropriation includes an increase of \$217,552 General Fund to offset a decline in net indirect cost collections compared to FY 2018-19 and \$295,329 General Fund to refinance FY 2019-20 department increases (e.g., for centrally appropriated line items) that are supported by indirect cost collections.

GENERAL FUND EXEMPT ADJUSTMENT: The appropriation reduces appropriations from the General Fund by \$12,400,000 and increases appropriations from the General Fund Exempt account by the same amount.

GOVERNING BOARD FTE ADJUSTMENTS: The appropriation includes a net increase of 148.7 FTE for the governing boards. These employee FTE positions are shown for informational purposes only and are based on the estimated number of FY 2018-19 FTE who are paid through state institutions' educational and general budgets (amounts included in the Long Bill).

GOVERNING BOARD FTE				
	FY 2018-19 (FY 2017-18 ESTIMATES)	FY 2019-20 (FY 2018-19 ESTIMATES)	APPROPRIATION	
			CHANGE	PERCENT
Adams State University	328.6	315.7	(12.9)	(3.9%)
Colorado Mesa University	770.2	764.4	(5.8)	(0.8%)
Metropolitan State University	1,433.5	1,373.8	(59.7)	(4.2%)
Western Colorado University	265.0	273.2	8.2	3.1%
Colorado State University System	4,861.3	4,957.5	96.2	2.0%
Fort Lewis College	462.3	425.7	(36.6)	(7.9%)
University of Colorado System	9,171.4	9,471.3	299.9	3.3%
Colorado School of Mines	1,008.4	1,078.4	70.0	6.9%
University of Northern Colorado	1,360.7	1,370.2	9.5	0.7%
Community College System	6,050.9	5,830.4	(220.5)	(3.6%)
Auraria Higher Education Center	188.1	188.5	0.4	0.2%
TOTAL	25,900.4	26,049.1	148.7	0.6%

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
HB 18-1331 Higher Ed Open Educational Resources	\$500,877	\$500,877	\$0	\$0	0.1
SB 18-262 HED Master Plan Funding	(29,974,228)	(16,747,025)	0	(13,227,203)	0.0
HB 18-1332 Strategies for Educator Preparation Programs	(2,000,000)	(2,000,000)	0	0	0.0
HB 18-1003 Opioid Treatment	(750,000)	0	(750,000)	0	0.0
SB 17-074 Medication-assisted Treatment Program	(500,000)	0	(500,000)	0	0.0
SB 15-290 and S.B. 17-060 Colorado Student Leaders Institute Pilot	(218,825)	0	0	(218,825)	(1.0)
HB 18-1309 Partnership for Rural Education Preparation	(156,116)	(156,116)	0	0	0.0
HB 18-1226 Review of Degree Programs	(39,428)	(39,428)	0	0	0.0
HB 18-1002 Rural Teacher Fellowships	(2,406)	(2,406)	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
TOTAL	(\$33,140,126)	(\$18,444,098)	(\$1,250,000)	(\$13,446,028)	(0.9)

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 Salary survey and merit pay	\$85,286	\$66,176	\$19,110	\$0	\$0	0.0
FY 2018-19 HC-1 Sustainability from Recovery of OIT Costs	50,000	50,000	0	0	0	0.0
FY 2018-19 Cumbres and Toltec Railroad capital appropriation	(1,092,500)	(1,092,500)	0	0	0	0.0
FY 2018-19 Salary survey	(93,914)	0	(1)	0	(93,913)	0.0
TOTAL	(\$1,051,128)	(\$976,324)	\$19,109	\$0	(\$93,913)	0.0

LEASE-PURCHASE PAYMENT ADJUSTMENTS: The appropriation includes annual technical adjustments to three lease purchase payments: the University of Colorado Health Sciences Center at Fitzsimons lease purchase authorized by H.B. 03-1256; the Higher Education Federal Mineral Lease Revenues lease purchase that supported the construction of various higher education capital construction projects in 2008; and the lease purchase for the new History Colorado Center authorized in 2008. These adjustments result in a reduction of \$885,523 General Fund, primarily due to increases in cash funds available to offset General Fund otherwise required.

LEASE-PURCHASE PAYMENT ADJUSTMENTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
HED FML COP adjustment	(\$992,026)	(\$741,013)	\$490,000	(\$741,013)	0.0
Anschutz Medical Center COP adjustment	(3,750)	(144,510)	140,760	0	0.0
Annualize HC Center COP	(317)	0	(317)	0	0.0
TOTAL	(\$996,093)	(\$885,523)	\$630,443	(\$741,013)	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table. In addition to other changes, the risk management/property fund adjustment eliminates \$2,049,082 General Fund in one-time funding provided in FY 2018-19 to assist some higher education governing boards in covering exceptional FY 2017-18 property damage costs.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$477,674	\$11,562	\$338,392	\$82,996	\$44,724	0.0
PERA Direct Distribution	380,532	8,858	230,482	91,942	49,250	0.0
Health Life Dental	179,407	7,125	209,580	(7,533)	(29,765)	0.0
Payments to OIT	223,234	0	189,517	33,717	0	0.0
AED	27,357	1,995	103,936	5,532	(84,106)	0.0
SAED	27,357	1,995	103,936	5,532	(84,106)	0.0
Legal services	7,640	0	(4,159)	11,799	0	0.0
DPA IDS Increased Input Costs	4,568	0	0	4,568	0	0.0
Payment to risk management / property funds	(2,112,369)	(2,049,082)	(62,557)	(730)	0	0.0
CORE	(20,479)	0	(31,799)	11,320	0	0.0
Workers' compensation	(13,969)	0	(9,010)	(4,959)	0	0.0
ALJ	(485)	0	(485)	0	0	0.0
Short-term disability	(263)	17	2,434	159	(2,873)	0.0
TOTAL	(\$819,796)	(\$2,017,530)	\$1,070,267	\$234,343	(\$106,876)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF HUMAN SERVICES

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare activities of the State, including: assistance payments, the Supplemental Nutrition Assistance Program (food stamps), child welfare services, rehabilitation programs, alcohol and drug treatment programs, and programs for the aging. The Department is also responsible for inspecting and licensing child care facilities and for the care and treatment of the State's dependent citizens who are mentally ill, developmentally disabled, or juvenile offenders. The Department operates two mental health institutes, three regional centers for persons with developmental disabilities, and ten institutions for juvenile delinquents. The Department also provides funding for the care of indigent mentally ill people, services for children qualifying for early intervention services, and for the supervision and treatment of delinquent juveniles.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$831,980,417	\$888,859,937	\$977,848,825	\$1,043,299,934
Cash Funds	390,905,724	420,493,204	416,811,839	440,007,083
Reappropriated Funds	129,320,756	185,353,695	188,322,020	214,232,110
Federal Funds	556,277,721	590,111,541	611,583,369	647,022,854
TOTAL FUNDS	\$1,908,484,618	\$2,084,818,377	\$2,194,566,053	\$2,344,561,981
Full Time Equiv. Staff	4,793.4	4,935.5	5,053.8	5,130.9

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 44.5 percent General Fund, 18.8 percent cash funds, 9.1 percent reappropriated funds, and 27.6 percent federal funds.

EMPLOYEE BENEFITS

Due to the large number of Department employees, appropriations for employee benefits are significant. Benefits that are covered through centrally appropriated line items in the Executive Director's Office include: employee health, life, and dental insurance; the additional state contributions to assist in the amortization of the Public Employees' Retirement Association (PERA) unfunded liability; salary increases; premiums paid for employees who work non-standard shifts in 24-hour institutional facilities; and short-term disability insurance.

EMPLOYEE BENEFIT APPROPRIATIONS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2018-19 Appropriation					
Health, life, and dental	\$46,696,345	\$33,413,551	\$144,915	\$10,356,168	\$2,781,711
Supplemental PERA payments (AED and SAED)	28,536,514	19,912,957	511,685	5,769,484	2,342,388
Salary survey	8,558,755	5,782,678	287,616	1,540,230	948,231
Shift differential	7,296,296	4,386,994	0	2,909,302	0
Short-term disability	472,856	330,992	8,592	93,723	39,549
FY 2018-19 TOTAL	\$91,560,766	\$63,827,172	\$952,808	\$20,668,907	\$6,111,879
FY 2019-20 Appropriation					
Health, life, and dental	\$49,710,058	\$35,539,333	\$154,510	\$11,050,322	\$2,965,893
Supplemental PERA payments (AED and SAED)	29,822,404	20,808,778	534,362	6,033,068	2,446,196
Salary survey	9,430,800	6,371,871	316,921	1,697,163	1,044,845
Shift differential	7,903,357	4,751,997	0	3,151,360	0
Short-term disability	496,291	347,144	9,024	98,586	41,537
FY 2019-20 TOTAL	\$97,362,910	\$67,819,123	\$1,014,817	\$22,030,499	\$6,498,471

INFORMATION TECHNOLOGY SYSTEMS

The budget for the Office of Information Technology Systems (OITS) is primarily driven by the personnel, contracting, and operating expenses of the Colorado Benefits Management System (CBMS). CBMS is the computer system used to determine a citizen's eligibility for public assistance programs like Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and several others. CBMS is developed and maintained by the state for use by county social services departments and various medical assistance sites. The majority of employees assigned to CBMS reside in the Governor's Office of Information Technology.

OITS' FY 2019-20 appropriation for CBMS-related expenditures totals \$18.7 million total funds, including \$8.7 million General Fund, which equals 24.0 percent of the unit's FY 2019-20 total funds appropriation of \$78.0 million and 26.5 percent of its General Fund appropriation of \$33.0 million. CBMS expenses are driven by operating costs, including contract services, postage, hardware/software, network equipment, and printing supplies. CBMS is not the only system administered with money appropriated to OITS, though. The following tools support a variety of programs:

- Colorado Trails (TRAILS) – Supports the state's child protective system activities by tracking reports of child abuse and neglect from intake through final disposition and securely reporting the corresponding data to the federal government. TRAILS received a FY 2019-20 appropriation of \$7.5 million total funds, including \$3.8 million General Fund, for its operation. TRAILS is in the final implementation phases of a modernization project.
- County Financial Management System (CFMS) – Tracks expenditures by program, by funding source, and by county, allocates administrative costs by program, and tracks expenditures that are estimated to count toward federal maintenance of effort requirements. The system manages over \$1.0 billion in payments annually. CFMS received a FY 2019-20 appropriation of \$1.5 million total funds, including \$0.4 million General Fund, for its operation.
- Child Care Automated Tracking System (CHATS) – Determines eligibility and processes payments for the Child Care Assistance Program. The program provides child care subsidies for low-income families, TANF families, and families transitioning from the Colorado Works program. CHATS received a FY 2019-20 appropriation of \$2.7 million federal funds for its operation.

COUNTY ADMINISTRATION

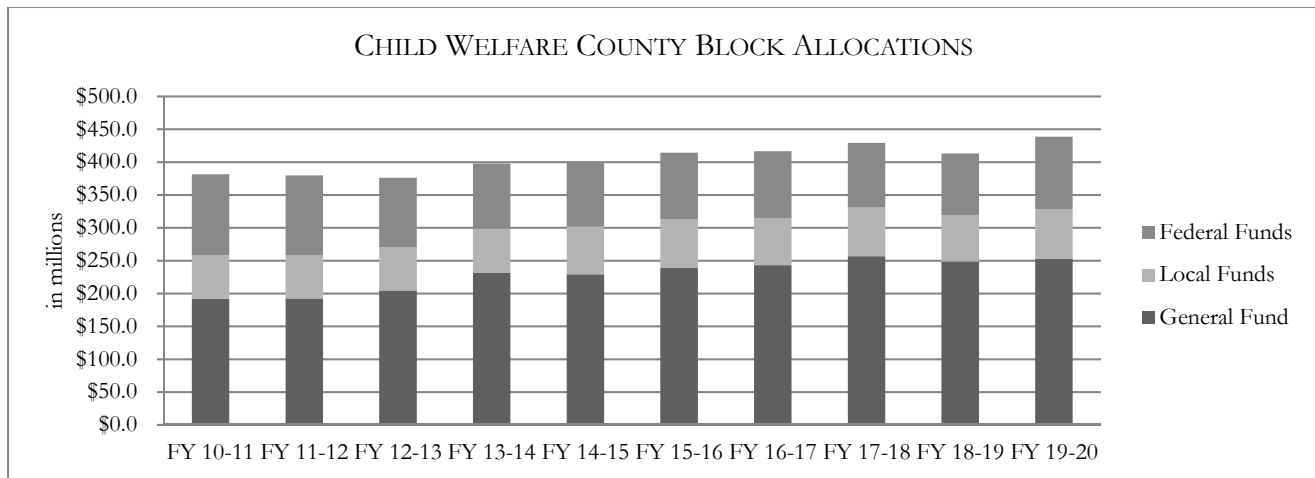
Public assistance programs in Colorado operate under a state-supervised, county-administered model. Under this decentralized model, the federal government provides a portion (or all) of the funding for a program (including administrative costs) to the state, which in-turn provides block grant transfers to counties to administer the program in accordance with federal and state laws, regulations, and rules. Funding for county administrative duties in delivering public assistance programs is appropriated to two agencies based on state-level program responsibility: the Colorado Department of Human Services and the Department of Health Care Policy and Financing.

This budgetary section contains appropriations primarily for the county administration of the Supplemental Nutrition Assistance Program (SNAP). Appropriations for this purpose are calculated as roughly 20 percent county funds, 30 percent state funds, and 50 percent federal funds. The total funds amount of the appropriation is driven by the state General Fund component of this formula. State General Fund is appropriated at a discretionary level by the General Assembly. County costs and caseload only affect appropriations to the extent the General Assembly chooses to make related adjustments. If counties over-expend their allocations, they are responsible for covering the shortfall, although they are able to access federal matching funds for county-only expenditures in some instances. For FY 2019-20, the Department received an appropriation of \$25.5 million General Fund. Funding for the SNAP benefit provided to recipients is not included in the annual Long Bill.

Additionally, this budgetary section includes funding to assist counties experiencing financial gaps between service needs and the property taxes used to maintain program administration. This funding, known as County Tax Base Relief (CTBR), is allocated according to a formula specified in Section 26-1-126, C.R.S. For FY 2019-20, the Department of Human Services received an appropriation of \$3.9 million General Fund for CTBR. Historically, Pueblo County receives the largest single county allocation of this money.

CHILD WELFARE SERVICES

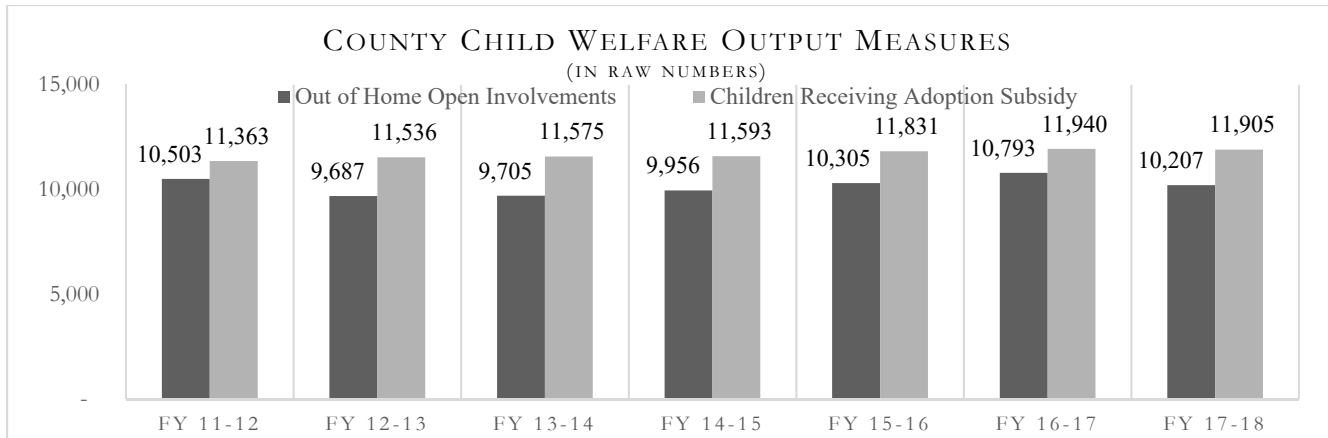
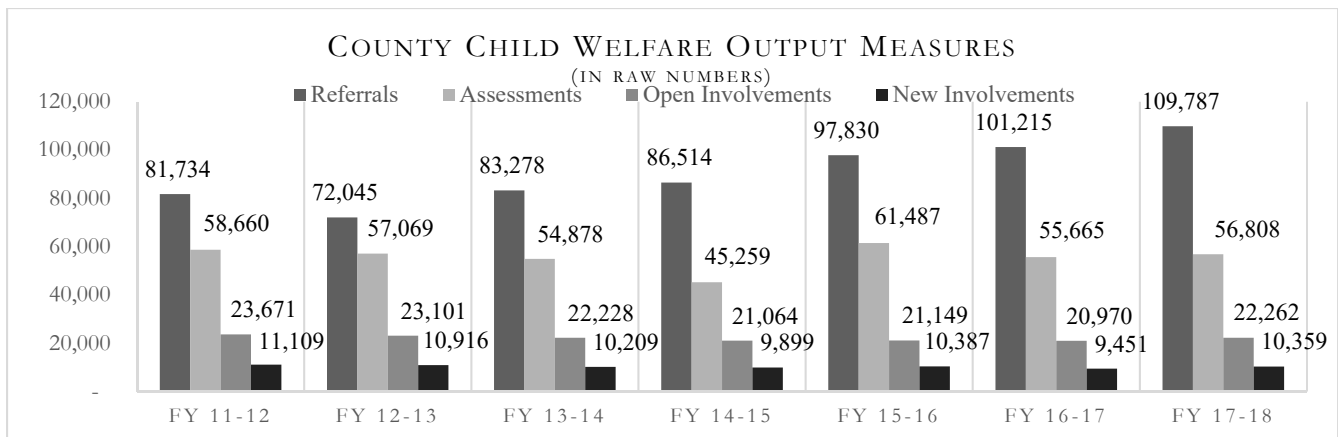
County departments of human or social services receive and respond to reports of potential child abuse or neglect under the supervision of the Department. Appropriations for child welfare programs for FY 2019-20 total \$558.6 million and consist of 53.7 percent General Fund, 24.7 percent federal funds, 4.3 percent reappropriated funds, and 17.4 percent county funds and various cash fund sources. The majority of funds appropriated for child welfare (78.5 percent) are made available to county departments as capped allocations for the provision of child welfare services. The chart below provides the history of appropriations for county block allocations (from appropriations made to the Child Welfare Services, County Level Child Welfare Staffing, and Family and Children's Programs line items) by fund source.



Note: The reduction in FY 2018-19 reflects the passage of S.B. 18-254 (Child Welfare Reforms). The Act removed funding for Adoption and Relative Guardianship Assistance from the Child Welfare Services line item, thus removing these subsidy expenditures from the capped allocation. Funding for the subsidies is now appropriated in a separate line item.

Counties are required to provide a specific funding match for each allocation. For County Level Child Welfare Staffing allocations, most counties are required to cover 10.0 percent of the associated costs. For block allocations provided through the Child Welfare Services and Family and Children's Programs line items, counties are required to cover 20.0 percent of most child welfare costs. If counties spend more than the capped allocations provided through these line items, they are responsible for covering any shortfall with other funds, which may include federal Temporary Assistance for Needy Families (TANF) block grant funds or county tax revenue. Counties are reimbursed 90.0 percent of the total cost of Adoption and Relative Guardianship subsidy payments.

Expenditures for child welfare services are driven by various factors. Drivers that are within county control include the types of services offered, the rates paid for services, and employee compensation packages. Drivers that are beyond county control include the number of reports of abuse or neglect, the number of reports that require a child welfare case to be opened based on the severity of an incident and risk to a child, and judicial decisions regarding client placements. Child welfare system outputs that are frequently monitored include the number of: 1) referrals made to county child welfare agencies; 2) assessments that are performed to determine instances of abuse or neglect; 3) new and ongoing cases that are opened and that result in the involvement of the county child welfare agency; 4) open cases that require out-of-home placement; and 5) children receiving an adoption subsidy.



The majority of federal funding available for costs associated with child welfare services consists of Titles IV-E and IV-B of the Social Security Act and the Title XX Social Services Block Grant. Title IV-E of the federal Social Security Act entitles states to claim a partial reimbursement for the cost of providing foster care, adoption assistance, and kinship guardianship assistance to children who meet federal eligibility criteria. This program provides funds for case management activities, training, data collection, and other program administration costs, in addition to support for monthly payments on behalf of qualifying children. With the enactment of the federal Family First Prevention Services Act of 2018, opportunities to utilize Title IV-E funding for evidence-based prevention and intervention services will increase.

CHILD CARE ASSISTANCE PROGRAM

The Colorado Child Care Assistance Program (CCCAP) provides subsidized childcare for low-income families and those transitioning from the Colorado Works program, subject to available appropriations. The majority of appropriations are comprised of federal Child Care Development block grant funds, which are subject to appropriation by the General Assembly under federal law. Funding for CCCAP is allocated to counties, which are responsible for administering the program. In addition to appropriated amounts, counties may transfer a portion of their TANF block grant funding to support childcare programs. Such transfers are not reflected in the appropriation, but are a driver of overall program expenditures.

OFFICE OF BEHAVIORAL HEALTH

The Office of Behavioral Health administers funding for community-based prevention, crisis response, treatment, and recovery support services for people with mental health and substance use disorders (referred to as “behavioral health” services). The Department also operates the State's Mental Health Institutes, which provide inpatient psychiatric hospitalization for individuals with mental health disorders.

MENTAL HEALTH INSTITUTES

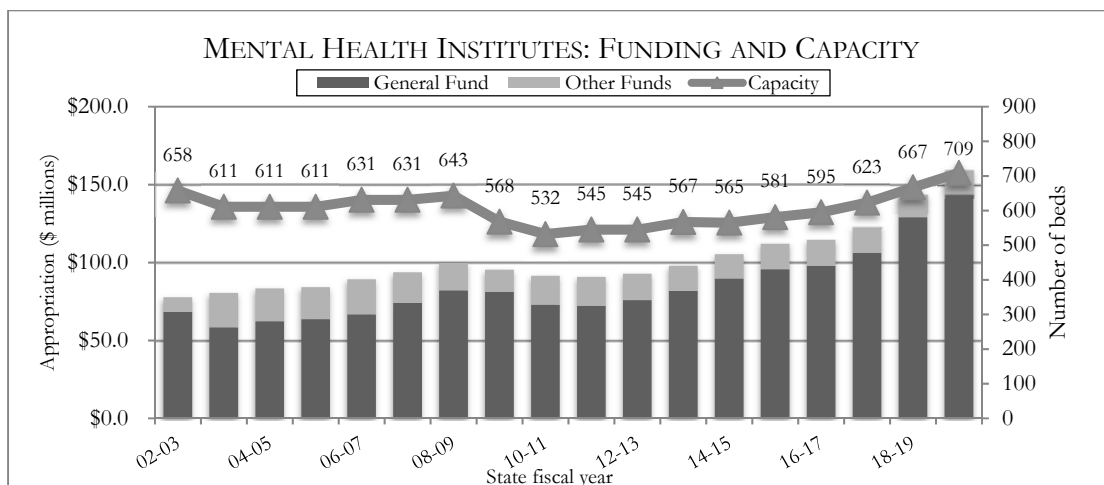
The Department administers and operates two Mental Health Institutes that provide inpatient hospitalization for individuals with serious mental health disorders. The Institutes are located in Pueblo and on the Fort Logan campus in southwest Denver, and serve three populations within two categories of resources:

- “Forensic” beds include services for
 - Individuals with pending criminal charges who require evaluations of competency to stand trial and services to restore competency; and
 - Individuals who have been found not guilty by reason of insanity;
- “Civil” beds include services for
 - Adults and adolescents who are referred for admission by community mental health centers, local hospitals, or the Department's Division of Youth Services.

The Department also contracts with a vendor to operate a *jail-based* program for individuals requiring competency evaluations or restoration services. This program, called the Restoring Individuals Safely and Effectively (RISE) Program, is currently operated by Correct Care, LLC, within the Arapahoe County Detention Facility in Centennial. The RISE Program was originally funded in FY 2013-14 for 22 beds and has been regularly expanded; the FY 2019-20 appropriation supports 114 beds. In addition, the General Assembly approved a request in March 2018 to allow the Office to expand inpatient psychiatric bed capacity by contracting with one or more private hospitals. The FY 2019-20 appropriation supports 10 contracted beds.

The Institutes are primarily supported by General Fund appropriations. Other sources of revenue include: patient revenues (including federal Medicaid funds transferred from the Department of Health Care Policy and Financing and federal Medicare funds), funds transferred from the Department of Corrections (DOC) for food services provided to DOC facilities on the Pueblo campus, and marijuana tax revenues that support certified addiction counselors at both Institutes. Funding for the Institutes is affected by capacity, personnel costs, and operational costs (including medication expenses and the cost of purchasing medical services from local hospitals and medical providers). In FY 2018-19, the General Assembly provided \$13.0 million to increase salaries for all direct care job classifications at both Institutes as part of an effort to improve employee recruitment and retention.

Total capacity of the Institutes declined during each of the last two economic downturns as a result of the closure of certain units. However the General Assembly subsequently reversed this decline in capacity by providing funding for the Department to: 1) add contract bed capacity through the RISE Program and private hospitals; 2) expand by 20 the number of beds at the Pueblo Institute designed to serve long-term patients who are preparing to re-enter the community, thereby freeing up 20 existing adult beds in various units; and 3) relocate some existing programs and utilize vacant units at the Pueblo Institute to add 42 adult civil beds. The following chart depicts recent changes in the Institutes' funding and bed capacity. Capacity figures reflect both civil and forensic beds, including the RISE Program and the recently funded private psychiatric beds.



In addition to appropriations reflected in the chart above, the General Assembly has appropriated funding for capital construction projects that will increase capacity in future years. This includes a \$5.4 million appropriation in FY 2017-18 for the construction of a new 24-bed high security forensic unit that is anticipated to be operational by July 2020, and a \$17.8 million appropriation in FY 2019-20 to renovate two buildings at Fort Logan and add 44 beds that are anticipated to be operational in FY 2022-23.

COMMUNITY-BASED PROGRAMS AND SERVICES

The Office of Behavioral Health contracts with 17 community mental health centers (Centers) across the state to provide mental health services that are not otherwise available. Each Center is responsible for providing a set of core services, ranging from public education to inpatient services. The Office also contracts with four managed service organizations (MSOs) for the provision of substance use disorder treatment and detoxification services that are not otherwise available. MSOs subcontract with local treatment providers across the state to deliver these services. Finally, the Office also contracts with other organizations to provide certain types of treatment services or services targeting specific populations.

Most mental health and substance use disorder services for Medicaid-eligible clients are funded through the Department of Health Care Policy and Financing. Unlike the Medicaid program, behavioral health services provided through this department are not an entitlement. Thus, the number of individuals receiving services and the level of service provided is largely driven by the level of state and federal funds available each year. The General Assembly periodically adjusts funding for the Centers, MSOs, and other community providers to account for inflationary changes and to ensure that programs are viable over the long-term. The rate changes are generally consistent with the common policy adopted by the Joint Budget Committee for a variety of community providers.

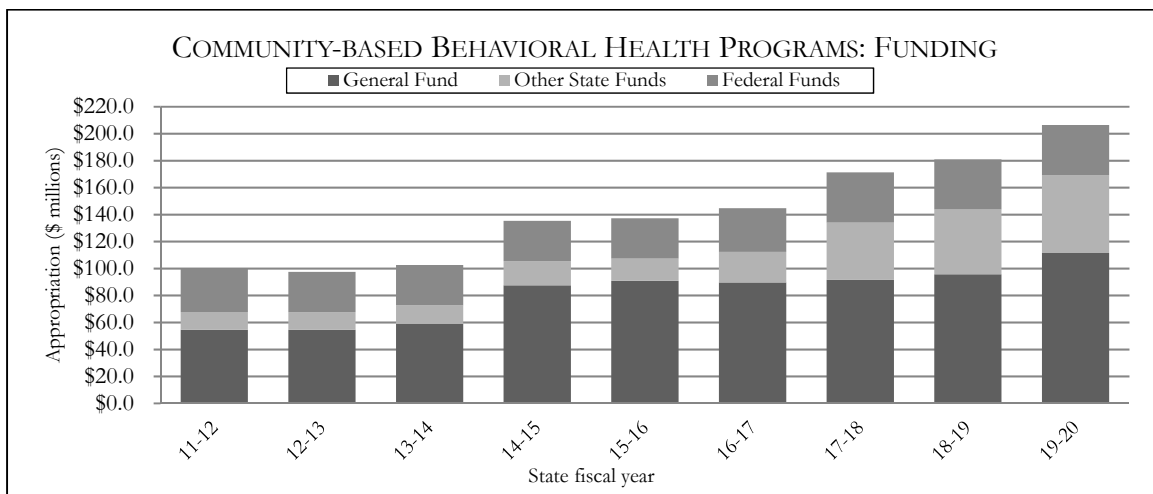
The General Assembly also appropriates additional funds for the provision of specific services or services targeting specific populations (e.g., alternative placements for people who would otherwise require hospitalization at a mental health institute, school-based behavioral health services for children, and services for juvenile and adult offenders).

For FY 2019-20, General Fund appropriations provide more than half of available funds. Other significant sources of state funds include: the Marijuana Tax Cash Fund (MTCF), transfers from the Judicial Department from the Correctional Treatment Cash Fund, the Persistent Drunk Driver Cash Fund, and Medicaid funds transferred from the Department of Health Care Policy and Financing. Federal funds are primarily from the Mental Health Services Block Grant and the Substance Abuse Prevention and Treatment Block Grant.

The following chart depicts funding available for community-based behavioral health services since FY 2011-12. The significant increase provided in FY 2014-15 primarily relates to the creation of a statewide behavioral health crisis response system (pursuant to S.B. 13-266) and an effort to expand the Centers' capacity to deliver behavioral health stabilization services to individuals who would otherwise require treatment at the mental health institutes. More recent increases in annual state appropriations from both the General Fund and the MTCF include:

- \$15.6 million for MSOs to assess the sufficiency of substance use disorder services in their geographic regions and increase access to a continuum of effective substance use disorder services, and \$5.0 million for grants to local governments, schools, local law enforcement agencies, and substance use disorder treatment providers to increase capacity and services in rural and frontier communities;
- \$18.2 million to expand rural residential behavioral health treatment services;
- \$14.5 million to expand and improve behavioral health services provided for individuals while they are in jail and \$2.4 million for Centers to provide other mental health services for juvenile and adult offenders;
- \$5.6 million for programs to divert individuals with substance use disorders from the criminal justice system;
- \$4.7 million to strengthen the statewide behavioral health crisis response system;
- \$3.4 million to coordinate referrals of high-risk individuals being released from hospitals and detoxification management facilities; and

- \$1.9 million to expand mental health services for children and youth at risk of out-of-home placement.



SERVICES FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

REGIONAL CENTERS

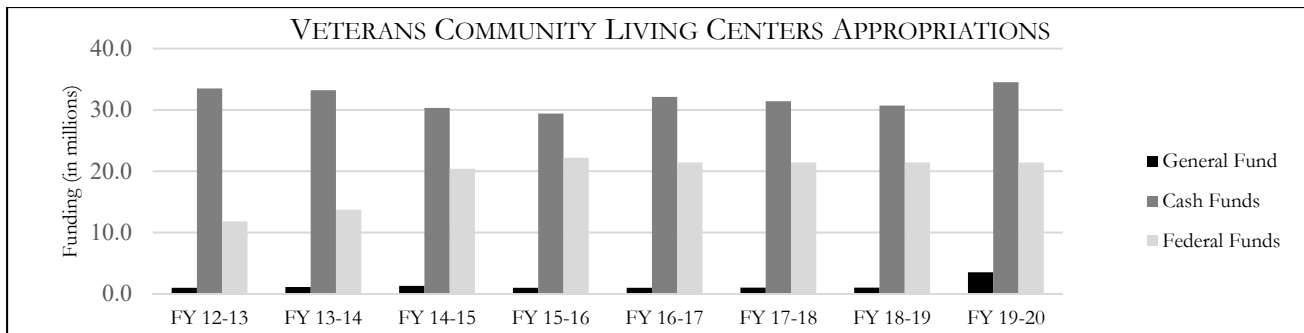
Regional Centers are state operated facilities for individuals with intellectual and developmental disabilities (IDD). They provide residential services, medical care, and active treatment programs based on individual assessments and habilitation plans. Regional Center services are provided in one of two settings: large congregate residential settings on the Regional Center campus or group homes that serve four to eight individuals in a community setting. Regional Centers are licensed as either Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) or Adult Comprehensive Waiver Homes (waiver homes). For all the Regional Centers, regardless of licensure type, Medicaid pays a daily rate based on the actual cost of services and the cost of operating the facilities where services are provided. As of September 2018, 258 individuals were served in Regional Centers. The following table indicates the average cost per bed at the ICF licensed Regional Centers and the waiver licensed Regional Centers for the previous two fiscal years.

REGIONAL CENTER MEDICAID FUNDING			
FACILITY	CAPACITY (# OF BEDS)	AVERAGE ANNUAL COST PER BED	TOTAL
FY 2017-18 Actual Expenditures			
Wheat Ridge Regional Center Intermediate Care Facility	142	\$167,372	\$23,766,800
Grand Junction Regional Center Intermediate Care Facility	46	162,967	7,496,495
Grand Junction Regional Center Waiver Services	80	117,109	9,368,684
Pueblo Regional Center Waiver Services	88	115,339	10,149,859
FY 2017-18 TOTAL	356	\$142,646	\$50,781,838
FY 2018-19 Appropriation			
Wheat Ridge Regional Center Intermediate Care Facility	142	\$171,117	\$24,298,667
Grand Junction Regional Center Intermediate Care Facility	46	180,311	8,294,316
Grand Junction Regional Center Waiver Services	80	118,585	9,486,803
Pueblo Regional Center Waiver Services	88	107,805	9,486,803
FY 2018-19 TOTAL	356	\$144,850	\$51,566,589

VETERANS COMMUNITY LIVING CENTERS

The Department manages and operates five state Veterans Community Living Centers with a total of 554 nursing home beds spread across the Fitzsimons, Florence, Homelake, Rifle, and Walsenburg campuses and a forty-eight bed domiciliary (assisted living facility) on the Homelake campus. Services include long-term care, short-term rehabilitation for individuals seeking to return home following a qualifying hospital stay, memory care services for individuals with dementia, short-term respite care, and end-of-life/hospice services. The Centers are supported primarily by cash funds and federal funds. Cash fund sources include revenue from patient payments, U.S. Veterans

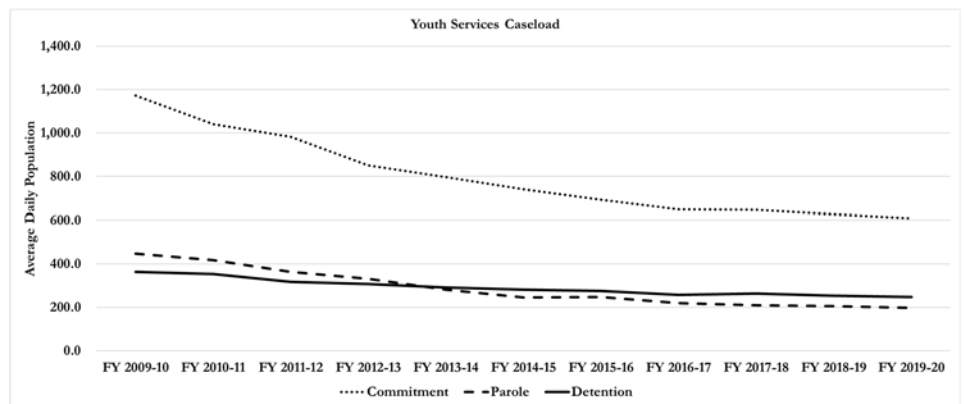
Administration operation and construction grants, various sources of other revenue, and a General Fund appropriation pursuant to Section 26-12-108 (1)(a.5), C.R.S. Federal funds are from the U.S. Department of Veterans Affairs. The informational appropriation is adjusted each fiscal year based on projected expenditures for the upcoming fiscal year.



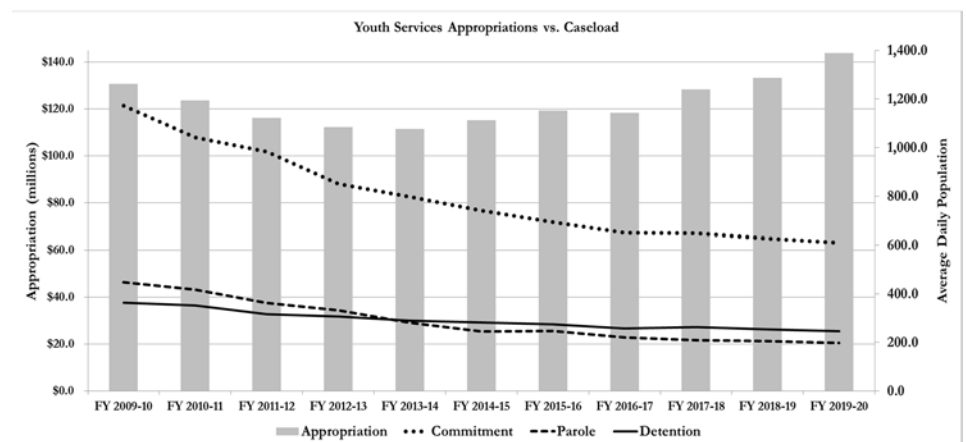
Note: The chart includes the actual expenditures for FY 2012-13 through FY 2017-18 and the appropriations for FY 2018-19 and FY 2019-20.

DIVISION OF YOUTH SERVICES

The Division of Youth Services (formerly the Division of Youth Corrections) provides housing and rehabilitation services for juveniles who are detained while awaiting adjudication (similar to adult jail), or committed for a period of time as a result of a juvenile delinquent adjudication (similar to adult prison). The Division also supervises juveniles during a mandatory parole period following all commitment sentences. Nearly all of the appropriations supporting the youth correctional population are from the General Fund (96.2 percent of the total funds). The population size of detained, committed, and paroled juveniles drives appropriations.



In addition to caseload-related funding adjustments, since FY 2014-15, the Division has received additional funding to add over 200 new staff positions to improve staff-to-youth ratios in an effort to create safer environments for staff and youth in its ten state-owned and state-operated facilities. This has made a larger impact on the Division's budget than any other factor. From FY 2014-15 through FY 2017-18, the Division's budget was increased by

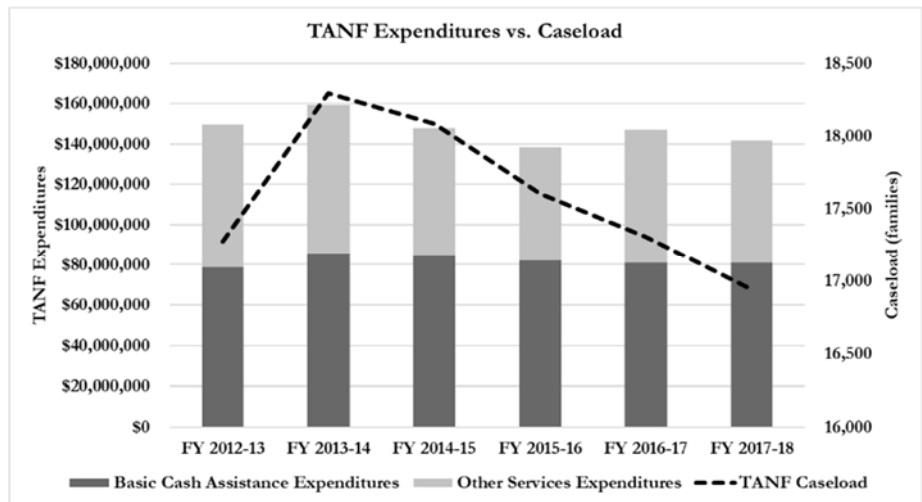


\$11.8 million General Fund for new employees at the facilities. Unlike fiscal years prior to FY 2014-15, this caused the Division's budget to increase despite commitment, detention, and parole populations dropping. For FY 2018-19, the Division received an additional \$2.6 million General Fund for 69 new security-focused positions (49.5 FTE).

OFFICE OF SELF SUFFICIENCY

COLORADO WORKS AND THE TEMPORARY ASSISTANCE TO NEEDY FAMILIES BLOCK GRANT

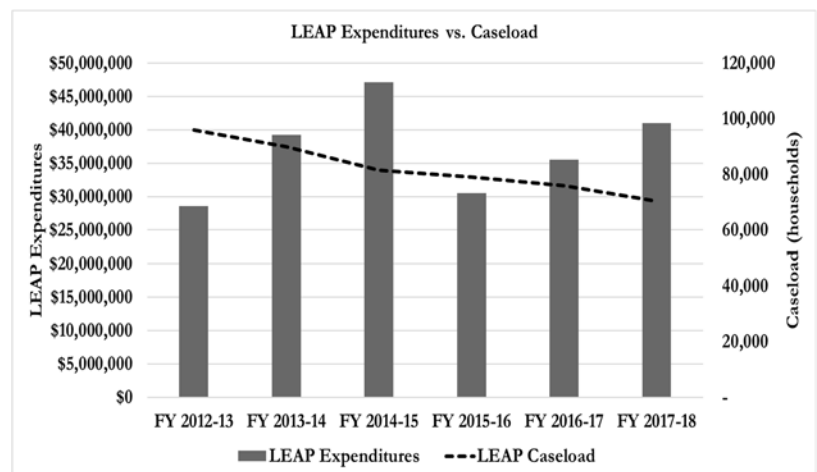
The Colorado Works Program implements the federal TANF block grant program created in the 1996 welfare reform law. The program provides financial and other assistance to families to enable children to be cared for in their own homes and to assist needy parents in achieving self-sufficiency. Pursuant to federal law, the state receives a fixed amount of \$136.1 million per year in TANF block grant funds. The majority of the TANF funds received are allocated as block grants to counties for the provision of basic cash assistance payments to families. TANF funds are also used by the state and counties to support related programs that assist families, including employment and training opportunities and child care assistance.



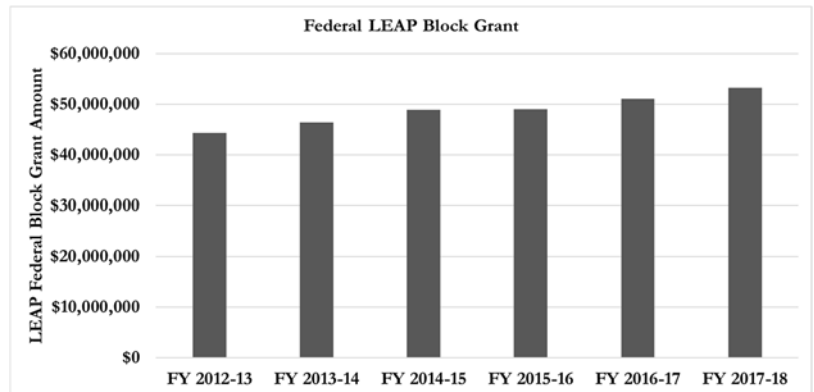
Federal law allows states to retain any unexpended TANF funds for future years in the event of economic downturns or caseload increases. State statute (Section 26-2-714, C.R.S.) allows for counties to maintain a reserve account of up to 40 percent of its annual TANF block grant. These funds are often used to cover child welfare deficits, for child care quality activities, and to cover child care assistance deficits, as is allowed by federal and state law. At the beginning of FY 2018-19, county reserves totaled \$54.8 million. State statute (Section 26-2-721, C.R.S.) also allows the Department of Human Services to maintain a reserve (Long-term Works Reserve). At the beginning of FY 2018-19, the Long-term Works Reserve totaled \$85.7 million.

LOW INCOME ENERGY ASSISTANCE PROGRAM

The Low-Income Energy Assistance Program (LEAP) is a federally funded initiative that helps eligible families, seniors, and individuals pay a portion of their winter home heating costs (November 1st to April 30th). LEAP is not intended to pay the entire cost of home heating, but rather to help alleviate some of the burden associated with the colder months. In most cases, payments are made directly to the primary heating fuel vendor and a notice is sent to the household informing them of the benefit amount. The energy assistance benefit varies depending on a variety of factors, including the cost of heating a beneficiary's home, the amount of the available LEAP funding, and applications received. The Program pays the highest benefits to those with the highest heating costs. Other benefits provided by LEAP include repair or replacement of a home's primary heating system, such as a furnace or wood-burning stove.



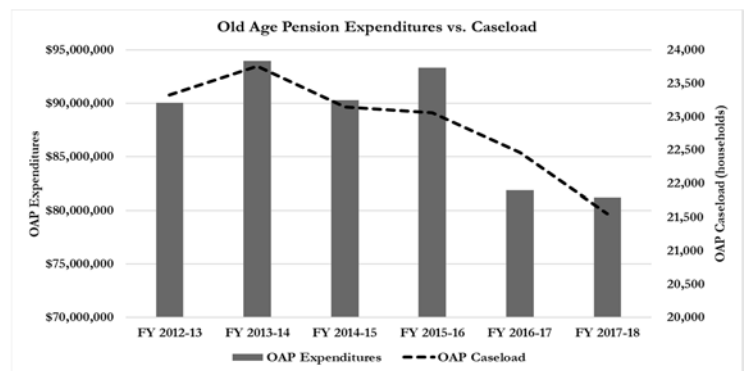
The majority of funds for LEAP come from the federal government through the Low Income Home Energy Assistance Program (LIHEAP). In FY 2017-18, the federal LEAP block grant totaled \$53.2 million. Like several other federal programs administered by Colorado's executive branch, the General Assembly has little control over the federal funding for LEAP. The program receives a statutory transfer (Section 39-29-109.3, C.R.S.) of severance tax money up to \$3,250,000. These funds are transferred into the Department of Human Services' Low-income Energy Assistance Fund. This transfer, which is part of the Natural Resources and Energy Grant Program distribution of money from the Severance Tax Operational Fund, varies from year to year based on severance tax collections. For FY 2019-20, preliminary forecasts indicate the transfer from severance tax may decrease to \$2,794,867, which would result in \$455,133 in empty spending authority based on the \$3,250,000 Long Bill appropriation.



ADULT ASSISTANCE PROGRAMS

OLD AGE PENSION PROGRAM

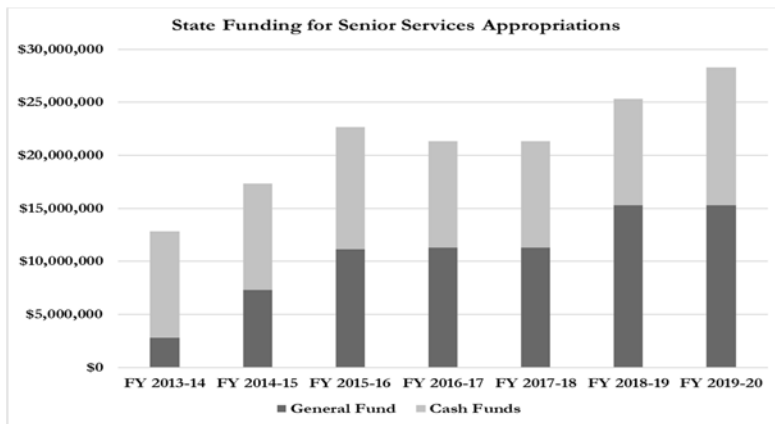
The Old Age Pension (OAP) Program, authorized by Section 1 of Article XXIV of the State Constitution, provides cash assistance to low-income individuals age 60 and over. It is funded through excise and state sales taxes deposited into the OAP cash fund in lieu of the General Fund. Costs for this program are driven by the size of the benefit and the number of qualified individuals. The General Assembly has limited control over OAP expenditures as the state constitution guarantees the benefit, and levels are set by the State Board of Human Services. The Long Bill appropriation reflects anticipated expenditures and is shown for informational purposes only. Expenditures for the OAP Program are driven by the amount of the benefit claimed, caseload, and cost-of-living (COLA) increases approved by the State Board of Human Services. For FY 2019-20, the State Board approved a COLA increase of 2.8 percent, raising the monthly grant standard from \$788 to \$810 at a cost of \$3.2 million.



COMMUNITY SERVICES FOR THE ELDERLY

State and federal funds are distributed to 16 Area Agencies on Aging (AAAs) for the provision of a variety of community services for the elderly such as transportation, congregate meals, in-home meals, and in-home support services. These services are geared toward providing seniors with the opportunity to remain in their homes and communities as long as possible.

Most of the Department's state fund appropriations for these types of services are allocated to the State Funding for Senior Services line item. This line item receives funding through three mechanisms. First, statute (Section 39-26-123 (3), C.R.S.) annually credits \$10.0 million from state excise and sales taxes to the Older Coloradans Cash Fund. This money would otherwise be deposited in the General Fund. This amount has grown from \$3.0 million as originally set forth in H.B. 00-1072 (Older Coloradans' Act), to \$5.0 million via H.B. 07-1100 (Increase Funds For Older CO Cash Fund), to \$8.0 million via H.B. 08-1108 (Increase Funds For Older CO Cash Fund), and finally to its current level of \$10.0 million via S.B. 13-127 (Sales Tax Revenue To Older Coloradans Cash Fund).



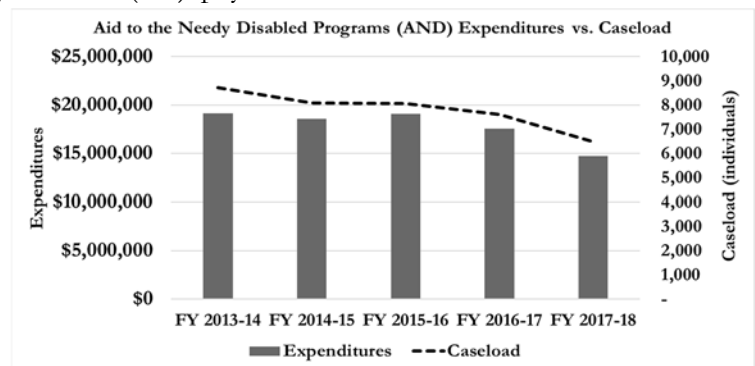
In recent years, the General Assembly has appropriated General Fund to support senior services. General Fund appropriations for this purpose have grown from \$0.5 million for FY 2011-12 to \$11.3 million for FY 2017-18. The Department received an additional \$4.0 million General Fund for FY 2018-19 bringing the total General Fund appropriation to its current level of \$15.3 million. Pursuant to statute, 95.0 percent of the amount by which the value reflected in the Long Bill for the Senior Citizen and Disabled Veteran Property Tax Exemption line item in the Department of the Treasury exceeds the value that local governments

submit as claims for reimbursement is deposited in the Older Coloradans Cash Fund. An excess appropriation of \$1,519,482 General Fund occurred in FY 2014-15 and a deposit of the same amount was made into the Older Coloradans Cash Fund, pursuant to this statutory provision. In FY 2019-20, an additional \$3.0 million was appropriated for senior services from the Older Coloradans Cash Fund due to a balance of \$15.0 million in unused funds from the Property Tax Exemption Fund. This amount of additional funding is expected to be appropriated annually for five years until the available fund balance is completely utilized.

In addition to state funding for senior services, the Department also receives federal funds that it distributes to AAAs to support community-based and in-home services for older adults. The funding derives from the Older Americans Act, which Congress passed in 1965 to spur the development of community social services for older persons. Each state receives Older Americans Act funds according to a formula based on the state's share of the U.S. population age 60 and older. Total federal funds available have remained relatively flat in recent years and total \$18.3 million in FY 2019-20.

AID TO THE NEEDY DISABLED AND AID TO THE BLIND PROGRAMS

Aid to the Needy Disabled (AND) provides cash assistance to low-income Coloradans with a disability lasting six months or longer that prevents them from working, as documented by a licensed physician. For some beneficiaries, these funds supplement federal Supplemental Security Income (SSI) payments. Other beneficiaries either do not qualify for federal SSI or have pending applications for federal SSI. Funding for this program is comprised of General Fund, county matching funds, and federal reimbursements for payments to individuals who initially receive a state-only subsidy but are ultimately deemed eligible for federal SSI. The Aid to the Blind program provides cash assistance to low-income Colorado residents, age 18 and over, who have at least a six-month total disability that precludes them from working, and who meet the Social Security definition of blindness.



In recent fiscal years, appropriations for these initiatives have remained relatively flat, while AND caseload has decreased from 8,723 in FY 2013-14 to 6,481 in FY 2018-19. In FY 2019-20, the General Assembly provided the Department with \$12.6 million General Fund for the program.

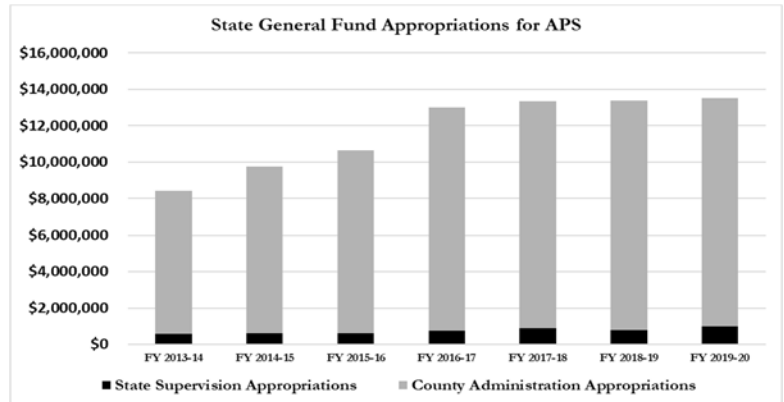
ADULT PROTECTIVE SERVICES

Colorado's Adult Protective Services (APS) system, enacted in 1991, is designed to protect vulnerable or at-risk adults who, because of age or mental or physical ability, are unable to obtain services or otherwise protect their own health, safety, and welfare. Adult protective services are delivered under a state-supervised and county-administered model.

Senate Bill 15-109 (Mandatory Abuse Report for Adult with a Disability) expanded the mandatory reporting requirement for at-risk adults to cover known or suspected abuse of at-risk adults with intellectual or developmental disabilities.

Section 26-3.1-103, C.R.S., mandates that counties receiving reports of mistreatment or self-neglect must immediately make an evaluation of the reported level of risk. The evaluation must include a determination of a response time frame and whether an investigation of the allegations is required. If a county determines that an investigation is required, it is responsible for ensuring an investigation is conducted and arranging for the subsequent provision of protective services to be conducted by persons trained to conduct such investigations and provide protective services. For FY 2017-18, 24,218 allegations were reported and 8,206 new cases were opened. Of these reports, 6,536 involved self-neglect allegations and 5,400 involved exploitation, which resulted in the opening of 2,914 and 2,040 new cases, respectively. Allegations of caretaker neglect totaled 4,407 and resulted in the opening of 2,156 new cases.

Funding for the state-supervision portion of APS in FY 2019-20 totals \$992,688 General Fund, which provides funding for 8.3 FTE and supports training for county-level adult protective services caseworkers and supervisors to achieve consistency in the performance of statutorily-obligated duties, as outlined in Section 26-3.1-103, C.R.S. Appropriations for the services offered by the Department have grown by over 50.0 percent in the last five years due to an increased focus on training county workers and reporting entities outlined by law.



Funding for county-administration of APS is from the General Fund, county funds, and the federal Title XX Social Services Block Grant. General Fund appropriations for counties total \$12.5 million in FY 2019-20. State funding has increased by nearly 60.0 percent in the last five years, driven by the implementation of S.B. 13-111 (Require Reports of Elder Abuse and Exploitation) and S.B. 15-109 (Mandatory Abuse Report for Adult with a Disability), both of which included appropriations to fund additional county staff to address the increased workload.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,172,833,651	\$960,747,033	\$419,282,280	\$187,608,968	\$605,195,370	5,046.4
SB 18-191	(50,000)	0	(50,000)	0	0	0.0
SB 18-250	2,564,603	2,564,603	0	0	0	1.8
SB 18-254	18,368,787	14,546,680	(1,208,177)	0	5,030,284	1.8
SB 18-270	1,588,250	1,588,250	0	0	0	0.0
HB 18-1064	158,374	158,374	0	0	0	0.0
HB 18-1094	1,286,611	1,286,611	0	0	0	0.5
HB 18-1306	2,817,327	0	550,066	0	2,267,261	0.9
HB 18-1319	30,000	30,000	0	0	0	0.0
HB 18-1323	52,511	0	0	52,511	0	0.5
HB 18-1328	(2,685,176)	0	0	(2,685,176)	0	(1.0)
HB 18-1333	15,000	15,000	0	0	0	0.0
HB 18-1334	1,278,751	1,278,751	0	0	0	1.0
HB 18-1339	36,630	36,630	0	0	0	0.0
HB 18-1357	85,695	85,695	0	0	0	0.9

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1363	122,996	0	122,996	0	0	0.0
HB 18-1364	250,000	250,000	0	0	0	1.0
SB 19-114	(8,031,075)	(8,581,920)	(1,885,326)	3,345,717	(909,546)	0.0
SB 19-207	(2,614,882)	(2,614,882)	0	0	0	0.0
SB 19-223	6,458,000	6,458,000	0	0	0	0.0
TOTAL	\$2,194,566,053	\$977,848,825	\$416,811,839	\$188,322,020	\$611,583,369	5,053.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,194,566,053	\$977,848,825	\$416,811,839	\$188,322,020	\$611,583,369	5,053.8
Centrally appropriated line items	25,596,205	11,365,518	5,077,817	2,578,151	6,574,719	0.0
Compensation for direct care employees	15,609,684	11,079,139	4,530,545	0	0	0.0
Annualize prior year legislation	15,059,758	15,379,729	(774,860)	(2,148,182)	2,603,071	1.8
Maintain service levels for CCCAP	10,530,500	0	0	0	10,530,500	0.0
Child welfare provider rate implementation phase 2	10,350,000	4,968,000	2,070,000	0	3,312,000	0.0
Community provider rate increase	9,169,298	5,456,026	1,429,854	16,856	2,266,562	0.0
County child welfare staff phase 5	6,259,058	4,598,849	625,906	0	1,034,303	0.0
Indirect cost assessment	5,337,561	1,190,033	(5,572,311)	12,463,965	(2,744,126)	0.0
Mental Health Institute at Pueblo bed expansion	5,141,144	5,141,144	0	0	0	47.3
Targeted rate increase	3,899,721	3,400,555	499,166	0	0	0.0
Correctional Treatment Cash Fund adjustments	3,879,236	0	0	3,879,236	0	0.0
Old Age Pension Program COLA	3,219,665	0	3,219,665	0	0	0.0
State funding for senior services	3,000,000	0	3,000,000	0	0	0.0
Child protective services computer system maintenance	2,452,920	1,103,814	0	0	1,349,106	0.0
Annualize prior year budget actions	2,323,126	1,509,630	226,269	(750,646)	1,337,873	2.9
Youth services facilities realignment and capacity improvements	2,070,421	2,070,421	0	0	0	19.5
Contract medical staff salary adjustments	1,148,010	1,148,010	0	0	0	0.0
Improving nutrition in rural and underserved communities	1,030,000	465,000	0	0	565,000	0.0
Child support employment	952,669	0	0	0	952,669	1.0
Leap year adjustment	951,524	543,880	140,139	2,754	264,751	0.0
Tobacco Master Settlement Agreement	779,723	0	779,723	0	0	0.0
Spending authority for child care licensing	705,793	0	705,793	0	0	0.0
Family resource centers	500,000	500,000	0	0	0	0.0
Behavioral health crisis response system enhancements	395,069	395,069	0	0	0	0.0
Tony Gramscas Youth Services Program	250,000	0	250,000	0	0	0.0
Hotline for child abuse and neglect	228,999	228,999	0	0	0	0.0
Employment affairs staffing	219,666	0	0	219,666	0	2.4
Food service inflation	188,052	98,442	0	89,610	0	0.0
Monitoring of 24-hour child care facilities	137,181	113,860	0	0	23,321	1.8
Food distribution program	100,000	100,000	0	0	0	0.0
SB 17-207 Transportation pilot programs	51,294	0	51,294	0	0	0.0
SNAP quality assurance	0	0	0	(576,846)	576,846	0.0
Adult protective services support	0	0	0	0	0	1.8
Colorado Benefits Management System adjustments	(17,589,380)	(15,508,259)	(280,670)	0	(1,800,451)	0.0
Youth services caseload adjustment	(1,792,692)	(159,606)	0	(172,005)	(1,461,081)	0.0
Technical adjustments	(1,330,329)	0	(1,168,420)	(161,909)	0	0.0
SB 19-207	\$2,305,389,929	\$1,033,037,078	\$431,621,749	\$203,762,670	\$636,968,432	5,132.3
SB 19-008	1,963,832	1,963,832	0	0	0	1.5
SB 19-063	50,688	0	0	0	50,688	0.0
SB 19-108	500,000	500,000	0	0	0	0.0
SB 19-136	259,562	259,562	0	0	0	0.5
SB 19-178	60,204	42,143	0	0	18,061	0.0
SB 19-195	442,449	142,449	0	300,000	0	1.5

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-210	(1,886,812)	(1,886,812)	0	0	0	(31.5)
SB 19-222	220,707	0	0	0	220,707	1.0
SB 19-223	8,141,194	8,141,194	0	0	0	19.0
SB 19-228	1,192,367	0	1,192,367	0	0	2.1
SB 19-235	136,240	61,301	9,973	0	64,966	0.0
SB 19-258	19,400,000	0	0	9,700,000	9,700,000	0.0
HB 19-1009	50,000	50,000	0	0	0	0.0
HB 19-1069	19,440	0	0	19,440	0	0.0
HB 19-1142	14,093	14,093	0	0	0	0.3
HB 19-1147	900,000	450,000	0	450,000	0	0.0
HB 19-1193	500,000	500,000	0	0	0	0.6
HB 19-1215	143,650	0	143,650	0	0	0.0
HB 19-1223	1,450,000	0	1,450,000	0	0	0.8
HB 19-1262	25,094	25,094	0	0	0	0.3
HB 19-1287	5,589,344	0	5,589,344	0	0	2.5
TOTAL	\$2,344,561,981	\$1,043,299,934	\$440,007,083	\$214,232,110	\$647,022,854	5,130.9
INCREASE/(DECREASE)	\$149,995,928	\$65,451,109	\$23,195,244	\$25,910,090	\$35,439,485	77.1
Percentage Change	6.8%	6.7%	5.6%	13.8%	5.8%	1.5%

FY 2017-18 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to:

- Increase by \$6,894,401 federal Temporary Assistance for Needy Families (TANF) Block Grant funds from the State's long-term reserve to address FY 2017-18 over-expenditures for child welfare services.
- Increase by \$550,817 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan; and
- Allow the Department access to funds transferred into the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net reduction of \$8,031,075 total funds, including a reduction of \$8,581,920 General Fund, including:

- An increase of \$4,908,507 total funds, including \$2,356,084 General Fund, to implement out-of-home placement provider rate increases required by H.B. 17-1292 (Child Welfare Provider Rates) and S.B. 18-254 (Child Welfare Reforms);
- An increase of \$3,197,244 General Fund for Early Intervention Services and Case Management caseload growth;
- A net increase of \$1,373,649 total funds, including a decrease of \$1,304,923 General Fund, for adjustments related to the Department's federally-approved indirect cost plan;
- An increase of \$918,060 General Fund to maintain physician coverage at the Colorado Mental Health Institute at Pueblo (CMHIP) and the Colorado Mental Health Institute at Fort Logan (CMHIFL);
- An increase of \$538,623 total funds, including \$183,132 General Fund, transferred to the Governor's Office of Information Technology to improve server performance supporting the Automated Child Support Enforcement System;
- An increase of \$492,000 federal funds from Child Care Development Funds to maintain both the legacy and modernized versions of the Child Care Automated Tracking System (CHATS) beyond the anticipated phase out of the legacy system;
- An increase of \$485,618 cash funds spending authority for child care licensing;

- A net zero fund type adjustment, including an increase of \$2,691,884 General Fund, for the Mental Health Institutes to reflect updated estimates of earned revenue based on changes in the patient mix and their corresponding eligibility for health benefits;
- A reduction of \$19,197,268 total funds, including \$15,805,915 General Fund, for the Colorado Benefits Management System cost allocation plan;
- A net decrease of \$708,742 total funds, including a decrease of \$800,248 General Fund, for contract placements in Division of Youth Services facilities;
- A net zero line item appropriation correction in S.B. 18-254 (Child Welfare Reforms) to appropriate \$925,156 to the Foster and Adoptive Parent Recruitment, Training, and Support line item in the Division of Child Welfare, instead of the Adoption and Relative Guardianship Assistance line item; and
- A footnote indicating that the \$450,000 General Fund appropriated to the Probation Pilot Program line item remains available for use by the Department through June 30, 2021.

Senate Bill 19-207 modifies FY 2018-19 appropriations to reduce by \$2,614,882 General Fund the FY 2018-19 appropriation for the purchase of psychiatric bed capacity in private hospitals to serve individuals who are ordered by the Court to receive competency evaluations or competency restoration services. The appropriation that remains after this reduction (\$631,268 General Fund) is sufficient to allow the Department to pay for up to 13 beds that will be operational in June 2019 if the Department successfully finalizes one or more contracts.

Senate Bill 19-223 appropriates a total of \$10,983,000 General Fund for FY 2018-19 for payments anticipated to be required pursuant to a U.S. District Court consent decree concerning the length of time pre-trial detainees wait for court-ordered competency services [*Center for Legal Advocacy v. Barnes*]. This amount includes \$10,483,000 for court fines related to non-compliance with the consent decree and \$500,000 for the expenses of a court-appointed Special Master. Both appropriations are intended to cover anticipated expenditures from June 2019 through June 2020, so the appropriation authorizes the Department to expend the appropriation over the same time period. This bill also modifies FY 2018-19 appropriations to reduce General Fund appropriations that the Department anticipates reverting at fiscal year-end, including the following reductions:

- \$2,150,000 for Community Transition Services;
- \$1,375,000 for Rural Co-occurring Disorder Services; and
- \$1,000,000 for Jail-based Behavioral Health Services.

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Salary survey	\$9,430,800	\$6,261,041	\$630,412	\$1,348,800	\$1,190,547
Health, life, and dental	151,394	(3,358,222)	2,871,212	(2,444,364)	3,082,768
PERA distributions	7,577,569	4,064,052	1,557,487	(324,758)	2,280,788
Short-term disability	(3,305)	(18,305)	18,706	(24,322)	20,616
Workers' compensation	(895,147)	(483,379)	0	(411,768)	0
Payment to risk management/property funds	(390,940)	(217,825)	0	(173,115)	0
CORE operations	(151,187)	(79,149)	0	(72,038)	0
Integrated document solutions	9,031	9,031	0	0	0
Capitol Complex leased space	(170,772)	(97,659)	0	(73,113)	0
Vehicle lease payments	(44,998)	(24,547)	0	(20,451)	0
Legal services	514,294	276,142	0	238,152	0
Administrative Law Judges	337,663	189,093	0	148,570	0
Payments to OIT	9,231,803	4,845,245	0	4,386,558	0
TOTAL	\$25,596,205	\$11,365,518	\$5,077,817	\$2,578,151	\$6,574,719

COMPENSATION FOR DIRECT CARE EMPLOYEES: The appropriation includes \$15,609,684 total funds, including \$11,079,139 General Fund, to increase salaries for direct care staff at the Veterans Community Living Centers and at Division of Youth Services facilities.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$16,136,826	\$16,827,132	(\$791,151)	(\$2,379,423)	\$2,480,268	0.0
SB 18-250 Jail-based behavioral health services	2,555,238	2,555,238	0	0	0	1.2
SB 18-270 Behavioral health crisis transition referral	1,588,250	1,588,250	0	0	0	0.0
HB 18-1334 Extend Transitional Jobs	1,278,751	1,278,751	0	0	0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	1,018,205	701,962	52,460	142,498	121,285	0.0
HB 18-1064 Training program prevent child sex abuse	95,051	95,051	0	0	0	0.0
HB 18-1323 Pay For Success contracts	59,692	0	0	59,692	0	(0.5)
HB 18-1357 Ombudsman for behavioral health access to care	44,857	44,857	0	0	0	0.6
HB 18-1136 Expand Medicaid benefit for substance use disorder	30,000	0	0	30,000	0	0.0
SB 18-254 Child welfare reform	6,354	5,814	0	0	540	0.4
HB 18-1306 Educational stability for foster children	978	0	0	0	978	0.1
SB 19-223 Actions related to competency to proceed	(6,458,000)	(6,458,000)	0	0	0	0.0
HB 16-1290 Extend Transitional Jobs	(1,151,628)	(1,151,628)	0	0	0	(1.0)
HB 18-1363 Recommendations of child support	(36,169)	0	(36,169)	0	0	0.0
HB 17-1329 Reform DYCD	(34,459)	(34,459)	0	0	0	0.0
HB 18-1339 Background checks emp tax	(31,333)	(31,333)	0	0	0	0.0
HB 18-1333 Child Find	(15,000)	(15,000)	0	0	0	0.0
HB 18-1364 Disabilities advisory council	(12,203)	(12,203)	0	0	0	0.0
HB 18-1319 Services for former foster youth	(10,000)	(10,000)	0	0	0	0.0
HB 18-1094 Children and youth mental health treatment act	(4,703)	(4,703)	0	0	0	0.0
HB 18-1328 CHRP waiver redesign	(949)	0	0	(949)	0	0.0
TOTAL	\$15,059,758	\$15,379,729	(\$774,860)	(\$2,148,182)	\$2,603,071	1.8

MAINTAIN SERVICE LEVELS FOR CCCAP: The appropriation includes \$10,530,500 federal funds from the Child Care Development Fund to fund the implementation of H.B. 18-1335 (County Child Care Assistance Program Block Grants) and maintain the current level of services provided in the Colorado Child Care Assistance Program (CCCAP).

CHILD WELFARE PROVIDER RATE IMPLEMENTATION PHASE 2: The appropriation includes \$10,350,000 total funds, including \$4,968,000 General Fund, to implement out-of-home placement provider rate increases required by H.B. 17-1292 (Child Welfare Provider Rates) and S.B. 18-254 (Child Welfare Reforms).

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$9,169,298 total funds, including \$5,456,026 General Fund, for an across-the-board increase of 1.0 percent for community providers.

COUNTY CHILD WELFARE STAFF PHASE 5: The appropriation includes \$6,259,058 total funds, including \$4,598,849 General Fund, to increase county level child welfare staffing in response to the Child Welfare Workload Study performed by the Office of the State Auditor in 2014.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase of \$5,337,561 total funds, including an increase of \$1,190,033 General Fund, for adjustments related to the Department's federally-approved indirect cost plan.

MENTAL HEALTH INSTITUTE AT PUEBLO BED EXPANSION: The appropriation includes \$5,141,144 General Fund and 47.3 FTE to operate and staff an additional 42 inpatient psychiatric beds at the Colorado Mental Health Institute at Pueblo (CMHIP).

TARGETED RATE INCREASE: The appropriation includes \$3,899,721 total funds, including \$3,400,555 General Fund and \$499,166 cash funds for targeted rate increases, in addition to the statewide 1.0 percent rate increase. These include:

- \$1,999,721 total funds, including \$1,500,555 General Fund and \$499,166 cash funds from the Marijuana Tax Cash Fund, to increase base rates for community mental health centers and other community-based mental health and substance use disorder providers; and
- \$1,900,000 General Fund to increase base rates for Division of Youth Services (DYS) placements in contracted Residential Child Care Facilities.

CORRECTIONAL TREATMENT CASH FUND ADJUSTMENTS: The appropriation includes \$3,879,236 reappropriated funds, including \$2,000,000 for rural treatment programs for people with co-occurring disorders and \$1,879,236 for jail-based behavioral health services. These funds are transferred from the Judicial Department and originate in the Correctional Treatment Cash Fund.

OLD AGE PENSION PROGRAM COLA: The appropriation includes \$3,219,665 in Old Age Pension (OAP) cash funds to fund a 2.8 percent cost-of-living-adjustment (COLA) for OAP program recipients. This will increase the monthly grant standard by \$22 from \$788 to \$810.

STATE FUNDING FOR SENIOR SERVICES: The appropriation includes \$3,000,000 in increased spending authority from the Older Coloradans Cash Fund to allow the Department to allocate available funds to the 16 Area Agencies on Aging (AAAs) that provide services to seniors such as home delivered meals, transportation services, nutrition education, legal aid, and ombudsman services.

CHILD PROTECTIVE SERVICES COMPUTER SYSTEM MAINTENANCE: The appropriation includes \$2,452,920 total funds, including \$1,103,814 General Fund, to transfer money to the Governor's Office of Information Technology to contract for additional developers, business analysts, database administrators, service desk support, and infrastructure to maintain the state's child protective services computer system, known as Trails.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Reduction for purchased psychiatric beds	\$2,614,882	\$2,614,882	\$0	\$0	\$0	0.0
DYS staffing final phase	912,549	912,549	0	0	0	0.0
OIT CBMS/PEAK	763,554	736,010	27,544	0	0	0.0
CHATS transfer	400,500	0	0	0	400,500	0.0
Incredible years	242,322	48,464	193,858	0	0	0.0
DYS special education services	127,823	127,823	0	0	0	1.7
FY 2018-19 Salary survey	121,408	(65,040)	66,833	(812,346)	931,961	0.0
Old Age Pension COLA	79,358	0	79,358	0	0	0.0
Respite care task force	53,738	(7,962)	0	61,700	0	0.0
Promoting permanency	30,245	26,752	0	0	3,493	0.2
SNAP security	2,373	1,187	0	0	1,186	0.7
Enhancing CO Works	733	0	0	0	733	0.2

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Early childhood councils	(1,000,000)	(1,000,000)	0	0	0	0.0
Funding for food pantries	(500,000)	(500,000)	0	0	0	0.0
Education advancement	(500,000)	(500,000)	0	0	0	0.0
Probation Pilot Program	(450,000)	(450,000)	0	0	0	0.0
Child welfare staff, phase 4	(335,000)	(301,500)	(33,500)	0	0	0.0
Community response	(120,000)	(120,000)	0	0	0	0.0
Medication consistency (SB 17-019)	(107,824)	0	(107,824)	0	0	0.1
Jail-based competency restoration	(13,535)	(13,535)	0	0	0	0.0
TOTAL	\$2,323,126	\$1,509,630	\$226,269	(\$750,646)	\$1,337,873	2.9

YOUTH SERVICES FACILITIES REALIGNMENT AND CAPACITY IMPROVEMENTS: The appropriation includes an increase of \$2,070,421 General Fund and 19.5 FTE to add behavioral health staff, commitment beds, and intake assessment capabilities at the Division of Youth Services' state owned and operated facilities.

CONTRACT MEDICAL STAFF SALARY ADJUSTMENTS: The appropriation includes \$1,148,010 General Fund to increase salaries for medical staff at the Mental Health Institutes.

IMPROVING NUTRITION IN RURAL AND UNDERSERVED COMMUNITIES: The appropriation includes \$1,030,000 total funds, including \$465,000 General Fund and \$565,000 in federal Supplemental Nutrition Assistance Program (SNAP) funds, for outreach initiatives to improve food security, access, and nutrition in underserved rural/frontier communities.

CHILD SUPPORT EMPLOYMENT: The appropriation includes \$952,669 in federal funds from the Temporary Assistance for Needy Families (TANF) reserve fund and 1.0 FTE for the Department's evidence-based request to implement a pilot program to provide employment services to low-income, non-custodial parents.

LEAP YEAR ADJUSTMENT: The appropriation includes \$951,524 total funds, including \$543,880 General Fund, for a leap year adjustment in FY 2019-20 to cover the cost of the leap day for providers who are paid a daily rate.

TOBACCO MASTER SETTLEMENT AGREEMENT: The appropriation includes \$779,723 cash funds for adjustments related to the statutory allocation of the Tobacco Master Settlement.

SPENDING AUTHORITY FOR CHILD CARE LICENSING: The appropriation includes \$705,793 in increased spending authority from the Child Care Licensing Cash Fund to more accurately align spending authority with revenues generated by fees collected from child care providers who are applying for a license or completing an annual license renewal.

FAMILY RESOURCE CENTERS: The appropriation includes \$500,000 General Fund for family resource centers that provide comprehensive, community-based services to vulnerable families, individuals, and children.

BEHAVIORAL HEALTH CRISIS RESPONSE SYSTEM ENHANCEMENTS: The appropriation includes \$395,069 General Fund to enhance the Behavioral Health Crisis Response System hotline vendor's capacity to respond to texts and chats.

TONY GRAMPSAS YOUTH SERVICES PROGRAM: The appropriation includes \$250,000 cash funds from the Marijuana Tax Cash Fund for grants awarded to organizations providing evidence-based youth marijuana use prevention and intervention services.

HOTLINE FOR CHILD ABUSE AND NEGLECT: The appropriation includes \$228,999 General Fund for increased costs associated with the help desk and telephone operations and maintenance of the Child Abuse and Neglect Hotline.

EMPLOYMENT AFFAIRS STAFFING: The appropriation includes \$219,666 reappropriated funds spending authority from departmental indirect cost recoveries and 2.4 FTE to increase the number of human resources professionals in the Department.

FOOD SERVICE INFLATION: The appropriation includes \$188,052 total funds, including \$98,442 General Fund and \$89,610 reappropriated funds transferred from the Department of Corrections and the Department of Education, to cover the rising cost of food products purchased by the Mental Health Institutes and Division of Youth Services' facilities.

MONITORING OF 24-HOUR CHILD CARE FACILITIES: The appropriation includes \$137,181 total funds, including \$113,860 General Fund, and 1.8 FTE in order to hire additional state child welfare staff to provide technical assistance and oversight to 24-hour child care facilities.

FOOD DISTRIBUTION PROGRAM: The appropriation includes \$100,000 General Fund for food pantries and food banks to purchase Colorado grown foods that meet the Colorado Proud definition.

SB 17-207 TRANSPORTATION PILOT PROGRAMS: The appropriation includes \$51,294 cash funds from the Marijuana Tax Cash Fund to cover the full-year costs of the two behavioral health secure transportation pilot programs that were authorized by S.B. 17-207 (Strengthen Behavioral Health Crisis Response System).

SNAP QUALITY ASSURANCE: The appropriation includes a net zero transfer within the Department that includes: a decrease of \$111,549 total funds and 2.0 FTE in the Supplemental Nutrition Assistance Program (SNAP) administration line in the Office of Self Sufficiency; a decrease of \$1,153,693 total funds and 13.3 FTE in the Employment and Regulatory Affairs line item in the Executive Director's Office (EDO); and an offsetting increase in the newly created SNAP Quality Assurance line item in the EDO consisting of \$1,265,242 total funds and 15.3 FTE.

ADULT PROTECTIVE SERVICES SUPPORT: The appropriation includes a net zero transfer of \$185,472 General Fund from the Adult Protective Services line item to the Adult Assistance State Administration line item, and an increase of 1.8 FTE to support the Department's Adult Protective Services (APS) Unit.

COLORADO BENEFITS MANAGEMENT SYSTEM ADJUSTMENTS: The appropriation includes a decrease of \$17,589,380 total funds, including \$15,508,259 General Fund, for a variety of changes associated with the implementation of the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK) in order to ensure compliance with state and federal requirements to reduce security risks, improve interactions with citizens engaged in the eligibility and enrollment processes associated with public assistance programs, and implement a series of technical appropriation adjustments.

YOUTH SERVICES CASELOAD ADJUSTMENT: The appropriation includes a decrease of \$1,792,692 total funds, including \$159,606 General Fund, for the Division of Youth Services based on a decrease in the forecasted average daily commitment population caseload for committed youth, the reopening of the state-owned, privately-operated Robert E. DeNier and Betty Marler Youth Services Centers, and the decision that the Division will not participate in the federal Family First Prevention Services Act of 2018.

TECHNICAL ADJUSTMENTS: The appropriation includes adjustments to consolidate certain appropriations and to align cash and reappropriated funds spending authority with actual expenditures.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

JUDICIAL DEPARTMENT

The Judicial Department consists of the Supreme Court, the Court of Appeals, district courts, the Denver probate and juvenile courts, and all county courts except the Denver county court. In addition to resolving disputes and delivering justice in criminal and civil cases, the Judicial Department supervises juvenile and adult offenders who are sentenced to probation. The Judicial Department also currently includes seven independent agencies:

- The *Office of the State Public Defender* (OSPD) provides legal representation for indigent defendants in criminal and juvenile delinquency cases where there is a possibility of being incarcerated.
- The *Office of Alternate Defense Counsel* (OADC) oversees the provision of legal representation to indigent defendants in criminal and juvenile delinquency cases where there is a possibility of being incarcerated and the OSPD has an ethical conflict of interest. The office provides legal representation by contracting with licensed attorneys across the state.
- The *Office of the Child's Representative* (OCR) oversees the provision of legal services for children, including legal representation of children involved in the court system due to abuse or neglect.
- The *Office of the Respondent Parents' Counsel* (ORPC) oversees the provision of legal representation for indigent parents or guardians who are involved in dependency and neglect proceedings.
- The *Office of the Child Protection Ombudsman* (OCPO) serves as an independent and neutral organization to investigate complaints and grievances about child protection services, make recommendations about system improvements, and serve as a resource for persons involved in the child welfare system.
- The *Independent Ethics Commission* (IEC) provides advice and guidance on ethics-related matters concerning state legislative and executive branch elected officials and employees, as well as elected officials and employees of most Colorado counties and municipalities.
- The *Office of Public Guardianship* (OPG) will operate a pilot program in Denver to provide legal guardianship services for incapacitated and indigent adults who have no other guardianship prospects.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

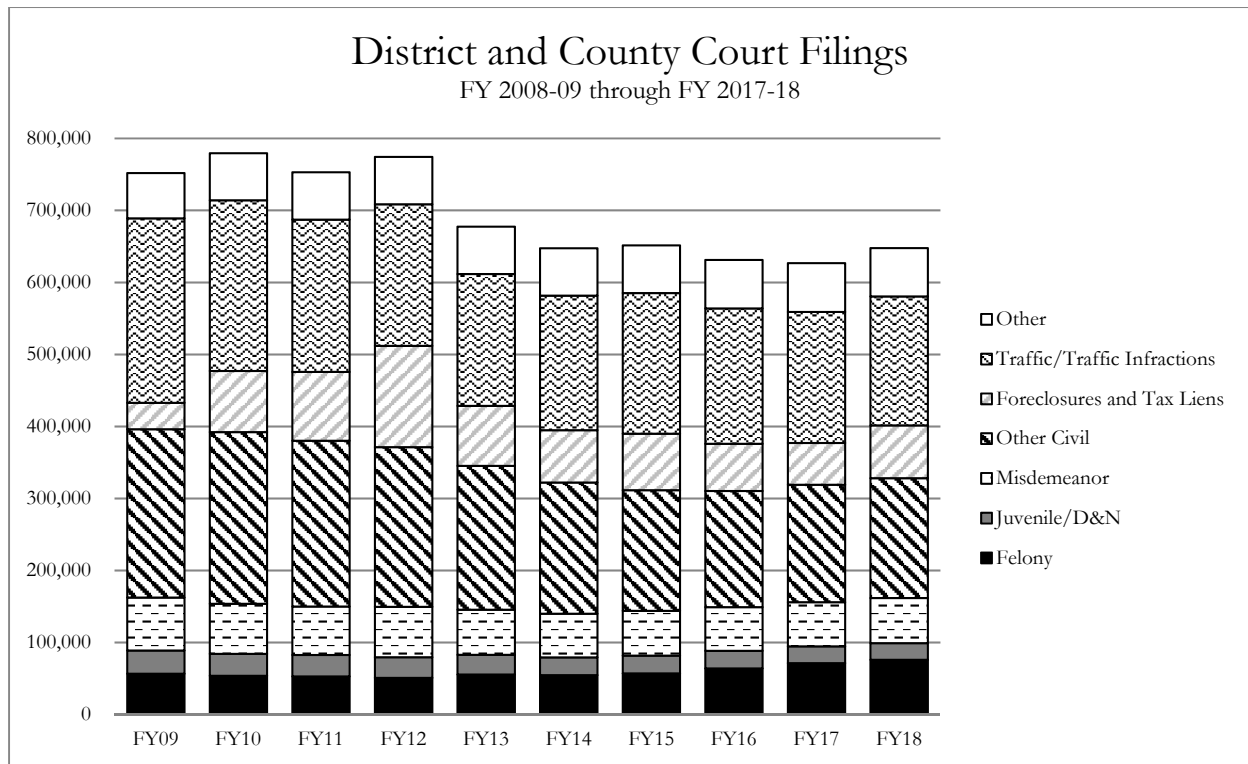
FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$491,246,425	\$517,650,016	\$560,930,830	\$616,134,492
Cash Funds	164,554,601	161,594,597	166,229,388	170,265,416
Reappropriated Funds	34,268,970	35,775,245	37,273,036	49,698,893
Federal Funds	4,425,000	4,425,000	4,425,000	4,425,000
TOTAL FUNDS	\$694,494,996	\$719,444,858	\$768,858,254	\$840,523,801
Full Time Equiv. Staff	4,615.1	4,650.3	4,744.8	4,869.8

GENERAL FACTORS DRIVING THE BUDGET

The main factor driving the Judicial Branch's budget is caseload, which affects the ability of judges, attorneys, probation officers, and support staff to fulfill their constitutional and statutory duties in a timely and professional manner. Caseload changes are generally driven by increases in state population, changes in the state's economic climate (which may affect both the crime rate and the proportion of clients eligible for state-funded representation), and legislative changes. Workload is also impacted by the types of cases filed, as some cases require more time and resources than others. Generally, felony cases, dependency and neglect cases, problem-solving court cases, water cases, and complex civil cases require the most resources.

CASE FILINGS AND THE NEED FOR COURT STAFF

In FY 2017-18, approximately 651,000 new cases were filed in the state court system, including 414,000 (64 percent) in county courts, 234,000 (36 percent) in district and water courts, 2,500 in the Court of Appeals, and 1,200 in the Supreme Court. The following chart depicts the number of cases filed in county and district courts in each of the last ten fiscal years, by case type. Cases are divided into the following categories: felony; juvenile/dependency and neglect ("D&N"); civil – foreclosures and tax liens; civil – other; misdemeanor; traffic/traffic infractions; and other.



Over the last ten years, *county court* filings decreased by 25.6 percent (148,676 cases). County court cases have declined in every category, but decreases in traffic and civil case filings account for 87.6 percent of the overall decline. Over the same time period, *district court* filings increased by 24.3 percent (45,451 cases), primarily due to increases in tax lien, felony, probate, and mental health cases. As illustrated in the above chart, the number of civil cases involving foreclosures or tax liens has declined significantly since the great recession. While some civil cases can require a significant amount of judge and staff time, foreclosure and tax lien cases generally do not. The case filing data for those case types that do have a significant workload impact is mixed. For example, felony criminal case filings have increased by 43.5% percent in the last four years (16,513 cases), while juvenile delinquency cases have declined by 3.6 percent (310 cases).

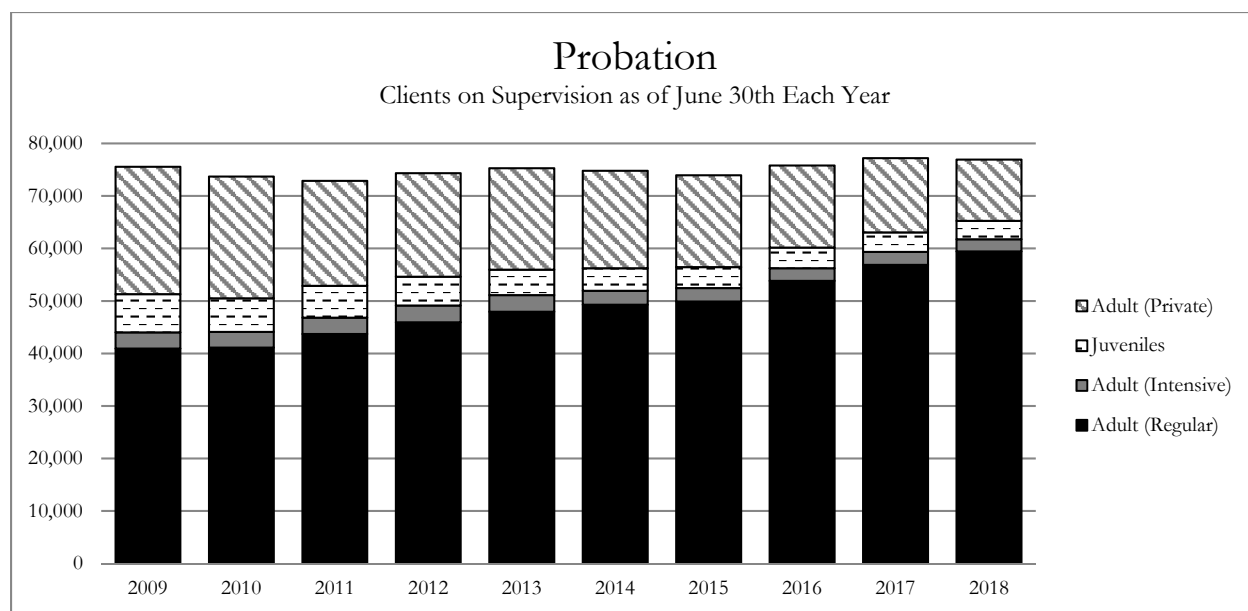
The Department routinely monitors its workload and periodically requests funding and FTE through the budget process or through legislation. In response to workload increases, the General Assembly periodically passes legislation to increase the number of judges within one or more judicial districts.

PROBATION AND RELATED SERVICES CASELOAD

Individuals sentenced to probation, as an alternative to incarceration, remain under the supervision of the court. Failure to comply with the conditions of probation set forth in the court's sentencing order may result in revocation of probation and a new sentence to jail or prison. Managed by the chief probation officer in each judicial district, approximately 1,250 employees prepare assessments, provide pre-sentence investigation services to the courts, and supervise offenders sentenced to probation. Supervision services are provided based on each offender's risk of re-offending.

Funding for probation services is primarily driven by the number and types of offenders sentenced to probation and statutory requirements concerning probation eligibility and supervision time frames. Those offenders that present a higher risk of re-offending require more resources. For example, the most recent data (FY 17-18) indicates that the average annual cost of probation supervision ranges from \$1,398 for an adult on "regular" probation to \$3,070 for an adult on "intensive" supervision; similarly, the average annual cost of probation supervision ranges from \$2,138 for a juvenile on regular probation to \$3,555 for a juvenile on intensive supervision.

The *total* number of offenders sentenced to probation increased significantly from 2004 to 2009. Since then the total has stayed within a fairly narrow range, varying between approximately 73,000 and 77,000, with an upward trend in the last four years. Since 2009, the number of adult offenders who are supervised by private probation providers has decreased substantially as the Department relied increasingly on supervision by state employees. The following chart depicts changes in the numbers of adults and juveniles on supervision since 2009. Overall, the number of juvenile and adult offenders who are supervised by state staff increased from 51,304 in June 2009 to 65,244 in June 2018 (a 27.12 percent increase). As this number grows, so does the need for probation supervisors, officers, and support staff to adequately supervise offenders. The Department routinely monitors its workload and periodically requests additional funding to adjust probation staffing levels based on the number and types of offenders sentenced to probation.



In addition, the General Assembly appropriates state funds to subsidize the cost of required treatment and services for offenders on probation.

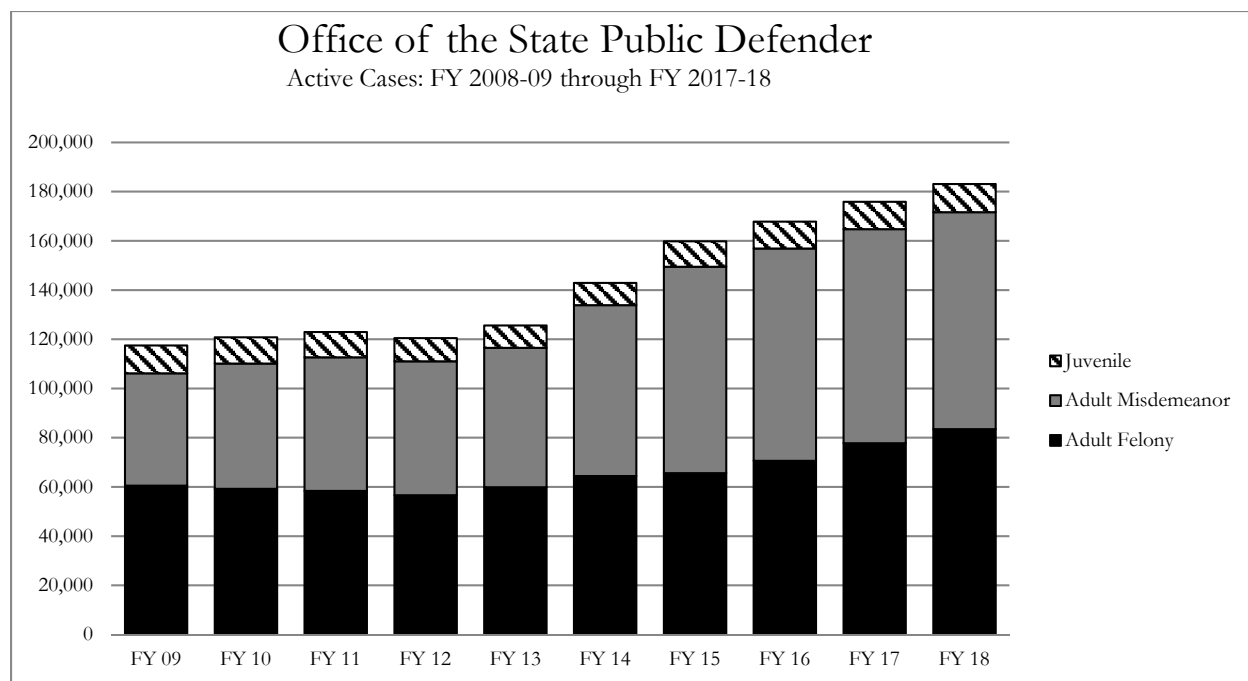
CASELOAD IMPACTS UNIQUE TO INDEPENDENT AGENCIES

The independent agencies that provide legal representation are affected in different ways by changes in the number of cases filed, based on the clients they represent.

The *Office of the State Public Defender (OSPD)* represents criminal defendants who have inadequate financial resources to pay for their own defense. The OSPD's workload is affected by the number and types of cases filed, as well as the proportion of clients who are eligible for state-funded representation. As in the court system, more complicated cases consume more resources than simpler cases: felonies require more time than misdemeanors, and homicides require more time than assaults or robberies. Recent data indicates that the OSPD spends an average of \$413 to represent the average juvenile defendant. On average it costs \$336 to represent an adult misdemeanor defendant and \$833 to represent an adult felony defendant. Further, approximately 90 percent of adult felony defendants receive state funded representation (either through the OSPD or the Office of the Alternate Defense Counsel,

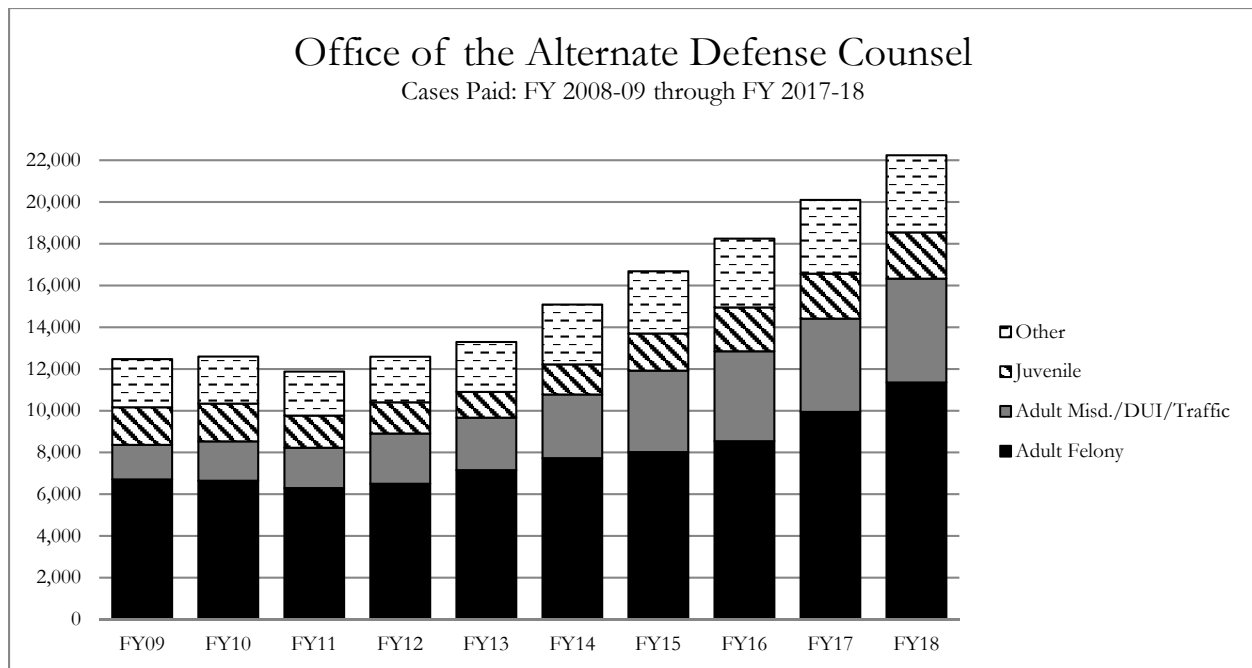
which is discussed below), compared to 66 percent of adult misdemeanor defendants. Thus, felony and serious misdemeanor cases are the primary factor driving OSPD staffing needs.

The total number of cases requiring public defender involvement has increased every year but one since FY 2008-09, reaching 183,087 in FY 2017-18. In the last three fiscal years alone the total number of cases increased by 23,264 (14.6 percent). The biggest component of this increase was 17,900 (27.3 percent) adult felony cases. In addition, the number of adult misdemeanor cases has increased by 4,248 (5.1 percent) over this period. The OSPD routinely monitors its workload and periodically requests additional funding to ensure that staffing levels are sufficient to provide legal representation in an ethical and effective manner.



The *Office of the Alternate Defense Counsel (OADC)* contracts with private attorneys to represent indigent defendants in cases where the OSPD has an ethical conflict of interest in providing legal representation, often because the client is a witness or a co-defendant in a case in which the OSPD is representing someone. The OADC paid for legal representation in 22,238 cases in FY 2017-18, at an average cost of \$1,456 per case. Similar to the OSPD, certain types of cases (e.g., death penalty cases) are more expensive than others; these cases require more hours of attorney time and a higher hourly rate.

Like the OSPD, the OADC has experienced significant caseload increases in the last three fiscal years (an overall increase of 5,558 cases, a 33.3 percent increase). The OADC experienced increases in every case type, but the most significant increases occurred in adult felony cases (3,332 additional cases, a 41.6 percent increase) and adult misdemeanors, DUI, and Traffic cases (1,076 additional cases, a 27.6 percent increase). As the OADC contracts with private attorneys, it routinely submits requests for budget adjustments to ensure that it has sufficient funding to cover payments for all assigned cases.



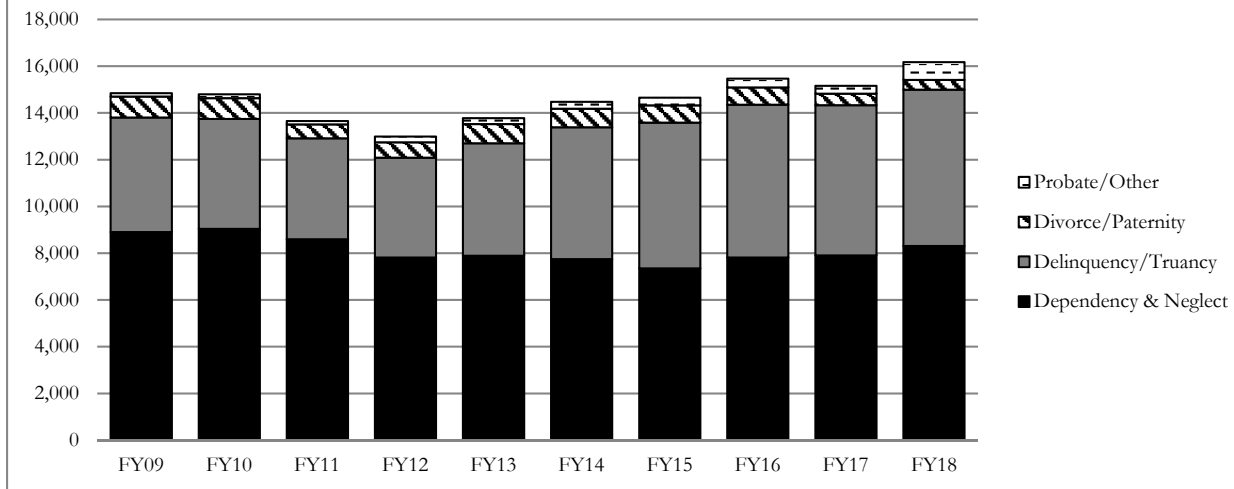
The *Office of the Child's Representative (OCR)* must provide legal representation for children involved in the court system due to dependency and neglect¹ proceedings. In addition, courts have the discretion to appoint an attorney to represent children in cases involving juvenile delinquency, truancy, paternity, probate, mental health issues, alcohol or drug abuse, and high-conflict divorce. The attorneys are called guardians ad litem. The office provides this representation with a mix of state-employee attorneys in its El Paso county office and private-sector contract attorneys paid at hourly rates. The OCR paid for legal representation in 16,169 court appointments in FY 2017-18 at an average cost of \$1,298 per appointment. Similar to the OSPD and OADC, the average cost per appointment varies significantly for different types of cases. For example, in FY 2017-18 the OCR spent an average of \$395 per appointment in truancy cases, \$620 per appointment in juvenile delinquency cases, \$731 per appointment in domestic relations cases, and \$1,945 per appointment in Dependency and Neglect ("D&N") cases. Because D&N cases account for about half the OCR caseload and are more than twice as expensive as any other type of OCR case, these cases typically account for 70 to 80 percent of the OCR's expenditures on contractors and are a primary driver of the OCR appropriation.

As illustrated in the following chart, the overall number of appointments has increased over the last six years, which is primarily the result of increased appointments involving juvenile delinquency or truancy; these appointments now account for 41.4 percent of the total, compared to 32.9 percent in FY 2011-12. The OCR routinely submits requests for budget adjustments to ensure that it has sufficient funding and staffing for all assigned cases.

¹ Dependency and neglect refers to maltreatment of a child as defined in Section 19-3-102, C.R.S. The requirement for representation appears in Section 19-3-203 (1), C.R.S.

Office of the Child's Representative

Appointments Paid: FY 2008-09 through FY 2017-18



The *Office of Respondent Parents' Counsel* (ORPC) provides legal representation for indigent parents who are in danger of having their parental rights terminated by the courts in dependency and neglect proceedings. The ORPC paid for legal representation in 9,735 court appointments in FY 2016-17 at an average cost of \$1,295 per appointment. The ORPC began providing parents with contract attorney representation in July 2016 and its short existence precludes a useful chart.

The *Office of Public Guardianship* (OPG) will begin providing legal guardianship services for incapacitated and indigent adults who have no other guardianship prospects operations in the spring of 2020.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

JUDICIAL DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$754,037,172	\$550,203,048	\$162,436,088	\$36,973,036	\$4,425,000	4,742.7
SB 18-203	124,263	124,263	0	0	0	0.8
SB 18-249	750,000	750,000	0	0	0	0.9
SB 18-251	1,997,112	1,997,112	0	0	0	0.9
HB 18-1176	3,286,000	0	3,286,000	0	0	0.0
SB 19-036	203,612	203,612	0	0	0	0.0
SB 19-115	8,353,523	7,546,223	507,300	300,000	0	(0.5)
SB 19-207	106,572	106,572	0	0	0	0.0
TOTAL	\$768,858,254	\$560,930,830	\$166,229,388	\$37,273,036	\$4,425,000	4,744.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$768,858,254	\$560,930,830	\$166,229,388	\$37,273,036	\$4,425,000	4,744.8
Centrally appropriated line items	26,768,338	25,327,694	1,440,644	0	0	0.0
Correctional Treatment Cash Fund	8,605,636	0	(2,274,331)	10,879,967	0	0.0
IT infrastructure	5,514,753	0	5,514,753	0	0	0.0
OSPD Attorney salary survey	5,089,605	5,089,605	0	0	0	0.0
Justice Center Maintenance Fund	4,363,538	0	2,575,000	1,788,538	0	0.0
Courthouse capital	4,135,390	4,135,390	0	0	0	0.0
OADC Caseload increase	3,960,737	3,960,737	0	0	0	0.0
Probation officers and supporting staff	2,942,784	2,942,784	0	0	0	34.5
OCR Caseload and mandated costs	1,257,168	1,257,168	0	0	0	0.0
Salary survey	1,142,148	1,116,382	25,766	0	0	0.0

JUDICIAL DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Increase spending from Courthouse Security Cash Fund	525,000	0	525,000	0	0	0.0
Language interpreters	300,000	300,000	0	0	0	0.0
OCR Programs and compliance analysts	277,435	277,435	0	0	0	2.0
Carr Center lease revenue	274,356	(105,768)	274,350	105,774	0	0.0
Distance learning specialists	237,039	237,039	0	0	0	1.5
OSPD IT security	181,053	181,053	0	0	0	0.9
Community Provider Rate	171,546	155,672	15,874	0	0	0.0
Compensation plan alignment	169,747	169,747	0	0	0	0.0
E-filing	148,500	0	148,500	0	0	0.0
Audio visual technical staff and administrative support	148,050	148,050	0	0	0	2.0
ORPC Staff attorney	125,977	125,977	0	0	0	1.0
OSPD Courtroom Staffing	121,358	271,358	(150,000)	0	0	2.4
OADC Social worker outreach coordinator	116,809	116,809	0	0	0	1.0
OADC Operating expense increase	110,501	110,501	0	0	0	0.0
District attorney mandated costs	102,373	102,373	0	0	0	0.0
ORPC Programs analyst	95,381	95,381	0	0	0	1.0
OCR Attorney parity with OSPD	90,491	90,491	0	0	0	0.0
OCR Increase operating appropriation	83,000	83,000	0	0	0	0.0
ORPC Administrative specialist	70,967	70,967	0	0	0	1.0
OCR Increase training	20,000	20,000	0	0	0	0.0
Centralized legal research team	14,154	14,154	0	0	0	3.0
Consolidate Legal Services	0	0	0	0	0	0.0
FTE Technical correction	0	0	0	0	0	17.0
Move appropriation for problem solving court probation officers	0	0	0	0	0	0.0
Annualize prior year budget actions	(4,205,577)	(3,249,821)	(655,756)	(300,000)	0	0.0
OPG Office of Public Guardianship	(1,718,786)	0	(1,718,786)	0	0	(14.0)
Annualize prior year legislation	(1,444,385)	1,607,448	(3,051,833)	0	0	1.3
Eliminate one-time funding for SB 19-036	(203,612)	(203,612)	0	0	0	0.0
Indirect costs	(3,532)	104,270	(59,380)	(48,422)	0	0.0
Fleet vehicles	(2,176)	(2,176)	0	0	0	0.0
SB 19-207	\$828,444,020	\$605,480,938	\$168,839,189	\$49,698,893	\$4,425,000	4,799.4
SB 19-030	543,461	543,461	0	0	0	4.8
SB 19-043	7,417,731	7,417,731	0	0	0	53.7
SB 19-108	68,598	68,598	0	0	0	0.8
SB 19-180	1,500,000	750,000	750,000	0	0	0.0
SB 19-211	442,543	442,543	0	0	0	0.0
SB 19-223	750,570	750,570	0	0	0	5.4
HB 19-1045	835,386	427,000	408,386	0	0	4.5
HB 19-1177	119,392	119,392	0	0	0	0.0
HB 19-1263	74,409	74,409	0	0	0	0.4
HB 19-1275	47,361	0	47,361	0	0	0.8
HB 19-1310	220,480	0	220,480	0	0	0.0
HB 19-1316	59,850	59,850	0	0	0	0.0
TOTAL	\$840,523,801	\$616,134,492	\$170,265,416	\$49,698,893	\$4,425,000	4,869.8
INCREASE/(DECREASE)	\$71,665,547	\$55,203,662	\$4,036,028	\$12,425,857	\$0	125.0
Percentage Change	9.3%	9.8%	2.4%	33.3%	0.0%	2.6%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-036 provides \$203,612 General Fund to the Judicial Department to establish a reminder program in at least four judicial district courts beginning January 1, 2020 that will remind defendants to appear at their scheduled court appearances.

Senate Bill 19-115 modifies the FY 2018-19 appropriation to:

- Provide \$3,861,102 General Fund to the Office of the Alternate Defense Counsel for increased caseload.
- Provide \$3,078,244 General Fund to the Office of Respondent Parents' Counsel for increased caseload and cost per appointment.
- Provide \$1,087,661 General Fund to the Office of the Child's Representative for increased caseload.
- Provide \$507,300 cash funds to the Judicial Department for e-filing of court documents and network access.
- Provide \$300,000 reappropriated funds from the Department of Human Services to the Judicial Department for increased treatment and intervention services for indigent probationers convicted of drunk driving.
- Provide \$221,538 General Fund to the Judicial Department for language interpreter services.
- Provide \$52,720 General Fund to the Judicial Department to continue leasing temporary judicial space in Pagosa Springs.
- Provide \$35,314 General Fund to the Judicial Department for courthouse furnishings and infrastructure.
- Reduce Judicial Department funding by \$726,723 General Fund to remove a duplicate appropriation.
- Reduce Judicial Department funding by \$32,763 General Fund and 0.5 FTE due to the conclusion of the conservation easement cases for which the Department previously received appropriations.
- Reduce Office of the Child Protection Ombudsman funding by \$30,870 General Fund, an appropriation that was not needed to finish a room in the Office's suite.

Senate Bill 19-207 provides \$2,304,980 General Fund to the Judicial Department for a one-time payment to an exonerated person and reduces funding to the Office of the Alternate Defense Counsel by \$2,198,408 General Fund due to a reduced forecast for FY 2018-19 caseload.

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Merit pay	\$10,850,605	\$10,293,923	\$556,682	\$0	\$0	0.0
PERA Direct distribution	8,860,947	8,294,414	566,533	0	0	0.0
Health, life, and dental	2,799,629	2,630,651	168,978	0	0	0.0
OIT Securing IT operations	1,836,297	1,836,297	0	0	0	0.0
Health, life, and dental	1,430,003	1,325,237	104,766	0	0	0.0
Payments to OIT	986,417	986,417	0	0	0	0.0
SAED	874,907	852,070	22,837	0	0	0.0
AED	844,717	823,143	21,574	0	0	0.0
CORE	247,550	247,550	0	0	0	0.0
Legal services	145,179	145,179	0	0	0	0.0
Payment to risk management/property funds	113,802	113,802	0	0	0	0.0
OIT Self service capabilities	51,636	51,636	0	0	0	0.0
Leased space	46,709	46,709	0	0	0	0.0
Vehicle lease payments	18,888	18,888	0	0	0	0.0
Salary survey	(1,951,134)	(1,951,134)	0	0	0	0.0
Workers' compensation	(365,663)	(365,663)	0	0	0	0.0
Short-term disability	(22,151)	(21,425)	(726)	0	0	0.0
TOTAL	\$26,768,338	\$25,327,694	\$1,440,644	\$0	\$0	0.0

CORRECTIONAL TREATMENT CASH FUND. The appropriation divides an existing single line item that provides services for probationers and also contains appropriations from the Correctional Treatment Cash fund into two line

items to more clearly separate these two functions, in the process creating a new line item titled *Correctional Treatment Cash Fund Expenditures*. It then adjusts appropriations to keep the same net amount of funding flowing to programs.

IT INFRASTRUCTURE: The appropriation includes \$5,514,753 cash funds to pay for information technology (IT) projects.

OSPD ATTORNEY SALARY SURVEY: The appropriation includes \$5,089,605 General Fund for a 10 percent salary increase for attorneys at the Office of the State Public Defender.

JUSTICE CENTER MAINTENANCE FUND: The appropriation includes a three-part adjustment involving a new cash fund that will pay for controlled maintenance at the Ralph L. Carr Justice Center. The appropriation:

- Provides \$4,600,000 cash funds to the new Justice Center Maintenance Fund;
- Reappropriates \$1,788,538 from the Justice Center Maintenance Fund for controlled maintenance of the Justice Center during FY 2019-20; and
- Eliminates an existing cash funds appropriation of \$2,025,000 for controlled maintenance.

COURTHOUSE CAPITAL: The appropriation includes \$4,135,390 General Fund to address required infrastructure and courthouse furnishing needs. Colorado counties provide and maintain courtrooms and other court facilities in their counties, while the State provides the furnishings, infrastructure, and court staffing.

OADC CASELOAD INCREASE: The appropriation includes an increase of \$3,960,737 General Fund for a caseload increase at the Office of the Alternate Defense Counsel.

PROBATION OFFICERS AND SUPPORTING STAFF: The appropriation includes an additional \$2,942,784 General Fund and 34.5 FTE for probation officers and support staff.

OCR CASELOAD AND MANDATED COSTS: The appropriation includes an increase of \$1,257,168 General Fund for a caseload increase at the Office of the Child's Representative.

SALARY SURVEY: The appropriation includes an increase of \$1,142,148 total funds (\$1,116,382 General Fund) for a 2 percent pay increase for employees in six of the Judicial Department's job classifications who are at least 10 percent below the salary range for their job classification, according to a recent salary survey conducted for the Judicial Department.

INCREASE SPENDING FROM COURTHOUSE SECURITY CASH FUND: The appropriation includes \$525,000 cash funds for a one-time increase of expenditures for the Court Security Grant program in FY 2019-20 that will spend excess fund balance in the program's cash fund balance with expenditure subsequently returning to current levels.

LANGUAGE INTERPRETERS: The appropriation includes \$300,000 General Fund for the increased costs of providing language interpreter services.

OCR PROGRAMS AND COMPLIANCE ANALYSTS: The appropriation includes \$277,435 General Fund and 2.0 FTE for two new programs and compliance analyst positions to implement the recommendations of a 2018 Performance Audit by the State Auditor and support ongoing comprehensive oversight of attorney services for children.

CARR CENTER LEASE REVENUE: The appropriation reflects the effects of a \$105,768 (reappropriated funds) increase of the leased space payments made by tenants within the Ralph L. Carr Colorado Judicial Center and related adjustments.

DISTANCE LEARNING SPECIALISTS: The appropriation includes \$237,039 General Fund for 1.5 FTE who are distance learning specialists. These specialists, in collaboration with subject matter experts, develop online

instructional content to meet the training needs of judicial officers, court employees, and probation employees who are located in every county in the state.

OSPD IT SECURITY: The appropriation includes an increase of \$181,053 General Fund and 0.9 FTE for information technology security.

COMMUNITY PROVIDER RATE: The appropriation includes an increase of \$171,546 total funds (\$155,672 General Fund) for the one percent community provider rate increase, which increases appropriations to the Correctional Treatment Cash Fund.

COMPENSATION PLAN ALIGNMENT: The appropriation includes \$169,747 General Fund for salary adjustments to implement a common compensation plan that has been jointly developed by the Office of the Child's Representative, the Office of Respondent Parents' Counsel, and the Office of the Alternate Defense Counsel.

E-FILING: The appropriation includes \$148,500 cash funds that derive from e-filing fees paid by litigants who file documents using the Judicial Branch's e-filing system. The appropriation is used to pay the contractor who operates the e-filing system.

AUDIO VISUAL TECHNICAL STAFF AND ADMINISTRATIVE SUPPORT: The appropriation includes \$148,050 General Fund and 2.0 FTE for audio visual (AV) staff who will provide AV support to courts throughout the state.

ORPC STAFF ATTORNEY: The appropriation includes \$125,977 General Fund and 1.0 FTE for a staff attorney for the Office of Respondent Parents' Counsel.

OSPD COURTROOM STAFFING: The appropriation includes \$271,358 General Fund and 2.4 FTE for the Office of the State Public Defender to staff existing courts in Denver and Arapahoe county that have converted from civil to criminal matters and were formerly supported by cash funds; one of the courtrooms was previously staffed by 2.0 FTE who were supported by a \$150,000 cash funds grant that is now ending. These FTE who were supported by those cash fund are transitioning to General Fund support.

OADC SOCIAL WORKER OUTREACH COORDINATOR: The appropriation includes an increase of \$116,809 General Fund and 1.0 FTE to add a social worker outreach coordinator to the Office of the Alternate Defense Counsel's staff.

OADC OPERATING EXPENSE INCREASE: The appropriation includes \$110,501 General Fund to increase the operating appropriation in order to address various needs, many IT related, at the Office of the Alternate Defense Counsel.

DISTRICT ATTORNEY MANDATED COSTS: The appropriation includes \$102,373 General Fund for district attorney mandated costs. The money goes to the Colorado District Attorneys' Council (CDAC).

ORPC PROGRAMS ANALYST: The appropriation includes an increase of \$95,381 General Fund and 1.0 FTE for a programs analyst who will strengthen controls in areas of the Office of the Respondent Parents' Counsel that are similar to areas in the Office of the Child's Representative where the State Auditor found weaknesses during a recent audit.

OCR ATTORNEY PARITY WITH OSPD: The appropriation includes \$90,491 General Fund to provide attorneys in the El Paso office of the Office of the Child's Representative with the same 10 percent salary increase the appropriation provides for attorneys at the Office of the State Public Defender.

OCR INCREASE OPERATING APPROPRIATION: The appropriation includes \$83,000 General Fund to increase the Office of the Child’s Representative operating appropriation, mostly for information technology needs.

ORPC ADMINISTRATIVE SPECIALIST: The appropriation includes \$70,967 General Fund and 1.0 FTE for an administrative specialist for the Office of the Respondent Parents’ Counsel.

OCR INCREASE TRAINING: The appropriation includes \$20,000 General Fund to increase funding for the training program that the Office of the Child’s Representative runs for its contract attorneys.

CENTRALIZED LEGAL RESEARCH TEAM: The appropriation includes \$14,154 General Fund and 3.0 FTE to establish a specialized legal research team housed in the Supreme Court Library in Denver that will be available to trial courts in all judicial districts for death penalty and other research-intensive cases that involve complex legal questions. Currently, the Judicial Branch contracts with legal researchers to perform such research on an as-needed basis. The projected reduction in payments to the contractors will pay almost all of the cost of the new team.

CONSOLIDATE LEGAL SERVICES: The appropriation consolidates into a single line item four appropriations for legal services that formerly appeared in the Judicial-branch Long Bill.

FTE TECHNICAL CORRECTION: The appropriation includes 17.0 FTE who are supported with an appropriation of reappropriated funds that already appears in the Long Bill.

MOVE APPROPRIATION FOR PROBLEM SOLVING COURT PROBATION OFFICERS: The appropriation includes a net zero move from the *Problem Solving Courts* line item to the *Probation Programs* line item of a \$942,689 General Fund appropriation that pays for 14.0 FTE probation officers. The 14.0 FTE will also be moved. The move allows the Department to eliminate duplicative administrative work related to the FTE and will not alter the number of probation officers who work in problem solving courts.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes the following adjustments for out-year impacts of prior year budget actions:

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$1,602,025	\$1,757,781	(\$155,756)	\$0	\$0	0.0
FY 2018-19 OSPD Workload and caseload increases	393,960	393,960	0	0	0	0.0
FY 2018-19 IT Project mgt. security	72,768	72,768	0	0	0	0.0
FY 2018-19 Problem solving court coordinators	41,919	41,919	0	0	0	0.0
FY 2018-19 Access to justice	11,657	11,657	0	0	0	0.0
FY 2018-19 Interstate compact FTE transfer	9,828	9,828	0	0	0	0.0
FY 2018-19 Courthouse furnishings	(3,268,625)	(2,768,625)	(500,000)	0	0	0.0
FY 2018-19 Payment to exonerated person	(2,304,980)	(2,304,980)	0	0	0	0.0
FY 2018-19 OSPD IT support, security, and development	(398,213)	(398,213)	0	0	0	0.0
FY 2018-19 Drunk driver treatment and intervention	(300,000)	0	0	(300,000)	0	0.0
FY 2018-19 Archuleta temporary court	(52,720)	(52,720)	0	0	0	0.0
FY 2018-19 ORPC Operating expenses	(6,900)	(6,900)	0	0	0	0.0
FY 2018-19 OADC Administrative support	(3,473)	(3,473)	0	0	0	0.0
FY 2018-19 Social services professional coordinator one-time computer expense	(1,593)	(1,593)	0	0	0	0.0
FY 2018-19 OCR Child protection systems analyst	(1,230)	(1,230)	0	0	0	0.0
TOTAL	(\$4,205,577)	(3,249,821)	(\$655,756)	(\$300,000)	\$0	0.0

OPG OFFICE OF PUBLIC GUARDIANSHIP: The appropriation eliminates the existing \$1,718,786 cash fund appropriation and FTE for the Office of Public Guardianship. The appropriation gave the OPG the authority to spend gifts, grants, and donations that it received, but the Office attracted very few donors. This funding has been partially replaced by funding in H.B. 19-1045.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes the following adjustments for out-year impacts of prior year legislation:

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$1,093,410	\$889,243	\$204,167	\$0	\$0	0.0
SB 18-251 Statewide Behavioral Health Court Liaison Program	639,875	639,875	0	0	0	0.1
SB 18-203 Conflict Free Representation in Municipal Courts	78,330	78,330	0	0	0	1.1
SB 08-054 Judicial Performance Evaluations Public awareness poll this year per that bill	30,000	0	30,000	0	0	0.0
SB 18-249 Mental Health Criminal Justice Diversion Grant Program	0	0	0	0	0	0.1
SB18-1176 Reauthorize Offender Reentry Grant Program	(3,286,000)	0	(3,286,000)	0	0	0.0
TOTAL	(\$1,444,385)	\$1,607,448	(\$3,051,833)	\$0	\$0	1.3

ELIMINATE ONE-TIME FUNDING: The appropriation eliminates one-time funding for S.B. 19-036.

INDIRECT COSTS: The appropriation reduces indirect cost assessments and increases General Fund appropriations to offset the lost revenue.

FLEET VEHICLES: The appropriation includes a net decrease of \$2,176 General Fund for Judicial Department vehicle expenses. The Department will acquire four leased vehicles through the State Fleet Management program that will be used by employees who currently use personal vehicles for Department business and are compensated for that use at the rate of 49¢ per mile.

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of Part III of this department.

DEPARTMENT OF LABOR AND EMPLOYMENT

The Department consists of seven divisions:

- 1 The Executive Director's Office is responsible for providing common services to all divisions, including human resources and accounting services.
- 2 The Division of Unemployment Insurance is responsible for the administration and monitoring of Colorado's unemployment insurance programs, including audits and investigations to ensure proper payment of premiums and benefits.
- 3 The Division of Employment and Training is responsible for the administration of the workforce development programs, state-run workforce centers, and research and analysis on Colorado's employment trends.
- 4 The Division of Labor Standards and Statistics is responsible for ensuring employer compliance with State and federal employment laws and provides annual and monthly information on general labor market trends including unemployment rates, industry trends, and employee compensation by region and industry.
- 5 The Division of Oil and Public Safety is responsible for the inspection of boilers, conveyances, amusement park and carnival rides, distribution centers of petroleum products, storage sites for explosive materials, and monitoring the clean-up of leaking underground storage tanks.
- 6 The Division of Workers' Compensation is responsible for enforcing workers' compensation laws and the administration of the Major Medical Insurance and Subsequent Injury Funds.
- 7 The Division of Vocational Rehabilitation and Independent Living Services provides vocational rehabilitation services to individuals with disabilities so they can obtain employment. It also provides financial and technical support to non-profit independent living centers that help individuals with disabilities live and work independently in the community of their choice.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$20,786,362	\$21,380,958	\$19,475,174	\$25,519,883
Cash Funds	71,493,888	72,525,276	80,841,770	82,643,259
Reappropriated Funds	9,401,877	9,515,450	7,521,018	10,092,733
Federal Funds	142,469,635	145,439,550	151,711,122	153,713,234
TOTAL FUNDS	\$244,151,762	\$248,861,234	\$259,549,084	\$271,969,109
Full Time Equiv. Staff	1,279.8	1,279.8	1,280.6	1,292.8

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 9.4 percent General Fund, 30.4 percent cash funds, 3.7 percent reappropriated funds, and 56.5 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

WORKFORCE DEVELOPMENT PROGRAMS

These programs provide employment services for businesses and job training and placement services for job seekers through a network of state- and county-run one-stop workforce centers. Although most activities are supported with federal funds not subject to appropriation by the General Assembly, a portion is covered by state-appropriated cash funds. In addition, in recent years the General Assembly has created various targeted workforce development programs in this division that receive state General Fund appropriations. Employment and training programs account for 24.5 percent of the total Department appropriations and 22.8 percent of its General Fund appropriations in FY 2019-20. The Department's FY 2019-20 budget is largely driven by changes associated with the out-year impact of state workforce development programs authorized in 2018 legislation and the authorization of new programs through 2019 legislation.

UNEMPLOYMENT INSURANCE PROGRAMS

The Unemployment Insurance Programs (UI Programs) provide temporary compensation to individuals who are laid off through no fault of their own. The appropriation for UI Programs in the Long Bill reflects the cost of administering the UI Programs. Pursuant to Section 8-77-104 (1), C.R.S., the funds used to pay benefits are not subject to appropriation by the General Assembly and do not appear in the Long Bill. Unemployment Insurance claims are paid from the Unemployment Insurance Trust Fund (UITF), which is derived from premiums paid by Colorado employers but resides in the federal treasury. The federal Unemployment Insurance Program maintains the UITF in conjunction with the State.

The appropriation for administering the UI Programs accounts for 17.0 percent of the Department's FY 2019-20 appropriation. About two-thirds of this is federal funds, while most of the balance is cash funds derived from a portion of employers' unemployment insurance premiums.

Economic cycles drive the demand for this program. In a healthy economy, the number of claims is lower, resulting in fewer benefits being paid. This both reduces the demand for state administrative activities and builds up the balance of the UITF. During challenging economic times, the number of claims and benefits paid increases, increasing administrative costs and reducing the balance of the UITF. As of May 2019, the balance in the UITF was \$1.16 billion. An estimated \$380 million in UI claims will be paid in FY 2018-19.

In recent years, the General Assembly has devoted substantial resources to updating UI information technology systems, and the FY 2019-20 budget for this division includes significant new information technology operating costs.

WORKERS' COMPENSATION

Colorado employers are required to carry workers' compensation insurance to pay for medical expenses incurred during the treatment of work-related injuries and for partial wage replacement. The Division of Workers' Compensation provides services to support this mandate including customer service, claims resolution, employer and employee education, and cost containment programs. The budget for the Division of Worker's Compensation is driven by the number of workers injured in a given year and the number of hearings requested by an employer, insurance company, or injured worker to determine what benefits should be provided. The Workers' Compensation program offers claims intervention, mediation, pre-hearing conferences, settlement conferences, and arbitration to assist with dispute resolution. These administrative activities are supported by cash fund surcharges on workers' compensation premiums that are subject to appropriation by the General Assembly.

The Division also administers the Major Medical and Subsequent Injury programs, which provide benefits to individuals injured at work. The Major Medical program is available to industrial workers who sustained catastrophic injuries between 1971 and 1981. The Subsequent Injury program is designed to compensate employers for hiring an individual who has an existing partial disability. The injury must have been sustained before 1993 for traumatic injuries and before 1994 for occupational diseases. Funds for both programs are continuously

appropriated pursuant Sections 8-46-202 (1)(c) and 8-46-101 (4)(b), C.R.S., respectively, and expenditures are dependent on claims processed during the fiscal year.

DIVISION OF VOCATIONAL REHABILITATION AND INDEPENDENT LIVING SERVICES

On July 1, 2016 the Department of Labor and Employment began administering services previously provided by the Department of Human Services in the newly created Division of Vocational Rehabilitation and Independent Living Services. This division, created in FY 2016-17, consists of two subdivisions: (A) Vocational Rehabilitation Programs and (B) Office of Independent Living Services.

(A) Vocational Rehabilitation Programs assist individuals whose disabilities result in barriers to employment or independent living with attaining and maintaining employment and/or independent living. At any of the 43 field and satellite offices located throughout the state, rehabilitation counselors work with clients to assess their needs and identify appropriate vocational rehabilitation services. Most vocational rehabilitation program services are subject to a prescribed match rate of 78.7 percent federal funds to 21.3 percent non-federal funds.

(B) The Office of Independent Living Services distributes funding to the nine Independent Living Centers in Colorado that provide services to individuals with significant disabilities. The goal of independent living services is to provide individuals with the resources and skills to live independently in the community. Funding for independent living services is primarily state General Fund.

This division accounts for 23.0 percent of the Department's total appropriations and 48.0 percent of its General Fund appropriations in FY 2019-20. The budget for this division has been affected in the past by the demand for vocational rehabilitation services. However, in the last few years, the budget has been driven more by discretionary decisions of the General Assembly to add or reduce General Fund support, the willingness of school districts and other entities to provide the match required for federal vocational rehabilitation funds, and the size of the annual federal grant available.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF LABOR AND EMPLOYMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$256,457,687	\$18,391,202	\$79,834,345	\$6,521,018	\$151,711,122	1,279.3
SB 18-145	2,131	2,131	0	0	0	0.0
SB 18-167	81,841	81,841	0	0	0	0.8
HB 18-1316	2,000,000	1,000,000	0	1,000,000	0	0.0
HB 18-1339	7,425	0	7,425	0	0	0.0
HB 18-1343	1,000,000	0	1,000,000	0	0	0.5
TOTAL	\$259,549,084	\$19,475,174	\$80,841,770	\$7,521,018	\$151,711,122	1,280.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$259,549,084	\$19,475,174	\$80,841,770	\$7,521,018	\$151,711,122	1,280.6
Centrally appropriated line items	9,848,873	1,653,518	4,525,208	25,597	3,644,550	0.0
Employment First initiatives	2,865,644	610,382	0	0	2,255,262	3.7
Unemployment Insurance migrated system operations	2,601,509	0	2,601,509	0	0	0.0
Replacement of the legacy field audit system	450,000	0	450,000	0	0	0.0
Labor Standards inspection staff	250,000	250,000	0	0	0	4.0
Division of Workers Compensation Modernization Project	76,817	0	76,817	0	0	0.0

DEPARTMENT OF LABOR AND EMPLOYMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Community provider rate increase	67,335	67,335	0	0	0	0.0
Division of Oil and Public Safety - Petroleum Program	50,000	0	50,000	0	0	0.0
Division of Labor Standards and Statistics claims system	34,802	0	34,802	0	0	0.0
Informational funds adjustment	(4,052,573)	0	(30,940)	0	(4,021,633)	0.0
Annualize prior year legislation	(1,120,776)	2,366,784	(5,913,120)	2,301,400	124,160	0.7
Annualize prior year budget actions	(36,471)	(62)	(30,900)	(5,282)	(227)	0.0
SB 19-207	\$270,584,244	\$24,423,131	\$82,605,146	\$9,842,733	\$153,713,234	1,289.0
SB 19-171	25,507	25,507	0	0	0	0.4
SB 19-188	165,487	165,487	0	0	0	0.5
HB 19-1025	38,113	0	38,113	0	0	0.6
HB 19-1107	1,000,000	750,000	0	250,000	0	0.5
HB 19-1314	155,758	155,758	0	0	0	1.8
TOTAL	\$271,969,109	\$25,519,883	\$82,643,259	\$10,092,733	\$153,713,234	1,292.8
INCREASE/(DECREASE)	\$12,420,025	\$6,044,709	\$1,801,489	\$2,571,715	\$2,002,112	12.2
Percentage Change	4.8%	31.0%	2.2%	34.2%	1.3%	1.0%

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as reflected in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$4,174,887	\$1,176,126	\$2,408,238	\$0	\$590,523	0.0
Salary survey	2,577,526	149,289	991,325	20,209	1,416,703	0.0
PERA Direct Distribution	2,186,326	126,840	842,254	13,568	1,203,664	0.0
ALJ adjustment	567,697	1,059	562,727	0	3,911	0.0
Health Life Dental	615,215	138,148	(18,904)	4,249	491,722	0.0
Leased space	181,715	12,244	73,254	0	96,217	0.0
Legal services	118,046	0	118,046	0	0	0.0
DPA IDS increased input costs	33,130	0	33,130	0	0	0.0
Department EDO funding split	0	0	1	0	(1)	0.0
Workers' compensation	(271,825)	0	(75,474)	0	(196,351)	0.0
AED	(127,678)	21,940	(188,867)	(6,109)	45,358	0.0
SAED	(127,678)	21,940	(188,867)	(6,109)	45,358	0.0
CORE	(59,184)	0	(19,003)	0	(40,181)	0.0
Payment to risk management / property funds	(11,724)	0	(2,931)	0	(8,793)	0.0
Short-term disability	(3,889)	771	(6,221)	(211)	1,772	0.0
Statewide indirect cost common policy	(3,125)	0	(1,125)	0	(2,000)	0.0
Vehicle lease payments	(265)	5,161	(2,375)	0	(3,051)	0.0
Shift differential	(162)	0	0	0	(162)	0.0
Capitol Complex leased space	(139)	0	0	0	(139)	0.0
TOTAL	\$9,848,873	\$1,653,518	\$4,525,208	\$25,597	\$3,644,550	0.0

EMPLOYMENT FIRST INITIATIVES: The appropriation includes \$2,865,644 total funds, including \$610,382 General Fund and \$2,255,262 federal funds and 3.7 FTE (annualizing to 4.0 FTE) for changes coordinated with the Department of Health Care Policy and Financing (HCPF) on Employment First initiatives. Of the total, \$2,396,160 total funds, including \$510,382 General Fund, is for a new Employment First Initiatives line item in the Division of Vocational Rehabilitation. Appropriations in this line item are anticipated to be provided for a three-year period, through FY 2021-22, and are related to a refinance in HCPF that spends down funds in the Individuals with Developmental Disabilities Services Cash Fund. The appropriation also includes \$469,484 total funds, including \$100,000 General Fund, in the Vocational Rehabilitation Services line item. This funding is anticipated to be

ongoing and unrelated to the refinance in HCPF. Employment First is a nationally recognized model for achieving increased, successful employment outcomes for people with disabilities. Funding for Employment First initiatives in the Department of Labor and Employment includes support for 4.0 FTE, vocational rehabilitation customized employment pilots, and a contract with a University Center of Excellence in Developmental Disabilities, which would assist with Employment First implementation statewide by conducting statewide training and outreach.

UNEMPLOYMENT INSURANCE (UI) MIGRATED SYSTEM OPERATIONS: The appropriation includes an increase of \$2.6 million cash funds from the Employment and Training Technology Fund to support operation of the new UI claimants benefits processing system (CUBS) and UI employer premiums system (CATS). The General Assembly appropriated \$57.9 million in the IT capital budget to construct the new system between FY 2016-17 and FY 2018-19. The FY 2019-20 appropriation funds annual licenses for software products and 9.0 FTE in the Governor's Office of Information Technology (OIT) beginning in January 2020. The appropriation includes \$2,000,000 in the Unemployment Insurance Program Costs line item and \$601,509 in the Payments to OIT line item for additional OIT staffing costs. The annualized impact of this change is \$3,203,018 in FY 2020-21, including anticipated common policy adjustments in the Payments to OIT line item.

REPLACEMENT OF THE LEGACY FIELD AUDIT SYSTEM: The appropriation includes \$450,000 cash funds from the Employment Support Fund to replace the information technology system that supports its Unemployment Insurance field audit staff. This staff of 32 is responsible for conducting approximately 2,500 field audits per year to ensure that employers are correctly calculating their unemployment insurance contributions, consistent with state and federal requirements. This amount will annualize to \$40,000 cash funds from the Employment Support Fund in FY 2020-21 and subsequent years for licensing and subscription costs.

LABOR STANDARDS INSPECTION STAFF: The appropriation adds \$250,000 General Fund for 4.0 FTE to increase on-site auditing of construction sites and ensure compliance with existing statutory and regulatory requirements for labor standards at those sites.

DIVISION OF WORKERS COMPENSATION MODERNIZATION PROJECT: The appropriation includes an increase of \$76,817 cash funds from the Worker's Compensation Cash Fund to support ongoing operating costs for the Worker's Compensation Claims Management System. The General Assembly appropriated \$5,932,500 in FY 2014-15 in the information technology capital budget to construct the new system and provided an extension to complete the project through FY 2017-18. The Division of Workers' Compensation regulates benefits provided to injured workers. This item funds annual software licenses and subscription costs required for the new system. This funding is anticipated to continue at this level in future years.

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$67,335 General Fund for a common-policy provider rate increase of 1.0 percent for independent living centers in the Division of Vocational Rehabilitation.

DIVISION OF OIL AND PUBLIC SAFETY - PETROLEUM PROGRAM: The appropriation includes \$50,000 cash funds from the Petroleum Storage Tank Fund to replace equipment and supplies for testing fuels. The agency tests the quality of petroleum pumped at gas stations to ensure fuels comply with legal requirements and are accurately labeled. Through a joint agreement with the Department of Public Health and Environment, the Division also conducts vapor monitoring to ensure that petroleum delivery carriers are capturing vapors when delivering fuel. An average of 2,980 inspections are conducted each year. The Department's fuel testing equipment is aging and must be replaced, and supply costs have increased. The appropriation is for an ongoing \$50,000 increase for this program. In the first two years, the Department will replace the Sulphur analyzer and vapor pressure analyzer (each estimated at \$26,400) and will address higher costs for waste disposal, helium, heptane, and other supplies (estimated at \$23,600 per year).

DIVISION OF LABOR STANDARDS AND STATISTICS CLAIMS SYSTEM: The appropriation includes an increase of \$34,802 cash funds from the Employment Support Fund for software licenses and subscription costs for the new

Labor Standards Claims System. The Labor Standards section is responsible for assisting Colorado employees in recovering earned compensation from employers who violate labor laws. The staff of 28 is responsible for investigating approximately 3,500 complaints and responding to 2,000 emails and 40,000 calls per year. In FY 2017-18, the Division internally funded (through vacancy savings) a \$206,000 project to migrate its five older software systems to a centralized database. The software allows investigators to review and create needed documents and enables employees and employers to submit documentation on line, check the status of claims, and correspond with the Division by text message. The funding is anticipated to continue at this level in future years.

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation includes adjustments to federal and cash funds amounts shown for informational purposes. This primarily reflects reductions in federal funding anticipated to be received for operation of the Unemployment Insurance and Employment and Training divisions.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes the following adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$225,524	\$13,084	\$86,880	\$1,400	\$124,160	0.0
SB 18-167 Locate Underground Facilities	55,831	55,831	0	0	0	1.2
HB 18-1343 Veterans' Service-to-Career Program	(1,000,000)	0	(1,000,000)	0	0	(0.5)
HB 18-1316 Extend CDLE WORK grant program	(400,000)	2,300,000	(5,000,000)	2,300,000	0	0.0
SB 18-145 Implement Employment First Recommendations	(2,131)	(2,131)	0	0	0	0.0
TOTAL	(\$1,120,776)	\$2,366,784	(\$5,913,120)	\$2,301,400	\$124,160	0.7

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Facilitating Reemployment	(\$30,900)	\$0	(\$30,900)	\$0	\$0	0.0
Annualize prior year salary survey	(5,571)	(62)	0	(5,282)	(227)	0.0
TOTAL	(\$36,471)	(\$62)	(\$30,900)	(\$5,282)	(\$227)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF LAW

The Attorney General is one of five independently elected constitutional officers of the State, whose powers and duties are prescribed by the General Assembly. As the chief executive officer of the Department of Law, the Attorney General represents and defends the legal interests of the people of the State of Colorado, and serves as chief legal counsel and advisor to state government, its statewide elected officials, and its many state agencies, boards, and commissions.

The Attorney General also has primary authority for: enforcement of consumer protection and antitrust laws; prosecution of criminal appeals and some complex white-collar crimes; the statewide grand jury; training and certification of peace officers; and certain natural resource and environmental matters. The Attorney General and his staff also work concurrently with Colorado's 22 locally elected district attorneys and other local, state, and federal law enforcement authorities to carry out the criminal justice responsibilities and activities of the office.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$15,190,519	\$16,214,183	\$16,593,918	\$18,717,773
Cash Funds	15,629,323	17,314,175	17,747,080	17,688,477
Reappropriated Funds	45,875,081	45,720,252	47,855,062	53,606,154
Federal Funds	1,785,637	1,828,471	2,002,322	2,354,094
TOTAL FUNDS	\$78,480,560	\$81,077,081	\$84,198,382	\$92,366,498
Full Time Equiv. Staff	484.5	473.4	483.5	513.5

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 20.3 percent General Fund, 19.2 percent cash funds, 58.0 percent reappropriated funds, and 2.5 percent federal fund. Some of the major factors driving the Department's budget are discussed below.

LEGAL SERVICES TO STATE AGENCIES

Prior to 1973, most state agencies were represented by "assistant solicitors" who were housed within and paid by the agencies they represented. The system became problematic as there were serious differences in legal policy between agencies, resulting in an inconsistent legal policy for the State in the courts. In 1973, the General Assembly passed legislation that moved all the assistant solicitors into the Department of Law, and prohibited any state agency from employing a person to perform legal services. As a trade-off, the Department of Law became subject to the "Oregon Plan," whereby the General Assembly appropriates money for legal services to the various state agencies, who in turn purchase services from the Department of Law at hourly rates (one rate for attorneys and one rate for legal assistants). The General Assembly provides spending authority to the Department of Law to spend money received from other state agencies.

Prior to FY 2017-18, the Department billed client agencies each month for the hours of legal services actually provided to the client during the previous month. For FY 2017-18, the General Assembly approved a departmental request to change the appropriation and billing system. Similar to other common policies, each client agency's annual appropriation is now based on the client's prior years' usage of legal services. The Department is now billing each agency in twelve equal monthly installments rather than billing monthly based on actual usage.

For FY 2019-20, the General Assembly has authorized the Department of Law to spend up to \$44.4 million providing legal services to state agencies (including associated central appropriations for items such as employee

benefits, leased space, and information technology costs). This amount represents 48.0 percent of the Department's total appropriation. As shown in the table below, eight agencies account for more than 81.8 percent of these services. The table also details the total number of hours of legal services provided and the blended hourly rate charged by the Department (a weighted average of the rate charged by attorneys and paralegals).

LEGAL SERVICES TO STATE AGENCIES: FY 2015-16 TO FY 2019-20						
STATE DEPARTMENT	FY 15-16 ACTUAL	FY 16-17 ACTUAL	FY 17-18 ACTUAL	FY 18-19 APPROP./ ESTIM.	FY 19-20 APPROP./ ESTIM.	PERCENT OF TOTAL
Regulatory Agencies	\$8,480,393	\$9,053,456	\$10,112,352	\$10,021,244	\$9,925,212	22.4%
Revenue	3,839,366	4,096,760	4,218,602	4,370,044	5,520,319	12.4%
Personnel	4,440,913	4,565,137	7,288,282	5,273,083	5,428,469	12.2%
Natural Resources	4,881,713	4,761,792	5,433,175	5,508,277	5,266,199	11.9%
Public Health and Environment	3,024,527	2,966,184	3,266,490	3,266,490	3,235,372	7.3%
Human Services	1,995,197	2,173,268	2,263,270	2,336,860	2,851,154	6.4%
Corrections	1,728,433	1,768,814	1,869,702	2,030,978	2,390,373	5.4%
Transportation	1,480,174	1,335,102	1,576,768	1,670,132	1,678,551	3.8%
Other agencies ¹	5,761,599	5,935,443	6,718,670	6,605,006	8,069,647	18.2%
Total Expenditures/ Appropriation	\$35,632,315	\$36,655,956	\$42,747,311	\$41,082,114	\$44,365,296	100.0%
% change of total from prior year	34.5%	2.9%	16.6%	(3.9%)	8.0%	
% of total Department of Law appropriations	45.8%	46.7%	52.7%	49.4%	48.0%	
% of total state operating appropriations	0.1%	0.1%	0.1%	0.1%	0.1%	
Blended Legal Rate	\$95.01	\$95.05	\$106.56	\$103.63	\$106.60	
% change from prior year	23.0%	0.0%	12.1%	(2.7%)	2.9%	
Total Hours	375,058	385,649	401,157	382,305	400,860	
% change from prior year	1.5%	2.8%	4.0%	(4.7%)	4.9%	

¹ Actual expenditures are provided by the Department of Law. The appropriation columns include the Department's estimates of legal services to be provided to institutions of higher education and to the Public Employees' Retirement Association (PERA).

Fluctuations in legal services expenditures are due to: (1) changes in the Department's hourly rates; and (2) changes in the number of hours of legal services provided to state agencies by attorneys and legal assistants. The hourly rates fluctuate based on the costs of employee salaries and benefits as well as operating expenses.

CRIMINAL JUSTICE AND APPELLATE

The largest allocation of General Fund in the Department is for the Criminal Justice and Appellate section, which accounts for 35.3 percent of General Fund appropriations to the Department for FY 2019-20. More than half of the General Fund in this section is devoted to the Appellate Unit, which represents the State in criminal appeals, and about one-third is devoted to the Special Prosecutions Unit, which investigates and prosecutes a variety of crimes. The following table provides expenditure and workload data for the Appellate Unit.

APPELLATE UNIT DATA: FY 2014-15 TO FY 2019-20						
	FY 14-15 ACTUAL	FY 15-16 ACTUAL	FY 16-17 ACTUAL	FY 17-18 ACTUAL	FY 18-19 APPROP./EST.	FY 19-20 APPROP./EST.
Expenditures/Appropriations (excluding central appropriations)	\$3,692,658	\$3,498,574	\$3,854,792	\$3,664,404	\$3,953,309	\$4,319,481
FTE	37.7	36.2	35.8	36.5	38.0	42.2
Opening briefs received	952	1,056	968	971	969	1,000
Answer briefs filed	1,017	911	931	943	1,023	1,095
Case backlog	264	428	466	494	440	345

DISTRICT ATTORNEYS' SALARIES

The State Constitution requires each judicial district to elect a district attorney. Similar to the Attorney General, district attorneys (DAs) are part of the executive branch of government and their powers and duties are prescribed by the General Assembly. Each DA is responsible for representing the legal interests of the people of the State of Colorado and prosecuting criminal cases for crimes committed within his or her judicial district on behalf of the people. Upon request, DAs provide legal advice and legal representation to county officers and employees, and

render legal advice to peace officers pertaining to affidavits and warrants for arrests, searches, seizures, and court orders for the production of records.

While DAs' office budgets are primarily set and provided by their respective boards of county commissioners within each judicial district, the State provides direct funding for DAs, via state agencies, for certain purposes. The Department of Law's budget includes an annual appropriation for DA salaries. Pursuant to Section 20-1-306, C.R.S., the State contributes 80.0 percent of the funding for a minimum DA salary that is established in statute (including the associated costs of employer Public Employees' Retirement Association contributions). In 2007 (H.B. 07-1170), the General Assembly raised the statutory minimum salary for DAs over a four-year period. A judicial district may choose to pay a salary that exceeds the statutory minimum using local funds.

The appropriation to the Department of Law for the State's contribution for DA salaries currently accounts for 14.7 percent of total General Fund appropriations to the Department. The following table details recent expenditures/appropriations for this purpose.

STATE EXPENDITURES FOR DISTRICT ATTORNEY SALARIES: FY 2007-08 TO FY 2019-20			
FISCAL YEAR	EXPENDITURES/ APPROPRIATIONS	ANNUAL INCREASE	CUMULATIVE INCREASE
2007-08	\$1,315,985	n/a	n/a
2008-09	1,654,605	\$338,620	\$338,620
2009-10	2,096,027	441,422	780,042
2010-11	2,263,229	167,202	947,244
2011-12	2,479,847	216,618	1,163,862
2012-13	2,656,471	176,624	1,340,486
2013-14	2,676,960	20,489	1,360,975
2014-15	2,697,640	20,680	1,381,655
2015-16	2,718,249	20,609	1,402,264
2016-17	2,738,841	20,592	1,422,856
2017-18	2,749,138	10,297	1,433,153
2018-19 appropriation	2,749,138	0	1,433,153
2019-20 appropriation	2,754,858	5,720	1,438,873

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF LAW						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$83,067,088	\$16,611,039	\$17,882,160	\$46,571,567	\$2,002,322	474.4
SB 18-027	93,773	0	0	93,773	0	0.5
SB 18-145	2,131	0	0	2,131	0	0.0
SB 18-167	12,787	0	0	12,787	0	0.1
SB 18-234	5,328	0	0	5,328	0	0.0
SB 18-243	10,656	0	0	10,656	0	0.1
SB 18-271	10,656	0	0	10,656	0	0.0
HB 18-1017	15,984	0	0	15,984	0	0.1
HB 18-1224	64,575	0	0	64,575	0	0.3
HB 18-1280	14,918	0	0	14,918	0	0.1
HB 18-1353	1,598	0	0	1,598	0	0.0
HB 18-1434	164,920	0	164,920	0	0	1.6
SB 19-116	702,879	(17,121)	(300,000)	1,020,000	0	6.1
HB 19-1090	31,089	0	0	31,089	0	0.2
TOTAL	\$84,198,382	\$16,593,918	\$17,747,080	\$47,855,062	\$2,002,322	483.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$84,198,382	\$16,593,918	\$17,747,080	\$47,855,062	\$2,002,322	483.5
Centrally appropriated line items	2,884,711	646,869	366,269	1,805,325	66,248	0.0
Attorney salary increase	2,278,574	579,610	86,176	1,586,413	26,375	0.0

DEPARTMENT OF LAW						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
IT asset maintenance	541,807	155,982	76,729	294,794	14,302	0.0
Indirect cost assessment	358,478	(19,947)	261,033	107,408	9,984	0.0
Medicaid fraud investigators	314,071	78,518	0	0	235,553	3.0
Additional staff for opioid litigation	287,156	287,156	0	0	0	1.8
Appellate backlog	222,767	222,767	0	0	0	3.6
Annualize prior year legislation	206,381	25,060	25,117	152,968	3,236	0.6
Assistant Deputy AG for Water	171,386	171,386	0	0	0	0.9
Experienced lawyers fellowship	125,833	0	0	125,833	0	2.0
FTE Transfer from Consumer Protection to Administration	0	0	(142,449)	142,449	0	0.0
Annualize prior year budget actions	(1,084,406)	(1,176)	(504,703)	(575,000)	(3,527)	0.0
Technical adjustments	(289,178)	(172,534)	(288,904)	172,659	(399)	5.0
Safe2tell	(70,248)	(70,248)	0	0	0	0.0
SB 19-207	\$90,145,714	\$18,497,361	\$17,626,348	\$51,667,911	\$2,354,094	500.4
SB 19-002	115,273	115,273	0	0	0	1.4
SB 19-005	134,719	0	0	134,719	0	0.7
SB 19-030	55,139	55,139	0	0	0	0.6
SB 19-166	40,056	0	40,056	0	0	0.6
SB 19-181	186,534	0	0	186,534	0	1.0
SB 19-218	535,456	0	0	535,456	0	2.9
SB 19-223	189,901	50,000	0	139,901	0	0.8
SB 19-224	103,630	0	0	103,630	0	0.6
SB 19-236	186,534	0	0	186,534	0	1.0
HB 19-1045	50,000	0	0	50,000	0	0.3
HB 19-1090	242,494	0	0	242,494	0	1.3
HB 19-1230	72,023	0	0	72,023	0	0.3
HB 19-1234	35,752	0	0	35,752	0	0.2
HB 19-1242	15,545	0	0	15,545	0	0.0
HB 19-1261	93,267	0	0	93,267	0	0.5
HB 19-1309	22,073	0	22,073	0	0	0.1
HB 19-1327	142,388	0	0	142,388	0	0.8
TOTAL	\$92,366,498	\$18,717,773	\$17,688,477	\$53,606,154	\$2,354,094	513.5
INCREASE/(DECREASE)	\$8,168,116	\$2,123,855	(\$58,603)	\$5,751,092	\$351,772	30.0
Percentage Change	9.7%	12.8%	(0.3%)	12.0%	17.6%	6.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-116 modifies the FY 2018-19 appropriation to:

- Add \$720,000 total funds, including a decrease of \$300,000 cash funds and an increase of \$1,020,000 reappropriated funds, and 6.1 FTE in FY 2018-19, to address both increased personal services needs due to higher than expected hours worked for client agencies, and an expedited court-ordered discovery request; and
- Reduce \$17,121 General Fund in FY 2018-19 to reallocate funding historically received by the Department of Law for Safe2Tell dispatching services to the Department of Public Safety.

House Bill 19-1090 modifies the FY 2018-19 to add \$31,089 reappropriated funds and 0.2 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR).

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA Direct Distribution	\$1,173,886	\$310,469	\$146,761	\$687,277	\$29,379	0.0
Health, life, and dental	477,760	81,329	(37,798)	435,617	(1,388)	0.0
Salary survey	383,066	100,341	118,149	139,664	24,912	0.0
Payments to OIT	192,204	55,052	27,474	104,480	5,198	0.0
AED	185,071	14,751	37,684	130,655	1,981	0.0
SAED	185,071	14,751	37,684	130,655	1,981	0.0
Health Life Dental	145,822	36,744	16,771	89,214	3,093	0.0
Payments to OIT	63,885	17,304	7,287	38,012	1,282	0.0
Carr Center leased space	59,058	11,849	5,927	41,490	(208)	0.0
Payment to risk management / property funds	27,951	7,659	3,822	15,838	632	0.0
Workers' compensation	21,413	5,921	2,554	12,461	477	0.0
Legal services	10,034	4,883	5,151	0	0	0.0
DPA Annual fleet vehicle request	0	(2,579)	3,959	(1,380)	0	0.0
CORE	(33,866)	(9,726)	(5,025)	(18,178)	(937)	0.0
AIJ	(4,429)	0	(4,429)	0	0	0.0
Short-term disability	(2,215)	(1,879)	298	(480)	(154)	0.0
TOTAL	\$2,884,711	\$646,869	\$366,269	\$1,805,325	\$66,248	0.0

ATTORNEY SALARY INCREASE: The appropriation includes an appropriation of \$2,278,574 total funds, including \$579,610 General Fund, for a salary increase for attorneys. The table below reflects the adjustments, by percentage.

PERCENTAGE INCREASES BY CLASS			
	TOTAL ADJUSTMENT	SALARY SURVEY	MERIT PAY
Deputy Assistant Attorney General	10.0	8.0	2.0
First Assistant. Attorney General	7.8	5.8	2.0
Senior Assistant. Attorney General	3.2	1.2	2.0
Assistant. Attorney General	7.9	5.9	2.0

IT ASSET MAINTENANCE: The appropriation includes \$541,807 totals funds in FY 2019-20, including \$155,982 General Fund, for additional funding for the Department's information technology infrastructure, including server upgrades and additional data storage.

INDIRECT COST ASSESSMENT: The appropriation includes adjustments based on the Department's indirect cost assessment plan.

MEDICAID FRAUD INVESTIGATORS: The appropriation includes \$314,071 total funds, including \$78,518 General Fund, for 3.0 FTE Medicaid fraud investigators.

ADDITIONAL STAFF FOR OPIOID LITIGATION: The appropriation includes \$287,156 General Fund and 1.8 FTE to support the state's opioid litigation efforts.

APPELLATE BACKLOG: The appropriation includes \$222,767 General Fund and 3.6 FTE for four attorney fellowships to help address appellate workload needs.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$129,198	\$25,060	\$15,449	\$85,453	\$3,236	0.0
HB 18-1017 Psychology Interjurisdictional Compact	90,576	0	0	90,576	0	0.5

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 15-288 Compensation Paid to Certain Public Officials	20,281	0	0	20,281	0	0.0
HB 18-1434 Safe2Tell	9,668	0	9,668	0	0	0.4
SB 18-027 Enhanced Nurse Licensure Compact	8,525	0	0	8,525	0	0.0
HB 19-1090 Publicly Licensed Marijuana Companies	(31,089)	0	0	(31,089)	0	(0.2)
SB 18-271 Funding for Marijuana Research	(10,656)	0	0	(10,656)	0	(0.1)
SB 18-243 Retail Sales Alcohol Beverages	(4,262)	0	0	(4,262)	0	0.0
SB 18-145 Implement Employment First Recommendations	(2,131)	0	0	(2,131)	0	0.0
SB 18-167 Enforcement Requirements 811 Locate Underground	(2,131)	0	0	(2,131)	0	0.0
HB 18-1353 Defense Counsel in Municipal Courts	(1,598)	0	0	(1,598)	0	0.0
TOTAL	\$206,381	\$25,060	\$25,117	\$152,968	\$3,236	0.6

ASSISTANT DEPUTY AG FOR WATER: The appropriation includes \$171,386 General Fund and 0.9 FTE to create an Assistant Deputy Attorney General for Water Management position to coordinate among Department employees working on water-related issues.

EXPERIENCED LAWYERS FELLOWSHIP: The appropriation includes \$125,833 reappropriated funds and 2.0 FTE to create an Experience Lawyers Fellowship Program, which will hire attorneys who are later in their career and interested in public service to share experience and expertise with younger attorneys.

FTE TRANSFER FROM CONSUMER PROTECTION TO ADMINISTRATION: The appropriation includes a net-zero refinance of \$142,449 and 2.0 FTE from Consumer Protection custodial funds in the Consumer Protection and Antitrust Division to reappropriated funds in the Administration Division.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments related to prior year budget actions, primarily decision items. The following table itemizes the annualizations for FY 2019-20.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$0	\$0	\$0	\$0	\$0	0.0
LSSA Personal Services Increase	(575,000)	0	0	(575,000)	0	0.0
Two year peace officer training	(500,000)	0	(500,000)	0	0	0.0
Medicaid fraud investigator	(4,703)	(1,176)	0	0	(3,527)	0.0
POST compliance inspector	(4,703)	0	(4,703)	0	0	0.0
TOTAL	(\$1,084,406)	(\$1,176)	(\$504,703)	(\$575,000)	(\$3,527)	0.0

TECHNICAL ADJUSTMENTS: The appropriation includes four technical changes, as detailed in the table below:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA adjustment for DA salaries	\$5,720	\$5,720	\$0	\$0	\$0	0.0
Attorney registration and CLE adjustment	3,563	475	0	3,088	0	0.0
Additional grant from CDPS	1,539	0	0	1,539	0	0.0
Fund source adjustment	0	(178,729)	11,096	168,032	(399)	0.0
Additional FTE fellows	0	0	0	0	0	5.0
Tobacco litigation reduction	(300,000)	0	(300,000)	0	0	0.0
TOTAL	(\$289,178)	(\$172,534)	(\$288,904)	\$172,659	(\$399)	5.0

SAFE2TELL: The appropriation includes a decrease of \$70,248 General Fund to reallocate funding for Safe2Tell dispatching services to the Department of Public Safety.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

LEGISLATIVE BRANCH

The Legislative Branch includes the elected officials of the House of Representatives and the Senate and the necessary staff to support them in their duties and responsibilities. The staff includes those assigned to both the House and the Senate; the State Auditor's Office; the Joint Budget Committee; the Legislative Council; the Office of Legislative Legal Services; and the Colorado Reapportionment Commission. The service agency staff is full-time nonpartisan professionals, while the majority of the House and Senate staff serves only when the General Assembly is in session.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$44,789,293	\$48,280,517	\$50,287,893	\$55,197,745
Cash Funds	179,000	470,869	470,869	90,000
Reappropriated Funds	900,000	1,177,000	1,087,079	1,365,918
Federal Funds	0	0	0	0
TOTAL FUNDS	\$45,868,293	\$49,928,386	\$51,845,841	\$56,653,663
Full Time Equiv. Staff	285.0	287.7	290.0	306.9

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 97.4 percent General Fund, 0.2 percent cash funds, and 2.4 percent reappropriated funds. Some of the major factors driving the Department's budget are discussed below.

SPECIAL STUDIES OR FUNCTIONS

The appropriations for the majority of the functions and activities for the Legislature are contained in a separate legislative appropriation bill. This separate appropriation funds the staff and operating expenses for: (1) the House of Representatives and the Senate; (2) the Legislative Council; (3) the State Auditor; (4) the Joint Budget Committee; and (5) the Office of Legislative Legal Services. Typically, the legislative appropriation bill provides funding for the 120-day regular session, staffing of four interim committees, and up to 20 days of a special session. Special studies or functions account for the factors driving the budget beyond funding for continued operations.

LEGISLATIVE SPECIAL STUDIES				
SPECIAL STUDY	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Property Tax Study	\$644,000	\$654,000	\$668,667	\$676,000
Ballot Analysis	\$2,105,770	\$0	\$2,537,403	\$516,898

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

LEGISLATIVE DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$46,348,261	\$44,916,093	\$470,869	\$961,299	\$0	287.3
HB 18-1322 (Long Bill)	4,831,270	4,831,270	\$0	\$0	\$0	0.0
SB 18-031	54,257	54,257	0	0	0	1.0
SB 18-039	49,125	49,125	0	0	0	0.4
SB 18-163	31,155	31,155	0	0	0	0.4
SB 18-200	200,000	200,000	0	0	0	0.0
HB 18-1003	39,249	39,249	0	0	0	0.4
HB 18-1186	25,000	25,000	0	0	0	0.0
HB 18-1421	141,744	141,744	0	0	0	0.0
SB 19-203	125,780	0	0	125,780	0	0.5
TOTAL	\$51,845,841	\$50,287,893	\$470,869	\$1,087,079	\$0	290.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$51,845,841	\$50,287,893	\$470,869	\$1,087,079	\$0	290.0
Salary/benefits/operating adjustments	3,315,669	3,667,699	(380,869)	28,839	0	12.3
Centrally appropriated line items	702,275	702,275	0	0	0	0.0
Cost of living analysis adjustment	250,000	0	0	250,000	0	0.0
Ballot analysis adjustment	100,000	100,000	0	0	0	0.0
Annualize prior year budget actions	(20,000)	(20,000)	0	0	0	0.0
SB 19-203 (Legislative Appropriation)¹	\$51,333,908	\$50,127,990	\$90,000	\$1,115,918	\$0	302.3
SB 19-207 (Long Bill)¹	4,859,877	4,609,877	0	250,000	0	0.0
SB 19-015	16,062	16,062	0	0	0	0.1
SB 19-108	6,315	6,315	0	0	0	0.0
SB 19-244	221,925	221,925	0	0	0	1.8
SB 19-248	44,552	44,552	0	0	0	0.5
SB 19-252	(37,422)	(37,422)	0	0	0	0.0
HB 19-1024	28,790	28,790	0	0	0	0.4
HB 19-1176	7,351	7,351	0	0	0	0.0
HB 19-1184	89,474	89,474	0	0	0	0.9
HB 19-1188	81,911	81,911	0	0	0	0.9
HB 19-1314	920	920	0	0	0	0.0
TOTAL	\$56,653,663	\$55,197,745	\$90,000	\$1,365,918	\$0	306.9
INCREASE/(DECREASE)	\$4,807,822	\$4,909,852	(\$380,869)	\$278,839	\$0	16.9
Percentage Change	9.3%	9.8%	(80.9%)	25.7%	n/a	5.8%

¹ The FY 2018-19 Appropriation plus the sum of the incremental changes described in the appropriation highlights equals the combined appropriation in S.B. 19-203 (Legislative Appropriation) and S.B. 19-207 (Long Bill).

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-203 modifies FY 2018-19 appropriations to include additional spending authority for the Legislative Council Staff print shop.

FY 2019-20 APPROPRIATION HIGHLIGHTS

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes a net increase of \$3,315,669, including an increase of \$3,667,669 General Fund, that is primarily the result of changes in health, life, and dental insurance benefits; increases for a 3.0 percent base salary increase; increases to specific agencies' personal services, operating, and travel budgets; an increase for members' salaries whose terms began in the January 2019 Session as required by statute; an increase for the Capitol Building Advisory Committee; an increase for non-metro legislator per diem pursuant to statute; increases for the Legislative Aides Program; and an increase for television equipment and Capitol Complex Security.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund, Capitol Complex maintenance costs, workers compensation, payments to risk management and property funds, CORE operations, legal services, and information technology costs.

COST OF LIVING ANALYSIS ADJUSTMENT: The appropriation includes an increase of \$250,000 reappropriated funds from a transfer from the Department of Education for a cost of living study. Legislative Council staff, pursuant to Section 22-54-104 (5)(c)(III)(A), C.R.S., is required to certify the cost of living factor for each school district every two years based on a cost of living analysis that is typically conducted through a contract. The appropriation is included for FY 2019-20 as the Legislative Council staff is required to perform the analysis in FY 2019-20.

BALLOT ANALYSIS ADJUSTMENT: The appropriation includes an increase of \$100,000 General Fund for the costs associated with an analysis of measures on the ballot. Section 1 (7.5) of Article V of the State Constitution requires the nonpartisan research staff of the General Assembly to perform this function.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a decrease of \$20,000 General Fund to eliminate the one-time funding for the Colorado Channel Authority.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DEPARTMENT OF LOCAL AFFAIRS

The Department of Local Affairs (DOLA) is responsible for building community and local government capacity by providing training, technical, and financial assistance to localities. The Department's budget is comprised of four sections: the Executive Director's Office, Property Taxation, the Division of Housing, and the Division of Local Government.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund ¹	\$25,487,580	\$30,324,944	\$37,800,724	\$48,716,177
Cash Funds	194,098,487	181,821,729	186,097,459	205,682,582
Reappropriated Funds	10,915,745	11,319,391	12,147,248	12,565,874
Federal Funds	75,085,768	80,705,121	81,813,401	82,120,530
TOTAL FUNDS	\$305,587,580	\$304,171,185	\$317,858,832	\$349,085,163
Full Time Equiv. Staff	173.9	179.2	181.1	189.7

¹ Includes General Fund Exempt.

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 14.0 percent General Fund, 58.9 percent cash funds, 3.6 percent reappropriated funds, and 23.5 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

DISCRETIONARY APPROPRIATIONS OF STATE FUNDS

The Department of Local Affairs administers several programs that allocate state funds to local communities. In the last four fiscal years the General Assembly has increased appropriations, primarily from the General Fund and the Marijuana Tax Cash Fund, to support both ongoing and new initiatives. The following table details the most significant discretionary appropriations of state funds for FY 2019-20. Please note that this table does not include the foregone state General Fund revenue that results from state affordable housing tax credits most recently extended and expanded through S.B. 18-007 and H.B. 19-1228, or the additional state investments in affordable housing programs that will result from H.B. 19-1245 starting in FY 2019-20.

SIGNIFICANT DISCRETIONARY APPROPRIATIONS FOR FY 2019-20				
PROGRAM	GENERAL FUND	MARIJUANA TAX CASH FUND	OTHER STATE FUNDS	TOTAL
Affordable Housing (grants, loans, and rental subsidies)	\$15,534,044	\$16,126,500	\$908,052	\$32,568,596
2020 Census Outreach Grant Program ¹	6,000,000	0	0	6,000,000
Gray and black market marijuana enforcement ¹	0	5,944,365	0	5,944,365
Fort Lyon Supportive Housing Program	4,993,410	0	0	4,993,410
Local Government Limited Gaming Impact Grants	0	0	5,127,850	5,127,850
Crime prevention initiatives ¹	4,000,000	0	0	4,000,000
Mental health support for peace officers ¹	2,000,000	0	0	2,000,000
Defense counsel for defendants in municipal courts ¹	1,995,520	0	0	1,995,520
Rural economic development initiative	780,000	0	0	780,000
TOTAL	\$35,302,974	\$22,070,865	\$6,035,902	\$63,409,741

¹ These programs were created in the last four fiscal years.

DEDICATED CASH FUND SOURCES

The Department awards grants and oversees direct distributions to local governments for various programs with dedicated cash fund revenue sources. The FY 2019-20 appropriation for DOLA reflects \$169.2 million cash funds for these programs, which comprises about half of DOLA's overall budget. These amounts are shown for informational purposes only, and actual expenditures may differ significantly from the amounts shown in the annual Long Bill. These sources include the following:

- Local Government Mineral and Energy Impact Grants and Disbursements – state severance tax and federal mineral lease revenues are distributed to local governments affected by mineral extraction activities through statutory formulas and grants;
- Conservation Trust Fund Disbursements – state lottery proceeds are distributed to local entities on a formula basis for parks, recreation, and open space purposes; and
- Limited Gaming Impact Grants – limited gaming tax revenues are distributed to communities impacted by gaming activities.

MAJOR CONSTITUTIONALLY OR STATUTORILY DEDICATED CASH FUND REVENUES ADMINISTERED BY THE DEPARTMENT OF LOCAL AFFAIRS (\$ MILLIONS)				
REVENUE SOURCE	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Severance Taxes	\$34.5	\$54.1	\$105.7	\$68.2
Federal Mineral Leases	46.1	40.0	43.7	45.9
Conservation Trust Fund	53.4	56.2	50.0	50.0
Limited Gaming Fund	4.9	4.9	4.9	5.1
TOTAL	\$138.9	\$155.2	\$204.3	\$169.2

Severance tax and federal mineral lease revenues are difficult to project as they are affected by oil, gas, and mineral prices and production volumes. Funds received in one year are not always awarded in the same year and, once awarded, may be expended over multiple years. The annual Long Bill includes an informational amount to reflect estimated annual direct distributions and new grant awards.

FEDERAL FUNDS

Federal funds comprise about one quarter (\$82.1 million) of DOLA's FY 2019-20 appropriation. Most of DOLA's federally funded programs do not require state matching funds and are provided at the discretion of federal authorities. The following table summarizes annual expenditures for major ongoing federal grants administered by DOLA.

ANNUAL EXPENDITURES FROM MAJOR ONGOING FEDERAL GRANTS ADMINISTERED BY THE DEPARTMENT OF LOCAL AFFAIRS (\$ MILLIONS)				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 APPROP. ¹	FY 2019-20 APPROP. ¹
Federal Department of Housing and Urban Development (HUD) rental subsidies	\$52.3	\$58.2	\$51.5	\$51.5
HUD affordable housing development ¹	3.3	3.7	12.0	12.0
Health and Human Services Community Services Block Grant	5.0	6.2	6.0	6.0
HUD Community Development Block Grant ¹	9.0	7.3	5.2	5.2
HUD Emergency Shelter and Homeless Prevention Programs	1.7	1.7	1.8	1.8

¹ The portion of the Community Development Block Grant (CDBG) that is used for affordable housing development in the appropriation year is included in the affordable housing development amount, rather than the CDBG amount. However, actual expenditures reflect the Department's practice of expending all CDBG funds in the CDBG line item. In addition, the CDBG amount does not include CDBG-DR (disaster recovery) funds, as these are not reflected in the Long Bill.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$313,735,639	\$34,788,319	\$186,047,459	\$12,086,460	\$80,813,401	178.6
SB 18-016	60,788	0	0	60,788	0	1.0
SB 18-191	50,000	0	50,000	0	0	0.0
HB 18-1267	132,328	132,328	0	0	0	1.0
HB 18-1326	306,000	306,000	0	0	0	0.0
HB 18-1339	6,683	6,683	0	0	0	0.0
HB 18-1353	1,853,037	1,853,037	0	0	0	0.5
SB 19-117	1,714,357	714,357	0	0	1,000,000	0.0
TOTAL	\$317,858,832	\$37,800,724	\$186,097,459	\$12,147,248	\$81,813,401	181.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$317,858,832	\$37,800,724	\$186,097,459	\$12,147,248	\$81,813,401	181.1
Informational funds adjustments	23,071,629	75,000	22,996,629	0	0	0.0
Centrally appropriated line items	1,954,244	1,185,835	51,812	439,554	277,043	0.0
Colorado Choice Transitions Program funding deficit	1,946,853	1,946,853	0	0	0	0.0
Annualize prior year legislation	999,524	675,923	305,077	10,434	8,090	2.0
Housing assistance for reentry population	908,052	0	408,052	500,000	0	0.0
Census 2020 communications and outreach support	300,000	300,000	0	0	0	0.0
Oversight of individual residential support services	112,029	0	0	112,029	0	0.9
Strategic Planning Group on Coloradans Age 50 and Over	55,000	55,000	0	0	0	0.0
Transfer Home Modification Waiver Program	46,342	0	0	46,342	0	0.7
Rural Economic Development Initiative grants	30,000	30,000	0	0	0	0.0
Technical changes	0	0	0	0	0	0.0
Annualize prior year budget actions	(5,008,600)	(250,000)	(4,758,600)	0	0	0.0
Indirect cost assessment	(441,594)	470,490	(244,347)	(689,733)	21,996	0.0
SB 19-207	\$341,832,311	\$42,289,825	\$204,856,082	\$12,565,874	\$82,120,530	184.7
HB 19-1009	1,000,000	173,500	826,500	0	0	0.9
HB 19-1239	6,000,000	6,000,000	0	0	0	1.4
HB 19-1245	3,398	3,398	0	0	0	0.0
HB 19-1292	249,454	249,454	0	0	0	2.7
TOTAL	\$349,085,163	\$48,716,177	\$205,682,582	\$12,565,874	\$82,120,530	189.7
INCREASE/(DECREASE)	\$31,226,331	\$10,915,453	\$19,585,123	\$418,626	\$307,129	8.6
Percentage Change	9.8%	28.9%	10.5%	3.4%	0.4%	4.7%

¹ Includes General Fund Exempt.

² Includes \$4,300,000 in FY 2018-19 and \$4,375,000 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations pursuant to Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-117 adds \$1,714,357 total funds, including \$714,357 General Fund and \$1,000,000 federal funds, to cover the increased cost of housing vouchers that enable Medicaid clients to live in a community-based setting.

FY 2019-20 APPROPRIATION HIGHLIGHTS

INFORMATIONAL FUNDS ADJUSTMENTS: The appropriation makes three changes to amounts that are included for informational purposes to reflect estimated funding available for distribution to local governments in FY 2019-20.

INFORMATIONAL FUNDS ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Energy Impact Funds adjustment	\$23,000,000	\$0	\$23,000,000	\$0	\$0	0.0
Annual adjustment for volunteer firefighter retirement plans	75,000	75,000	0	0	0	0.0
Conservation Trust Fund adjustment	(3,371)	0	(3,371)	0	0	0.0
TOTAL	\$23,071,629	\$75,000	\$22,996,629	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$658,431	\$497,786	(\$287,528)	\$301,640	\$146,533	0.0
Salary survey	449,759	132,230	65,215	159,664	92,650	0.0
PERA Direct Distribution	334,253	99,448	47,722	121,924	65,159	0.0
Legal services	329,534	109,950	195,907	23,677	0	0.0
Health, life, and dental benefits	235,564	172,647	35,280	16,145	11,492	0.0
AED adjustment	58,993	34,287	20,241	15,222	(10,757)	0.0
SAED adjustment	58,993	34,287	20,241	15,222	(10,757)	0.0
Short-term disability	1,930	989	644	680	(383)	0.0
DPA Integrated Document Solutions	1,428	1,214	0	214	0	0.0
Capitol Complex leased space	(72,294)	70,983	(21,371)	(120,484)	(1,422)	0.0
CORE operations	(65,493)	21,984	(15,272)	(56,733)	(15,472)	0.0
Workers' compensation	(26,927)	7,635	(7,807)	(26,755)	0	0.0
Leased space	(5,000)	(1,721)	0	(3,279)	0	0.0
Payment to risk management and property funds	(2,662)	6,151	(1,460)	(7,353)	0	0.0
Vehicle lease payments	(2,265)	(2,035)	0	(230)	0	0.0
TOTAL	\$1,954,244	\$1,185,835	\$51,812	\$439,554	\$277,043	0.0

COLORADO CHOICE TRANSITIONS PROGRAM FUNDING DEFICIT: The appropriation includes an increase of \$1,946,853 General Fund for housing vouchers that enable Medicaid clients to transition from an institutional setting to a community-based setting. The Department of Local Affairs (DOLA) partners with the Department of Health Care Policy and Financing (HCPF) to administer the Colorado Choice Transitions Program to identify clients who are living in a nursing or long-term care facility and who are able to and interested in moving to the community. Transitioning clients may receive home and community-based services and supports through HCPF and assistance in finding and paying for housing through DOLA.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1326 Support for transition from institutional settings	\$593,640	\$593,640	\$0	\$0	\$0	0.0
SB 18-191 Local Government Limited Gaming Impact Fund	227,850	0	227,850	0	0	0.0
HB 18-1353 Defense Counsel on First Appearance Grant Program	146,963	146,963	0	0	0	0.0
HB 18-1020 Civil forfeiture reforms	71,303	0	71,303	0	0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	41,497	12,346	5,924	15,137	8,090	0.0
HB 17-1215 Peace Officers Mental Health Support Grant Program	0	0	0	0	0	1.0
HB 18-1267 Income tax credit for retrofitting a residence	(71,284)	(71,284)	0	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1339 Background checks for employees with access to federal tax information	(5,742)	(5,742)	0	0	0	0.0
SB 18-016 Continue transfer of community corrections reversions	(4,703)	0	0	(4,703)	0	0.0
TOTAL	\$999,524	\$675,923	\$305,077	\$10,434	\$8,090	2.0

HOUSING ASSISTANCE FOR REENTRY POPULATION: The appropriation includes a total of \$908,052 for housing assistance for people who are transitioning back to the community from the Department of Corrections (DOC), the Division of Youth Services in the Department of Human Services, or a county jail. This amount includes \$500,000 reappropriated funds transferred from DOC and \$408,052 cash funds from the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund. The source of funding for the latter fund is a transfer of unspent General Fund money that was appropriated for FY 2017-18 for community corrections programs and services.

CENSUS 2020 COMMUNICATIONS AND OUTREACH SUPPORT: The appropriation provides a one-time appropriation of \$300,000 General Fund for FY 2019-20 to create and implement a communications and outreach program for Census 2020.

OVERSIGHT OF INDIVIDUAL RESIDENTIAL SUPPORT SERVICES: The appropriation includes \$112,029 reappropriated funds transferred from HCPF (and 0.9 FTE) to allow DOLA to conduct housing quality inspections as part of an effort to increase oversight of individual residential support services for people with intellectual and developmental disabilities.

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER: The appropriation includes \$55,000 General Fund to support the continued work of this planning group that was established through H.B. 15-1033.

TRANSFER HOME MODIFICATION WAIVER PROGRAM: The appropriation includes \$46,342 reappropriated funds transferred from the HCPF (and 0.7 FTE) for DOLA to assume oversight of the Home Modification Program for all eligible populations. The Home Modification Program is a Medicaid benefit that allows for specific modifications, adaptations, or improvements to an eligible client's existing home setting to support greater independence and prevent the need for institutionalization. DOLA currently oversees modifications that exceed \$2,500 for four of the eligible populations; this funding would allow DOLA to add staff to oversee the program for the remaining two waiver program populations (Child Extensive Support and Supported Living Services).

RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS: The appropriation adds \$30,000 General Fund for rural economic development grants, increasing annual funding from \$750,000 to \$780,000.

TECHNICAL CHANGES: The appropriation includes a net zero adjustment to appropriate General Fund, rather than General Fund Exempt, for the State's contribution for local volunteer firefighter death and disability insurance.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$0	\$0	\$0	\$0	\$0	0.0
FY 2018-19 Housing assistance for reentry population	(4,758,600)	0	(4,758,600)	0	0	0.0
FY 2018-19 Cybersecurity training for local governments	(250,000)	(250,000)	0	0	0	0.0
TOTAL	(\$5,008,600)	(\$250,000)	(\$4,758,600)	\$0	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease of \$441,594 in the Department’s indirect cost assessments, comprised of a decrease of \$244,347 cash funds, a decrease of \$219,243 reappropriated funds, and an increase of \$21,996 federal funds. This decrease in indirect cost assessments, plus a \$28,896 decrease in the amount available in the Indirect Costs Excess Recovery Fund, reduces by \$470,490 the amount of reappropriated funds that are appropriated to cover Department expenses in the Executive Director’s Office. This requires an increase of \$470,490 General Fund in appropriations to the Executive Director’s Office.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

The Department of Military and Veterans Affairs has approximately 5,250 Army and Air National Guard members trained and ready for federal active duty abroad and for preserving life and property during natural disasters and civil emergencies at home in Colorado.

The Department maintains the equipment and facilities for the state military forces; provides for safekeeping of the public arms, military records, relics and banners of the state; assists veterans and National Guard members with benefits claims; maintains the Western Slope Veterans' Cemetery and the Grand Junction Veterans' One-stop Center; supports the Civil Air Patrol, Colorado Wing; and assists in fighting the spread of drug trafficking and abuse.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$8,443,132	\$10,530,168	\$11,206,594	\$11,615,507
Cash Funds	1,211,976	1,135,343	1,203,530	1,470,429
Reappropriated Funds	800,000	0	0	4,143
Federal Funds	215,043,743	215,302,549	219,710,038	118,540,772
TOTAL FUNDS	\$225,498,851	\$226,968,060	\$232,120,162	\$131,630,851
Full Time Equiv. Staff	1,392.4	1,393.3	1,407.5	2,579.1

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 8.8 percent General Fund, 1.1 percent cash funds, and 90.1 percent federal funds. Some of the major factors driving the Department's budget are discussed below. The primary factors driving the budget are National Guard operations and state services provided for veterans. The Department also provides limited assistance to the Colorado Wing of the Civil Air Patrol.

COLORADO NATIONAL GUARD

The federal government fully funds the training and salary of National Guard troops and provides the majority of the funding for the construction of armories and other military buildings. Under the cooperative agreements with the federal government, the State provides funding for 50.0 percent of maintenance and utilities costs at the fifteen armories located on state land, and between 20.0 and 25.0 percent of costs at four other facilities. The State also funds most of the state's central administrative costs for the National Guard.

Colorado National Guard expenditures are driven by the "federal force structure" (the number of Guard personnel authorized by the U.S. National Guard Bureau) and the State's ability to fill the force structure. Combined with the associated facilities maintenance and utility needs, this determines the amount of federal funds flowing into and through the Department. Colorado has both Army National Guard and Air National Guard units.

The table below shows the authorized strength and active membership of the Colorado National Guard.

COLORADO NATIONAL GUARD AUTHORIZED STRENGTH AND MEMBERSHIP						
TOTAL AUTHORIZED STRENGTH	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Army National Guard	3,998	3,980	3,825	3,812	3,834	3,855
Air National Guard	1,553	1,566	1,559	1,559	1,632	1,637

COLORADO NATIONAL GUARD AUTHORIZED STRENGTH AND MEMBERSHIP

TOTAL NATIONAL GUARD MEMBERS	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Army National Guard	3,902	3,964	3,787	3,933	3,757	3,650
Air National Guard	1,534	1,544	1,518	1,507	1,560	1,573
Total Members	5,436	5,508	5,305	5,440	5,317	5,223
Percentage of Slots Filled	97.9%	99.3%	98.5%	101.3%	97.3%	95.1%

The State budget shows federal funds for informational purposes. The budget includes rough estimates of federal outlays for military personnel and equipment and more precise estimates of the federal share of expenditures to maintain and operate National Guard facilities in cooperation with the state. The amount of state support required for National Guard operations is driven by the creation or expansion of armories, state decisions on the level of staff support for those facilities, changes in federal policies on cost-sharing with states, and state policies on compensation and operating costs for the Department's civilian administrative staff. In FY 2019-20, the State increased maintenance staffing for readiness centers by over 30 percent.

In addition, the State provides a tuition assistance program for members of the Colorado National Guard. Funding for the tuition assistance program is driven by tuition rates at state institutions of higher education, program participation, and legislative appropriations and policy.

DIVISION OF VETERANS AFFAIRS

The Division of Veterans Affairs (DVA) budget includes state support to assist veterans in obtaining federal veterans' benefits, state support for grants to governmental and non-profit entities that provide mental health, family counseling, job training, employment, housing, and other services to veterans, and state funding for the Veterans' OneSource Center and Western Slope Veterans' Cemetery in Grand Junction.

About half of the state General Fund money appropriated in this division supports staff who assist veterans in obtaining benefits. Veterans represent nearly ten percent of Colorado's adult population, and many are eligible for federal benefits. However, even those who are eligible may not apply for or use their federal benefits. For example, among Colorado veterans, in federal fiscal year 2016-17 only 27.7 percent were active patients in the federal Veterans Administration (VA) healthcare system.

Veterans may apply directly to the federal government for benefits, but many use help from a third party, such as a benefits officer supported by county or state government or a nonprofit, to ensure they receive the federal benefits they have earned. The state veterans' service operations staff assist veterans with claims before the U.S. Department of Veterans Affairs and support county veterans' service officers with training and other resources. County veterans' services officers are located throughout the state, and associated county costs are partially reimbursed by the Division.

In recent years, counties and the State have increased the number of Colorado veterans they assist in obtaining benefits. The table below shows new claims filed by the Division of Veterans Affairs each year and, for context, shows new claims as a percentage of the estimated Colorado veteran population.

	ESTIMATED COLORADO VETERAN POPULATION	NEW VETERANS' CLAIMS BY DIVISION OF VETERANS AFFAIRS	NEW CLAIMS AS PERCENTAGE OF VETERAN POPULATION
2010	421,342	10,681	2.5%
2011	417,834	13,286	3.2%
2012	395,613	13,856	3.5%
2013	390,824	17,715	4.5%
2014	413,271	10,511	2.5%
2015	409,469	15,536	3.8%
2016	407,616	26,937	6.6%

	ESTIMATED COLORADO VETERAN POPULATION	NEW VETERANS' CLAIMS BY DIVISION OF VETERANS AFFAIRS	NEW CLAIMS AS PERCENTAGE OF VETERAN POPULATION
2017	403,327	30,492	7.6%
2018	398,783	31,774	8.0%

The budget in this division is driven primarily by discretionary decisions by the General Assembly to enhance state-supported veterans' services and grant programs, the amount of Tobacco Master Settlement funds received and disbursed from the Colorado State Veterans Trust Fund, and the operating costs for the Veterans' One-stop and Western Slope Veterans' Cemetery in Grand Junction. In the last several years, the General Assembly has increased county reimbursements for county veterans' services officers, increased grant funding for veterans programs, and, through H.B. 18-1337, authorized the new Grand Junction Veterans One-stop Center, which will provide a central location for government and non-profit veterans' services on the western slope. The state budget does not include federal outlays for veterans' services.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$231,900,218	\$10,986,650	\$1,203,530	\$0	\$219,710,038	1,406.1
HB 18-1337	123,465	123,465	0	0	0	1.1
SB 19-118	96,479	96,479	0	0	0	0.3
TOTAL	\$232,120,162	\$11,206,594	\$1,203,530	\$0	\$219,710,038	1,407.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$232,120,162	\$11,206,594	\$1,203,530	\$0	\$219,710,038	1,407.5
Facilities maintenance staff and vehicles	608,543	110,756	0	0	497,787	8.9
Centrally appropriated line items	555,670	108,623	23,342	4,143	419,562	0.0
Annualize prior year legislation	193,404	69,283	380	0	123,741	2.0
Veterans Assistance Grant spending authority	157,886	0	157,886	0	0	0.0
Western region director and OneSource utilities	142,792	108,337	34,455	0	0	0.7
Staff development and education program	59,675	59,675	0	0	0	0.0
Tobacco Master Settlement Agreement revenue adjustment	50,836	0	50,836	0	0	0.0
Centralized Personnel Plan adjustment	28,370	(16,061)	0	0	44,431	0.0
EDO and Army National Guard funding reorganization	0	0	0	0	0	0.0
Informational funds adjustment	(102,146,369)	0	0	0	(102,146,369)	1,160.0
Annualize prior year budget actions	(140,118)	(31,700)	0	0	(108,418)	0.0
SB 19-207	\$131,630,851	\$11,615,507	\$1,470,429	\$4,143	\$118,540,772	2,579.1
TOTAL	\$131,630,851	\$11,615,507	\$1,470,429	\$4,143	\$118,540,772	2,579.1
INCREASE/(DECREASE)	(\$100,489,311)	\$408,913	\$266,899	\$4,143	(\$101,169,266)	1,171.6
Percentage Change	(43.3%)	3.6%	22.2%	n/a	(46.0%)	83.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-118 includes an increase of \$57,425 General Fund to the appropriation in H.B. 18-1337 for five months of maintenance and operations costs for the new Veterans' One-stop Center in Grand Junction (now called the Western Region OneSource). It also includes \$39,054 General Fund and 0.3 FTE for a new Western Region Division Director for the Division of Veterans Affairs and associated operating costs.

FY 2019-20 APPROPRIATION HIGHLIGHTS

FACILITIES MAINTENANCE STAFF AND VEHICLES: The appropriation includes an increase of \$608,543 total funds, including \$110,756 General Fund and 8.9 FTE, to enhance staffing and support vehicles for maintenance of National Guard armories (readiness centers) and other National Guard facilities throughout the state.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$311,446	\$116,756	\$4,280	\$0	\$190,410	0.0
PERA Direct Distribution	250,154	93,955	3,445	0	152,754	0.0
Health, life, and dental	151,342	100,580	15,496	0	35,266	0.0
Legal services	72,974	72,974	0	0	0	0.0
AED	51,483	22,950	(434)	0	28,967	0.0
SAED	51,483	22,950	(434)	0	28,967	0.0
Vehicle lease payments	5,614	1,964	0	0	3,650	0.0
Short-term disability	1,523	693	(17)	0	847	0.0
Shift differential	1,237	0	0	0	1,237	0.0
Indirect cost assessment	1,006	(4,143)	1,006	4,143	0	0.0
Leased space	893	893	0	0	0	0.0
Capitol Complex leased space	384	384	0	0	0	0.0
Merit pay	0	0	0	0	0	0.0
Payments to OIT	(237,335)	(237,335)	0	0	0	0.0
Payment to risk management / property funds	(53,247)	(53,247)	0	0	0	0.0
Workers' compensation	(45,073)	(22,537)	0	0	(22,536)	0.0
CORE	(8,214)	(8,214)	0	0	0	0.0
TOTAL	\$555,670	\$108,623	\$23,342	\$4,143	\$419,562	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 (PERA)	\$134,477	\$10,356	\$380	\$0	\$123,741	0.0
HB 18-1337 Veterans One Stop Center	58,927	58,927	0	0	0	2.0
TOTAL	\$193,404	\$69,283	\$380	\$0	\$123,741	2.0

VETERANS ASSISTANCE GRANT SPENDING AUTHORITY: The appropriation includes \$157,886 cash funds from the Veterans Assistance Grant Program Cash Fund. Money is available in this fund from unspent FY 2017-18 appropriations for the Senior Property Tax Exemption Program.

WESTERN REGION DIRECTOR AND ONESOURCE UTILITIES: The appropriation adds \$142,792 total funds, including \$108,337 General Fund and \$34,455 cash funds, and 0.7 FTE for the Western Region director for the Division of Veterans Affairs and for operations and maintenance costs for the new Veterans One-Stop

(OneSource) Center in Grand Junction. Part-year funding was added through FY 2018-19 supplemental budget action. When added to the partial year funding provided in FY 2018-19, the appropriation includes a total of \$137,820 for OneSource operating and maintenance costs and \$101,451 for the Western Region director.

STAFF DEVELOPMENT AND EDUCATION PROGRAM: The appropriation includes \$59,675 General Fund in FY 2019-20, continuing in future years, for a staff development and education program. The goal is to provide additional career growth opportunities for Department staff and improve job satisfaction and retention. The request would enable 25 employees per year to participate in the Department of Personnel's Center for Organizational Effectiveness customer service and leadership certification programs.

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The appropriation includes a cash funds increase based on the Legislative Council FY 2019-20 Tobacco Master Settlement Agreement revenue projection.

CENTRALIZED PERSONNEL PLAN ADJUSTMENT: The appropriation includes a net increase of \$28,370 total funds, including a decrease of \$16,061 General Fund, to reflect adjustments to federal support for central administrative costs supported by the federal Centralized Personnel Plan. The federal government does not pay for most central administrative costs for the Department of Military and Veterans Affairs and does not pay an indirect cost collection rate. Instead, it directly funds some central administrative staff (currently 8.0 FTE) through the Centralized Personnel Plan mechanism. The adjustments for FY 2019-20 both increase total revenue received by the Department and offset General Fund otherwise required.

EDO AND ARMY NATIONAL GUARD FUNDING REORGANIZATION: The appropriation includes a funding reorganization in the Executive Director and Army National Guard division. The adjustment shifts all General Fund and federal funds associated with the Army National Guard Cooperative Agreement into a single line item and adds a footnote that provides transfer authority across affected line items. This change has no net fiscal impact.

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation reduces federal funds shown for informational purposes by \$102.1 million and increases federally funded positions shown for informational purposes by 1,160.0 FTE. This primarily reflects changes to ensure that amounts shown in the budget are based on the number of National Guard members serving in Colorado. Funding for uniformed personnel does not flow through the state accounting system, and actual expenditure data is therefore unavailable. The FY 2019-20 Long Bill includes \$101.5 million and 2,399.0 FTE for the estimated federal expenditures for National Guard soldiers, based on the number of federal positions and typical federal National Guard salaries. This results in a decrease of \$104.1 million federal funds and an increase of 1,160.0 FTE in the Department's Federal Funded Programs section. The appropriation also includes an increase of \$2.0 million federal funds to bring federal amounts shown for the Army National Guard Cooperative Agreement more in line with anticipated receipts.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	(\$108,418)	\$0	\$0	\$0	(\$108,418)	0.0
FY 2018-19 Safety training	(30,500)	(30,500)	0	0	0	0.0
FY 2018-19 Study Washington state VA/Medicaid collaboration	(1,200)	(1,200)	0	0	0	0.0
TOTAL	(\$140,118)	(\$31,700)	\$0	\$0	(\$108,418)	0.0

DEPARTMENT OF NATURAL RESOURCES

The Department of Natural Resources is responsible for developing, protecting, and enhancing Colorado's natural resources for the use and enjoyment of present and future residents and visitors. The Department is comprised of the following divisions: the Executive Director's Office, including the Colorado Avalanche Information Center; the Division of Reclamation, Mining, and Safety; the Oil and Gas Conservation Commission; the State Board of Land Commissioners; the Division of Parks and Wildlife; the Colorado Water Conservation Board; and the Water Resources Division.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$28,742,941	\$30,864,532	\$32,005,418	\$43,464,597
Cash Funds	202,967,586	230,795,872	238,857,665	260,148,716
Reappropriated Funds	7,703,225	6,932,593	7,933,687	7,523,560
Federal Funds	26,641,222	26,699,468	26,568,474	26,682,640
TOTAL FUNDS	\$266,054,974	\$295,292,465	\$305,365,244	\$337,819,513
Full Time Equiv. Staff	1,462.7	1,458.6	1,464.5	1,495.9

GENERAL FACTORS DRIVING THE BUDGET

Funding for the Department of Natural Resources in FY 2019-20 consists of 12.9 percent General Fund, 77.0 percent cash funds, 2.2 percent reappropriated funds, and 7.9 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

SEVERANCE TAX REVENUE

The availability of severance tax revenues affects funding for many programs in the Department. Pursuant to Section 39-29-108 (2)(b), C.R.S., total severance tax revenues are divided equally between the State Severance Tax Trust Fund, administered by the Department of Natural Resources, and the Local Government Severance Tax Fund, administered by the Department of Local Affairs to provide funding to local governments impacted by mining activities. Of revenues credited to the State Severance Tax Trust Fund, 50.0 percent (or 25.0 percent of total severance tax revenues) are allocated to the Severance Tax Perpetual Base Fund, used by the Colorado Water Conservation Board for water construction projects. The other 50.0 percent of State Severance Tax Trust Fund revenues (or 25.0 percent of total severance tax revenues) are allocated to the Severance Tax Operational Fund for "programs that promote and encourage sound natural resource planning, management, and development related to minerals, energy, geology, and water." In FY 2019-20, the Severance Tax Operational Fund accounts for 4.4 percent of total departmental appropriations and 5.7 percent of its cash fund appropriation.

Severance tax revenues are highly variable due to fluctuations in commodity prices and an ad valorem tax credit, which lags production by two-years. Therefore, programs supported by the Operational Fund are divided into two tiers to manage the impact of this variability. Senate Bill 19-016 (Severance Tax Operational Fund Distribution Methodology) made a number of changes to how programs authorized for Operational Fund appropriations receive transfers, for more information on these changes, see *Appendix H Severance Tax Trust Fund Operational Fund* for more information.

Based on the March 2019 Legislative Council Staff severance tax revenue forecast, Natural Resources and Energy Grant (NREG) programs are expected to receive 72.0 percent of their annual authorized transfers in FY 2019-20, which represents the total amount of revenue generated in FY 2018-19.

SEVERANCE TAX OPERATIONAL FUND SUMMARY						
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Beginning Balance	\$34,935,927	\$52,759,696	\$16,352,419	\$14,405,310	\$9,314,849	\$43,409,478
Revenues ¹	68,307,732	16,972,369	16,199,916	13,167,662	51,796,761	36,833,563
TOTAL FUNDS AVAILABLE	\$103,243,659	\$69,732,065	\$32,552,335	\$27,572,972	\$61,111,610	\$80,243,041
Tier 1/Core Program Transfers	\$12,680,817	\$14,698,496	\$17,772,025	\$15,936,159	\$17,013,276	\$17,057,515
Tier 2/NREG Program Transfers ²	38,251,072	38,306,150	0	2,321,963	0	26,194,624
Other ³	64,305	375,000	375,000	0	688,856	0
TOTAL EXPENDITURES	\$50,996,194	\$53,379,646	\$18,147,025	\$18,258,122	\$17,702,132	\$43,252,139
Ending Balance	\$52,247,464	\$16,352,419	\$14,405,310	\$9,314,849	\$43,409,478	\$36,990,902
Reserve Requirements	18,418,478	21,010,207	14,792,025	22,469,978	53,592,926	53,435,587
UNOBLIGATED BALANCE	\$33,828,986	(\$4,657,788)	(\$386,715)	(\$13,155,129)	(\$10,183,448)	(\$16,444,685)

¹ Revenues in this table includes tax revenue, interest earnings, and transfers authorized by H.B. 18-1338 (Reduced Severance Tax Operational Fund Transfers).

² Tier 2/NREG spending in FY 2018-19 and FY 2019-20 is based on the March 2019 Legislative Council Staff Revenue Forecast. Beginning in FY 2019-20, distributions to NREG programs are made in arrears on August 15 each year.

³ Includes roll-forwards and off the top expenditures. See Appendix H for more detail.

STATE BOARD OF LAND COMMISSIONERS

The State Board of Land Commissioners (State Land Board) manages agricultural, commercial, mineral, and other leases on eight public trusts of land and is tasked with generating reasonable and consistent revenue for trust beneficiaries over time. Total trust revenues have more than tripled over the past ten years, with a record high of \$189.5 million in FY 2014-15. However, due to the one-time nature of payments like bonuses on new mineral extraction leases and long lead times for others such as timber sales, this revenue has tapered off and is expected to earn \$102.6 million in FY 2019-20.

The Public School Trust benefiting K-12 education is the largest of the trusts managed by the State Land Board, accounting for more than 98.0 percent of total trust revenues. House Bill 08-1335, also known as the Building Excellent Schools Today or BEST Act, significantly changed the distribution of state public school land revenue (see Section 22-43.7-104, C.R.S.). Fifty percent of the gross amount of income received during the fiscal year from state public school lands is deposited in the Public School Capital Construction Assistance Fund for the BEST program.

PUBLIC SCHOOL TRUST REVENUE						
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 FORECAST	FY 2019-20 FORECAST
Mineral royalties	\$113,189,670	\$63,157,705	\$72,503,247	\$69,203,000	\$106,092,115	\$74,264,481
Mineral bonuses	50,445,063	42,672,837	20,292,014	14,000,000	3,036,208	2,884,398
Mineral rental	2,231,912	1,771,837	1,699,455	1,811,592	1,370,533	1,713,166
Surface rental	11,744,758	13,149,443	16,809,489	17,852,388	17,887,428	17,010,944
Commercial/other	7,208,034	9,124,821	5,299,509	4,255,972	3,810,122	6,096,195
Land and timber sales	58,558	32,431	79,120	80,702	0	0
Non-reinvested sales	3,750,892	5,302,996	1,354,697	0	1,036,590	0
Interest income	875,725	952,322	319,329	345,000	551,525	606,678
TOTAL REVENUES	\$189,504,612	\$136,164,392	\$118,356,860	\$107,548,654	\$133,784,521	\$102,575,862

OIL AND GAS ACTIVITY

The Colorado Oil and Gas Conservation Commission (OGCC) is responsible for regulating the exploration, development, and conservation of Colorado's oil and natural gas resources in a manner that protects public health and safety. The level of oil and gas drilling activity, shown in the following table, impacts the OGCC's workload and necessary expenditures.

OGCC WORKLOAD MEASURES						
	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 FORECAST ¹	FY 2019-20 FORECAST ¹
Active wells	53,608	53,651	54,605	53,738	52,800	52,500
Drilling permits requested	3,895	3,317	4,624	8,127	7,200	7,000
Well starts (Spud)	1,986	1,083	1,525	1,908	1,750	1,750
Active drilling rigs	58	25	25	34	33	30
Site investigations & remediation workplans	551	514	456	613	1,160	900
Avg. inspection frequency (years between inspections)	1.5	1.3	1.4	1.8	1.6	1.6
Hearing applications	672	680	635	950	880	800
Known orphaned sites at start of year ²				267	365	420
Orphaned sites where work was performed ²				61	70	85
OGCC EXPENDITURES³	\$10,307,697	\$11,403,628	\$12,501,619	\$16,167,237	\$18,050,559	\$20,613,071
TOTAL FTE	94.6	104.0	101.5	102.2	116.3	140.3

¹ Data included for FY 2018-19 and FY 2019-20 are estimates provided by the Oil and Gas Conservation Commission.

² The Oil and Gas Conservation Commission did not maintain a method to track all orphaned wells until FY 2017-18.

³ Expenditures are shown for the division only. They include all fund sources (including bond claims) but do not include centrally appropriated items funded in the Executive Director's Office. Expenditures for FY 2018-19 and FY 2019-20 reflect the appropriated amount.

As of October 2018, OGCC records show \$131.8 million in total bonds/financial assurance for 43,474 wells held by 333 operators. Ninety operators posted bonds of at least \$100,000 (the blanket bond amount for 100 wells or more), with the three most heavily-bonded operators posting total bonds of \$44.1 million, \$32.5 million, and \$4.6 million, respectively. Financial assurance per well ranged from \$107 for one larger operator with 935 wells to \$100,000 each for two one-well operators. The average financial assurance per well was \$3,031.

DIVISION OF PARKS AND WILDLIFE

STATE PARKS

The Division of Parks and Wildlife (CPW) manages 41 state parks and several special purpose programs including the snowmobile program, the off-highway vehicle program, river outfitters regulation, federal grants, aquatic nuisance species control and prevention, and the distribution of trails grants. The level of services at existing state parks and the acquisition and development of new properties are driven by available funding sources. Workload, and some revenue, is driven by visitation. The increases shown in the following table are indicative of the long-term trend in visitation, which is driven by population growth and access. For FY 2019-20, State Parks visitation is estimated at 16.1 million visit days. This estimate is based on the compound annual visitation growth rate for the last decade (2.4 percent per year).

STATE PARKS VISITATION				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
State Parks visitation	14,823,153	15,321,417	15,685,386	16,058,001
<i>Percent change</i>	<i>8.7%</i>	<i>3.4%</i>	<i>2.4%</i>	<i>2.4%</i>

The two largest sources of revenue for State Parks, as estimated for FY 2019-20, are lottery funds and Great Outdoors Colorado (GOCO) awards (\$32.4 million, 32.0 percent) and from usage fees (\$30.5 million, 30.2 percent), followed by other state and federal funds, including severance tax. These revenues are detailed in the table below:

STATE PARK REVENUES				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Licenses, passes, fees, and permits	\$28,793,086	\$28,839,784	\$28,900,000	\$30,517,523
Registrations	9,361,656	9,192,703	9,200,000	9,592,988
Federal and state grants	6,575,143	10,818,299	10,900,000	4,714,889
Lottery and Great Outdoors Colorado	26,543,314	24,597,636	24,600,000	32,362,911
Sale of goods, services, and assets	2,387,000	2,218,685	2,220,000	2,146,846
Donations	55,249	15,429	0	0
Interest income	545,905	819,243	820,000	545,905
Other revenues	3,424,831	3,654,355	3,700,000	3,130,528
General Fund and Severance Tax	2,869,670	5,089,609	5,075,484	5,377,144

STATE PARK REVENUES				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
REVENUES BEFORE TRANSFERS	\$80,555,854	\$85,245,743	\$85,415,484	\$88,388,734
Intra-Agency, Inter-Fund transfers	12,721,180	6,748,208	12,700,000	12,721,180
TOTAL REVENUES	\$93,277,034	\$91,993,951	\$98,115,484	\$101,109,914

LOTTERY PROCEEDS AND GREAT OUTDOORS COLORADO (GOCO) BOARD GRANTS

Approximately 19.7 percent of total revenue for CPW comes from lottery proceeds and annual GOCO grants. State Parks currently receives 10.0 percent of net lottery proceeds to develop, maintain, and improve state park properties and facilities. Another 50.0 percent of net lottery proceeds are allocated to the Great Outdoors Colorado Trust Fund, which is split between grants for State Parks and Wildlife.¹ Grants for State Parks are used for developing new parks (capital) as well as enhancing and maintaining existing parks (operating). Wildlife grants are used for species protection, habitat development, watchable wildlife, and wildlife education. Pursuant to Article XXVII of the Colorado Constitution, GOCO grants are not subject to legislative appropriation. The following table shows recent GOCO awards:

GREAT OUTDOORS COLORADO (GOCO) BOARD GRANTS				
	FY 2016-17 AWARD	FY 2017-18 AWARD	FY 2018-19 AWARD	FY 2019-20 ESTIMATE
Parks capital budget	\$10,144,985	\$11,227,434	\$12,431,795	\$12,798,707
Parks operating budget	5,105,500	5,381,500	5,920,000	5,920,000
TOTAL GOCO GRANTS FOR STATE PARKS	\$15,250,485	\$16,608,934	\$18,351,795	\$18,718,707
Wildlife base capital budget	\$7,660,085	\$7,220,000	\$7,900,000	\$7,970,000
Wildlife operating budget	7,590,500	7,965,000	8,440,500	8,440,500
TOTAL GOCO GRANTS FOR WILDLIFE	\$15,250,585	\$15,185,000	\$16,340,500	\$16,410,500

WILDLIFE

CPW also manages the state's 960 game and non-game wildlife species by issuing fishing and hunting licenses, enforcing wildlife regulations, protecting habitat and native wildlife populations, and managing more than 350 state wildlife areas. Funding for Wildlife operations and programs is a mixture of cash funds from license fees, federal funds, GOCO funds, and various other sources. Hunting and fishing licenses provide more than half of the revenue for wildlife programs. Approximately 1.8 million hunting and fishing licenses were sold in FY 2017-18, the last year for which complete data is available, providing \$80.7 million in revenue. In the same fiscal year, non-resident big game license sales accounted for just 5.0 percent of all hunting and fishing licenses sold; however, revenue from non-resident big game hunting licenses sales accounted for 59.3 percent of the total revenue generated by all hunting and fishing license sales. Roughly, 70.0 percent of total hunting license sales are for big game species (mainly elk and deer). The following table shows Wildlife revenues by category:

WILDLIFE REVENUES				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Licenses, passes, fees, and permits	\$92,750,800	\$96,224,160	\$96,300,000	\$112,923,607
Registrations	92,025	208,890	0	0
Federal and state grants	25,855,415	27,190,953	27,200,000	26,359,306
Great Outdoors Colorado	12,015,621	9,635,343	9,700,000	22,160,500
Sale of goods, services, and assets	326,705	397,387	400,000	639,857
Donations	1,266,850	1,522,343	1,600,000	1,266,850
Interest income	1,013,990	1,300,022	1,300,000	737,910
Other revenues	2,793,173	3,045,199	3,100,000	1,100,000
General Fund and Severance Tax	2,033,625	7,054,726	1,238,514	54,343
REVENUES BEFORE TRANSFERS	\$138,148,204	\$146,579,023	\$140,838,514	\$165,242,373
Intra-Agency, Inter-Fund transfers	10,474,711	13,158,321	13,200,000	10,474,711
TOTAL REVENUES	\$148,622,915	\$159,737,344	\$154,038,514	\$175,717,084

¹ The remaining 40.0 percent of net lottery proceeds goes to the Conservation Trust Fund administered by the Department of Local Affairs.

WATER RESOURCES DIVISION (STATE ENGINEER'S OFFICE)

The Water Resources Division (DWR) is responsible for the supervision and control of water resources in the state of Colorado (Section 37-80-102 (1)(h), C.R.S.), which includes administration and operation of 173,000 surface and ground water rights. This includes daily oversight of water allocation to farmers, industries, municipalities, and all other water users within the state. This allocation system operates in accordance with the Doctrine of Prior Appropriation (i.e., those that put the water to use first are entitled to get their water first during periods of water shortage), Colorado Supreme Court decisions, water court decrees, and rules and regulations issued by the State Engineer. The DWR has contractual water delivery obligations for each of its nine compacts, two United States Supreme Court decrees, and interstate water allocation agreements.

The DWR also safeguards the public health of the people of Colorado and protects the ground water in Colorado by setting and enforcing minimum standards through permit applications and inspections for the construction and repair of wells. The DWR oversees approximately 297,000 permitted and decreed wells. Additionally, the dam safety program protects public safety through the regulation of approximately 1,800 jurisdictional dams, including an average of 650 dam inspections annually. The DWR staff also maintains 600 streamflow, ditch and reservoir gages used for administration of water rights and reservoir operations.

COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND

The Colorado Water Conservation Board (CWCB) Construction Fund, created in Section 37-60-121 (1)(a), C.R.S., provides loans and grants for projects that will increase the beneficial consumptive use of Colorado's waters. Sections 37-60-121 (1)(b)(IV) and 37-60-122 (1)(b), C.R.S., authorize the CWCB to make loans up to \$10.0 million without General Assembly approval, but limit participation to projects that can repay the CWCB's investment unless specifically authorized by the legislature. The unappropriated balances of money in the CWCB Construction Fund and the Severance Tax Trust Fund Perpetual Base Account are continuously appropriated for this purpose. The CWCB Construction Fund also pays for the administrative expenses of the CWCB.

CWCB Construction Fund revenues are from interest earnings, transfers from the Severance Tax Perpetual Base Fund, and Federal Mineral Lease Fund distributions, as shown in the following table. For FY 2019-20, S.B. 19-221 (CWCB Construction Fund Projects) appropriates \$19,355,000 cash funds from the CWCB Construction Fund to the Department of Natural Resources for various water-related projects. The bill authorizes the CWCB to make a loan of up to \$15.2 million from the CWCB Construction Fund for the Walker Recharge Project. The bill also authorizes the following transfers:

- \$10,000,000 from the Severance Tax Perpetual Base Fund to the CWCB Construction Fund to support studies, programs, or projects that assist in implementing the Colorado Water Plan;
- \$2,500,000 from the CWCB Construction Fund to the Water Supply Reserve Fund to support water basin roundtable approved projects;
- up to \$2,000,000 from the CWCB Construction Fund to replenish the continuously-appropriated Litigation Fund;
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Flood and Drought Response Fund; and
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Feasibility Study Small Grant Fund.

COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND (CASH FLOW SUMMARY REPORT BASED ON MARCH 2019 LEGISLATIVE COUNCIL STAFF REVENUE ESTIMATE)				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Interest (loans, Treasury, miscellaneous)	\$9,566,358	\$11,389,593	\$11,119,203	\$11,826,467
Federal Mineral Lease (FML) revenues	9,041,071	8,576,056	10,060,703	9,905,801

COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND
(CASH FLOW SUMMARY REPORT BASED ON MARCH 2019 LEGISLATIVE COUNCIL STAFF REVENUE ESTIMATE)

	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Other revenues (including pass-through)	12,634,122	30,342,456	3,657,518	3,657,516
Water Plan Implementation	0	15,000,000	10,000,000	10,000,000
Chatfield Reservoir Reallocation Project	27,851,358	4,000,000	4,000,000	0
Windy Gap Reservoir Bypass Channel Project	0	200,000	0	0
Watershed grants	0	6,500,000	0	0
Statewide Water Supply Initiative	0	1,000,000	0	0
Bear Creek Reservoir Reallocation Study	0	2,500,000	0	0
Rio Grand Cooperative Project	0	10,000,000	0	0
Transfers from other sources (Gen Fund and DNR)	1,068,887	778,887	0	0
State Gov't grant – other state departments	2,075,839	4,670,482	0	0
Operating transfer	0	2,894,439	0	0
Governor's Executive Order for forest fires	352,679	0	736,770	0
TOTAL REVENUES	\$62,590,314	\$97,851,913	\$39,574,194	\$35,389,784
Cash expenditures/CWCB operating costs ¹	\$12,000,018	\$11,303,206	\$12,772,945	\$12,611,376
Non-reimbursable expenditures	10,666,177	9,113,951	7,716,894	25,000,000
Transfer to other CWCB funds	564,873	5,971,638	1,125,614	3,548,625
Transfer to CDPHE	0	260,000	0	0
Water Plan Implementation	0	375,156	7,000,000	17,500,000
Flood emergency funds (from DPS)	1,249,431	6,482,599	0	0
Rio Grande Cooperative Project expense	44,529	104,605	9,850,866	0
Windy Gap Reservoir Bypass Channel	0	0	2,200,000	0
Transfer to Water Supply Reserve Fund	0	0	2,500,000	0
Chatfield Reservoir Reallocation Project	3,649,913	12,443,768	15,000,000	0
Republican River Matters (Trans from DNR)	0	0	8,000,000	0
Governor's Executive Order for forest fires	352,679	282,054	454,716	0
FEMA Federal grants	0	25,476,848	5,000,000	5,000,000
Watershed grants	575,083	954,789	2,000,000	0
TOTAL EXPENDITURES	\$29,102,703	\$72,768,614	\$73,621,035	\$63,660,001
NET CASH FLOW	\$33,487,611	\$25,083,299	(\$34,046,841)	(\$28,270,217)

¹Includes cash expenditures for all Long Bill line items less non-reimbursable expenditures.

SEVERANCE TAX PERPETUAL BASE FUND

The Severance Tax Perpetual Base Fund (Section 39-29-109 (2)(a), C.R.S.) receives half of the revenue allocated to the State Severance Tax Trust Fund, or 25.0 percent of total severance tax revenue, and provides loans or grants for construction, rehabilitation, enlargement, or improvement of water projects. This fund is a revolving loan account, and, as such, no permanent programs depend on this fund. The tables below summarize recent fund activity.

SEVERANCE TAX PERPETUAL BASE FUND
(CASH FLOW SUMMARY REPORT BASED ON MARCH 2019 LEGISLATIVE COUNCIL STAFF REVENUE ESTIMATE)

	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Severance Tax revenues	\$15,762,201	\$33,106,715	\$50,000,000	\$36,536,345
Interest (loans and Treasury)	6,128,353	7,197,033	7,037,818	8,502,324
Transfer from Loan Guarantee Fund	0	30,000,000	0	0
TOTAL REVENUES	\$21,890,554	\$70,303,748	\$57,037,818	\$45,038,669
Agriculture Emergency Drought grants	\$0	\$0	\$1,000,000	\$1,000,000
Transfer to Construction Fund for Water Plan Implementation	0	15,000,000	10,000,000	10,000,000
Transfer to Construction Fund for Watershed grants	0	6,500,000	0	0
Transfer to Construction Fund for Water Supply Reserve Fund	0	10,000,000	0	0
Transfer to Construction Fund for Rio Grande Coop Project	0	10,000,000	0	0
Transfer to Construction Fund for Windy Gap Project	0	200,000	0	0
Transfer to Construction Fund for Statewide Water Supply Initiative	0	1,000,000	0	0
Transfer to Construction Fund for Bear Creek Res Reallocation Study	0	2,500,000	0	0
Transfer to Construction Fund for Chatfield Res Reallocation	0	4,000,000	0	0

SEVERANCE TAX PERPETUAL BASE FUND (CASH FLOW SUMMARY REPORT BASED ON MARCH 2019 LEGISLATIVE COUNCIL STAFF REVENUE ESTIMATE)				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 ESTIMATE	FY 2019-20 ESTIMATE
Project				
Transfer to Loan Guarantee Fund	0	30,000,000	0	0
Transfer to Augment General Fund	0	11,425,000	0	0
Governor's Energy Office	0	0	30,814	30,814
Chatfield Res Reallocation Project (2013 & 2018 Proj Bills)	27,640,163	0	0	0
Other real property	0	0	0	0
Misc. fines and fees	0	0	0	0
TOTAL EXPENDITURES	\$27,640,163	\$90,625,000	\$11,030,814	\$11,030,814
NET CASH FLOW	(\$5,749,609)	(\$20,321,252)	\$46,007,004	\$34,007,855

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF NATURAL RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$277,648,350	\$32,005,418	\$211,140,771	\$7,933,687	\$26,568,474	1,464.5
SB 18-218	24,716,894	0	24,716,894	0	0	0.0
HB 18-1338	3,000,000	0	3,000,000	0	0	0.0
TOTAL	\$305,365,244	\$32,005,418	\$238,857,665	\$7,933,687	\$26,568,474	1,464.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$305,365,244	\$32,005,418	\$238,857,665	\$7,933,687	\$26,568,474	1,464.5
Vendor commissions, fulfillment fees, and credit card fees	14,555,758	0	14,555,758	0	0	0.0
Centrally appropriated line items	6,046,277	1,131,898	5,005,530	(180,153)	89,002	0.0
Increase State Parks spending authority	3,661,298	0	3,661,298	0	0	0.0
Wildlife small capital program	2,043,120	0	2,043,120	0	0	0.0
Oil and gas inspectors and support staff	1,183,976	0	1,183,976	0	0	11.0
Increase Wildlife Council spending authority	1,100,000	0	1,100,000	0	0	0.0
OGCC staff to address oil and gas backlogs	629,938	0	629,938	0	0	5.0
West Slope OGCC staff	355,010	0	355,010	0	0	3.0
Capital development resourcing	319,986	0	319,986	0	0	3.0
Cameo State Recreation Area resourcing	303,941	0	303,941	0	0	3.0
Technical adjustments	87,315	0	87,315	0	0	0.0
CAIC equipment maintenance	36,992	0	0	36,992	0	0.4
Annualize prior year legislation	(27,395,437)	50,742	(27,463,518)	9,573	7,766	0.0
Indirect cost assessment	(472,207)	276,540	(590,000)	(276,540)	117,793	0.0
Annualize prior year budget actions	(107,708)	(1)	(107,313)	1	(395)	0.0
Federal funds reduction	(100,000)	0	0	0	(100,000)	0.0
SB 19-207	\$307,613,503	\$33,464,597	\$239,942,706	\$7,523,560	\$26,682,640	1,489.9
SB 19-181	851,010	0	851,010	0	0	6.0
SB 19-212	10,000,000	10,000,000	0	0	0	0.0
SB 19-221	19,355,000	0	19,355,000	0	0	0.0
TOTAL	\$337,819,513	\$43,464,597	\$260,148,716	\$7,523,560	\$26,682,640	1,495.9
INCREASE/(DECREASE)	\$32,454,269	\$11,459,179	\$21,291,051	(\$410,127)	\$114,166	31.4
Percentage Change	10.6%	35.8%	8.9%	(5.2%)	0.4%	2.1%

FY 2019-20 APPROPRIATION HIGHLIGHTS

VENDOR COMMISSIONS, FULFILLMENT FEES, AND CREDIT CARD FEES: The appropriation includes the creation of a new line item and an appropriation of \$14,555,758 cash funds from several funds within the Division of Parks and Wildlife. The line item covers the payment of vendor commissions, fulfillment fees, and credit card fees incurred by the Division from the sale of hunting and fishing licenses, parks passes, and the registration of outdoor recreational vehicles. In previous fiscal years, these commissions and fees were paid by the Division, but not accounted for in their annual appropriation, as they were considered technical accounting adjustments. This line item provides formal appropriated spending authority to the Division to pay for these commissions and fees.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to the following centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; PERA direct distributions; salary survey; shift differential; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

INCREASE STATE PARKS SPENDING AUTHORITY: The appropriation includes an increase of \$3,661,298 cash funds from the Parks and Outdoor Recreation Cash Fund intended to cover increased operational costs associated with increased parks visitation and inflation that State Park Operations has experienced since FY 2009-10.

WILDLIFE SMALL CAPITAL PROGRAM: The appropriation includes an increase of \$2,043,120 cash funds from the Wildlife Cash Fund for the implementation of a Wildlife Small Capital Program to address health, fire, and safety issues and to enact minor repairs at the state's 574 wildlife facilities.

OIL AND GAS INSPECTORS AND SUPPORT STAFF: The appropriation includes \$1,183,976 cash funds and 11.0 FTE to increase how often oil and gas wells and associated industrial sites are inspected for regulatory concerns under the purview of the OGCC. The new staff include four inspectors and staff required to support the work inspections are likely to drive, including two engineers, two environmental protection specialists, two enforcement officers, and a program assistant. The source of funds is the fee charged to industry based on production and determined through the OGCC mill levy, which is transferred to the Oil and Gas Conservation and Environmental Response Fund (Response Fund).

INCREASE WILDLIFE COUNCIL SPENDING AUTHORITY: The appropriation includes an increase of \$1,100,000 cash funds from the Wildlife Management Public Education Fund for the Wildlife Council to expand its media-based education programs.

OGCC STAFF TO ADDRESS OIL AND GAS BACKLOGS: The appropriation includes \$629,938 cash funds from the Response Fund and 5.0 FTE to reduce backlogs associated with higher than normal industry activity. The backlogs include workflows for permitting, engineering, field inspections, and reclamation inspections. Due to the cyclical nature of oil and gas exploration and production, the appropriation also includes funding for two temporary staff persons to allow the Department to manage its workload without dedicating a full new state employee to the task.

WEST SLOPE OGCC STAFF: The appropriation includes \$355,010 cash funds and 3.0 FTE for the OGCC for staff dedicated to oil and gas activity occurring on the West Slope. The staff includes a permit technician, reclamation specialist, and orphaned well engineer and will address the backlog of permits for the West Slope and coordinate multi-site orphaned well cleanups on the West Slope, where 47 percent of nearly 300 of the state's known orphaned wells exist.

CAPITAL DEVELOPMENT RESOURCING: The appropriation includes an increase of \$319,986 cash funds, from the Parks and Outdoor Recreation Cash Fund and the Wildlife Cash Fund, and 3.0 FTE for the Division of Parks and Wildlife's Capital Development Program. The additional resources will be used to increase staffing levels in three areas: dam operations and maintenance, central design, and regional field staff.

CAMEO STATE RECREATION AREA RESOURCING: The appropriation includes an increase of \$303,941 cash funds from the Parks and Outdoor Recreation Cash Fund and 3.0 FTE for staffing and operations at the new Cameo State Recreation Area in Mesa County. The Division will hire a park manager, a technician, and an administrative assistant.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$87,315 cash funds for technical adjustments to various line items.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Colorado Healthy Rivers Fund	\$60,000	\$0	\$60,000	\$0	\$0	0.0
Annual Depreciation-lease Equivalent Payment	15,315	0	15,315	0	0	0.0
South Platte River alluvial aquifer monitoring	12,000	0	12,000	0	0	0.0
Update line item titles	0	0	0	0	0	0.0
TOTAL	\$87,315	\$0	\$87,315	\$0	\$0	0.0

CAIC EQUIPMENT MAINTENANCE: The appropriation includes an increase of \$36,992 reappropriated funds from the Department of Transportation and 0.4 FTE for the Colorado Avalanche Information Center (CAIC) for the maintenance of state-owned avalanche control equipment.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$321,457	\$50,742	\$253,376	\$9,573	\$7,766	0.0
SB 18-218 CO Water Conservation Bd Construction Fund Project	(24,716,894)	0	(24,716,894)	0	0	0.0
HB 18-1338 Severance Tax Operating Fund Transfers	(3,000,000)	0	(3,000,000)	0	0	0.0
TOTAL	(\$27,395,437)	\$50,742	(\$27,463,518)	\$9,573	\$7,766	0.0

INDIRECT COST ASSESSMENT: The appropriation includes adjustments to indirect costs across the Department that include a net decrease in indirect cost assessments and a refinancing from reappropriated funds to General Fund to accommodate a decrease in indirect cost recoveries.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second year impact of prior year budget actions.

ANNUALIZE PRIOR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Staffing and equipment for flowline safety	(\$100,809)	\$0	(\$100,809)	\$0	\$0	0.0
FY 2018-19 SFSP additional resources	(4,703)	0	(4,703)	0	0	0.0
FY 2018-19 Additional FTE for PROW program	(1,416)	0	(1,416)	0	0	0.0
FY 2018-19 Salary survey	(780)	(1)	(385)	1	(395)	0.0
TOTAL	(\$107,708)	(\$1)	(\$107,313)	\$1	(\$395)	0.0

FEDERAL FUNDS REDUCTION: The appropriation includes a decrease of \$100,000 federal funds to reflect reversions by the Coal Program in FY 2016-17 and FY 2017-18.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III for this department.

DEPARTMENT OF PERSONNEL

The Department of Personnel administers the State personnel system. Its responsibilities include developing the annual employee compensation plan, administering personnel policies for classified employees, administering the State's employee group benefit plans such as health, life, and dental insurance and short-term disability insurance. It supports the State Personnel Board, which is responsible for ensuring compliance with the state personnel system. The Department also provides general support services for state agencies, including: overseeing state fiscal rules through the Office of the State Controller; administering the State's procurement policies, maintaining the state archives and public records; providing for statewide planning and post-appropriation construction for capital construction and controlled maintenance; overseeing statewide lease and building energy policy through the Office of the State Architect; maintaining the buildings in the capitol complex; providing mail services for state agencies; providing document handling services such as printing and copying; administering the State's motor vehicle fleet; and providing administrative law judge services.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$13,145,504	\$12,499,410	\$14,074,381	\$15,633,396
Cash Funds	16,928,150	14,926,636	14,336,747	16,939,500
Reappropriated Funds	162,444,496	168,790,189	176,990,307	178,476,706
Federal Funds	0	0	0	0
TOTAL FUNDS	\$192,518,150	\$196,216,235	\$205,401,435	\$211,049,602
Full Time Equiv. Staff	421.5	422.1	425.6	426.7

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 7.4 percent General Fund, 8.0 percent cash funds, and 84.6 percent reappropriated funds. The primary source of reappropriated funds is user fees transferred from other agencies for the provision of statewide services. Some of the major factors driving the Department's budget are discussed below.

NUMBER OF STATE EMPLOYEES

The Department administers the State's policies and programs related to employee compensation and benefits. Statewide expenditures are driven by the number of employees, the percentage of employees who choose to participate in optional benefit plans, and the Department's contracts with the benefit providers. The following table shows the number of FTE appropriated statewide, excluding employees in the Department of Higher Education.

STATE EMPLOYEES - FTE REFLECTED IN APPROPRIATIONS ¹										
	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20
Total FTE	31,466.9	30,657.3	30,617.7	30,841.9	31,544.4	31,921.7	32,178.1	32,413.9	32,832.2	34,650.4
Percent Change		(2.6%)	(0.1%)	0.7%	2.3%	1.2%	0.8%	0.7%	1.3%	5.5%
Average FTE Percentage Change										1.10%
Compound Average Annual Growth Rate (CAAGR)										0.97%

¹ Excludes Department of Higher Education

The Department's Executive Director serves as the State Personnel Director, and pursuant to Section 24-50-104 (4) (c), C.R.S., submits to the Governor and the Joint Budget Committee of the General Assembly annual recommendations and estimated costs for salaries and group benefit plans for state employees.

RISK MANAGEMENT

The State's Risk Management Program provides insurance coverage to state agencies for workers' compensation and property and liability insurance. The state is self-insured for workers' compensation and liability and purchases property insurance from a commercial insurer. Appropriations and allocations to state agencies for risk management coverage are calculated using actuarially-determined prospective claims losses. Certain higher education institutions administer their own risk management programs, typically those with larger student populations. For FY 2019-20, the total appropriation for risk management is \$62.7 million compared to \$65.4 million in FY 2018-19.

STATE FLEET PROGRAM

The Division of Capital Assets administers the state's fleet management program, which purchases or leases vehicles, manages maintenance and repairs, manages the fleet, auctions older vehicles, and manages the state motor pool. Vehicle costs include variable and fixed expenses. Variable costs are billed at a rate per mile based on department and vehicle type and are typically paid from *Operating Expenses* line items. Variable costs include insurance, fuel, maintenance, and repairs. Fixed costs include the vehicle lease payments and the Department's vehicle management fee and are included in each department's *Vehicle Lease Payments* line item. The Department acquires private-sector financing for new or replacement vehicles. Vehicle approved for replacement in FY 2019-20 meet at least one of three criteria:

- Projected high mileage by June 2020.
 - Colorado State Patrol (CSP) vehicles – 100,000 miles.
 - CSP Motorcycles – 40,000 miles.
 - Other law enforcement vehicles – 125,000 miles.
 - Standard vehicles – 150,000 miles. This is equal to 15,000 miles per year over 10 years.
- Over 15 years old.
- High maintenance cost that is 100 percent greater than average for the vehicle type.

For FY 2019-20, the total appropriation for the Fleet Management program is \$44.5 million compared to \$42.5 million in FY 2018-19.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF PERSONNEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$206,417,946	\$14,062,748	\$14,016,747	\$178,338,451	\$0	425.4
HB 18-1224	19,917	0	0	19,917	0	0.2
HB 18-1339	11,633	11,633	0	0	0	0.0
SB 19-119	(1,048,061)	0	320,000	(1,368,061)	0	0.0
TOTAL	\$205,401,435	\$14,074,381	\$14,336,747	\$176,990,307	\$0	425.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$205,401,435	\$14,074,381	\$14,336,747	\$176,990,307	\$0	425.6
Printing and mailing for counties participating in DRIVES	2,549,319	0	0	2,549,319	0	0.0
Centrally appropriated line items	2,164,141	1,453,699	219,505	490,937	0	0.0
Annualize prior year legislation	1,194,907	14,217	(232,397)	1,413,087	0	0.0
Annualize prior year budget actions	1,168,689	(112,201)	(27,680)	1,308,570	0	1.1
Fleet management adjustments	353,593	0	0	353,593	0	0.0
Fleet information management system ongoing costs	130,000	0	0	130,000	0	0.0
Tobacco MSA revenue adjustment	123,768	0	123,768	0	0	0.0
Fund source adjustments	45,177	(454,450)	40,171	459,456	0	0.0
Integrated Document Solutions increased input costs	40,910	4,960	0	35,950	0	0.0
Risk management adjustments	(2,511,955)	0	0	(2,511,955)	0	0.0

DEPARTMENT OF PERSONNEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Indirect cost assessment	(164,953)	0	(22,221)	(142,732)	0	0.0
Capitol Complex adjustments	(147,807)	0	(14,283)	(133,524)	0	0.0
CORE operations adjustments	(24,752)	0	2,515,890	(2,540,642)	0	0.0
SB 19-207	\$210,322,472	\$14,980,606	\$16,939,500	\$178,402,366	\$0	426.7
SB 19-135	650,000	650,000	0	0	0	0.0
SB 19-158	2,000	0	0	2,000	0	0.0
SB 19-186	1,000	0	0	1,000	0	0.0
SB 19-220	1,000	0	0	1,000	0	0.0
HB 19-1085	1,200	0	0	1,200	0	0.0
HB 19-1090	24,750	0	0	24,750	0	0.0
HB 19-1230	4,790	0	0	4,790	0	0.0
HB 19-1234	4,950	0	0	4,950	0	0.0
HB 19-1278	2,790	2,790	0	0	0	0.0
HB 19-1327	34,650	0	0	34,650	0	0.0
TOTAL	\$211,049,602	\$15,633,396	\$16,939,500	\$178,476,706	\$0	426.7
INCREASE/(DECREASE)	\$5,648,167	\$1,559,015	\$2,602,753	\$1,486,399	\$0	1.1
Percentage Change	2.7%	11.1%	18.2%	0.8%	n/a	0.3%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-119 modifies the FY 2018-19 appropriation as follows:

- Increases the spending authority by \$320,000 cash funds from the Department of Personnel Revolving Fund for replacement of hardware components of the Capitol Complex security systems. The funding provided by this bill, as amended by S.B. 19-207 (Long Bill), grants the Department spending authority for the funds through June 30, 2020.
- Reduces by \$1.4 million reappropriated funds the spending authority for the lease or purchase of vehicles on behalf of state agencies. This annual true-up reflects the difference between the projection at the beginning of the annual fleet cycle, about 18 months prior to purchase and the one six months prior to purchase.

FY 2019-20 APPROPRIATION HIGHLIGHTS

PRINTING AND MAILING FOR COUNTIES PARTICIPATING IN DRIVES: The bill includes an increase of \$2,549,319 reappropriated funds, for the Department of Personnel to provide centralized printing and mailing for vehicle registration notices and related required postage costs for counties. Centralization eliminates many redundant tasks manually carried out by county staff.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-119 Supplemental Bill	\$1,048,061	\$0	(\$320,000)	\$1,368,061	\$0	0.0
HB 13-276 Disability Investigational and Pilot Support Fund	82,000	0	82,000	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	68,735	18,880	6,185	43,670	0	0.0
HB 18-1267 Tax Credit for Home Retrofit	1,356	0	0	1,356	0	0.0
HB 18-1224 Occupational Licensee Disciplinary Mediation	0	0	0	0	0	0.0
HB 17-1144 Amend Capital Construction Automatic Funding	(5,245)	(4,663)	(582)	0	0	0.0
TOTAL	\$1,194,907	\$14,217	(\$232,397)	\$1,413,087	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 DOR Tax pipeline additional resources	\$1,306,463	\$0	\$0	\$1,306,463	\$0	0.0
FY 2013-14 Total comp & employee engagement survey	215,000	215,000	0	0	0	0.0
FY 2018-19 Archives electronic records	60,350	60,350	0	0	0	0.0
FY 2018-19 OIT Operating System and Office Productivity Suite	3,303	882	314	2,107	0	0.0
FY 2014-15 Total comp & employee engagement survey	(300,000)	(300,000)	0	0	0	0.0
FY 2018-19 Address Confidentiality Program resources	(89,433)	(63,433)	(26,000)	0	0	1.1
FY 2018-19 Governor transition funding	(25,000)	(25,000)	0	0	0	0.0
FY 2018-19 Salary survey	(1,994)	0	(1,994)	0	0	0.0
TOTAL	\$1,168,689	(\$112,201)	(\$27,680)	\$1,308,570	\$0	1.1

FLEET MANAGEMENT ADJUSTMENTS: The appropriation adds \$353,593 reappropriated funds for vehicle lease/purchase payments in the Fleet Management Program for approved replacement vehicles and new vehicles.

FLEET INFORMATION MANAGEMENT SYSTEM ONGOING COSTS: The appropriation includes an increase of \$130,000 reappropriated funds to fund the operating component of a new fleet information management system included in the IT Capital section of the budget.

TOBACCO MASTER SETTLEMENT AGREEMENT (MSA) REVENUE ADJUSTMENT: The appropriation includes an increase based on the Legislative Council FY 2019-20 Tobacco Master Settlement revenue projection that will reduce the burden of medical insurance costs on low-earning state employees and family members through the Colorado State Employees Assistance Program.

FUND SOURCE ADJUSTMENTS: The appropriation includes a net increase in the amount of total department indirect cost recoveries applied to offset the need for General Fund, which is reflected as increased appropriations of cash funds and reappropriated funds and a decrease to the General Fund appropriation.

INTEGRATED DOCUMENT SOLUTIONS INCREASED INPUT COSTS: The appropriation includes an increase of \$40,910 total funds, including \$4,960 General Fund and \$35,950 reappropriated funds to account for increased costs for postage rates and raw materials.

RISK MANAGEMENT ADJUSTMENT: The bill includes a decrease of \$2,511,955 reappropriated funds for risk management adjustments based on the recommendation of the State's actuary.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in indirect cost assessments across several divisions.

CAPITOL COMPLEX ADJUSTMENTS: The appropriation includes a decrease of \$147,807 total funds for Capitol Complex maintenance operations.

CORE OPERATIONS ADJUSTMENTS: The bill eliminates \$24,752 total funds, including refinancing \$2,515,890 reappropriated funds with cash funds, due to the increased availability of cash funds from the Supplier Database Cash Fund for CORE Operations from the prior fiscal year.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III for this department.

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

The Department of Public Health and Environment consists of the following 11 divisions:

- 1 Administration and Support
 - a. Provides department-wide administrative services
 - b. Houses the Health Disparities Program, which provides grants for health initiatives aimed at reducing and eliminating disparities currently existing in the provision of health services across the state
 - c. Houses the Office of Planning and Partnerships, which oversees the distribution of state funds to local public health agencies
- 2 Center for Health and Environmental Information
 - a. Maintains a database of all Colorado births, deaths, marriages, and divorces
 - b. Provides birth and death certificates
 - c. Gathers and analyzes health data for use by public and private agencies
 - d. Operates the Medical Marijuana Registry
- 3 Laboratory Services
 - a. Provides testing, analysis, and results reporting of laboratory tests on specimens and samples submitted by other divisions, departments, and private clients
 - b. Includes the following laboratory units:
 - i. Molecular Sciences and Newborn Screening Units
 - ii. Public Health Microbiology and Environmental Microbiology Units
 - iii. Organic and Inorganic Units
 - iv. Evidential Breath and Alcohol Testing and Certification Units
- 4 Air Pollution Control Division
 - a. Performs statewide air monitoring, pollutant analysis, and air emission modeling
 - b. Researches the causes and effects of pollution from mobile vehicles and implements strategies aimed at reducing emissions from mobile sources
 - c. Permits, monitors, and inspects factories, power plants, and other commercial air pollutant emitters for compliance with air pollutant emissions standards
- 5 Water Quality Control Division
 - a. Issues waste water discharge permits and, if necessary, takes enforcement action to ensure compliance with water quality standards
 - b. Issues water quality permits for the following sectors: construction, public and private utilities, commerce and industry, pesticides, and water quality certification
 - c. Monitors the pollutant levels in rivers, streams, and other bodies of water
 - d. Conducts surveillance of public and non-public drinking water sources to ensure compliance with federal and state water quality standards
 - e. Reviews designs and specifications of new and/or expanding water treatment facilities

- 6 Hazardous Materials and Waste Management Division
 - a. Regulates the treatment, storage, and disposal of solid and hazardous waste in Colorado
 - b. Performs inspections of solid waste facilities
 - c. Oversees hazardous waste generators, transporters, and storage facilities
 - d. Regulates commercial radioactive materials in Colorado
 - e. Administers the Waste Tire Program

- 7 Division of Environmental Health and Sustainability
 - a. Certifies and inspects wholesale food distributors and dairy processors
 - b. Oversees restaurant, child care facility, and school inspections done by local public health agencies (with a few exceptions where the State is responsible for these inspections)
 - c. Administers the following environmental sustainability programs:
 - i. Environmental Leadership Program
 - ii. Pollution Prevention Program
 - iii. Pharmaceutical Take-Back Program
 - d. Administers the Recycling Resources Opportunity Program
 - e. Administers the Animal Feeding Operations Program

- 8 Disease Control and Environmental Epidemiology Division
 - a. Responsible for identifying, containing, controlling, and tracking the spread of communicable diseases, with a focus on: hepatitis, tuberculosis, sexually transmitted infections, and HIV/AIDS
 - b. Operates the Immunization Program, which includes the Immunization Outreach Program, the Colorado Immunization Information System, and grants to local public health agencies for operation of immunization clinics
 - c. Assesses the threat risk from environmental contaminants on human health, and, when needed, takes action to contain and/or nullify these threats

- 9 Prevention Services Division
 - a. Administers the Tobacco Education, Prevention, and Cessation Program and the Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease Prevention, Early Detection, and Treatment Program
 - b. Operates the Breast and Cervical Cancer Screening Program
 - c. Operates programs for children with special needs and the Genetics Counseling Program
 - d. Administers the School-Based Health Centers Program
 - e. Administers injury and suicide prevention programs
 - f. Operates the Primary Care Office and Oral Health Program
 - g. Administers the following two federal food assistance programs:
 - i. Women, Infants, and Children Program
 - ii. Child and Adult Care Food Program

- 10 Health Facilities and Emergency Medical Services Division
 - a. Enforces, through certification and inspections, the standards for the operation of health care facilities, including hospitals and nursing facilities
 - b. Inspects and certifies emergency medical and trauma service providers

- 11 Office of Emergency Preparedness and Response
 - a. Works with local agencies and other state departments to ensure Colorado is prepared for, and able to respond to, a variety of natural and man-made disasters
 - b. Coordinates a statewide network of laboratories, local agencies, hospitals, and other resources that can be utilized during disaster response

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund ¹	\$47,629,976	\$48,798,277	\$52,128,667	\$59,177,207
Cash Funds	189,303,546	188,457,556	192,656,016	204,690,749
Reappropriated Funds	41,342,484	45,239,889	47,439,428	49,291,017
Federal Funds	288,692,568	297,512,266	299,022,334	302,978,839
TOTAL FUNDS	\$566,968,574	\$580,007,988	\$591,246,445	\$616,137,812
Full Time Equiv. Staff	1,311.3	1,336.0	1,346.1	1,382.3

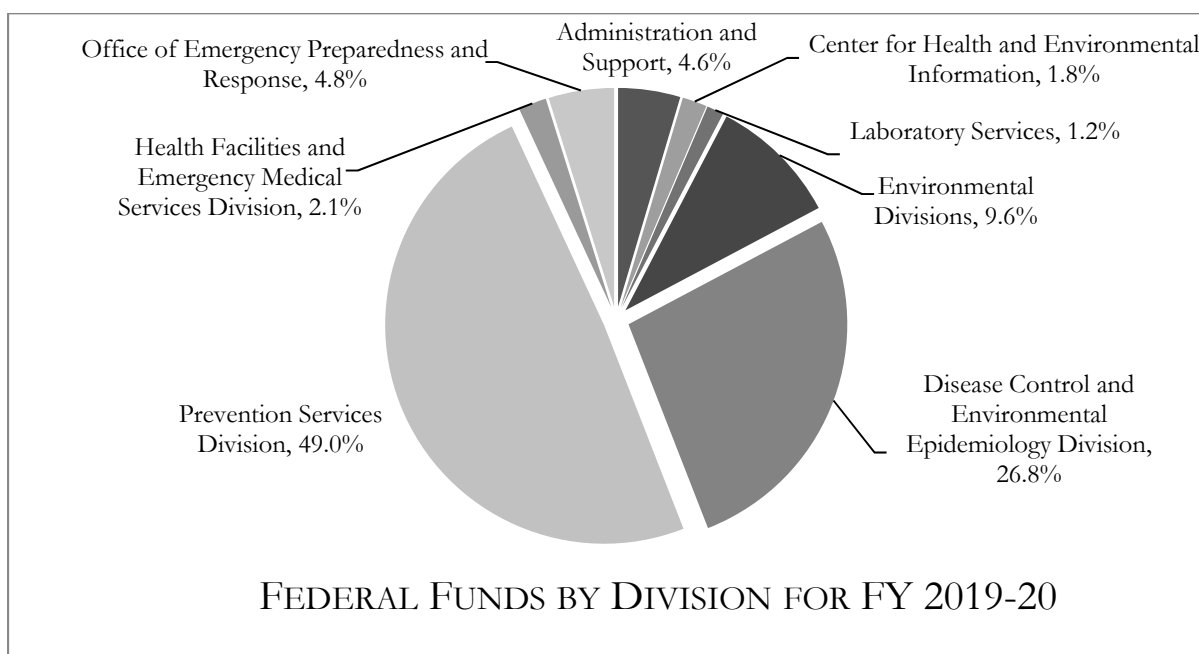
¹ Includes General Fund Exempt.

GENERAL FACTORS DRIVING THE BUDGET

Funding for the Department for FY 2019-20 consists of 9.6 percent General Fund (including appropriations from the General Fund Exempt account), 33.2 percent cash funds, 8.0 percent reappropriated funds, and 49.2 percent federal funds. Some of the major factors driving the budget are reviewed below.

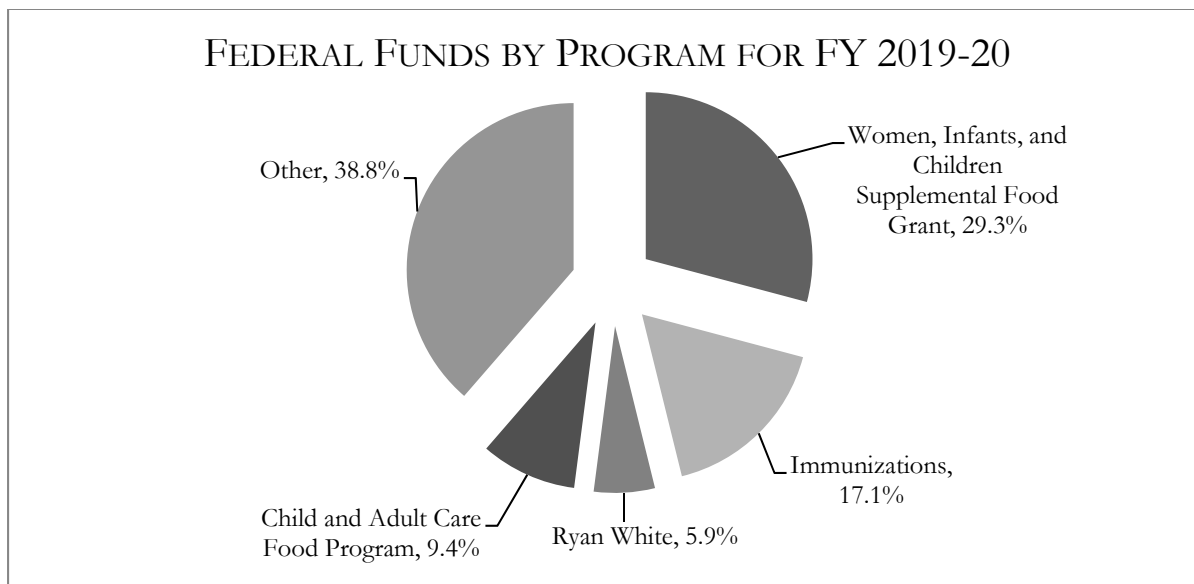
FEDERAL FUNDS

Federal funds account for 49.2 percent of the Department's FY 2019-20 total appropriation. The Department receives federal funds from multiple federal agencies ranging from the Environmental Protection Agency to the U.S. Department of Health and Human Services. The majority of the federal funds in the Department's Long Bill are shown for informational purposes because the General Assembly does not have the authority to limit the amount of federal funds the Department may receive and expend. The following graphic illustrates the projected distribution of federal funds by division for FY 2019-20.



The majority of federal funds (\$115.8 million of \$148.4 million) within the Prevention Services Division are for two federally funded nutrition programs: the Women, Infants, and Children Program (WIC) and the Adult and Child Food Care Program (CACFP). Within the Disease Control and Environmental Epidemiology Division, 62.5 percent of the federal funds are for the purchase of immunizations for local public health agencies, and 21.7 percent are for the Ryan White Comprehensive AIDS Resources Emergency Act. The Ryan White Act funds are used for primary

care and support services for individuals living with HIV and AIDS who lack health insurance and the financial resources to pay for their care.



REVENUE FROM AMENDMENT 35 TOBACCO TAX AND THE TOBACCO MASTER SETTLEMENT AGREEMENT

The Department receives revenue from the Amendment 35 tobacco tax and from the Tobacco Master Settlement Agreement. Amendment 35 was approved by voters in 2004 and imposed a \$0.64 tax on each pack of cigarettes sold in Colorado and related taxes on other tobacco products. Amendment 35 revenues are distributed based on a state constitutional formula. The following department programs receive Amendment 35 revenue:

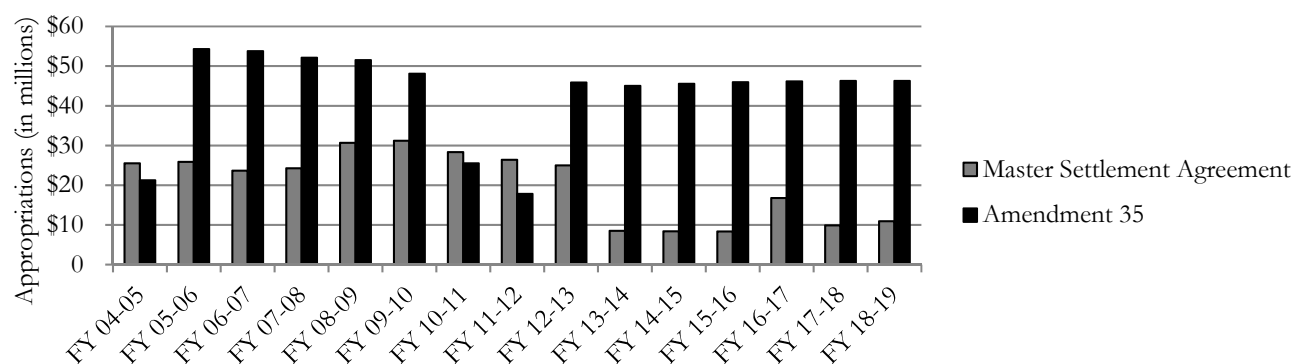
- Tobacco Education, Prevention, and Cessation Program;
- Health Disparities Grant Program;
- Cardiovascular, Pulmonary, and Chronic Disease Grant Program; and
- Breast and Cervical Cancer Screening Program.

Revenue from the Tobacco Master Settlement Agreement (MSA) is the product of a 1998 legal settlement between tobacco manufacturers and the states who sued the tobacco manufacturers as a way to recover Medicaid and other health-related costs they incurred as a result of treating smoking related illnesses. Statutory formulas dictate the distribution of MSA revenue, and the Department receives revenue for:

- Drug assistance programs;
- Colorado AIDS and HIV Prevention Grant Program (CHAPP);
- Colorado Immunizations Program;
- Health Care Professional Loan Forgiveness Program (i.e. the Health Services Corps); and
- Dental Loan Repayment Program.

As these two revenue streams decrease over time, programs must reassess the amount of funds available for administrative overhead and the amount of funds available for grants. The following table summarizes the Department's funding from these two revenue sources from FY 2004-05 through FY 2018-19.

DEPARTMENT FUNDING FROM AMENDMENT 35 AND MASTER SETTLEMENT AGREEMENT REVENUE

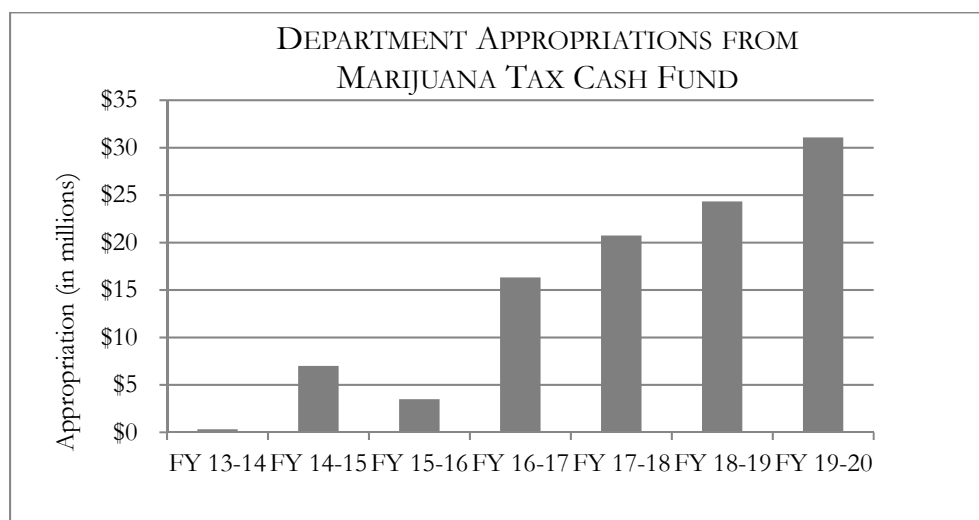


The following policy changes drove the significant revenue changes shown in the above table:

- Amendment 35 tobacco tax revenues were first generated for the second part of FY 2004-05.
- Between FY 2010-11 and FY 2012-13 the General Assembly declared a fiscal emergency and, on that basis, diverted Amendment 35 revenue from the Department to the Department of Health Care Policy and Financing to offset the need for General Fund for health related programs.
- Master Settlement Agreement funds fell starting in FY 2013-14 due to the transfer of the Nurse Home Visitor Program and the Tony Grampsas Youth Services Program to the Department of Human Services.
- House Bill 16-1408 (Cash Fund Allocations for Health-related Programs) included adjustments to the amount of Tobacco Master Settlement money received by department programs, including increases for the AIDS & HIV Prevention Grants, the Dental Loan Repayment Program, and the Immunization Program. Prior to H.B. 16-1408, Local Public Health Agencies received Tobacco Master Settlement money, but the General Assembly replaced this with Marijuana Tax Cash Fund dollars starting in FY 2016-17.

PROGRAMS FUNDED WITH MARIJUANA TAX REVENUE

Voters legalized recreational marijuana in 2012 and subsequently approved new taxes on recreational marijuana. Based on this, the General Assembly adopted legislation authorizing the Department to use a portion of the new marijuana tax revenue for new and existing programs. Over time, the General Assembly has increased the number of programs and the amount of funding the Department receives from the Marijuana Tax Cash Fund. The following table summarizes appropriations of marijuana tax revenues to the Department for FY 2013-14 through FY 2019-20.



For more information about Marijuana Tax Cash Fund appropriations, see Appendix J.

REGULATORY STAFF

The Department is responsible for the regulation, inspection, and enforcement of numerous health and environment statutes designed to protect the health of Coloradans and the environment. In order to meet the growing regulatory workload, which is a result of both population growth and an increasing number of statutory and regulatory requirements, the Department has expanded regulatory resources. Due to the diversity of the Department's regulatory programs, the resource increases range from air emission inspectors to manufactured food inspectors to assisted living residence surveyors. The following table summarizes the recent resource increases.

SUMMARY OF FTE ADDITIONS TO THE DEPARTMENT SINCE FY 2012-13		
DIVISION, PROGRAM	FTE	FISCAL YEAR
Air Pollution Control Division		
Oil and Gas Inspectors	13.0	FY 2012-13
IR Camera and Title V Inspectors	13.0	FY 2015-16
Greenhouse Gas Emissions Regulation	6.9	FY 2019-20
Water Quality Control Division		
Clean Water Sectors	16.0	FY 2013-14
Clean Water Sectors - Reclaimed water reuse	0.7	FY 2018-19
Construction Sector via HB 15-1249	5.0	FY 2016-17
Clean Water Program - Harmful algal blooms	0.6	FY 2018-19
Clean Water Program - Class B firefighting foam	0.7	FY 2019-20
Division of Environmental Health and Sustainability		
Manufactured Food Programs	2.0	FY 2015-16
Hazardous Materials and Solid Waste Division		
Solid Waste Program	6.2	FY 2012-13
Waste Tire Program	1.0	FY 2014-15
TOTAL NEW FTE	65.1	

ENVIRONMENTAL DIVISIONS' PRIMARY CASH FUNDS

The four environmental divisions (APCD, WQCD, HMSWD, and DEHS) are primarily cash funded, with each division utilizing multiple cash funds to cover operational expenditures for their programs. In aggregate, 61.3 percent of these divisions' FY 2019-20 appropriation were cash funds. The revenue in these cash funds are derived primarily from program fees and are indicative of each division's workload and programmatic scope; available revenue determines expenditures. The following table summarizes the three largest cash funds by appropriation for each of the four divisions.

FY 2019-20 CASH FUND APPROPRIATION SUMMARY FOR ENVIRONMENTAL DIVISIONS			
DIVISION	CASH FUND	C.R.S. CITATION	APPROPRIATION
Air Pollution Control Division	Stationary Sources Control Fund	25-7-114.7 (2)(b)(I)	\$12,519,665
	CDPHE HUTF AIR Subaccount	42-3-304 (18)(c)	7,301,586
	Ozone Protection Fund	25-7-135 (1)	162,238
Water Quality Control Division	Water Quality Improvement Fund	25-8-608 (1.5)	1,981,385
	Public and Private Utilities Sector Fund	25-8-502 (1.5)(a)(V)	1,971,511
	Construction Sector Fund	25-8-502 (1.5)(a)(II)	1,450,730
Hazardous Materials and Waste Management Division	Hazardous Substance Response Fund	25-16-104.6 (1)(a)	4,703,745
	Solid Waste Management Fund	30-20-118 (1)	4,196,375
	End User Fund	30-20-1405 (1)	3,375,000
Division of Environmental Health and Sustainability	Recycling Resources Economic Opportunity Fund	25-16.5-106.5 (1)(a)	5,009,242
	Food Protection Cash Fund	25-4-1608 (1)	1,145,000
	Wholesale Food and Storage Protection Cash Fund	25-5-426 (5)	\$624,500

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$584,378,174	\$50,659,444	\$187,607,491	\$47,088,905	\$299,022,334	1,341.3
SB 18-024	2,500,000	0	2,500,000	0	0	2.0
SB 18-033	14,323	0	14,323	0	0	0.0
SB 18-038	40,602	40,602	0	0	0	0.4
SB 18-146	34,725	0	34,725	0	0	0.5
SB 18-272	400,000	400,000	0	0	0	0.3
HB 18-1003	775,000	0	775,000	0	0	0.0
HB 18-1006	89,222	0	89,222	0	0	1.0
HB 18-1069	25,054	25,054	0	0	0	0.2
HB 18-1093	14,399	14,399	0	0	0	0.1
HB 18-1400	1,555,752	0	1,555,752	0	0	0.0
HB 18-1409	880,570	880,570	0	0	0	0.0
SB 19-120	538,624	108,598	79,503	350,523	0	0.3
TOTAL	\$591,246,445	\$52,128,667	\$192,656,016	\$47,439,428	\$299,022,334	1,346.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$591,246,445	\$52,128,667	\$192,656,016	\$47,439,428	\$299,022,334	1,346.1
Centrally appropriated line items	4,603,357	1,107,254	1,757,806	93,401	1,644,896	0.0
Annualize prior year legislation	1,221,604	85,263	456,310	32,035	647,996	3.1
Family planning purchase of service	1,025,000	1,025,000	0	0	0	0.0
Other technical adjustments	848,929	0	49,405	(35,468)	834,992	0.0
Local public health electronic medical records	837,774	837,774	0	0	0	3.5
Assisted living residence inspectors	550,298	0	550,298	0	0	7.0
Marijuana reference laboratory	405,701	0	405,701	0	0	1.0
Indirect cost assessment	206,920	0	0	206,920	0	0.0
Suicide prevention	100,000	100,000	0	0	0	0.0
Provider rate increase	93,714	68,329	18,103	7,282	0	0.0
Tobacco adjustments	87,887	(22,206)	365,967	(255,874)	0	0.0
Tableau for data transparency	85,000	0	0	85,000	0	0.0
Restore Pesticides Sector General Fund	84,000	84,000	0	0	0	0.0
Tribal liaison	60,735	60,735	0	0	0	0.5
Laboratory operating expenses	59,628	88,270	81,452	(110,094)	0	0.0
Trauma system	0	0	0	0	0	0.0
Annualize prior year budget actions	(2,218,751)	(805,747)	(2,248,137)	6,512	828,621	0.4
SB 19-207	\$599,298,241	\$54,757,339	\$194,092,921	\$47,469,142	\$302,978,839	1,361.6
SB 19-008	3,600,000	0	1,800,000	1,800,000	0	1.8
SB 19-065	57,242	0	57,242	0	0	0.8
SB 19-073	993,147	993,147	0	0	0	0.5
SB 19-096	265,589	265,589	0	0	0	3.1
SB 19-186	21,875	0	0	21,875	0	0.2
SB 19-188	17,004	17,004	0	0	0	0.1
SB 19-198	3,262,500	0	3,262,500	0	0	0.0
SB 19-218	114,007	0	114,007	0	0	0.2
SB 19-227	659,472	434,472	225,000	0	0	2.2
SB 19-228	2,000,000	0	2,000,000	0	0	0.9
SB 19-236	163,820	163,820	0	0	0	1.8
HB 19-1010	43,248	0	43,248	0	0	0.5
HB 19-1031	95,831	0	95,831	0	0	0.0
HB 19-1032	1,000,000	1,000,000	0	0	0	1.5
HB 19-1064	300,000	300,000	0	0	0	0.0
HB 19-1122	145,167	145,167	0	0	0	1.6
HB 19-1133	632,717	632,717	0	0	0	0.6
HB 19-1160	30,730	30,730	0	0	0	0.5
HB 19-1174	33,884	33,884	0	0	0	0.4
HB 19-1183	15,000	15,000	0	0	0	0.0
HB 19-1203	3,000,000	0	3,000,000	0	0	0.8

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1237	51,472	51,472	0	0	0	0.5
HB 19-1261	281,588	281,588	0	0	0	2.0
HB 19-1279	55,278	55,278	0	0	0	0.7
TOTAL	\$616,137,812	\$59,177,207	\$204,690,749	\$49,291,017	\$302,978,839	1,382.3
INCREASE/(DECREASE)	\$24,891,367	\$7,048,540	\$12,034,733	\$1,851,589	\$3,956,505	36.2
Percentage Change	4.2%	13.5%	6.2%	3.9%	1.3%	2.7%

¹ Includes General Fund Exempt.

² Includes \$429,909 in FY 2018-19 and \$407,703 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-120 modifies the FY 2018-19 appropriation to:

- Add \$430,026 total funds, including \$350,523 reappropriated funds from the Marijuana Cash Fund and \$79,503 cash funds from the Marijuana Tax Cash Fund and 0.3 FTE for FY 2018-19, to implement new testing requirements adopted by the Department of Revenue's Marijuana Enforcement Division. The appropriation includes funding for new instrumentation, as well as personal services and operating costs; and
- Add \$108,598 General Fund to adjust appropriations supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK).

Senate Bill 19-120 also corrects a technical error in the appropriations clause of H.B. 18-1400 (Increase Fees for Stationary Sources Air Pollutants).

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA Direct Distribution	\$2,815,876	\$416,950	\$982,532	\$299,036	\$1,117,358	0.0
Health, life, and dental	1,054,977	320,580	451,588	(87,219)	370,028	0.0
OIT Securing IT operations	526,055	0	0	526,055	0	0.0
AED	206,115	71,386	113,545	(38,591)	59,775	0.0
SAED	206,115	71,386	113,545	(38,591)	59,775	0.0
Payment to risk management / property funds	203,630	0	0	203,630	0	0.0
OIT Essential database support	154,737	0	0	154,737	0	0.0
OIT CBMS PEAK	143,595	143,595	0	0	0	0.0
Salary survey	125,297	47,572	71,113	(29,771)	36,383	0.0
OIT Application refresh and consolidation	121,718	0	0	121,718	0	0.0
DPA Annual fleet vehicle request	37,740	0	24,788	9,374	3,578	0.0
Depreciation-lease equivalent payment	33,505	33,505	0	0	0	0.0
Administrative law judges	25,192	0	0	25,192	0	0.0
OIT Optimize self-service capabilities	14,792	0	0	14,792	0	0.0
Short-term disability	4,559	2,036	2,983	(1,533)	1,073	0.0
Capitol Complex leased space	561	0	0	561	0	0.0
Payments to OIT	(874,253)	0	0	(874,253)	0	0.0
Workers' compensation	(121,099)	0	0	(121,099)	0	0.0
CORE	(39,713)	0	0	(39,713)	0	0.0
Legal services	(31,118)	0	0	(31,118)	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Shift differential	(4,924)	244	(2,288)	194	(3,074)	0.0
TOTAL	\$4,603,357	\$1,107,254	\$1,757,806	\$93,401	\$1,644,896	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1006 Newborn screening	\$1,116,654	\$0	\$1,116,654	\$0	\$0	3.0
SB 18-200 Eliminate Unfunded PERA Liability	877,524	68,372	129,121	32,035	647,996	0.0
HB 18-1069 Reclaimed water toilet flush	7,018	7,018	0	0	0	0.1
SB 18-038 Reclaimed water use hemp	6,406	6,406	0	0	0	0.1
HB 18-1093 Reclaimed water use crops	3,467	3,467	0	0	0	0.1
SB 18-272 Crisis and suicide prevention	0	0	0	0	0	0.0
HB 18-1003 Opioid misuse prevention	(775,000)	0	(775,000)	0	0	0.0
SB 18-146 Freestanding EDs	(14,175)	0	(14,175)	0	0	(0.2)
HB 17-1306 Test lead in public schools	(290)	0	(290)	0	0	0.0
TOTAL	\$1,221,604	\$85,263	\$456,310	\$32,035	\$647,996	3.1

FAMILY PLANNING PURCHASE OF SERVICE: The appropriation includes \$1,025,000 General Fund to expand the family planning program.

OTHER TECHNICAL ADJUSTMENTS: The appropriation includes five technical changes, as detailed in the table below:

OTHER TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Fund source splits	\$871,765	\$0	\$0	\$0	\$871,765	0.0
CERCLA O&M costs	77,959	0	77,959	0	0	0.0
Medicaid split true up	9	0	0	9	0	0.0
Medicaid adjustment	(72,250)	0	0	(35,477)	(36,773)	0.0
Department of Law transfer reduction	(28,554)	0	(28,554)	0	0	0.0
TOTAL	\$848,929	\$0	\$49,405	(\$35,468)	\$834,992	0.0

LOCAL PUBLIC HEALTH ELECTRONIC MEDICAL RECORDS: The appropriation includes \$837,774 General Fund and 3.5 term-limited FTE for FY 2019-20 to support and expand the newly launched electronic health record (EHR) system developed for local public health agencies.

ASSISTED LIVING RESIDENCE INSPECTORS: The appropriation includes an increase of \$550,298 cash funds and 7.0 FTE to increase inspections and off-site report reviews of assisted living facilities. The Board of Health worked with the Department and stakeholder groups to develop revised health and safety rules and an associated fee increase that went into effect in June 2018.

MARIJUANA REFERENCE LABORATORY: The appropriation includes \$405,701 cash funds from the Marijuana Tax Cash Fund and 1.0 FTE to implement new testing requirements adopted by the Department of Revenue's Marijuana Enforcement Division.

INDIRECT COST ASSESSMENT: The appropriation includes adjustments based on the Department's indirect cost assessment plan, as well as amounts available in the Indirect Cost Excess Recoveries Cash Fund for the Department.

SUICIDE PREVENTION: The appropriation includes \$100,000 General Fund for suicide prevention.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$93,714 total funds, including \$68,329 General Fund, for a 1.0 percent provider rate increase for local public health agencies.

TOBACCO ADJUSTMENTS: The appropriation includes a net increase of \$87,887 total funds, including a decrease of \$22,206 General Fund, for adjustments related to Tobacco Master Settlement Agreement and Amendment 35 allocations.

TABLEAU FOR DATA TRANSPARENCY: The appropriation includes \$85,000 reappropriated funds to support annual server license fees for Tableau, a data visualization software, as well as training to support staff in utilizing the software. The appropriation shifts the existing \$70,000 licensing fees currently paid via direct division payments to reappropriated funds, and includes new funding for Department-wide training.

RESTORE PESTICIDES SECTOR GENERAL FUND: The appropriation includes an increase of \$84,000 General Fund for the Water Quality Control Division's Pesticides Sector line item to pay for testing water samples for pesticides.

TRIBAL LIAISON: The appropriation includes \$60,735 General Fund and 0.5 FTE for a tribal liaison. The liaison will work with the two federally recognized American Indian tribes in Southwest Colorado, as well as urban tribal members from a variety of tribes. The position will work to strengthen relationships with tribal members and connect them with services and supports available through Department programs.

LABORATORY OPERATING EXPENSES: The appropriation includes a net increase of \$59,628 total funds, including an increase of \$88,270 General Fund, to support operating expenses for a variety of laboratory testing, supplies, and equipment. General Fund supports testing deemed crucial to public health, such as rabies and tuberculosis, which are highly deadly and/or contagious. Tests such as sexually transmitted infections and water testing are fee based. The Department has adjusted fees for these tests and is requesting spending authority for the increased revenue.

TRAUMA SYSTEM: The appropriation includes a net neutral cash funds transfer to pay annual maintenance costs for Colorado's updated trauma registry system.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$2,826,179	\$449,251	\$1,136,938	\$404,541	\$835,449	0.0
Lease escalator	66,130	0	16,130	50,000	0	0.0
Public health threats	17,293	17,293	0	0	0	0.3
Addressing harmful algal blooms	993	993	0	0	0	0.1
Marijuana health research funding	(3,000,000)	0	(3,000,000)	0	0	0.0
Electronic health records for local public health agencies	(1,163,978)	(1,163,978)	0	0	0	0.0
Marijuana reference lab	(435,714)	0	(85,191)	(350,523)	0	0.0
Marijuana research	(312,947)	0	(312,947)	0	0	0.0
CBMS PEAK supplemental	(108,598)	(108,598)	0	0	0	0.0
Sharepoint upgrade	(94,000)	0	0	(94,000)	0	0.0
Health survey FTE	(14,109)	(708)	(3,067)	(3,506)	(6,828)	0.0
TOTAL	(\$2,218,751)	(\$805,747)	(\$2,248,137)	\$6,512	\$828,621	0.4

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III for this department.

DEPARTMENT OF PUBLIC SAFETY

The Department consists of six divisions: the Executive Director's Office, Colorado State Patrol, Division of Fire Prevention and Control, Division of Criminal Justice, Colorado Bureau of Investigation, and Division of Homeland Security and Emergency Management.

The Executive Director's Office is responsible for department-wide management and administration, including policy development, human resources, accounting, purchasing and budgeting. This office includes the Witness Protection Program, the Colorado Integrated Criminal Justice Information System (CICJIS), and the School Safety Resource Center.

The Colorado State Patrol facilitates motor vehicle traffic and enforces all applicable laws on approximately 9,100 miles of state and federal highways and more than 57,000 miles of county roads. Port of Entry officers collect fuel taxes and registration fees and ensure compliance with statutory weight and size restrictions for commercial vehicles. State Troopers perform commercial motor vehicle safety, hazardous materials routing and rule making, aviation, homeland security, communications, investigative services, capitol complex security, and criminal interdiction.

The Division of Fire Prevention and Control is tasked with fire code enforcement, training, and certification, as well as wildfire preparedness, response, suppression, coordination, and management.

The Division of Criminal Justice conducts criminal justice research, assists with policy formation, administers grants for law enforcement and community crime control programs, addresses the needs of crime victims, oversees community corrections programs, and sets standards for the treatment of sex and domestic violence offenders.

The Colorado Bureau of Investigation assists state and local law enforcement in investigating crime and enforcing criminal laws, maintains fingerprint records and DNA profiles, oversees the statewide crime reporting program, and operates scientific laboratories.

The Division of Homeland Security and Emergency Management consists of three offices: Office of Emergency Management, Office of Prevention and Security, and Office of Preparedness. The Division is tasked with consolidating and restructuring the State's homeland security and disaster preparedness and response functions through better coordination of emergency management and homeland security entities in the state.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$122,680,880	\$124,687,644	\$184,815,705	\$166,108,148
Cash Funds	190,524,914	200,795,010	217,279,782	238,609,816
Reappropriated Funds	38,933,169	40,845,123	43,455,354	52,591,767
Federal Funds	61,508,579	56,766,887	69,838,616	70,080,226
TOTAL FUNDS	\$413,647,542	\$423,094,664	\$515,389,457	\$527,389,957
Full Time Equiv. Staff	1,783.4	1,802.5	1,854.3	1,904.1

GENERAL FACTORS DRIVING THE BUDGET

Funding for this Department consists of 31.5 percent General Fund, 45.2 percent cash funds, 10.0 percent reappropriated funds, and 13.3 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

HIGHWAY SUPERVISION AND THE HIGHWAY USERS TAX FUND

The Highway Users Tax Fund (HUTF) is the primary source of state highway funds in Colorado. HUTF revenues include gas and special fuel taxes, driver's license fees, motor vehicle title and registration fees, fines, license plate fees, and passenger-mile taxes. Pursuant to Section 18 of Article X of the State Constitution, HUTF revenues are required to be used exclusively for the construction, maintenance, and supervision of state public highways, and associated administrative costs.

Prior to appropriating HUTF revenue for construction and maintenance of highways, the General Assembly appropriates HUTF revenues to the Department of Public Safety for highway-related administrative and supervisory functions. The distribution to the State Patrol is taken "off-the-top," before the statutory formula allocation of HUTF to the State Highway Fund, counties, and cities. Pursuant to Section 43-4-201 (3)(a)(I), C.R.S., off-the-top appropriations are limited to a 6.0 percent annual growth from the prior year's total HUTF appropriation, and may not exceed 23.0 percent of the total prior fiscal year HUTF revenue. After the off-the-top share is disbursed, remaining HUTF revenues are distributed to cities, counties, and the State Highway Fund. For more information about HUTF off-the-top, see Appendix G.

TROOPER PAY AND FTE

A significant driver of the Colorado State Patrol and HUTF off-the-top budget is salaries for Troopers. Pursuant to Section 24-50-104 (1)(III)(A), C.R.S., salaries for Colorado State Troopers must be at least 99.0 percent of the actual average salary paid by the top three law enforcement agencies in Colorado with more than 100 commissioned officers.

Each year, the Department of Personnel produces a Total Compensation Report on market findings for the appropriate pay level for the State Patrol Trooper classifications. This report is used to determine if adjustments are needed in order to comply with statute. An increase raises the salary range for the various trooper classes. Because of this statutory requirement, Troopers often receive a salary survey increase that is higher than other state employees, as seen in the table below.

SALARY SURVEY PERCENTAGE INCREASES		
FISCAL YEAR	TROOPERS	STATE EMPLOYEES
FY 2019-20	3.0	3.0
FY 2018-19	3.0	3.0
FY 2017-18	7.0	1.0
FY 2016-17	7.0	0.0
FY 2015-16	3.8	1.0
FY 2014-15	7.0	2.5

COMMUNITY CORRECTIONS

The primary factor driving the Division of Criminal Justice's General Fund budget is the cost of community corrections programs. Community corrections facilities are operated by local governments, private providers, and non-profit agencies. They provide convicted offenders with supervision and structure in both residential and nonresidential settings. There are three types of community corrections placements:

- Diversion placements for offenders sentenced directly to community corrections in lieu of a prison sentence (i.e. diverted from prison);
- Transition placements for offenders who have served a sentence in the Department of Corrections and are released to a residential community corrections bed in preparation for parole; and
- Parole placements for offenders who are required to spend part of their time on parole in a community corrections facility.

Residential community corrections offenders are placed either in standard residential programs or, if they have high needs, in more expensive specialized programs that deal with criminogenic needs, substance use disorders, or mental health needs. The additional cost of a specialized residential program, over and above the standard residential rate, is called a differential.

LABORATORY AND INVESTIGATIVE SERVICES

The Colorado Bureau of Investigation (CBI) provides information technology, laboratory, and investigative services to local, state, and federal law enforcement agencies upon request. Pursuant to Section 24-33.5-412 (1)(a), C.R.S., the CBI is charged with assisting any sheriff, chief of police, district attorney, head of a state agency, or chief law enforcement officer in the investigation and detection of crime and in the enforcement of the laws of the state. CBI laboratories provide forensic evidence analysis, including: DNA, fingerprint, firearm, physiological fluid, chemical, digital, shoe, and tire tracks evidence. In addition, the CBI field team investigates crime scenes upon the request of local, state, and federal law enforcement agencies.

CBI's laboratory services budget and workload have increased in recent years due to legislation passed by the General Assembly. House Bill 14-1340 (State Toxicology Laboratory) requires the CBI to operate a state toxicology laboratory and to assist local law enforcement agencies in the enforcement of laws for driving under the influence of alcohol or drugs. House Bill 13-1020 (Testing Evidence of Sexual Assault) added new requirements for the Department regarding the processing and reduction of the backlog of sexual assault kits. Due to the increase in required laboratory services, the General Assembly authorized expansion of the Pueblo and Denver/Arvada labs to accommodate the increased workload.

The Colorado Crime Information Center (CCIC) provides information to law enforcement agencies on warrants, case status, stolen property, registrations, known offenders, and driver's licenses. The CCIC maintains system hardware and software, including a statewide telecommunications network connecting more than 500 client law enforcement agencies to the CCIC. The CCIC provides criminal identification checks, criminal and fingerprint-based criminal background checks, and operates the State's "InstaCheck" criminal background check program for the firearms industry. The budget is driven primarily by information technology enhancement needs and the expansion of statutory requirements.

COLORADO BUREAU OF INVESTIGATION WORKLOAD MEASURES					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total laboratory specimens analyzed	117,358	138,986	137,554	163,972	167,248
Total civil fingerprint and name checks	458,632	500,620	546,014	555,368	588,503
Total criminal fingerprints processed	209,738	240,421	224,340	233,148	240,905
Total instant criminal background checks (for firearms)	310,807	325,085	372,386	362,346	369,478

EMERGENCY RESPONSE

The Division of Homeland Security and Emergency Management (DHSEM) supports the State's response to all hazards and disasters such as flooding, tornadoes, wildfires, hazardous materials incidents, and acts of terrorism. During and following a significant emergency event in the state, DHSEM serves as a central hub for receiving and distributing funds for emergency response and recovery. This can significantly impact the budget, as it did following the 2013 floods in Colorado. From September 9-12, 2013, a series of floods affected multiple communities across the Front Range, causing approximately \$4 billion in damage and resulting in 10 deaths. The Governor set aside \$111.5 million from the Disaster Emergency Fund and also pledged to impacted communities that the State would provide one-half of the 25.0 percent match required for Federal Emergency Management (FEMA) grants. As recovery efforts have progressed, costs and estimates for rebuilding have increased. At this time, the Governor's Office and the DHSEM have identified a \$62.1 million shortfall related to flood recovery. As a result, legislation was passed during the 2017 session to provide additional General Fund for recovery efforts through FY 2020-21.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$504,900,184	\$182,586,685	\$209,166,181	\$43,308,702	\$69,838,616	1,845.1
SB 18-027	336,009	0	336,009	0	0	2.0
SB 18-071	3,000	0	3,000	0	0	0.0
SB 18-158	5,000,000	0	5,000,000	0	0	2.3
SB 18-229	34,065	0	34,065	0	0	0.2
HB 18-1020	1,487,821	0	1,487,821	0	0	0.8
HB 18-1251	264,070	264,070	0	0	0	0.8
HB 18-1287	255,443	255,443	0	0	0	2.5
HB 18-1339	121,748	0	0	121,748	0	0.6
HB 18-1413	500,000	0	500,000	0	0	0.0
SB 19-121	2,487,117	1,709,507	752,706	24,904	0	0.0
TOTAL	\$515,389,457	\$184,815,705	\$217,279,782	\$43,455,354	\$69,838,616	1,854.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$515,389,457	\$184,815,705	\$217,279,782	\$43,455,354	\$69,838,616	1,854.3
Centrally appropriated line items	13,024,637	4,364,420	8,120,637	209,487	330,093	0.0
Community corrections adjustment	9,907,304	9,950,026	0	(42,722)	0	0.0
Flood recovery adjustment	9,500,000	(1,500,000)	11,000,000	0	0	0.0
Indirect cost assessment	6,533,516	(1,952,501)	17,765	8,581,023	(112,771)	0.0
CSP civilian and uniform staff	2,337,254	0	2,337,254	0	0	20.0
Expand juvenile diversion and risk screening	1,920,538	1,920,538	0	0	0	1.8
State emergency management program	1,384,773	1,384,773	0	0	0	0.0
DOR Marijuana enforcement division operations	914,416	0	914,416	0	0	5.0
CSP overtime	832,456	0	832,456	0	0	0.0
Fire and life safety resources	545,313	0	545,313	0	0	5.0
MTCF for toxicology laboratory	520,000	0	520,000	0	0	0.0
Local firefighter safety and disease prevention	500,000	500,000	0	0	0	0.0
E-470 troopers	245,933	0	245,933	0	0	2.0
Child abuse investigations	200,000	200,000	0	0	0	0.0
Technical adjustment	194,130	175,344	8,213	11,074	(501)	0.0
VIN inspections	110,429	0	110,429	0	0	0.0
Safe2tell	109,212	179,460	24,677	(94,925)	0	0.0
Community provider rate	96,594	70,176	0	26,418	0	0.0
Performance-based contracting preparation	75,000	75,000	0	0	0	0.0
Criminal history record backlog and updates	58,942	0	58,942	0	0	0.0
Black market marijuana interdiction	14,508	0	14,508	0	0	0.0
Wildfire funding adjustment	0	4,150,000	(4,150,000)	0	0	0.0
Fire investigations transfer	0	0	0	0	0	0.0
Annualize prior year budget actions	(36,769,607)	(35,514,000)	(1,283,541)	11,970	15,964	6.2
Community corrections information and billing system	(2,200,000)	(2,200,000)	0	0	0	0.0
Annualize prior year legislation	(1,412,775)	(1,141,674)	(209,003)	(70,923)	8,825	0.2
SB 19-207	\$524,032,030	\$165,477,267	\$236,387,781	\$52,086,756	\$70,080,226	1,894.5
SB 19-008	40,300	40,300	0	0	0	0.0
SB 19-020	350,000	350,000	0	0	0	0.0
SB 19-040	174,183	174,183	0	0	0	0.8
SB 19-061	40,291	40,291	0	0	0	0.5
SB 19-179	1,150,000	0	1,150,000	0	0	0.0
HB 19-1073	979,947	0	500,000	479,947	0	0.7
HB 19-1090	18,772	0	0	18,772	0	0.0
HB 19-1230	4,576	0	0	4,576	0	0.0
HB 19-1242	128,188	0	128,188	0	0	0.7
HB 19-1275	443,847	0	443,847	0	0	6.6

DEPARTMENT OF PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1297	26,107	26,107	0	0	0	0.3
HB 19-1327	1,716	0	0	1,716	0	0.0
TOTAL	\$527,389,957	\$166,108,148	\$238,609,816	\$52,591,767	\$70,080,226	1,904.1
INCREASE/(DECREASE)	\$12,000,500	(\$18,707,557)	\$21,330,034	\$9,136,413	\$241,610	49.8
Percentage Change	2.3%	(10.1%)	9.8%	21.0%	0.3%	2.7%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies the FY 2018-19 appropriation to:

- Add \$1.3 million General Fund for adjustments to community corrections placements based on utilization;
- Add \$523,900 total funds, including \$126,237 General Fund, to correct an error in the calculation of the FY 2018-19 salary survey appropriation;
- Add \$397,068 cash funds from the Marijuana Tax Cash Fund to the Colorado Bureau of Investigation budget for black market marijuana interdiction;
- Add \$286,150 General Fund to pay for relocation costs to new office space; and
- Add \$27,303 total funds, including \$44,424 General Fund, to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services, as well as funding for technology resources, including an upgraded phone system and data mining software.

FY 2019-20 APPROPRIATION HIGHLIGHTS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$4,998,369	\$1,197,366	\$3,268,162	\$400,189	\$132,652	0.0
PERA Direct Distribution	3,989,993	944,296	2,619,407	320,177	106,113	0.0
Health, life, and dental	1,859,793	534,702	1,097,366	240,185	(12,460)	0.0
OIT Securing IT operations	712,408	712,408	0	0	0	0.0
Payments to OIT	624,112	559,905	50,797	(20,660)	34,070	0.0
Health, life, dental	591,967	116,485	409,398	51,437	14,647	0.0
AED	491,043	137,369	303,075	57,057	(6,458)	0.0
SAED	491,043	137,369	303,075	57,057	(6,458)	0.0
DPA Annual fleet vehicle	235,070	35,984	127,247	2,514	69,325	0.0
OIT Essential database support	79,783	79,783	0	0	0	0.0
OIT Application refresh and consolidation	38,862	38,862	0	0	0	0.0
Utilities	23,206	762	22,347	97	0	0.0
OIT Optimize self-service capabilities	20,033	20,033	0	0	0	0.0
Short-term disability	15,535	4,373	9,561	1,844	(243)	0.0
Legal services	14,558	0	0	14,558	0	0.0
DPA IDS Increased Input Costs	1,532	0	0	1,532	0	0.0
Merit pay	0	0	0	0	0	0.0
Paid Parental Leave	0	0	0	0	0	0.0
Workers' compensation	(443,205)	0	241,899	(685,104)	0	0.0
Payment to risk management / property funds	(440,020)	0	(226,065)	(213,955)	0	0.0
Capitol Complex leased space	(175,580)	(131,674)	(36,094)	(7,812)	0	0.0
Shift differential	(60,951)	(12,450)	(41,233)	(6,173)	(1,095)	0.0
CORE	(42,914)	(11,153)	(28,305)	(3,456)	0	0.0
TOTAL	\$13,024,637	\$4,364,420	\$8,120,637	\$209,487	\$330,093	0.0

COMMUNITY CORRECTIONS ADJUSTMENT: The appropriation includes an increase of \$9,907,304 total funds, including an increase of \$9,950,026 General Fund and a decrease of \$42,722 reappropriated funds for adjustments to community corrections programs based on increased utilization and rate changes.

FLOOD RECOVERY ADJUSTMENT: The appropriation includes a General Fund reduction of \$1.5 million to the 2013 Flood Recovery subaccount of the Disaster Emergency Fund, bringing the total appropriation to \$9.5 million in FY 2019-20 from \$11.0 million General Fund in FY 2018-19. The appropriation also included an associated cash fund appropriation to ensure spending authority for dedicated flood recovery funds.

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$6,533,516 total funds, including a decrease of \$1,952,501 General Fund, in the Department's indirect cost assessment.

CSP CIVILIAN AND UNIFORM STAFF: The appropriation includes \$2.3 million cash funds from the Highway Users Tax Fund and 20.0 FTE in FY 2019-20 to increase the number of Colorado State Troopers and civilian staff.

EXPAND JUVENILE DIVERSION AND RISK SCREENING: The appropriation includes an increase of \$1.9 million General Fund and 1.8 FTE to expand the use and locations of juvenile diversion programs.

STATE EMERGENCY MANAGEMENT PROGRAM: The appropriation includes \$1.4 million General Fund to support the state's emergency management capabilities, in response to an expected decline in federal funds and overall increases to the program's personnel costs. Functions of the emergency management office include the State Emergency Operations Center, field services, mitigation, recovery, and trainings and exercises.

DOR MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$914,416 cash funds from the Marijuana Tax Cash Fund and 5.0 FTE to support the operations of the Department of Revenue's Marijuana Enforcement Division. For more information, see Part II for the Department of Revenue.

CSP OVERTIME: The appropriation includes \$832,456 cash funds from the Highway Users Tax Fund (HUTF) and no change in FTE in FY 2019-20 to fund the CSP overtime budget.

FIRE AND LIFE SAFETY RESOURCES: The appropriation includes \$545,313 cash funds and 5.0 FTE to create a Professional Standards Unit and increase staffing to manage the permitting processes within the Fire and Life Safety Section in the Division of Fire Prevention and Control.

MTCF FOR TOXICOLOGY LABORATORY: The appropriation includes an increase of \$520,000 cash funds to support the operations of the CBI Toxicology Laboratory. The appropriation includes a \$1,696,626 increase in Marijuana Tax Cash Fund and a \$1,176,626 decrease in Toxicology Cash Fund, resulting in a \$520,000 net increase for one-time capital equipment expenditures.

LOCAL FIREFIGHTER SAFETY AND DISEASE PREVENTION: The appropriation includes \$500,000 General Fund for the Local Firefighter Safety and Disease Prevention Grant Program.

E-470 TROOPERS: The appropriation includes \$245,933 cash funds from the E-470 Public Highway Authority and 2.0 FTE to increase patrol hours on the E-470 toll road.

CHILD ABUSE INVESTIGATIONS: The appropriation includes an increase of \$200,000 General Fund to increase the funding for child abuse investigations.

TECHNICAL ADJUSTMENT: The appropriation includes two technical adjustments:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Leap year adjustment	\$194,130	\$175,344	\$0	\$18,786	\$0	0.0
Align dispatch with billing	0	0	8,213	(7,712)	(501)	0.0
TOTAL	\$194,130	\$175,344	\$8,213	\$11,074	(\$501)	0.0

VIN INSPECTIONS: The appropriation includes \$110,429 cash fund spending authority from the Vehicle Identification Number (VIN) Inspection Fund to align spending authority with VIN inspection fee revenues. This will allow the Department to expend these available funds to support the cost of the activities that generate the fee revenue and to meet the growing demand for services.

SAFE2TELL: The appropriation includes an increase of \$109,212 total funds, including \$179,460 General Fund, to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services, as well as funding for technology resources, including an upgraded phone system and data mining software.

COMMUNITY PROVIDER RATE: The appropriation includes an increase of \$96,594 total funds, including \$70,176 General Fund and \$26,418 reappropriated funds, for a 1.0 percent provider rate increase in Community Corrections.

PERFORMANCE-BASED CONTRACTING PREPARATION: The appropriation includes an increase of \$75,000 General Fund for technical assistance to the Department for establishment of performance based contracting.

CRIMINAL HISTORY RECORD BACKLOG AND UPDATES: The appropriation includes a one-time \$58,942 cash fund increase in the CBI indirect cost assessment line and a net \$0 cash fund transfer of \$577,861 from the CBI Biometric Identification and Records Unit operating expenses line item to the Unit's personal services line item. This transfer will allow the Department to replace, train, and extend 19.0 temporary personnel for nine months to complete the required updating of criminal records received from the FBI and Arapahoe County.

BLACK MARKET MARIJUANA INTERDICTION: The appropriation includes \$14,508 cash funds from the Marijuana Tax Cash Fund to support vehicle lease and mileage expenses for the Colorado Bureau of Investigation Black Market Marijuana Unit created in FY 2018-19.

WILDFIRE FUNDING ADJUSTMENT: The appropriation includes two net-neutral adjustments to funding for wildfire-related programs: a direct General Fund appropriation of \$4.15 million to the Wildfire Preparedness Fund line item, in place of the existing cash funds appropriation; and a continuation of a \$3.0 million appropriation for wildfire preparedness.

FIRE INVESTIGATIONS TRANSFER: The appropriation includes a net \$0 transfer of \$115,256 General Fund and 1.0 FTE Fire Arson Investigator from the Colorado Bureau of Investigation (CBI) to the Division of Fire Prevention and Control (DFPC). Currently, both CBI and DFPC have the authority to assist local governments with the investigation of fire, including when there is the suspicion of arson. This will consolidate the fire and arson investigations under the DFPC.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Safe2Tell funding	\$76,064	\$76,064	\$0	\$0	\$0	2.3
Trooper increase	64,435	0	69,138	(4,703)	0	3.5
Community Corrections Pace	15,040	15,040	0	0	0	0.4

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	14,739	470	(1,247)	(448)	15,964	0.0
School safety funding	(35,000,000)	(35,000,000)	0	0	0	0.0
Officer equipment package	(916,740)	0	(916,740)	0	0	0.0
Black market marijuana interdiction	(397,068)	0	(397,068)	0	0	0.0
One-time relocation costs	(286,150)	(286,150)	0	0	0	0.0
Subsistence payment	(275,000)	(275,000)	0	0	0	0.0
Black market marijuana unit	(37,624)	0	(37,624)	0	0	0.0
Safe2Tell communications officer transfer	(27,303)	(44,424)	0	17,121	0	0.0
TOTAL	(\$36,769,607)	(\$35,514,000)	(\$1,283,541)	\$11,970	\$15,964	6.2

COMMUNITY CORRECTIONS INFORMATION AND BILLING SYSTEM: The appropriation includes a decrease of \$2.2 million General Fund from community corrections placements for use by the Department to improve the community corrections information and billing system.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$404,821	\$96,425	\$266,945	\$32,626	\$8,825	0.0
SB 18-027 Nurse Licensure Compact	39,378	0	39,378	0	0	0.2
HB 18-1251 OCC Transition Payments	14,597	14,597	0	0	0	0.2
SB 18-158 School Access to ICT	0	0	0	0	0	0.2
SB 19-121 Supplemental	(1,252,696)	(1,252,696)	0	0	0	0.0
HB 18-1413 School Safety Incident Response Grant	(500,000)	0	(500,000)	0	0	0.0
HB 18-1339 Fed Tax Info CHRCs	(103,549)	0	0	(103,549)	0	(0.5)
SB 18-229 CDE Student Teacher CHRCs	(12,541)	0	(12,541)	0	0	(0.1)
HB 1020 Civil Forfeiture Reforms	(2,785)	0	(2,785)	0	0	0.2
TOTAL	(\$1,412,775)	(1,141,674)	(\$209,003)	(\$70,923)	\$8,825	0.2

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF REGULATORY AGENCIES

The Department of Regulatory Agencies (DORA) consists of the following eleven divisions:

- The **Executive Director's Office** provides administrative and technical support for the Department's divisions and programs, including functions associated with accounting, purchasing, budgeting, communications, legislative services, and human resources. It also includes the Colorado Office of Policy, Research, and Regulatory Reform.
- The **Division of Banking** regulates state-chartered commercial banks, trust companies, money transmitters, and national banks and interstate banks that maintain public deposit accounts in Colorado.
- The **Division of Civil Rights** enforces Colorado's anti-discrimination laws in the areas of employment, housing, and public accommodations.
- The **Office of Consumer Counsel** represents the public interest and the specific interests of residential, small business, and agricultural consumers in rate and rulemaking cases before the Public Utilities Commission, federal agencies, and the courts.
- The **Division of Financial Services** examines and supervises state-chartered credit unions and state-chartered savings and loan associations, enforces the Savings and Loan Public Deposit Protection Act, and regulates certain financial activities of life care institutions.
- The **Division of Insurance** regulates companies and agents providing health insurance, property and liability insurance (homeowners and automobile), life insurance, and title insurance.
- The **Public Utilities Commission** regulates investor-owned electric, natural gas, telecommunications, private water utilities, and motor vehicle carriers for hire.
- The **Division of Real Estate** licenses real estate agents, appraisers, and mortgage loan originators and registers mortgage companies and homeowners associations.
- The **Division of Professions and Occupations** regulates licensees in over 30 professions and occupations to ensure a basic level of competence to protect the public welfare.
- The **Division of Securities** monitors the conduct of broker-dealers and sales representatives, investigates citizen complaints, and investigates indicators of investment fraud.
- The **Division of Conservation**, in conjunction with the Conservation Easement Oversight Commission, certifies conservation easement holders and conservation easement tax credit certificates.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$1,769,297	\$1,844,627	\$2,066,931	\$2,324,519
Cash Funds	78,137,343	91,673,404	91,205,734	109,697,995
Reappropriated Funds	4,852,173	5,060,383	5,211,298	5,482,149
Federal Funds	1,383,918	1,107,143	1,249,820	1,323,269
TOTAL FUNDS	\$86,142,731	\$99,685,557	\$99,733,783	\$118,827,932
Full Time Equiv. Staff	588.2	573.1	574.7	591.8

GENERAL FACTORS DRIVING THE BUDGET

The Department's FY 2019-20 budget consists of 2.0 percent General Fund, 92.3 percent cash funds, 4.6 percent reappropriated funds, and 1.1 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

LEGAL SERVICES

The Department requires legal services provided by the Department of Law due to the nature of many of the agency's regulatory decisions. Legal services account for 10.1 percent of the Department's FY 2018-19 total appropriation. The Division of Professions and Occupations and the Public Utilities Commission accounted for 63.1 percent of the Department's total expenditures for legal services across the last five fiscal years, as shown in the following table.

EXPENDITURES FOR LEGAL SERVICES BY DIVISION					
DIVISION	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Division of Professions and Occupations	\$3,806,392	\$4,186,650	\$3,400,985	\$3,847,912	\$4,057,885
Public Utilities Commission	1,828,834	2,296,644	1,920,501	1,881,930	2,278,486
Division of Securities	710,049	780,483	618,076	865,152	953,279
Division of Insurance	942,438	980,635	966,702	904,976	853,346
Division of Real Estate	918,930	898,837	716,746	796,395	849,348
Office of Consumer Counsel	529,228	560,856	541,419	566,408	723,817
Division of Civil Rights	186,532	135,268	103,159	78,314	192,434
Executive Director's Office	38,323	56,967	178,786	61,346	132,919
Division of Banking	83,084	143,290	44,217	38,814	56,330
Division of Financial Services	2,868	9,878	8,408	6,387	5,529
Total	\$9,046,678	\$10,049,508	\$8,499,000	\$9,047,634	\$10,103,374

LICENSES ISSUED

The Department is responsible for consumer protection and licenses professionals in various industries as part of this mission. The Divisions of Insurance, Real Estate, Professions and Occupations, and Securities issue the majority of individual licenses. Budgets in these divisions are driven primarily by the number of individuals requiring licensure. The following table illustrates the number of licenses regulated by purpose.

LICENSES REGULATED					
DIVISIONS OF INSURANCE, REAL ESTATE, REGISTRATIONS, PROFESSIONS AND OCCUPATIONS, AND SECURITIES					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Division of Insurance Producer Licenses					
New Licenses	31,603	33,160	37,198	57,429	38,698
Active Licenses	142,105	150,058	157,913	164,429	162,352
Division of Real Estate					
Broker & Salesperson	38,729	40,268	35,276	37,581	38,894
Mortgage Loan Originators	8,074	8,494	9,538	14,597	16,334
Appraisers	2,833	2,734	2,637	2,704	2,913
Division of Professions and Occupations					
New Licenses	35,793	40,257	42,096	45,843	46,802
Active Licenses	368,851	387,924	396,319	394,724	413,553
Division of Securities					
Sales Representative License Renewals	171,999	187,878	195,108	201,148	205,267
Investment Advisor License Renewals	11,103	12,287	12,803	14,167	13,850

EXAMINATIONS

Securities examinations increased in FY 2011-12 due to additional oversight requirements in federal law. Since this time, the number of examinations has remained relatively consistent from year-to-year, as shown in the following table.

EXAMINATIONS CONDUCTED					
DIVISIONS OF BANKING, FINANCIAL SERVICES, AND SECURITIES					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Banking Examinations	141	146	161	153	161
Credit Union Examinations	34	34	35	38	40

EXAMINATIONS CONDUCTED					
DIVISIONS OF BANKING, FINANCIAL SERVICES, AND SECURITIES					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Securities Examination	138	174	138	143	130
Total	313	354	334	334	331

LEGISLATION

The General Assembly has passed an average of 10 bills per session (not including annual appropriation bills or supplemental bills) over the last ten legislative sessions that have a fiscal impact on the Department. The 2019 legislative session included 14 bills appropriating \$3,742,270 total funds, including \$231,000 General Fund, to the Department for FY 2019-20. The following table summarizes the fiscal impact of legislation on the Department's budget.

FISCAL IMPACT OF LEGISLATION (DOES NOT INCLUDE LONG BILL OR SUPPLEMENTAL BILL APPROPRIATIONS)							
SESSION YEAR	NUMBER OF BILLS	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
2010	14	\$240,392	\$0	(\$352,941)	\$593,333	\$0	6.4
2011	12	133,102	(24,058)	204,696	(47,038)	(498)	6.8
2012	5	378,246	0	378,246	0	0	2.0
2013	16	334,518	0	334,518	0	0	12.8
2014	10	802,770	0	802,770	0	0	7.0
2015	6	480,817	0	480,817	0	0	1.9
2016	9	1,355,311	0	1,115,311	240,000	0	2.7
2017	5	93,897	0	93,897	0	0	0.6
2018	7	456,148	10,000	446,148	0	0	1.8
2019	14	3,742,270	231,000	3,511,270	0	0	18.9
Session Averages	10	\$801,747	\$21,694	\$701,473	\$78,630	(\$50)	6.1

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF REGULATORY AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$99,162,135	\$1,941,431	\$90,759,586	\$5,211,298	\$1,249,820	572.9
SB 18-027	134,746	0	134,746	0	0	0.6
SB 18-132	9,200	0	9,200	0	0	0.0
SB 18-234	17,159	0	17,159	0	0	0.3
HB 18-1017	151,332	0	151,332	0	0	0.5
HB 18-1224	125,356	0	125,356	0	0	0.3
HB 18-1256	10,000	10,000	0	0	0	0.0
HB 18-1357	8,355	0	8,355	0	0	0.1
SB 19-122	0	0	0	0	0	0.0
HB 19-1004	115,500	115,500	0	0	0	0.0
TOTAL	\$99,733,783	\$2,066,931	\$91,205,734	\$5,211,298	\$1,249,820	574.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$99,733,783	\$2,066,931	\$91,205,734	\$5,211,298	\$1,249,820	574.7
Broadband Deployment Board grants update	12,237,756	0	12,237,756	0	0	2.0
Centrally appropriated line items	3,203,988	108,317	2,806,701	261,092	27,878	0.0
Indirect cost assessment	276,511	33,491	258,456	(33,491)	18,055	0.0
Division of Securities operating expenses adjustment	40,000	0	40,000	0	0	0.0
Technical changes	13,763	(9,250)	(57,283)	43,250	37,046	0.0
Annualize prior year budget actions	0	9,530	0	0	(9,530)	0.0
Annualize prior year legislation	(420,139)	(115,500)	(304,639)	0	0	(3.8)

DEPARTMENT OF REGULATORY AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-207	\$115,085,662	\$2,093,519	\$106,186,725	\$5,482,149	\$1,323,269	572.9
SB 19-218	560,143	0	560,143	0	0	0.4
SB 19-236	907,566	0	907,566	0	0	7.5
HB 19-1004	231,000	231,000	0	0	0	0.0
HB 19-1069	19,440	0	19,440	0	0	0.0
HB 19-1095	4,650	0	4,650	0	0	0.0
HB 19-1168	785,904	0	785,904	0	0	3.0
HB 19-1174	63,924	0	63,924	0	0	0.9
HB 19-1216	26,054	0	26,054	0	0	0.4
HB 19-1233	109,679	0	109,679	0	0	0.4
HB 19-1242	183,063	0	183,063	0	0	1.2
HB 19-1264	500,000	0	500,000	0	0	3.8
HB 19-1269	88,248	0	88,248	0	0	1.1
HB 19-1283	12,599	0	12,599	0	0	0.2
HB 19-1332	250,000	0	250,000	0	0	0.0
TOTAL	\$118,827,932	\$2,324,519	\$109,697,995	\$5,482,149	\$1,323,269	591.8
INCREASE/(DECREASE)	\$19,094,649	\$258,088	\$18,492,261	\$270,851	\$73,449	17.1
Percentage Change	19.1%	12.5%	20.3%	5.2%	5.9%	3.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-122 modifies FY 2018-19 appropriations to correct a technical error of omission in H.B. 18-1291 (Sunset Conservation Easement Oversight Commission) that resulted in the Division of Conservation not receiving spending authority to administer the conservation easement tax credit program consistent with the provisions of the legislation. Specifically, the bill provides \$383,734 cash funds from the Conservation Cash Fund and 4.0 FTE for the Division of Conservation to administer the program and removes a matching appropriation of cash funds from the Division of Real Estate Cash Fund and 4.0 FTE from the Division of Real Estate.

House Bill 19-1004 modifies FY 2018-19 appropriations to add \$115,500 General Fund to develop a proposal for a state option for health care coverage.

FY 2019-20 APPROPRIATION HIGHLIGHTS

BROADBAND DEPLOYMENT BOARD GRANTS UPDATE: The appropriation includes an increase of \$12,237,756 cash funds and 2.0 FTE for the following:

- Increases the informational funds appropriation for the Broadband Deployment Board Grants line item from \$6,500,000 cash funds to \$18,737,756 cash funds to reflect the estimated amount of money that the Broadband Deployment Board is slated to grant out in FY 2019-20, pursuant to S.B. 18-002 (Financing Rural Broadband Deployment);
- Increases the FTE amount in the Broadband Deployment Board Administration line item from 0.0 FTE to 2.0 FTE to align appropriations with current staffing patterns; and
- Relocates the Broadband Deployment Board Grants line item from the Public Utilities Commission to the Executive Director's Office and Administrative Services to mirror the initiative's programmatic delivery.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,351,199	\$47,933	\$1,198,090	\$91,962	\$13,214	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA Direct Distribution	1,068,890	37,914	947,774	72,749	10,453	0.0
Health, life, and dental	590,585	19,973	518,054	73,903	(21,345)	0.0
Leased space	158,700	39,060	97,902	(19,613)	41,351	0.0
AED	116,803	5,689	94,820	24,408	(8,114)	0.0
SAED	116,803	5,689	94,820	24,408	(8,114)	0.0
Workers' compensation	21,685	(430)	24,122	(2,810)	803	0.0
Fleet vehicle	16,648	0	16,648	0	0	0.0
CORE	6,896	261	6,209	345	81	0.0
Short-term disability	4,023	194	3,273	828	(272)	0.0
Integrated Document Solutions	1,710	96	1,579	35	0	0.0
Payments to OIT	(69,883)	4,698	(74,581)	0	0	0.0
Legal services	(120,535)	(49,983)	(68,077)	(1,883)	(592)	0.0
Administrative law judges	(57,457)	(1,696)	(55,761)	0	0	0.0
Payment to risk management / property funds	(2,079)	(1,081)	1,829	(3,240)	413	0.0
TOTAL	\$3,203,988	\$108,317	\$2,806,701	\$261,092	\$27,878	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Department's indirect cost assessment.

DIVISION OF SECURITIES OPERATING EXPENSES ADJUSTMENT: The appropriation includes an increase of \$40,000 cash funds spending authority from the Division of Securities Cash Fund to allow for additional expenditures for staff operating expenses in the Division of Securities. This action does not drive a fee increase, as the Department is able to cover this extra amount with the existing fund balance in the Division of Securities Cash Fund.

TECHNICAL CHANGES: The appropriation includes minor changes to align appropriations with available revenue sources.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1017 Psychology Interjurisdictional Compact	\$72,808	\$0	\$72,808	\$0	\$0	0.0
SB 18-234 Human Remains Disposition Sale Businesses	17,317	0	17,317	0	0	0.3
SB 18-027 Enhanced Nurse Licensure Compact	6,525	0	6,525	0	0	0.0
SB 19-122 Suppl Approp Dept Regulatory Agencies	(383,734)	0	(383,734)	0	0	(4.0)
HB 19-1004 Proposal For Affordable Health Coverage Option	(115,500)	(115,500)	0	0	0	0.0
SB 18-132 1332 State Waiver Catastrophic Health Plans	(9,200)	0	(9,200)	0	0	0.0
HB 18-1357 Behavioral Health Care Ombudsperson Parity Reports	(8,355)	0	(8,355)	0	0	(0.1)
TOTAL	(\$420,139)	(\$115,500)	(\$304,639)	\$0	\$0	(3.8)

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

DEPARTMENT OF REVENUE

The Department of Revenue is organized into three functional groups: Taxation, Motor Vehicles, and Enforcement. The Taxation Business Group collects revenues for state and local governments. The Division of Motor Vehicles regulates motor vehicle safety, issues personal identification documents, issues titles and registration documents for motor vehicles, enforces vehicle emission standards, operates the Motorist Insurance Identification Database Program, and regulates commercial truck drivers. The Enforcement Group regulates limited stakes gambling, alcohol, tobacco, racing events, and motor vehicle dealers, and regulates medical and retail marijuana dispensaries, cultivation facilities, and infused products manufacturing facilities. The three functional areas are supported by the Executive Director's Office and Information Technology Division. The Hearings Division operates under the Executive Director's Office and conducts hearings for each of the enforcement programs.

The Department is statutorily authorized to contract with cities and counties to collect any tax that it also collects for state government. The Department currently receives and distributes sales and use taxes on behalf of approximately 250 local governments and special districts.

The Department also operates the State Lottery, which accounts for approximately one-third of the Department's annual budget. Lottery proceeds (sales less prizes and expenses) are distributed to the Conservation Trust Fund, Great Outdoors Colorado, the Division of Parks and Wildlife, and the Public School Capital Construction Fund.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$100,886,490	\$108,468,830	\$113,271,850	\$124,688,584
Cash Funds	233,790,126	241,710,307	250,494,506	272,747,155
Reappropriated Funds	6,522,588	6,245,246	6,381,910	6,149,821
Federal Funds	824,388	824,388	824,388	1,036,329
TOTAL FUNDS	\$342,023,592	\$357,248,771	\$370,972,654	\$404,621,889
Full Time Equiv. Staff	1,430.4	1,437.2	1,472.2	1,564.4

GENERAL FACTORS DRIVING THE BUDGET

The Department's funding for FY 2019-20 consists of 30.8 percent General Fund, 67.4 percent cash funds, 1.5 percent reappropriated funds, and 0.3 percent federal funds. The Department's primary budget drivers are the State's tax structure, population levels, business activity in regulated industries, and technological capabilities. In addition, mineral severance activity and legislative changes related to identification document requirements have increased demands on Department staff and systems in recent years.

HEARINGS DIVISION

The Hearings Division, which exists within the Executive Director's Office, conducts administrative hearings regarding various licenses issued by the Department, including driver's licenses, liquor licenses, horse and dog racing licenses, and motor vehicle dealer's licenses.

EXECUTIVE DIRECTOR'S OFFICE—HEARINGS DIVISION					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total motor vehicle related hearings ¹	20,390	22,188	19,424	23,114	23,874
Other hearings ²	95	78	99	55	77
TOTAL HEARINGS	20,485	22,266	19,523	23,169	23,951

¹ Includes hearings related to excessive points, express consent, driving under the influence convictions, habitual traffic offender, insurance related restraints, vehicular assault/homicide, controlled substance, underage drinking and driving, and ignition interlock cases.

² Includes hearings related to liquor, racing, tax, tobacco, vehicle emissions, commercial driver's licenses, automobile sales, gaming, and marijuana.

TAXATION BUSINESS GROUP

The complexity of Colorado's tax structure affects the resources required by the Taxation Business Group and Information Technology Division. In addition to collecting state taxes, the Department collects local taxes for most counties, cities, and special districts in Colorado, tracking and distributing collections monthly to local governments. Local sales taxes collected include: county lodging, local marketing, regional transportation, football stadium, scientific and cultural, local improvement, mass transit, and short term rental tax. In FY 2017-18, the most recent year with finalized and audited data, \$8.3 billion dollars in corporate and individual incomes taxes and \$263.8 million in general and special sales taxes on marijuana were collected.

INCOME TAX RETURNS FILED					
TAX YEAR	2012	2013	2014	2015	2016
Individual	2,555,356	2,599,415	2,669,565	2,751,000	2,801,464
Corporate	49,268	49,501	49,975	49,620	50,144
Fiduciary	46,725	47,732	47,987	49,045	49,324
Partnership	223,262	229,483	237,468	244,289	251,998
Total	2,874,611	2,926,131	3,004,995	3,093,954	3,152,930

VOLUME OF PAPER AND ELECTRONIC INCOME TAX RETURNS PROCESSED					
TAX YEAR	2014	2015	2016	2017	2018
Individual - Paper	535,964	516,939	489,968	483,697	474,068
Electronic	2,066,481	2,174,064	2,316,496	2,374,609	2,470,570
Percent Electronic	79.4%	80.8%	82.5%	83.1%	83.9%
Corporate - Paper	29,476	27,091	25,001	23,433	22,235
Electronic	20,927	24,062	27,383	30,070	31,098
Percent Electronic	41.5%	47.0%	52.3%	56.2%	58.3%
Fiduciary - Paper	44,404	33,433	23,471	17,880	16,041
Electronic	3,456	14,641	26,524	32,437	34,552
Percent Electronic	7.2%	30.5%	53.1%	64.5%	68.3%
Partnership - Paper	76,554	63,791	54,654	49,493	49,003
Electronic	151,422	170,866	190,562	200,946	212,716
Percent Electronic	66.4%	72.8%	77.7%	80.2%	81.3%

DIVISION OF MOTOR VEHICLES

The Division of Motor Vehicles issues driver's licenses and identification cards, maintains driver records and enforces administrative sanctions, suspensions, and reinstatements of driver's licenses, regulates commercial driving schools, oversees the State's vehicle emissions program, provides support for the Statewide Vehicle Titling and Registration System (CSTARS), oversees the motorist insurance identification database program, and administers the Ignition Interlock Subsidy Program.

DRIVER AND VEHICLE SERVICES

Legislation on both the state and federal levels is a significant budget driver for this division. In 2001, the term of a driver's license was increased from five to ten years. The number of driver's licenses issued dropped in FY 2006-07 as the first drivers who were issued ten-year licenses did not have to renew their licenses. As a result of subsequent legislation passed in order to comply with federal law, the State returned to five-year renewals beginning in 2005. Starting in January 2011, the first five-year driver's licenses that were issued starting in 2005, along with the ten-year

licenses that were issued in 2001, were due for renewal at the same time, resulting in an increase in the number of documents issued. Recent changes in state and federal law have also increased transaction times for driver's licenses and ID cards. For example, the Department has instituted new policies and procedures to ensure that those documents are secure and verifiable by utilizing databases to confirm residency and legal status.

There are 56 driver's license offices (36 operated by the State and 20 operated by the counties) that issue driver's licenses and state identification (ID) cards. In addition to issuing driver's licenses, the Driver Services and Vehicle Services sections are responsible for: managing driver's licensing records; verifying documents presented for identification, including proof of the applicant's legal presence in the United States; identifying and administering administrative sanctions, including all restraints for alcohol related driving offenses; investigating fraud related to driver's licenses and identification cards; providing support and coordination for the motor vehicle registration process; administering the Colorado Road and Community Safety Act; and supervising license plate ordering and distribution. The following table outlines the number and type of driver's license suspensions since FY 2011-12.

DRIVER'S LICENSE SUSPENSIONS							
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Excessive points	9,907	8,947	7,380	7,811	5,534	7,010	7,262
Adult impaired driving arrests	26,062	26,859	24,592	23,581	19,871	18,254	19,289
License restricted by other state	3,953	3,675	4,071	4,409	3,638	6,483	12,622
DUI convictions	4,318	4,125	3,944	3,463	3,142	6,995	15,025
Habitual traffic offender	3,279	3,265	2,887	2,567	2,437	2,540	2,653
Accident without insurance	1,876	1,258	1,441	1,552	1,595	4,480	11,791
Driving without insurance	26,075	24,417	21,050	18,448	17,490	14,136	6,815
Vehicle assault/homicide	195	156	153	211	189	197	189
Underage drinking/driving	1,693	1,468	1,373	1,178	993	829	199
Underage buy/possess alcohol	1,149	846	613	422	385	289	333
Child support arrears	17,834	18,201	18,774	18,645	17,426	34,505	52,961
Unpaid ticket/failure to appear in court	81,085	78,868	77,519	76,662	74,128	86,926	114,685
Other	37,678	37,573	48,129	43,503	42,922	66,513	215,613
TOTAL	215,104	209,658	211,926	202,452	189,750	249,157	459,437

VEHICLE EMISSIONS PROGRAM

The Vehicle Emissions Program licenses, regulates, and inspects vehicle emissions testing site operators, inspectors, and mechanics; conducts inspections of vehicle emissions testing facilities to insure compliance with statutory requirements; and validates inspector and mechanic performance standards.

VEHICLE EMISSIONS LICENSING								
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Stations licensed	83	75	87	87	81	82	81	83
Stations renewed	64	67	81	51	49	53	66	53
Inspectors licensed	579	355	683	593	496	480	479	426
Inspectors renewed	200	151	245	173	161	224	171	156
TOTAL	926	648	1,096	904	787	839	797	718

TITLES PROGRAM

The Titles Program is responsible for the issuance of legal, negotiable certificates of title to protect the public when purchasing motor vehicles. Program staff review all high-risk title applications to verify that the assignment of ownership has been properly made.

TITLE APPLICATIONS RECEIVED								
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Title Applications Received	1,471,503	1,561,184	1,608,557	1,621,277	1,561,035	1,850,487	1,860,984	1,916,619

ENFORCEMENT BUSINESS GROUP

The Enforcement Business Group regulates the liquor, tobacco, medical and retail marijuana, racing, gambling (except games of chance operated for charity, which are regulated by the Secretary of State), and automobile sales industries. The Limited Gaming Control Commission approves the Limited Gaming Division budget.

LIMITED GAMING DIVISION

The Limited Gaming Division licenses and regulates the limited gaming industry, including gaming devices, facilities, personnel, and activities. The Division also enforces the laws contained in the Limited Gaming Act, as well as the rules and regulations promulgated by the Colorado Limited Gaming Control Commission (Commission). The Commission has constitutional authority to allocate money to the Division and thus approves the Limited Gaming Division budget. Money remains in the Limited Gaming Fund after the payment of the Division's expenses are distributed according to the Constitution as follows:

- 28.0 percent to the State Historical Society;
- 12.0 percent to the gaming counties (Gilpin and Teller) in amounts proportional to gaming revenues collected in each county;
- 10.0 percent to the gaming cities (Black Hawk, Central City, and Cripple Creek) in amounts proportional to gaming revenues collected in each city; and
- 50.0 percent to the General Fund or such other uses or funds as the General Assembly may provide.

Amendment 50, approved by voters in 2008, expanded limited gaming to include higher limits on bets, extended hours, and new games. The proceeds of expanded gaming, after expenses, are distributed to limited gaming cities (10.0 percent) and counties (12.0 percent), and the State's community colleges (78.0 percent).

State limited gaming revenues, expenses, and distributions are detailed in the following table.

LIMITED GAMING REVENUE, EXPENSES, AND DISTRIBUTIONS					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Limited Gaming revenue	\$106,322,700	\$111,421,159	\$118,073,006	\$119,169,899	\$127,197,818
Commission/Division expenses	(\$13,877,185)	(\$13,981,725)	(\$14,561,705)	(\$15,022,463)	(\$15,385,240)
Expenses percent of revenue	13.1%	12.5%	12.3%	12.6%	12.1%
Total Limited Gaming distributions	(\$92,219,372)	(\$97,218,342)	(\$103,684,917)	(\$104,082,249)	(\$111,617,671)
Distributions percent of revenue	86.7%	87.3%	87.8%	87.3%	87.8%
Amendment 50 Distributions					
Limited Gaming counties (12 percent)	\$1,005,480	\$1,185,549	\$1,506,898	\$1,610,384	\$2,008,593
Limited Gaming cities (10 percent)	837,900	987,059	1,255,749	1,341,986	1,673,828
Community College System (78 percent)	6,535,622	7,702,884	9,794,840	10,467,496	13,055,859
TOTAL DISTRIBUTIONS - AMENDMENT 50	\$8,379,002	\$9,875,492	\$12,557,487	\$13,419,866	\$16,738,280
State Share Distributions (50 percent):					
State General Fund	\$11,820,185	\$13,571,425	\$15,463,715	\$15,231,191	\$16,895,831
Local Government Gaming Impact Fund	5,000,000	5,000,000	5,000,000	5,000,000	5,443,865
Tourism Promotion Fund	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Film Incentives Cash Fund	500,000	500,000	500,000	500,000	500,000
Bioscience Discovery Evaluation Grant Program	5,500,000	n/a	n/a	n/a	n/a
Advanced Industries Acceleration Cash Fund	n/a	5,500,000	5,500,000	5,500,000	5,500,000
Innovative Higher Ed Research Fund	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Creative Industries Cash Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL DISTRIBUTIONS - STATE SHARE	\$41,920,185	\$43,671,425	\$45,563,715	\$45,331,191	\$47,439,696
STATE HISTORICAL FUND DISTRIBUTION (28 PERCENT)	\$23,475,304	\$24,455,998	\$25,515,681	\$25,385,467	\$26,566,229
Limited Gaming Counties (12 percent)					
Gilpin County	\$8,373,641	\$8,780,053	\$9,162,681	\$9,095,250	\$9,530,825

LIMITED GAMING REVENUE, EXPENSES, AND DISTRIBUTIONS					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Teller County	1,687,203	1,701,089	1,772,611	1,784,236	1,854,702
TOTAL DISTRIBUTIONS - COUNTIES	\$10,060,844	\$10,481,142	\$10,935,292	\$10,879,486	\$11,385,527
Limited Gaming Cities (10 percent)					
City of Black Hawk	\$6,244,431	\$6,592,639	\$6,864,629	\$6,792,426	\$7,090,337
Central City	733,603	724,072	770,938	786,949	852,017
City of Cripple Creek	1,406,003	1,417,574	1,477,176	1,486,863	1,545,585
TOTAL DISTRIBUTIONS - CITIES	\$8,384,037	\$8,734,285	\$9,112,743	\$9,066,238	\$9,487,939

LIQUOR AND TOBACCO ENFORCEMENT DIVISION

The Liquor and Tobacco Enforcement Division licenses persons who manufacture, import, distribute or sell alcoholic beverages; regulates the sale and distribution of liquor within the State; and enforces state and federal laws regarding the sale of tobacco products to minors. The Division enforces the provisions of the liquor, beer, and special events codes. The following table details the enforcement actions the Division has undertaken in the last five fiscal years.

LIQUOR AND TOBACCO ENFORCEMENT DIVISION - ENFORCEMENT ACTIONS							
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total liquor licenses in force	13,515	12,816	12,998	13,348	14,113	14,154	14,438
State administrative actions	278	424	382	314	452	409	287
State revocations	3	0	5	0	0	4	6
State suspensions	51	70	44	33	57	41	30
State denials	1	1	3	3	3	1	3
Division filed court cases	756	1,042	1,026	988	874	482	641
Division assisted local hearings	6	12	5	3	1	2	0
TOTAL ENFORCEMENT ACTIONS	1,095	1,549	1,465	1,341	1,387	939	967

MOTOR VEHICLE DEALER LICENSING BOARD

The Motor Vehicle Dealer Licensing Board is responsible for licensing and regulating the sale and distribution of motor vehicles and promulgating consumer protection regulations. Responsibilities include licensing all salespersons and those with ownership interests in new and used auto dealerships.

MOTOR VEHICLE DEALER LICENSING BOARD - LICENSE AND REGULATION ACTIVITY							
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total dealer/salesperson licenses issued	18,059	18,699	19,295	19,952	20,893	22,251	21,811
Complaints received	1,347	1,234	1,225	1,218	1,242	1,067	1,035
Investigations completed	1,559	1,304	1,270	1,220	1,297	1,189	994
Violations/founded complaints	822	673	656	697	761	671	621
Verbal warnings issued	360	326	238	181	122	97	64
Warning letters issued	137	175	225	321	420	406	407
Criminal summons issued	26	22	11	25	12	23	12
Cases presented to Dealer Board	286	135	159	153	93	141	123
TOTAL LICENSE AND REGULATION ACTIVITY	22,596	22,568	23,079	23,767	24,840	25,845	25,067

MARIJUANA ENFORCEMENT

House Bill 10-1284 established the Medical Marijuana Enforcement Division, which is responsible for the licensing and regulation of medical marijuana dispensaries, cultivation facilities, and infused products manufacturing facilities, and enforcing state laws and regulations regarding medical marijuana. House Bill 13-1317 renamed the division the Marijuana Enforcement Division and gave the Division responsibility for regulation of retail and medical marijuana retailers, cultivation facilities, and infused products manufacturers. Senate Bill 14-215 created the Marijuana Tax Cash Fund (MTCF) and directs that all sales taxes collected by the State starting in FY 2014-15 from retail and medical marijuana be deposited in the MTCF instead of the Marijuana Cash Fund (MCF). For more information about bills related to the topic of marijuana and the disposition of marijuana taxes made through the FY 2019-20 Long Bill, please refer to Appendix J – Marijuana.

MARIJUANA ENFORCEMENT - LICENSING ACTIVITY						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Medical Marijuana (MM) Licensing Activity						
MM center business licenses	372	493	512	529	509	495
MM infused product business licenses	80	149	183	237	256	253
MM optional premises cultivation licenses	488	729	763	785	765	725
MM testing facility business licenses	n/a	n/a	n/a	n/a	14	11
Retail Marijuana (RM) Licensing Activity						
RM store business licenses		221	372	435	492	538
RM product manufacturer business licenses		63	132	193	271	289
RM optional premises cultivation licenses		279	471	572	692	744
RM testing facility business licenses		8	19	15	13	11

STATE LOTTERY DIVISION

The State Lottery recorded sales of \$612.0 million in FY 2017-18, and net proceeds of \$140.7 million were distributed to the beneficiaries. The table below shows total sales and distributions of net proceeds from the lottery.

LOTTERY - SALES AND DISTRIBUTIONS (IN MILLIONS)							
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total Sales	\$545.3	\$566.3	\$545.0	\$538.0	\$594.4	\$555.3	\$612.0
Distributions							
Conservation Trust Fund	49.3	54.2	52.1	51.2	57.4	53.4	56.3
Great Outdoors Colorado	57.1	59.2	60.3	62.0	63.7	64.5	66.2
Colorado Parks and Wildlife	12.3	13.6	13.0	12.8	14.4	13.3	14.1
Public School Cap. Const. Fund (BEST)	4.6	8.6	4.7	2.0	8.1	2.3	4.1
TOTAL DISTRIBUTIONS	\$123.3	\$135.6	\$130.1	\$128.0	\$143.6	\$133.5	\$140.7

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$369,581,396	\$113,169,403	\$249,268,695	\$6,318,910	\$824,388	1,469.8
SB 18-036	6,730	0	6,730	0	0	0.0
SB 18-108	108,992	0	108,992	0	0	1.2
SB 18-233	63,000	0	0	63,000	0	0.0
SB 18-243	91,092	0	91,092	0	0	1.0
SB 18-259	15,840	15,840	0	0	0	0.0
SB 18-271	10,656	0	10,656	0	0	0.0
HB 18-1025	3,091	0	3,091	0	0	0.0
HB 18-1042	20,865	20,865	0	0	0	(0.3)
HB 18-1244	2,960	0	2,960	0	0	0.0
HB 18-1255	8,288	0	8,288	0	0	0.0
HB 18-1280	28,950	0	28,950	0	0	0.0
HB 18-1285	9,870	9,870	0	0	0	0.0
HB 18-1299	0	0	0	0	0	0.0
HB 18-1339	41,580	41,580	0	0	0	0.0
HB 18-1350	14,292	14,292	0	0	0	0.3
SB 19-123	910,286	0	910,286	0	0	0.0
HB 19-1090	54,766	0	54,766	0	0	0.2
TOTAL	\$370,972,654	\$113,271,850	\$250,494,506	\$6,381,910	\$824,388	1,472.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$370,972,654	\$113,271,850	\$250,494,506	\$6,381,910	\$824,388	1,472.2
Technical adjustments	4,638,181	3,632,509	1,005,672	0	0	1.0
Annualize prior year budget actions	3,662,659	0	3,662,659	0	0	0.0
Centrally appropriated line items	3,268,655	982,958	2,043,020	30,736	211,941	(13.0)

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Division of Motor Vehicles leased space	3,172,536	0	3,172,536	0	0	8.0
Lottery back office restructure	2,198,993	0	2,198,993	0	0	(2.0)
Marijuana Enforcement Division operations	2,138,418	0	2,138,418	0	0	8.0
GenTax support enhancements	1,413,723	1,413,723	0	0	0	7.0
Driver's license documents	1,312,872	0	1,312,872	0	0	0.0
Sales and use tax collection	1,031,408	1,031,408	0	0	0	14.6
CRCSA expansion	262,978	0	262,978	0	0	3.6
Indirect cost assessment	164,346	384,485	(20,077)	(200,062)	0	0.0
Annualize prior year legislation	(240,921)	400,881	(579,039)	(62,763)	0	4.2
SB 19-207	\$393,996,502	\$121,117,814	\$265,692,538	\$6,149,821	\$1,036,329	1,503.6
SB 19-006	817,000	817,000	0	0	0	0.0
SB 19-035	6,750	0	6,750	0	0	0.0
SB 19-054	45,000	0	45,000	0	0	0.0
SB 19-139	1,737,800	0	1,737,800	0	0	21.6
SB 19-142	2,000	2,000	0	0	0	0.0
SB 19-167	56,364	0	56,364	0	0	0.0
SB 19-175	1,575	0	1,575	0	0	0.0
SB 19-205	14,771	0	14,771	0	0	0.0
SB 19-224	396,604	0	396,604	0	0	1.8
SB 19-235	18,000	18,000	0	0	0	0.0
SB 19-248	30,000	30,000	0	0	0	0.0
SB 19-249	14,000	0	14,000	0	0	0.0
SB 19-256	1,187,502	0	1,187,502	0	0	3.1
HB 19-1023	6,750	0	6,750	0	0	0.0
HB 19-1039	58,500	0	58,500	0	0	0.0
HB 19-1085	678,347	678,347	0	0	0	0.0
HB 19-1090	2,728,795	0	2,728,795	0	0	15.5
HB 19-1138	7,200	0	7,200	0	0	0.0
HB 19-1230	399,479	0	399,479	0	0	3.2
HB 19-1234	390,152	0	390,152	0	0	3.6
HB 19-1245	286,408	286,408	0	0	0	0.4
HB 19-1265	3,375	0	3,375	0	0	0.0
HB 19-1327	1,739,015	1,739,015	0	0	0	11.6
TOTAL	\$404,621,889	\$124,688,584	\$272,747,155	\$6,149,821	\$1,036,329	1,564.4
INCREASE/(DECREASE)	\$33,649,235	\$11,416,734	\$22,252,649	(\$232,089)	\$211,941	92.2
Percentage Change	9.1%	10.1%	8.9%	(3.6%)	25.7%	6.3%

¹ Includes \$34,112,656 in FY 2018-19 and \$37,272,466 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-123 (Supplemental Bill) modifies the FY 2018-19 appropriation to add \$910,286 cash funds from the License Services Cash Fund to pay for postage, document materials, and processing costs for driver's license documents based on the projected need for FY 2018-19.

House Bill 19-1090 (Publicly Licenses Marijuana Companies) modifies the FY 2018-19 appropriation to add \$54,766 cash funds from the Marijuana Cash Fund and 0.2 FTE for Marijuana Enforcement staff and legal services.

FY 2019-20 APPROPRIATION HIGHLIGHTS

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$4.6 million total funds, including an increase of \$3.6 million General Fund, for revenue forecast, continuous appropriation, and contract adjustments as follow:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Adjustment for revenue forecast	\$2,439,692	\$2,506,310	(\$66,618)	\$0	\$0	0.0
DPA-IDS Tax Pipeline adjustments	988,662	959,759	28,903	0	0	0.0
Limited Gaming continuous appropriation adjustments	868,667	0	868,667	0	0	1.0
FAST Enterprises contract escalator	341,160	166,440	174,720	0	0	0.0
TOTAL	\$4,638,181	\$3,632,509	\$1,005,672	\$0	\$0	1.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 DRIVES maintenance support	\$3,802,240	\$0	\$3,802,240	\$0	\$0	0.0
FY 2018-19 DMV Staffing	(128,971)	0	(128,971)	0	0	0.0
FY 2018-19 DRIVES production support	(10,610)	0	(10,610)	0	0	0.0
TOTAL	\$3,662,659	\$0	\$3,662,659	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey adjustment	\$2,798,869	\$1,067,127	\$1,703,284	\$4,972	\$23,486	0.0
PERA Direct Distribution	2,218,686	849,711	1,346,314	3,959	18,702	0.0
Legal services adjustment	1,165,193	712,390	452,803	0	0	0.0
Health, life, and dental adjustment	369,626	35,591	221,366	16,225	96,444	0.0
AED adjustment	233,811	(28,415)	223,436	2,744	36,046	0.0
SAED adjustment	233,811	(28,415)	223,436	2,744	36,046	0.0
Leased space adjustment	224,063	20,044	204,019	0	0	0.0
Risk management and property adjust	17,199	4,434	12,765	0	0	0.0
Short-term disability adjustment	6,660	(1,360)	6,711	92	1,217	0.0
Payments to OIT adjustment	(3,517,769)	(1,364,789)	(2,152,980)	0	0	(13.0)
Capitol Complex leased space adjustment	(174,038)	(152,121)	(21,917)	0	0	0.0
Workers' compensation adjustment	(145,754)	(65,448)	(80,306)	0	0	0.0
CORE adjustment	(119,363)	(58,714)	(60,649)	0	0	0.0
DPA annual fleet vehicle request	(28,309)	(7,077)	(21,232)	0	0	0.0
Shift differential adjustment	(11,971)	0	(11,971)	0	0	0.0
ALJ adjustment	(2,059)	0	(2,059)	0	0	0.0
TOTAL	\$3,268,655	\$982,958	\$2,043,020	\$30,736	\$211,941	(13.0)

DIVISION OF MOTOR VEHICLES LEASED SPACE: The appropriation includes an increase of \$3.2 million cash funds from the Licensing Services Cash Fund and 8.0 FTE. This item addresses the first-year move and build-out costs for expiring leases for driver's license offices in Littleton, Parker, Boulder, and Longmont.

LOTTERY BACK OFFICE RESTRUCTURE: The appropriation includes an increase of \$2.2 million cash funds from the Lottery Fund and a decrease of 2.0 FTE. This funding allows the Lottery to purchase a "back office system" to replace the current legacy IT system serviced by OIT that requires replacement.

MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$2.1 million cash funds from the Marijuana Cash Fund (not the Marijuana Tax Cash Fund), the Department's marijuana regulation program cash fund, and 8.0 FTE. Of the \$2.1 million, \$914,416 is transferred to the Marijuana Tax Cash Fund (MTCF) to fund 5.0 FTE in the Colorado Bureau of Investigation (CBI) to combat black market activity. The funding annualizes to \$1.8 million and 8.0 FTE (including \$890,901 transferred to the MTCF to fund 5.0 FTE in

the CBI) in FY 2020-21 and \$949,000 and 8.0 FTE in FY 2021-22 and ongoing, with no continuation of funding for CBI resources from the Marijuana Cash Fund beyond the second year. This is part of a statewide enforcement initiative to address illegal and unregulated residential (black and grey market) cultivation of marijuana.

GEN TAX SUPPORT ENHANCEMENTS: The appropriation includes an increase of \$1.4 million General Fund and 13.0 FTE, including 7.0 FTE for the Department and 6.0 FTE for OIT. These Department and OIT staff resources are intended to enhance the Department's management of its tax administration IT system known as GenTax.

DRIVER'S LICENSE DOCUMENTS: The appropriation includes an increase of \$1.3 million cash funds from the Licensing Services Cash Fund to handle the ongoing increase in projected volume for driver's license documents. The Department pays a per-card cost to a vendor to provide the document materials as well as all verification processing related to the document. This cost is driven generally by population growth and specifically by actual customer demand for documents.

SALES AND USE TAX COLLECTION: The appropriation includes an increase of \$1.0 million General Fund and 14.6 FTE. This item annualizes to \$788,000 and 10.6 FTE for FY 2020-21 and ongoing. These staff resources are intended to enable the Department to better support the administration and collection of sales taxes from out-of-state retailers as a result of the Supreme Court's *South Dakota v. Wayfair* decision of June 21, 2018.

CRCSA EXPANSION: The appropriation includes an increase of \$262,978 cash funds from the Licensing Services Cash Fund and 3.6 FTE. This item provides for expansion of Colorado Road and Community Safety Act (CRCSA) services to the Durango driver's license office.

INDIRECT COST ASSESSMENT: The appropriation includes net adjustments to indirect costs across the Department that include a net increase in indirect cost assessments and a refinancing from cash and reappropriated funds to General Fund to accommodate a net decrease in indirect cost recoveries.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1185 Market Sourcing for Business Income Tax Apportion	\$260,662	\$260,662	\$0	\$0	\$0	0.0
SB 18-141 Income Tax Check-off Nonprofit Donation	239,510	0	239,510	0	0	1.8
SB 18-200 Eliminate Unfunded PERA Liability	212,941	76,494	136,210	237	0	0.0
SB 17-267 Sustainability Rural Colorado	53,064	53,064	0	0	0	0.6
HB 18-1217 Income Tax Credit for Employer 529 Contributions	50,000	0	50,000	0	0	0.0
HB 18-1060 Inc Tax Deduct Mil Retire	35,038	35,038	0	0	0	0.0
HB 18-1350 Machine Tool Sales Tax Exemption	24,328	24,328	0	0	0	0.4
HB 18-1267 Income Tax Credit Retrofit	12,162	12,162	0	0	0	0.1
HB 18-1208 Expand Child Care Expenses Income Tax Credit	11,040	11,040	0	0	0	0.0
HB 13-1110 Alternative Fuels	10,196	0	10,196	0	0	0.0
SB 18-108 CRCSA Eligibility	6,879	0	6,879	0	0	1.5
HB 17-1012 Pueblo Chile License Plate	183	0	183	0	0	0.0
HB 17-1212 Aviation License Plate	182	0	182	0	0	0.0
SB 19-123 Supplemental	(910,286)	0	(910,286)	0	0	0.0
SB 18-233 Elections Clean-up	(63,000)	0	0	(63,000)	0	0.0
HB 19-1090 Public License Marijuana Co	(54,766)	0	(54,766)	0	0	(0.2)
HB 18-1339 Background Checks for Employee Access to Federal Tax	(35,590)	(35,590)	0	0	0	0.0
SB 18-243 Retail Sales Alcohol Beverages	(17,796)	0	(17,796)	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-259 Local Retail Marijuana Tax	(15,840)	(15,840)	0	0	0	0.0
HB 18-1280 Court Appoint Marijuana	(14,032)	0	(14,032)	0	0	0.0
SB 18-271 Improve Funding Marijuana Research	(10,656)	0	(10,656)	0	0	0.0
HB 18-1042 Private Interstate Commercial Vehicle Registration	(10,607)	(10,607)	0	0	0	0.0
HB 18-1285 Remuneration-exempt Disability Parking	(9,870)	(9,870)	0	0	0	0.0
HB 18-1255 Childhood Cancer Lic Plate	(7,252)	0	(7,252)	0	0	0.0
HB 18-1025 Title 12 Liquor to Title 44	(3,091)	0	(3,091)	0	0	0.0
HB 18-1244 Submarine Veterans Lic Plate	(2,220)	0	(2,220)	0	0	0.0
SB 18-036 Title 24 Tobacco to Title 44	(2,100)	0	(2,100)	0	0	0.0
TOTAL	(\$240,921)	\$400,881	(\$579,039)	(\$62,763)	\$0	4.2

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF STATE

The Secretary of State is one of five independently elected constitutional officers of the State and serves as Colorado's chief elections official and the chief executive officer of the Department of State. The Department of State is broadly responsible for overseeing elections, registering businesses, and publishing information and records for public use. This includes: administering statutory provisions that pertain to elections; managing the statewide voter registration database; implementing the Help America Vote Act; overseeing campaign finance reporting; registering lobbyists and monitoring the filing of required disclosures; collecting, maintaining, and providing public access to business filings; regulating charities and charitable gaming; and certifying notaries public. The Department has four divisions: (1) Administration Division; (2) Information Technology Division; (3) Elections Division; and (4) Business and Licensing Division.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$0	\$0	\$0	\$8,418,590
Cash Funds	22,498,655	23,312,773	26,136,661	31,635,039
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
TOTAL FUNDS	\$22,498,655	\$23,312,773	\$26,136,661	\$40,053,629
Full Time Equiv. Staff	137.4	137.4	142.9	145.9

GENERAL FACTORS DRIVING THE BUDGET

The Department of State is responsible for administering statewide elections, coordinating local elections, and maintaining a database of business filings required to conduct business in Colorado. Three major factors drive the Department's budget:

- The volume of business filings, the fees of which generate nearly all the cash fund revenue used to support department programs;
- Department-wide expenses related to the administration of elections; and
- Information technology projects required to support elections and business filing processes.

BUSINESS FILING FEES AND CASH FUND REVENUES

The Department is almost entirely cash-funded through the Department of State (DOS) Cash Fund, created in 24-21-104 (3)(b), C.R.S. Cash fund revenues are primarily driven by the volume of business filings and the fees associated with each filing, with an estimated 89.4 percent of all Department revenue accounted for by the business filing fees alone in FY 2018-19. Fees from other programs, including bingo-raffle licensing, campaign finance reporting, and the registration of lobbyists and notaries public, account for the remainder.

Pursuant to Section 24-21-104 (3)(b), C.R.S., the Department of State is authorized to "adjust fees so that the revenue generated from the fees approximates [the Department's] direct and indirect costs" and to manage the uncommitted reserve in the DOS Cash Fund. It is currently Department policy to conduct regular competitiveness reviews when setting fee amounts to keep business filing fees at or near the lowest rate in the country. The following table provides data on total business filings received by the Department, as well as a comparison of revenue from business filing fees with total cash fund revenue:

DOS BUSINESS FILING FEES AND CASH FUND REVENUE			
	TOTAL BUSINESS FILINGS	REVENUE FROM BUSINESS FILING FEES ¹	TOTAL DOS CF REVENUE
FY 2012-13	682,949	\$12,749,090	\$14,838,261
FY 2013-14	696,140	16,335,768	20,869,466
FY 2014-15	748,368	16,981,602	19,878,791
FY 2015-16	782,017	19,097,497	21,462,890
FY 2016-17	822,654	20,048,615	22,446,407
FY 2017-18	878,099	20,744,376	23,075,111
FY 2018-19 ²	890,493	21,287,724	23,809,217

¹ This column shows revenues from business filing fees only. It excludes revenue collected by other programs within the Business & Licensing Division.

² Data for FY 2018-19 is estimated by the Department of State.

ELECTIONS ADMINISTRATION AND EXPENDITURES

A large proportion of Department expenditures are driven by costs associated with the administration of elections, which can vary based on growth in the population of eligible voters, changes in election laws, and the unique characteristics of each election cycle. The direct expenses of the Elections Division account for 38.2 percent of the Department's total appropriation in FY 2019-20.

The Elections Division has specific appropriations for three types of expenditures in addition to personal services and operating costs:

- 1 The *Help America Vote Act Program* line item uses federal funds and matching cash funds to replace outdated voting technology, ensure accessibility for disabled voters, and institute a statewide voter registration system.
- 2 The *Local Election Reimbursement* line item reimburses counties for costs related to presidential primary elections, statewide ballot issues, and questions on a 'per voter' basis. These expenditures are driven by the number of eligible registered voters in each county and the reimbursement rate specified in statute.
- 3 The *Initiative and Referendum* line item funds the verification of signatures on candidate and initiative petitions. Department expenditures on signature verification depend on the year and number of initiatives on the ballot. While initiatives on the ballot for odd-year elections are limited to TABOR-related matters, there are no restrictions on the types of initiatives for even-year elections (presidential and gubernatorial election years) which results in higher even-year expenditures on signature verification.

INFORMATION TECHNOLOGY DIVISION PROJECTS

The Information Technology (IT) Division provides most of the technology support for other divisions in the Department.

Business and Licensing Division: Most of the business filing processes, public records resources, certification programs, and other services provided by the Department are handled electronically with 2,500 web-based transactions (i.e. filings with fees) processed daily. The IT Division maintains and provides support for the systems used to manage these services.

Elections Division: The IT Division currently has 4.75 FTE dedicated exclusively to elections-related projects, including maintaining the federally-mandated system for statewide computerized voter registration and election management (SCORE). SCORE is required by the Help America Vote Act (HAVA) and, while its creation was primarily funded by the Federal Elections Assistance Fund, the costs of any changes to the system are supported by a combination of the Department of State Cash Fund and remaining HAVA grant funds.

BUSINESS AND LICENSING DIVISION EXPENDITURES

The Business and Licensing Division accounts for 8.4 percent of the Department's total FY 2019-20 appropriation and is primarily responsible for collecting, maintaining, and providing public access to filings made by businesses and non-profit organizations. The Division also administers the *Business Intelligence Center* (BIC), which launched in

FY 2013-14 to aggregate and standardize datasets from across state agencies and improve access to public information. Approximately half of the funding for BIC is used to host the Go Code Colorado statewide application challenge event, where teams of developers and professionals compete to create apps that utilize available data to solve business challenges. Winning apps receive a one-year contract with the state worth \$25,000. BIC also receives financial contributions and in-kind donations from sponsors for Go Code Colorado.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF STATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$25,217,382	\$0	\$25,217,382	\$0	\$0	142.9
SB 18-150	95,555	0	95,555	0	0	0.0
SB 18-233	63,000	0	63,000	0	0	0.0
SB 19-124	760,724	0	760,724	0	0	0.0
TOTAL	\$26,136,661	\$0	\$26,136,661	\$0	\$0	142.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$26,136,661	\$0	\$26,136,661	\$0	\$0	142.9
Annualize prior year legislation	5,445,470	6,300,000	(854,530)	0	0	0.0
Electronic Recording Technology Board	3,636,168	0	3,636,168	0	0	0.0
2020 Presidential primary public outreach	900,000	0	900,000	0	0	0.0
Market-driven IT maintenance costs	594,758	0	594,758	0	0	0.0
Annualize prior year budget actions	318,351	0	318,351	0	0	0.0
Centrally appropriated line items	240,198	0	240,198	0	0	0.0
Additional campaign finance enforcement staff	217,324	0	217,324	0	0	3.0
Indirect cost assessment	2,097	0	2,097	0	0	0.0
Transfer of Lobbyist Program to Elections Division	0	0	0	0	0	0.0
Elections Division document management	(121,611)	0	(121,611)	0	0	0.0
SB 19-207	\$37,369,416	\$6,300,000	\$31,069,416	\$0	\$0	145.9
SB 19-086	59,360	0	59,360	0	0	0.0
SB 19-202	50,000	0	50,000	0	0	0.0
SB 19-235	67,840	0	67,840	0	0	0.0
HB 19-1007	7,000	0	7,000	0	0	0.0
HB 19-1248	38,160	0	38,160	0	0	0.0
HB 19-1266	16,960	0	16,960	0	0	0.0
HB 19-1278	2,402,243	2,118,590	283,653	0	0	0.0
HB 19-1318	42,650	0	42,650	0	0	0.0
TOTAL	\$40,053,629	\$8,418,590	\$31,635,039	\$0	\$0	145.9
INCREASE/(DECREASE)	\$13,916,968	\$8,418,590	\$5,498,378	\$0	\$0	3.0
Percentage Change	53.2%	n/a	21.0%	n/a	n/a	2.1%

FY 2017-18 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the Department's FY 2017-18 appropriations to:

- Increase by \$317,149 cash funds in FY 2017-18 from the Department of State Cash Fund to provide matching local funds for a federal grant awarded for the implementation of the Help America Vote Act (HAVA) Program. This change includes a footnote authorizing roll forward spending authority until the completion of the project or the close of FY 2019-20, whichever comes first;
- Add a new footnote allowing the Department to roll forward up to \$215,930 cash funds appropriated for IT asset management in FY 2017-18 and to use those funds in FY 2018-19; and

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the Department's FY 2018-19 appropriations to:

- Increase by \$290,724 cash funds in FY 2018-19 from the Department of State Cash Fund to provide matching local funds for a federal grant awarded for the implementation of the Help America Vote Act (HAVA) Program. This change includes a footnote authorizing roll forward spending authority until the completion of the project or the close of FY 2019-20, whichever comes first;
- Increase by \$470,000 cash funds from the Department of State Cash Fund to cover the estimated expenditures for processing petitions for the 2018 General Election.

Senate Bill 19-124 (Supplemental Bill) modifies the appropriations clause of S.B. 18-150 (Voter Registration for Individuals Criminal Justice System) to correctly identify the line items to which the appropriation is made. This correction changes the line items receiving the appropriation but does not increase the total appropriation. The appropriation in the personal services line item in the IT Division is reduced by \$28,355 cash funds, while the operating expense line item in the Elections Division is increased by the same amount.

FY 2019-20 APPROPRIATION HIGHLIGHTS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 17-305 Primary Election Clean-up	\$6,323,200	\$6,300,000	\$23,200	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	27,759	0	27,759	0	0	0.0
SB 15-288 Compensation of State & County Public Officials	13,790	0	13,790	0	0	0.0
SB 19-124 Supplemental Bill	(760,724)	0	(760,724)	0	0	0.0
SB 18-150 Voter Registration Individuals Criminal Justice System	(95,555)	0	(95,555)	0	0	0.0
SB 18-233 Elections Clean-up	(63,000)	0	(63,000)	0	0	0.0
TOTAL	\$5,445,470	\$6,300,000	(\$854,530)	\$0	\$0	0.0

ELECTRONIC RECORDING TECHNOLOGY BOARD: The appropriation includes \$3,636,168 cash funds for a new line item for the Electronic Recording Technology Board. The cash funds appropriated to this line item are from the Electronic Recording Technology Fund and are for informational purposes only because the Fund is continuously appropriated, pursuant to Section 24-21-404 (1)(a), C.R.S.

2020 PRESIDENTIAL PRIMARY PUBLIC OUTREACH: The appropriation includes \$900,000 cash funds from the Department of State Cash Fund to implement an outreach campaign educating unaffiliated voters about their ballots in the run-up to the 2020 Presidential Primary.

MARKET-DRIVEN IT MAINTENANCE COSTS: The appropriation includes an increase of \$594,758 cash funds from the Department of State Cash Fund to address increases in IT maintenance costs. The Information Technology Division provides hardware and software maintenance and support for the Department of State.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$318,351 cash funds for the annualization of FY 2018-19 salary survey.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; PERA direct

distributions; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ADDITIONAL CAMPAIGN FINANCE ENFORCEMENT STAFF: The appropriation includes an increase of \$217,324 cash funds from the Department of State Cash Fund and 3.0 FTE for additional campaign finance enforcement staff for the Elections Division to implement updated campaign finance rules because of the District Court's decision in *Holland v. Williams*.

INDIRECT COST ASSESSMENT: The appropriation includes net increase in indirect costs assessments in the Department.

TRANSFER OF LOBBYIST PROGRAM TO ELECTIONS DIVISION: The appropriation includes a net-zero internal transfer of the Lobbyist Program from Business and Licensing Division to the Elections Division. The regulation and reporting requirements for lobbyists are similar to campaign finance reporting. It is anticipated that the Lobbyist Program will leverage the customer service model of the Campaign and Political Finance Unit within the Elections Division.

ELECTION DIVISION DOCUMENT MANAGEMENT: The appropriation includes a net reduction of \$121,611 cash funds for the creation of a new Document Management line item in the Elections Division. The Document Management line item appropriation of \$241,589 cash funds was previously part of the Initiatives and Referendum line item. The Initiatives and Referendum line item appropriation is reduced to \$150,000 cash funds to align the appropriation with the anticipated expenditures associated with the Department's contract for initiative and referendum review automation. The Document Management line item will be used for appropriations for the Integrated Documents Solutions expenditures associated with the processing of petitions and referendums by the Department of Personnel.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

DEPARTMENT OF TRANSPORTATION

The Colorado Department of Transportation (CDOT) is responsible for operating and maintaining Colorado's state highway system, with additional responsibilities for aviation, transit, rail, and multimodal transportation. Its duties include managing highway construction projects, implementing the state's highway safety plan, repairing and maintaining roads, providing technical support to local airports regarding aviation safety, and administering aviation-fuel-tax reimbursements and discretionary grants to airports.

Most policy and budget authority for the Department rests with the Transportation Commission, which is composed of eleven governor-appointed members who represent specific districts around the state. Additional budget authority is vested in the boards of the High Performance Transportation Enterprise and the Statewide Bridge Enterprise. Department staff provide support to the Commission and the Boards as they adopt budgets and establish policies. Department staff then implement Commission and Board decisions.

For FY 2019-20, the General Assembly has appropriated 3.0 percent of the Department's projected Long Bill expenditures with the remainder continuously appropriated. The General Assembly's appropriations are contained in the following Long Bill line items:

- Administration,
- First Time Drunk Driving Offender Account,
- Marijuana Impaired Driving Program,
- Southwest Chief Rail and Front Range Passenger Rail Commission, and
- Multimodal Transportation Projects.

The other appropriations in the Long Bill, which account for 97.0 percent of the Department's expenditures, are informational and largely reflect anticipated Department revenues.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$0	\$0	\$0	\$0
Cash Funds	747,975,934	851,844,882	1,209,197,195	1,483,476,167
Reappropriated Funds	5,866,138	8,552,189	6,672,645	7,078,096
Federal Funds	650,882,799	718,109,752	611,918,704	621,466,824
TOTAL FUNDS	\$1,404,724,871	\$1,578,506,823	\$1,827,788,544	\$2,112,021,087
Full Time Equiv. Staff	3,326.8	3,326.8	3,328.8	3,328.8

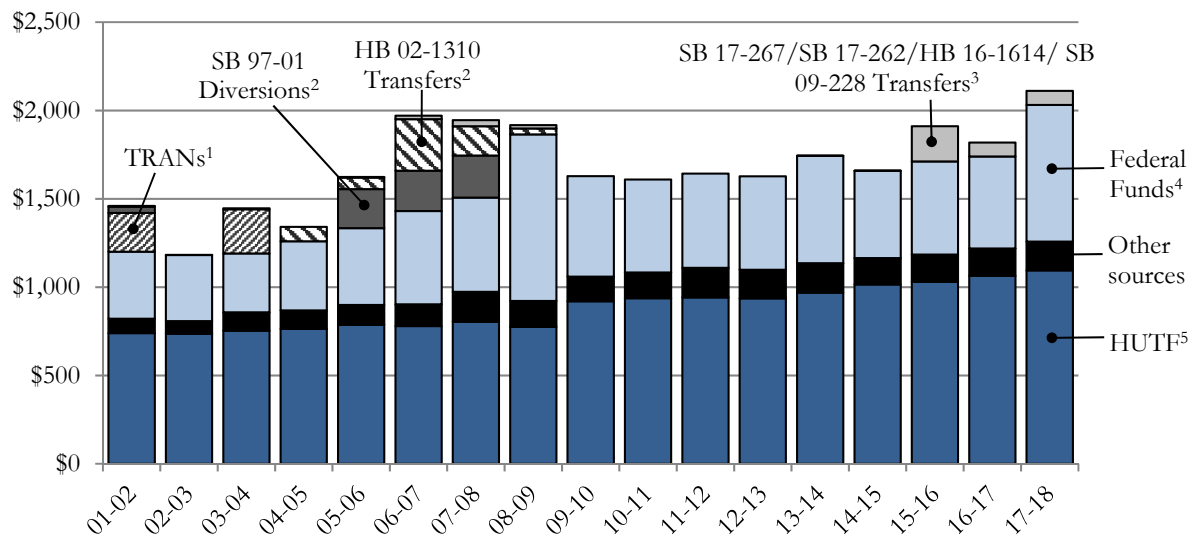
GENERAL FACTORS DRIVING THE BUDGET

Appropriations for this department in FY 2019-20 consist of 0 percent General Fund, 70.3 percent cash funds, 0.3 percent reappropriated funds, and 29.4 percent federal funds. Some of the major factors driving the Department's budget are discussed below.

STATE TRANSPORTATION REVENUES

The Department's spending is largely determined by available funding. As shown in the following diagram, total funding has fluctuated since FY 2001-02, primarily due to changing revenue from federal sources and changing transfers from the General Fund.

Major Sources of Funding for CDOT since FY 2001-02



¹ CDOT sold Transportation Revenue Anticipation Notes (TRANS) seven times from 2000 to 2004 and again in 2011 and 2013. The 2011 and 2013 sales and some of the 2000 to 2004 sales refinanced earlier TRANS borrowing. Net borrowing totaled \$1,488,500,000. The notes have been repaid; interest payments totaled \$600,111,922 but the corresponding reduction in available resources is not shown in the chart. This chart does not include other CDOT borrowing, such as the \$300 million that the Bridge Enterprise borrowed in 2010.

² S.B. 97-1 diverted to the HUTF 10 percent of state sales and use tax revenue when General Fund revenue was sufficient to fund TABOR refunds, the statutory reserve, and a 6 percent increase in General Fund appropriations. It was repealed by S.B. 09-228. H.B. 02-1310 transferred to the HUTF two thirds of the excess General Fund reserve remaining after TABOR refunds, the statutory reserve, a 6 percent increase in General Fund appropriations, and the SB 97-1 diversion. It was repealed by S.B. 09-228.

³ House Bill 16-1416 replaced the first two years of S.B. 09-228 transfers with fixed dollar amounts.

⁴ Federal funds include \$404.2 million in American Recovery and Reinvestment Act (ARRA) funds in FY 2008-09.

⁵ HUTF revenue includes additional registration fees pursuant to S.B. 09-108 (FASTER) beginning in FY 09-10.

Most CDOT federal funding comes from four sources: highways (Federal Highway Administration funds), safety (National Highway Traffic Safety Administration funds), transit (Federal Transit Administration funds), and aviation (Federal Aviation Administration funds). Federal Highway Administration funding is by far the most significant of these sources, on average it accounts for about 95 percent of the federal total.

Thus in most years, CDOT's main sources of revenue are (1) the Highway Users Tax Fund (HUTF), which is supported by state excise taxes on gasoline, diesel, and special fuels, registration fees, surcharges, and other miscellaneous sources of revenue, and (2) Federal Highway Administration funding, which comes in substantial part from federal fuel excise taxes. The state excise taxes on motor fuels have equaled 22¢ per gallon of gasoline and 20.5¢ per gallon of diesel fuel since 1991 and 1992 respectively. The federal excise taxes on motor fuels have equaled 18.4¢ per gallon of gasoline and 24.4¢ per gallon of diesel fuel since 1997. Taken together, the total excise taxes for Colorado are 40.4¢ per gallon of gasoline and 44.9¢ per gallon of diesel, which places Colorado's tax fuel rates in the lower third of the states.

RECENT STATE TRANSPORTATION FUNDING

Transportation funding from non-HUTF state sources surged in FY 2018-19 and will remain higher in FY 2019-20 due to the passage of S.B. 17-267, S.B. 18-001, and S.B. 19-262. Senate Bill 17-267 provided funding through the issue of certificates of participation (COPs), while S.B. 18-001, and S.B. 19-262 provided transportation funding via transfers from the General Fund; in addition to CDOT, beneficiaries include multimodal transportation projects, counties, and municipalities.

FY 2018-19 CDOT ACTUAL FUNDING FROM S.B. 17-267 COPs AND S.B. 18-001 GENERAL FUND TRANSFERS (\$ MILLION)			
FUNDING PROVIDED BY BILL TO	SB 17-267	SB 18-001	TOTAL
CDOT	\$425.50	\$346.50	\$772.00
Multimodal transportation projects	0.00	74.25	74.25
Counties and municipalities	0.00	74.25	74.25
TOTAL	\$425.50	\$495.00	\$920.50

FY 2019-20 CDOT FUNDING FROM S.B. 17-267 COPs AND GENERAL FUND TRANSFERS FROM S.B. 18-001 AND S.B. 19-262 (\$ MILLION)				
FUNDING PROVIDED BY BILL TO	SB 17-267	SB 18-001	SB 19-262	TOTAL
CDOT	\$500.0	\$155.0	\$60.0	\$715.0
Multimodal transportation projects	0.0	22.5	0.0	22.5
Counties and municipalities	0.0	22.5	40.0	62.5
TOTAL	\$500.0	\$200.0	\$100.0	\$800.0

- Pursuant to S.B. 17-267, COPs with a redemption value of \$500.0 million will be issued during FY 2019-20, with all the proceeds going to CDOT. A similar COP issue in 2018 raised \$545.5 million with \$425.5 going to CDOT.
- Pursuant to S.B. 18-001, \$495.0 million was transferred from the General Fund to transportation projects in FY 2018-19 and allocated as shown in the above table. \$150 million will be transferred during FY 2019-20.
- S.B. 19-262 will transfer \$60.0 million from the General Fund to CDOT during FY 2019-20.
- S.B. 19-263 delays for one year a referred measure that would further increase transportation funding. The measure was scheduled by S.B. 18-001 to go to voters in Nov. 2019 but now is scheduled for Nov. 2020.

For more information on these bills, see the "Recent Legislation" section at the end of Part III of this department.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF TRANSPORTATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,753,538,544	\$0	\$1,134,947,195	\$6,672,645	\$611,918,704	3,326.8
SB 19-125	74,250,000	0	74,250,000	0	0	2.0
TOTAL	\$1,827,788,544	\$0	\$1,209,197,195	\$6,672,645	\$611,918,704	3,328.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,827,788,544	\$0	\$1,209,197,195	\$6,672,645	\$611,918,704	3,328.8
Revenue forecast change	334,656,815	0	325,108,695	0	9,548,120	0.0
Multimodal transportation	22,500,000	0	22,500,000	0	0	0.0
Marijuana funding for high-visibility impaired-driving enforcement efforts	1,000,000	0	1,000,000	0	0	0.0
Annualize prior budget actions	(73,910,310)	0	(73,910,310)	0	0	0.0
Other	(13,962)	0	(419,413)	405,451	0	0.0
SB 19-207	\$2,112,021,087	\$0	\$1,483,476,167	\$7,078,096	\$621,466,824	3,328.8
TOTAL	\$2,112,021,087	\$0	\$1,483,476,167	\$7,078,096	\$621,466,824	3,328.8
INCREASE/(DECREASE)						
Percentage Change	15.6%	n/a	22.7%	6.1%	1.6%	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-125 modifies the FY 2018-19 appropriation to:

- Add \$71.75 million cash funds for multimodal transportation projects from funds set aside for this purpose by S.B. 18-001. A roll forward provision gives CDOT until the close of FY 2022-23 to spend the appropriation.
- Add \$2.5 million cash funds to facilitate the development of Front Range passenger rail from funds set aside for this purpose by S.B. 18-001. The bill also includes 2.0 FTE that will be supported by a portion of the appropriation. A roll forward provision gives CDOT until the close of FY 2020-21 to spend the appropriation.

FY 2019-20 APPROPRIATION HIGHLIGHTS

REVENUE FORECAST CHANGE: The appropriation includes \$334.7 million for the difference between this year's forecast of next year's Departmental revenue and last year's forecast of this year's Departmental revenue. Long Bill appropriations for the Department are largely informational; rather than controlling the Department's spending, the appropriations forecast the amount the Department will spend, which depends in substantial part on the revenue the Department receives from a variety of sources such as fuel taxes and federal grants.

MULTIMODAL TRANSPORTATION: In FY 2019-20, S.B. 18-001 will transfer \$22.5 million from the General Fund to the Multimodal Transportation Options Fund. The appropriation provides the entire transfer to the Department.

MARIJUANA FUNDING FOR HIGH-VISIBILITY IMPAIRED-DRIVING ENFORCEMENT EFFORTS: The appropriation provides an additional \$1.0 million from the Marijuana Tax Cash Fund for high-visibility impaired-driving enforcement efforts.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: For FY 2018-19, S.B. 18-001 transferred a net of \$71.5 million from the General Fund to the Multimodal Transportation Options Fund and \$2.5 million to the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Fund. The transferred money was appropriated in the FY 2018-19 Long Bill to the Department. The end of these transfers and the annualization of prior year salary survey in the administration division creates the negative budget adjustment.

OTHER: The appropriation reflects a number of relatively small and largely offsetting adjustments for common policies, annualizations of S.B. 18-200 (Eliminate Unfunded PERA Liability), and movements of funds among divisions.

DEPARTMENT OF THE TREASURY

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury is responsible for the following primary duties: (1) acts as the State's banker and investment officer, providing investment, accounting, and cash management services and preparing related reports; (2) administers the Unclaimed Property Program; (3) disburses Senior Citizen and Disabled Veteran Property Tax Exemption payments to local governments; (4) provides short-term interest-free financing to school districts by issuing tax and revenue anticipation notes and making loans from the General Fund; (5) assists charter schools with long-term financing by making direct bond payments; (6) distributes Highway Users Tax Fund (HUTF) revenues to counties and municipalities; (7) distributes federal mineral leasing funds received for the State's share of sales, bonuses, royalties, and rentals of public lands within Colorado; (8) manages certain state public financing transactions; and (9) reimburses certain property taxes for real and business personal property destroyed in a natural disaster.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund	\$139,308,257	\$151,447,545	\$400,353,177	\$339,275,495
Cash Funds	354,267,675	354,874,465	396,384,849	448,514,039
Reappropriated Funds	17,775,175	17,773,025	17,685,263	73,905,349
Federal Funds	0	0	0	0
TOTAL FUNDS	\$511,351,107	\$524,095,035	\$814,423,289	\$861,694,883
Full Time Equiv. Staff	32.9	32.9	32.9	32.9

GENERAL FACTORS DRIVING THE BUDGET

Funding for this department consists of 39.4 percent General Fund, 52.1 percent cash funds, and 8.6 percent reappropriated funds.

SENIOR CITIZEN AND DISABLED VETERAN PROPERTY TAX EXEMPTION

Section 3.5 of Article X of the Colorado Constitution grants a property tax exemption to qualifying senior citizens and disabled veterans. A senior citizen is eligible for the property tax exemption if the property owner-occupier is at least 65 years of age on the assessment date and has occupied the residence for at least ten years, or is the surviving spouse of a person who previously qualified for the exemption. An honorably discharged disabled veteran is eligible for the property tax exemption if the owner-occupier has a 100.0 percent service-connected disability on the assessment date. Property tax is exempted on 50.0 percent of the first \$200,000 of actual property value for qualifying homeowners. The State Treasurer is required to reimburse local governments for the resulting loss of property tax revenues. The Constitution grants the General Assembly the power to raise or lower the amount of residence value that is exempt from taxation.

PROPERTY TAX REIMBURSEMENTS FOR PROPERTY DESTROYED BY A NATURAL CAUSE

In the 2014 Session, the General Assembly passed H.B. 14-1001 providing a property tax reimbursement for real or business property listed on a single tax schedule that was destroyed by a natural cause (fire, explosion, flood, tornado, action of the elements, act of war or terror, etc.). This property tax reimbursement is subject to an amount equal to the property tax liability applicable to the destroyed property in the property tax year in which the natural cause occurred. Funds made available for this property tax reimbursement are subject to annual appropriation by the General Assembly.

HIGHWAY USERS TAX FUND DISBURSEMENTS

The Department distributes revenues from the Highway Users Tax Fund (HUTF) to counties and municipalities for use on local transportation projects pursuant to statutory formulas. The amounts anticipated to be distributed to counties and municipalities are reflected as cash funds appropriations within the Special Purpose section of the Long Bill for informational purposes.

TRANSFERS FROM THE UNCLAIMED PROPERTY TRUST FUND

The Unclaimed Property Program in the Department of the Treasury is established to take custody of dormant or abandoned property and return the property to the rightful owners or heirs. Such intangible property is subject to the custody of the state as unclaimed property and is held in trust on behalf of the owners in the Unclaimed Property Trust Fund (UPTF). Aside from the payment of claims to owners and heirs, the fund balance covers the costs of administering the program and Department administrative costs.

TRANSFERS TO THE STATE EDUCATION FUND

Pursuant to S.B. 13-234, on May 31, 2013, the State Treasurer transferred \$132,409,339 from the General Fund to the FPPA in order to fully resolve the liability created under Section 31-30.5-307, C.R.S. This transfer served to satisfy all future payments to the fund; and upon this transfer, no other transfers will be made to the benefit plan. The transfer reduced the amount of the General Fund surplus that would otherwise have been transferred to the State Education Fund. In order to reimburse this fund, the General Assembly established a repayment schedule for transfers from the General Fund to the State Education Fund. Annual transfers of \$25,231,070 were scheduled for April of each year from 2015 through 2018, with a final transfer of \$24,991,739 scheduled for April of 2019.

DIRECT DISTRIBUTION TO PERA FOR THE UNFUNDED LIABILITY

The Governmental Accounting Standards Board (GASB) requires reporting and credit ratings agencies to judge the credit worthiness of public entities on the satisfaction of the actuarially required contribution or ARC. The ARC is equal to the payment for the "current cost" – full cost of paying the pension liability for current employees in the current year plus a payment for the "legacy cost" or unfunded liability that will fully pay for the unfunded liability within 30 years. Section 24-51-414, C.R.S., as enacted in S.B. 18-200 (Eliminate Unfunded Liability in PERA), requires the State Treasurer to make a \$225.0 million payment to PERA as a direct distribution for the unfunded liability on July 1, 2018, and each July 1st thereafter as long as there remains an unfunded liability. Statute specifies that funding is provided from the General Fund, or any other fund, and further specifies that the Governor's Office of State Planning and Budgeting (OSPB) may include funding sources other than the General Fund in the annual budget request. Beginning with the FY 2019-20 budget, statute requires that the direct distribution payment be included for informational purposes in the Long Bill.

APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

DEPARTMENT OF THE TREASURY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$589,099,929	\$175,329,817	\$396,084,849	\$17,685,263	\$0	32.9
SB 18-200	225,000,000	225,000,000	0	0	0	0.0
SB 19-126	323,360	23,360	300,000	0	0	0.0
TOTAL	\$814,423,289	\$400,353,177	\$396,384,849	\$17,685,263	\$0	32.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$814,423,289	\$400,353,177	\$396,384,849	\$17,685,263	\$0	32.9
Technical adjustments	45,073,751	(61,988,042)	50,841,707	56,220,086	0	0.0
Public School Fund Investment Board - fund managers	1,260,000	0	1,260,000	0	0	0.0
Centrally appropriated line items	444,511	119,568	324,943	0	0	0.0
Public information officer	9,767	9,767	0	0	0	0.0

DEPARTMENT OF THE TREASURY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions and legislation	(316,435)	(18,975)	(297,460)	0	0	0.0
SB 19-207	\$860,894,883	\$338,475,495	\$448,514,039	\$73,905,349	\$0	32.9
SB 19-173	800,000	800,000	0	0	0	0.0
TOTAL	\$861,694,883	\$339,275,495	\$448,514,039	\$73,905,349	\$0	32.9
INCREASE/(DECREASE)	\$47,271,594	(\$61,077,682)	\$52,129,190	\$56,220,086	\$0	0.0
Percentage Change	5.8%	(15.3%)	13.2%	317.9%	n/a	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-126 modifies FY 2018-19 appropriations to:

- Increase cash fund appropriations by \$300,000 from interest earned from the Public School Fund to pay for fund management fees;
- Increase General Fund appropriations by \$21,421 for the one-time payment of accrued leave for a retiring staff member; and
- Increase General Fund appropriations by \$1,939 to correct the Workers' Compensation and Payment to Risk Management and Property Funds line item appropriation in H.B. 18-1322 (Long Bill) which failed to include the adjustment for workers' compensation.

FY 2019-20 APPROPRIATION HIGHLIGHTS

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$45.1 million total funds, including a decrease of \$62.0 million General Fund, for revenue forecast, statutory, and other technical adjustments as follow:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Lease purchase COP	\$37,748,987	\$16,500,000	\$21,500,000	(\$251,013)	\$0	0.0
HUTF forecast	29,339,207	0	29,339,207	0	0	0.0
Charter school facilities financing services	2,500	0	2,500	0	0	0.0
PERA direct distribution	0	(56,471,099)	0	56,471,099	0	0.0
Property tax exemption forecast	(22,016,943)	(22,016,943)	0	0	0	0.0
TOTAL	\$45,073,751	(\$61,988,042)	\$50,841,707	\$56,220,086	\$0	0.0

PUBLIC SCHOOL FUND INVESTMENT BOARD – FUND MANAGERS: The appropriation includes an increase of \$1.3 million cash funds from interest earned from the Public School Fund to pay for fund management fees.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Legal services	\$209,237	\$4,107	\$205,130	\$0	\$0	0.0
Salary survey	70,166	44,298	25,868	0	0	0.0
CORE	69,071	31,082	37,989	0	0	0.0
PERA Direct Distribution	52,281	33,006	19,275	0	0	0.0
Health, life, and dental	19,290	15,958	3,332	0	0	0.0
Payments to OIT	19,010	(17,488)	36,498	0	0	0.0
Workers' comp, risk, and property	6,422	6,422	0	0	0	0.0
AED	2,374	4,802	(2,428)	0	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SAED	2,374	4,802	(2,428)	0	0	0.0
Leased space	1,733	0	1,733	0	0	0.0
Short-term disability	218	244	(26)	0	0	0.0
Capitol Complex leased space	(7,665)	(7,665)	0	0	0	0.0
TOTAL	\$444,511	\$119,568	\$324,943	\$0	\$0	0.0

PUBLIC INFORMATION OFFICER: The appropriation includes an increase of \$9,767 General Fund to provide a salary increase for the Public Information Officer.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS AND LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation and budget actions as outlined in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS AND LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 (PERA)	\$6,925	\$4,385	\$2,540	\$0	\$0	0.0
FY 2018-19 Public School Fund Investment						
Board fund managers	(300,000)	0	(300,000)	0	0	0.0
FY 2018-19 Personal Services one-time increase	(21,421)	(21,421)	0	0	0	0.0
FY 2018-19 Workers comp correction	(1,939)	(1,939)	0	0	0	0.0
TOTAL	(\$316,435)	(\$18,975)	(\$297,460)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of Part III for this department.

CAPITAL CONSTRUCTION

This section summarizes state agency capital construction and controlled maintenance appropriations. Many of the appropriations are from the Capital Construction Fund. The primary source of revenue to the Capital Construction Fund is transfers and appropriations from the General Fund.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19 ¹	FY 2019-20
Capital Construction Fund	\$117,886,557	\$94,800,857	\$155,389,364	\$168,460,533
Cash Funds	111,718,515	71,680,140	194,459,733	72,690,215
Reappropriated Funds	766,231	10,000,000	18,743,326	8,911,836
Federal Funds	19,168,392	15,559,090	5,179,500	10,664,870
TOTAL FUNDS	\$249,539,695	\$192,040,087	\$373,771,923	\$260,727,454

¹ Excludes statutory funding provided in S.B. 17-267 of \$120,680,645 total funds, including \$119,922,495 Capital Construction Fund, \$120,000 cash funds, and \$638,150 federal funds.

GENERAL FACTORS DRIVING THE BUDGET

REVENUE AVAILABLE FOR CAPITAL CONSTRUCTION

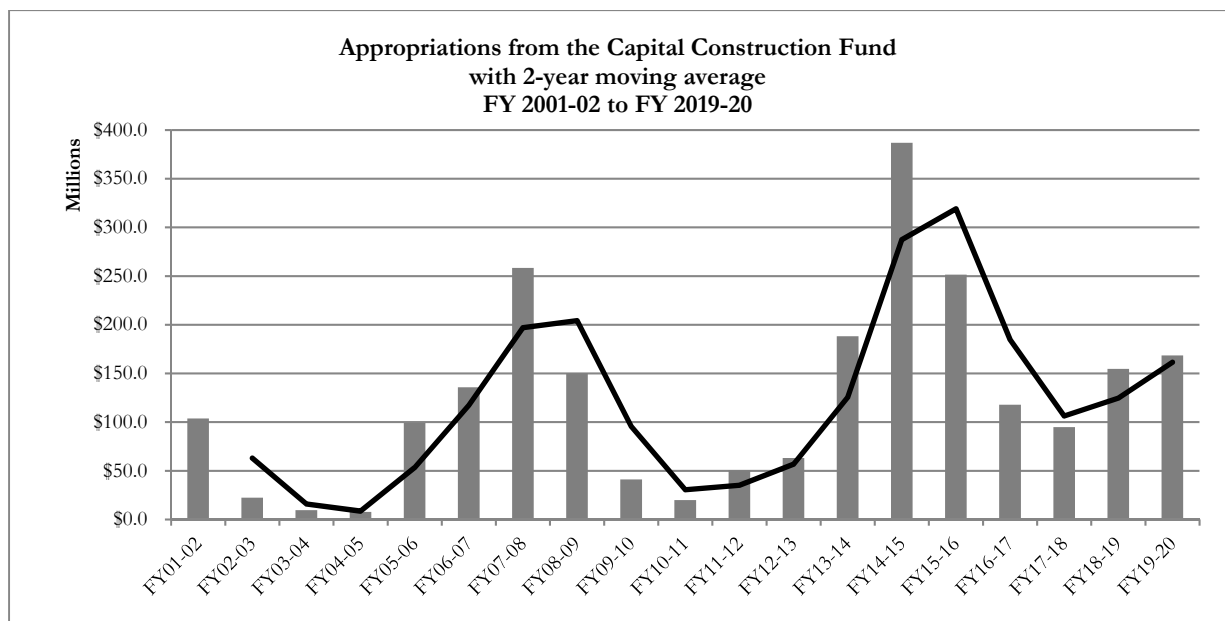
The amount appropriated for capital construction is primarily based on the recommendations of the Capital Development Committee and the most recent forecast of revenues available for capital construction given constitutional and statutory constraints on the budget. The Capital Construction Fund provides the primary source of capital construction funding for most state departments and appropriations from the Fund vary substantially from year to year.

In some years, statutory formulas trigger automatic transfers to the Capital Construction Fund. House Bill 02-1310 provided automatic transfers of excess General Fund revenue to the Capital Construction Fund and the Highway Users Tax Fund. These transfers were replaced in S.B. 09-228, which authorized five years of transfers to the Capital Construction Fund of 0.5 percent of General Fund revenue for two years followed by 1.0 percent of General Fund revenue for three years. While these transfers were originally authorized to begin in FY 2012-13, they were delayed until a personal income-related trigger was met. Specifically, personal income increased by more than five percent in 2014, triggering a transfer in FY 2015-16. However, S.B. 09-228 also provided that a TABOR surplus of between 1.0 and 3.0 percent of General Fund revenue would cut the transfer in half and a TABOR surplus greater than 3.0 percent would eliminate the transfer entirely.

House Bill 16-1416 replaced the transfer formula required by S.B. 09-228 with set amounts to be transferred to the Capital Construction Fund for FY 2015-16 and FY 2016-17, equal to \$49.8 million and \$52.7 million, respectively. The bill did not change the formula for the remaining three years of S.B. 09-228 transfers. However, S.B. 17-262 replaced the final three years of S.B. 09-228 with set amounts of \$0 for FY 2017-18 and \$60.0 million for FY 2018-19 and FY 2019-20.

Part 13 of Article 82 of Title 24, C.R.S., enacted in S.B. 17-267, specifies steps for the collateralization of state buildings and repayment for the purpose of funding deferred maintenance of state capital assets. Statute requires that the first \$120.0 million in proceeds is intended for controlled maintenance and capital construction and transferred to the Capital Construction Fund for that purpose. Contingent funding specified in statute total \$120,680,645, including \$119,922,495 from the Capital Construction Fund, \$120,000 from cash funds, and \$638,150 in federal funds.

The following chart outlines appropriations from the Capital Construction Fund since FY 2001-02 and includes a two-year moving average trend line. The chart reflects FY 2018-19 appropriations excluding S.B. 17-267 funding.



APPROPRIATION HIGHLIGHTS - 2019 LEGISLATIVE SESSION

CAPITAL CONSTRUCTION						
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$371,065,585	\$153,845,526	\$193,297,233	\$18,743,326	\$5,179,500	0.0
HB 18-1006	1,862,500	700,000	1,162,500	0	0	0.0
SB 19-127	843,838	843,838	0	0	0	0.0
TOTAL	\$373,771,923	\$155,389,364	\$194,459,733	\$18,743,326	\$5,179,500	0.0
FY 2019-20 APPROPRIATION BY CATEGORY:						
Controlled Maintenance	\$57,094,173	\$54,561,688	\$2,135,115	\$0	\$397,370	0.0
Capital Renewal and Recapitalization	81,846,672	67,930,018	13,916,654	0	0	0.0
Capital Expansion	85,672,156	33,631,151	52,041,005	0	0	0.0
Information Technology Projects	36,114,453	12,337,676	4,597,441	8,911,836	10,267,500	0.0
SB 19-207	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
TOTAL	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
FY 2019-20 APPROPRIATION BY PROJECT:						
Controlled Maintenance						
Level I Controlled Maintenance	\$30,098,463	\$27,963,348	\$2,135,115	\$0	\$0	0.0
Level II Controlled Maintenance	26,995,710	26,598,340	0	0	397,370	0.0
Subtotal - Controlled Maintenance	\$57,094,173	\$54,561,688	\$2,135,115	\$0	\$397,370	0.0
Capital Renewal and Recapitalization						
HED: CSU Shepardson Building Renovation and Addition	\$22,482,700	\$13,482,700	\$9,000,000	\$0	\$0	0.0
HED: AHEC Replace Heating and Hot Water System (CR)	18,688,778	18,488,778	200,000	0	0	0.0
DHS: CMHIFL F2 and F3 Cottage Renovation	17,835,851	17,835,851	0	0	0	0.0
OIT: Microwave Infrastructure Replacement	10,316,372	10,316,372	0	0	0	0.0

CAPITAL CONSTRUCTION						
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DMVA: Grand Junction Veterans Memorial Cemetery Columbarium and Upgrade Steam Filter System	2,667,390	2,667,390	0	0	0	0.0
DHS: DYS Facility Refurbishment	2,638,927	2,638,927	0	0	0	0.0
DNR: Infrastructure and Real Property Maintenance	2,158,090	0	2,158,090	0	0	0.0
DHS: Facility Master Plan, Department-wide	1,101,159	0	1,101,159	0	0	0.0
PER: Historical Property Rehabilitation	1,000,000	1,000,000	0	0	0	0.0
PER: Repaint Interior Dome, State Capitol	1,000,000	1,000,000	0	0	0	0.0
DHS: Regional Center Capital Improvements	757,405	0	757,405	0	0	0.0
HistCO: Regional Museum Preservation Projects	700,000	0	700,000	0	0	0.0
CDOT: Highway Construction Projects	500,000	500,000	0	0	0	0.0
Subtotal - Capital Renewal and Recapitalization	\$81,846,672	\$67,930,018	\$13,916,654	\$0	\$0	0.0
Capital Expansion						
HED: UC-Denver Anschutz - Center for Personalized Medicine and Behavioral Health	\$31,251,986	\$19,846,986	\$11,405,000	\$0	\$0	0.0
HED: CSU National Western Center Lease Purchase Payments	16,570,927	0	16,570,927	0	0	0.0
HED: FRCC Larimer Campus Health Care Career Center	15,623,484	11,927,424	3,696,060	0	0	0.0
HED: CSM Subsurface Frontiers Building	11,225,759	1,856,741	9,369,018	0	0	0.0
DNR: Property Acquisitions and Improvements	11,000,000	0	11,000,000	0	0	0.0
Subtotal - Capital Expansion	\$85,672,156	\$33,631,151	\$52,041,005	\$0	\$0	0.0
Information Technology Projects						
HCPF: Health Information Technology Roadmap Projects	\$11,408,333	\$1,140,833	\$0	\$0	\$10,267,500	0.0
GOV-OIT: Data Center Strategic IT Infrastructure Needs	5,264,000	5,264,000	0	0	0	0.0
GOV-OIT: DOLE Colorado Storage Tank Information System	2,785,277	0	0	2,785,277	0	0.0
DOLE: Colorado Storage Tank Information System Replacement	2,785,277	0	2,785,277		0	0.0
GOV-OIT: DHS IT Systems Interoperability Project	2,320,949	0	0	2,320,949	0	0.0
DHS: IT Systems Interoperability Project	2,320,949	2,320,949	0	0	0	0.0
GOV-OIT: DPS Enhance Colorado Community Corrections Information and Billing System	2,200,000	0	0	2,200,000	0	0.0
DPS: Enhance Colorado Community Corrections Information and Billing System	2,200,000	2,200,000	0	0	0	0.0
GOV-OIT: Department of Personnel's Colorado Automotive Reporting System Replacement	1,605,610	0	0	1,605,610	0	0.0
PER: Colorado Automotive Reporting System Replacement	1,605,610	0	1,605,610	0	0	0.0
HED: LCC Technology Infrastructure	585,422	570,422	15,000	0	0	0.0
HED: OJC Technology and Communications Upgrades	550,000	475,000	75,000	0	0	0.0
HED: HistCO Archaeology and Historic Preservation Database and Systems Modernization	483,026	366,472	116,554	0	0	0.0
Subtotal - Information Technology Projects	\$36,114,453	\$12,337,676	\$4,597,441	\$8,911,836	\$10,267,500	0.0
SB 19-207	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
TOTAL	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
INCREASE/(DECREASE)	(\$113,044,469)	\$13,071,169	(\$121,769,518)	(\$9,831,490)	\$5,485,370	0.0
Percentage Change	(30.2%)	8.4%	(62.6%)	(52.5%)	105.9%	n/a

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-127 adds \$843,838 Capital Construction Fund for FY 2018-19 for a 42-bed expansion project for competency services at the Colorado Mental Health Institute at Pueblo (CMHIP) in the Department of Human Services.

FY 2019-20 APPROPRIATION HIGHLIGHTS BY CATEGORY

CONTROLLED MAINTENANCE: The appropriation includes \$57.1 million total funds, including \$54.6 million Capital Construction Fund, for 56 controlled maintenance items.

CAPITAL RENEWAL AND RECAPITALIZATION: The appropriation includes \$81.8 million total funds, including \$67.9 million Capital Construction Fund and \$13.9 million cash funds, for nine state-funded and four cash-funded capital renewal and recapitalization projects.

CAPITAL EXPANSION: The appropriation includes \$85.7 million total funds, including \$33.6 million Capital Construction Fund and \$52.0 million cash funds, for three state-funded and two cash funded new building or other capital expansion projects.

INFORMATION TECHNOLOGY PROJECTS: The appropriation includes \$36.1 million total funds, including \$12.3 million Capital Construction Fund from the Information Technology Capital Account within the Capital Construction Fund, \$4.6 million cash funds, \$8.9 million reappropriated funds, and \$10.3 million federal funds. The appropriation funds seven state-funded and two cash-funded information technology projects, of which four are included in the table twice to reflect the reappropriated funds appropriation to the Governor's Office of Information Technology.

FY 2019-20 APPROPRIATION HIGHLIGHTS BY PROJECT

CONTROLLED MAINTENANCE

LEVEL I CONTROLLED MAINTENANCE: The appropriation provides \$30.1 million total funds, including \$28.0 million Capital Construction Fund and \$2.1 million cash funds, for 28 controlled maintenance items.

LEVEL II CONTROLLED MAINTENANCE: The appropriation provides \$27.0 million total funds, including \$26.6 million Capital Construction Fund and \$0.4 million federal funds, for 28 controlled maintenance items.

CAPITAL RENEWAL AND RECAPITALIZATION

HED: CSU SHEPARDSON BUILDING RENOVATION AND ADDITION: The appropriation provides \$22.5 million total funds, including \$13.5 million Capital Construction Fund and \$9.0 million cash funds from donations and bonds issued under the Higher Education Bond Intercept Program for the second phase of a three-phase project that renovates the existing 46,800-GSF Shepardson Building at Colorado State University. This building houses the Departments of Horticulture and Landscape Architecture and the project constructs additions totaling 47,998 GSF.

HED: AHEC REPLACE HEATING AND HOT WATER SYSTEM (CR): The appropriation provides \$18.7 million total funds, including \$18.5 million Capital Construction Fund and \$0.2 million cash funds from deferred maintenance funds from the three institutions located on the campus, to replace the Auraria Higher Education Center's campus-wide heating and hot water system.

DHS: CMHIFL F2 AND F3 COTTAGE RENOVATION: The appropriation provides \$17.9 million Capital Construction Fund to renovate 17,532 GSF in two housing units at the Colorado Mental Health Institute at Fort Logan and constructs additions totaling 2,059 GSF to add 44 inpatient psychiatric beds.

GOV-OIT: MICROWAVE INFRASTRUCTURE REPLACEMENT: The appropriation provides \$10.3 million Capital Construction Fund for this multi-year project that replaces the statewide microwave public safety communications system. The project is financed through a lease-purchase agreement and includes out-year equipment upgrades.

DMVA: GRAND JUNCTION VETERANS MEMORIAL CEMETERY COLUMBARIUM AND UPGRADE STEAM FILTER SYSTEM: The appropriation provides \$2.7 million Capital Construction Fund to construct eight new columbaria and perform infrastructure upgrades at the Veterans Memorial Cemetery in Grand Junction.

DHS: DYS FACILITY REFURBISHMENT: The appropriation provides \$2.6 million Capital Construction Fund for the last phase of a six-phase recapitalization project for 12 Division of Youth Services (DYS) facilities for safety, risk mitigation, and modernization. The projects funded in FY 2019-20 address repairs in seven facilities: Marvin W. Foote in Englewood, Grand Mesa in Grand Junction, Mount View in Lakewood, Platte Valley in Greeley, Gilliam in Denver, Lookout Mountain in Golden, and Spring Creek in Colorado Springs.

DNR: INFRASTRUCTURE AND REAL PROPERTY MAINTENANCE: The appropriation provides \$2.2 million cash funds from the Wildlife Cash Fund for Wildlife Areas' recapitalization projects. The projects funded in FY 2019-20 include installing a center pivot irrigation system, replacing water wells, restoring river habitat, installing liners in fish ponds, upgrading a fire alarm system, constructing a fish hatchery building at the Las Animas State Fish Hatchery, constructing an addition to the Gunnison Area 16 office, and miscellaneous road projects.

DHS: FACILITY MASTER PLAN, DEPARTMENT-WIDE: The appropriation provides \$1.1 million cash funds for the first phase of a three-phase project to prepare a department-wide facility master plan. Phase I studies the Fort Logan campus and Denver metro area facilities and department buildings; phase II will address the Pueblo campus; and phase III will address remaining properties. Cash funds are from the Fort Logan Land Sale Account in the Capital Construction Fund.

PER: HISTORICAL PROPERTY REHABILITATION: The appropriation provides \$1.0 million Capital Construction Fund for Capitol Complex facilities management in the Department of Personnel for capital renewal projects for the Colorado Governor's Mansion property.

PER: REPAINT INTERIOR DOME, STATE CAPITOL: The appropriation provides \$1.0 million Capital Construction Fund from a transfer from State Historical Fund to repaint the interior dome in the State Capitol building.

DHS: REGIONAL CENTER CAPITAL IMPROVEMENTS: The appropriation provides \$757,405 cash funds from the Regional Center Depreciation Account within the Capital Construction Fund for regional centers' recapitalization projects.

HISTCO: REGIONAL MUSEUM PRESERVATION PROJECTS: The appropriation provides \$700,000 cash funds, including \$600,000 from limited gaming revenues and \$100,000 from revenue generated at community museums and historic sites, for ongoing preservation projects at History Colorado museums and historic sites.

CDOT: HIGHWAY CONSTRUCTION PROJECTS: The appropriation provides \$500,000 Capital Construction Fund for this item funded annually since FY 2010-11 with Referendum C, General Fund Exempt funds.

CAPITAL EXPANSION

HED: UC-DENVER ANSCHUTZ - CENTER FOR PERSONALIZED MEDICINE AND BEHAVIORAL HEALTH: The appropriation provides \$31.3 million total funds, including \$19.8 million Capital Construction Fund and \$11.4 million cash funds from bond revenue repaid from grants and donations. This represents the second of a three-phase project for construction of a ten-story, 390,914-GSF building on the Anschutz Medical Campus to house the Colorado Center for Personalized Medicine, the Colorado Clinical and Translational Sciences Institute, the

Simulation Educational HUB, a data center, office space, and other education, research, and clinical space for the School of Medicine, the Colorado School of Public Health, and the University of Colorado Hospital.

HED: CSU NATIONAL WESTERN CENTER LEASE PURCHASE PAYMENTS: The appropriation provides \$16.6 million cash funds from the National Western Center Trust Fund (NWCTF) for certificate of participation or COP payments for construction of buildings on the National Western Center campus and affiliated buildings on the Colorado State University campus. Cash funds in the NWCTF are from a General Fund transfer to the NWCTF pursuant to Section 23-31-902 (3), C.R.S.

HED: FRCC LARIMER CAMPUS HEALTH CARE CAREER CENTER: The appropriation provides \$15.6 million total funds, including \$11.9 million Capital Construction Fund and \$3.7 million cash funds from institutional reserves and donations, for Front Range Community College for the second of a two-phase project for the construction of a 55,333-GSF facility to house the college's health care programs at the Larimer Campus.

HED: CSM SUBSURFACE FRONTIERS BUILDING: The appropriation provides \$11.2 million total funds, including \$1.9 million Capital Construction Fund and \$9.4 million cash funds from donations and bonds issued under the Higher Education Revenue Bond Intercept Program. The project constructs a 155,189 GSF, five-story building to house research laboratories, imaging labs, classrooms, conference rooms, offices, and associated space for an interdisciplinary research facility to be occupied in partnership with the US Geological Survey.

DNR: PROPERTY ACQUISITIONS AND IMPROVEMENTS: The appropriation provides \$11.0 million cash funds from the Wildlife Cash Fund to acquire interests in real property to protect, preserve, enhance, and manage wildlife and the environment.

INFORMATION TECHNOLOGY PROJECTS

HCPF: HEALTH INFORMATION TECHNOLOGY ROADMAP PROJECTS: The appropriation provides \$11.4 million total funds, including \$1.1 million from the Capital Construction Fund and \$10.3 million federal funds, for the second phase of a three-phase project for the Office of eHealth Innovation to implement initiatives of the Colorado Health IT Roadmap. Funding will be used for a variety of purposes, including data quality improvement, reporting upgrades, integrating cost and quality data, and using information technology to benefit coordination of care.

GOV-OIT: DATA CENTER STRATEGIC IT INFRASTRUCTURE NEEDS: The appropriation provides \$5.3 million from the Capital Construction Fund for the final phase of a two-phase project for the Governor's Office of Information Technology to repair the Lakewood Data Center.

DOLE: COLORADO STORAGE TANK INFORMATION SYSTEM REPLACEMENT: The appropriation provides \$2.8 million cash funds from the Petroleum Storage Tank Fund and the Petroleum Cleanup and Redevelopment Fund for the Department of Labor and Employment to modernize the Colorado Storage Tank Information System (COSTIS). Reappropriates the same amount to the Governor's Office of Information Technology for the procurement of services and products needed to implement the project.

DHS: IT SYSTEMS INTEROPERABILITY PROJECT: The appropriation provides \$2.3 million from the Capital Construction Fund for the final phase of a five-phase project for the Department of Human Services to standardize all existing information technology systems the agency uses in an effort to allow the data contained in the systems to be made available without removing the data from the core systems. The solution is creating interfaces to access the data directly rather than exporting data from the core systems for import into other systems. Reappropriates the same amount to the Governor's Office of Information Technology for the procurement of services and products needed to implement the project.

DPS: ENHANCE COLORADO COMMUNITY CORRECTIONS INFORMATION AND BILLING SYSTEM: The appropriation provides \$2.2 million Capital Construction Fund for the Department of Public Safety to improve the

Colorado Community Corrections Information and Billing System. Reappropriates the same amount to the Governor's Office of Information Technology for the procurement of services and products needed to implement the project.

PER: COLORADO AUTOMOTIVE REPORTING SYSTEM REPLACEMENT: The appropriation provides \$1.6 million cash funds for the Department of Personnel to replace the Colorado Automotive Reporting System (CARS) with an off-the-shelf Fleet Information Management System (FIMS). Reappropriates the same amount to the Governor's Office of Information Technology for the procurement of services and products needed to implement the project.

HED: LCC TECHNOLOGY INFRASTRUCTURE: The appropriation provides \$585,422 total funds, including \$570,422 from the Capital Construction Fund, for Lamar Community College to upgrade instructional technology, office and classroom computer systems, servers, telephones, and digital signage.

HED: OJC TECHNOLOGY AND COMMUNICATIONS UPGRADES: The appropriation provides \$550,000 total funds, including \$475,000 from the Capital Construction Fund, for Otero Junior College to replace computers and monitors, laptops, and iPads, as well as to implement an audio emergency notification system.

HED: HISTCO ARCHAEOLOGY AND HISTORIC PRESERVATION DATABASE AND SYSTEMS MODERNIZATION: The appropriation provides \$483,026 total funds, including \$366,472 Capital Construction Fund, for History Colorado to build a customized web application system to support the needs of Office of Archeology and Historic Preservation (OAHP) programs.

SIGNIFICANT CHANGE FROM PRIOR YEAR

The substantial decrease in total funds of \$113.0 million and cash funds of \$121.8 million is predominantly related to the FY 2018-19 cash funds appropriation for the first phase of the Center for Personalized Medicine and Behavioral Health project at the University of Colorado at Denver and Anschutz Health Sciences Center. The FY 2018-19 cash funds appropriation totaled \$144.3 million. The FY 2019-20 cash funds appropriation for this project is \$11.4 million; a decrease of \$132.9 million.

PART III

DEPARTMENT DETAILS

Details

DEPARTMENT OF AGRICULTURE

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF AGRICULTURE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$51,592,874	\$11,107,420	\$34,082,132	\$2,494,460	\$3,908,862	289.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Commissioner's Office and Administrative Services	13,383,726	3,520,758	8,091,447	1,650,460	121,061	19.0
Agricultural Services	16,722,431	4,674,998	8,908,143	799,000	2,340,290	138.4
Agricultural Markets Division	4,944,503	708,061	3,250,712	45,000	940,730	41.4
Brand Board	4,406,125	0	4,406,125	0	0	59.0
Colorado State Fair	9,975,705	1,000,000	8,975,705	0	0	26.9
Conservation Board	2,160,384	1,203,603	450,000	0	506,781	5.2
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$51,549,717	\$11,064,263	\$34,082,132	\$2,494,460	\$3,908,862	289.6
SB 18-042	43,157	43,157	0	0	0	0.3
FY 2019-20 TOTAL APPROPRIATION:	\$55,440,261	\$12,098,767	\$36,935,836	\$2,496,093	\$3,909,565	297.6
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Commissioner's Office and Administrative Services	15,465,338	3,812,009	9,879,472	1,652,093	121,764	18.7
Agricultural Services	17,993,139	4,999,124	9,854,725	799,000	2,340,290	146.1
Agricultural Markets Division	5,408,179	1,084,031	3,338,418	45,000	940,730	41.7
Brand Board	4,437,516	0	4,437,516	0	0	59.0
Colorado State Fair	9,975,705	1,000,000	8,975,705	0	0	26.9
Conservation Board	2,160,384	1,203,603	450,000	0	506,781	5.2
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$54,671,192	\$11,975,760	\$36,289,774	\$2,496,093	\$3,909,565	290.8
SB 19-158	123,007	123,007	0	0	0	1.6
SB 19-186	239,592	0	239,592	0	0	0.6
SB 19-220	406,470	0	406,470	0	0	4.6
INCREASE/(DECREASE)	\$3,847,387	\$991,347	\$2,853,704	\$1,633	\$703	7.7
Percentage Change	7.5%	8.9%	8.4%	0.1%	0.0%	2.7%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Agriculture are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$5,773,231	\$0	\$1,863,666	\$0	\$3,909,565

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES

The Commissioner's Office, in conjunction with the Colorado Agricultural Commission, is responsible for the development and implementation of agricultural policies throughout Colorado. The Administrative Services section provides administrative and technical support for Department programs including accounting, budgeting, and human resources. Funding sources for this division include General Fund, various cash funds, and federal grants. Reappropriated funds are received from various cash funds within the Department for centrally appropriated line items.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$13,340,569	\$3,477,601	\$8,091,447	\$1,650,460	\$121,061	18.7
SB 18-042	43,157	43,157	0	0	0	0.3
TOTAL	\$13,383,726	\$3,520,758	\$8,091,447	\$1,650,460	\$121,061	19.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$13,383,726	\$3,520,758	\$8,091,447	\$1,650,460	\$121,061	19.0
Centrally appropriated line items	2,622,300	466,068	2,153,896	1,633	703	0.0
Annualize prior year legislation	24,946	24,946	0	0	0	0.0
Indirect cost assessment	3,181	0	3,181	0	0	0.0
Annualize prior year budget actions	(508,707)	(137,655)	(371,052)	0	0	0.0
Ag Workforce Development new line item	(64,108)	(64,108)	0	0	0	(0.3)
SB 19-207	\$15,461,338	\$3,810,009	\$9,877,472	\$1,652,093	\$121,764	18.7
SB 19-158	2,000	2,000	0	0	0	0.0
SB 19-186	1,000	0	1,000	0	0	0.0
SB 19-220	1,000	0	1,000	0	0	0.0
TOTAL	\$15,465,338	\$3,812,009	\$9,879,472	\$1,652,093	\$121,764	18.7
INCREASE/(DECREASE)	\$2,081,612	\$291,251	\$1,788,025	\$1,633	\$703	(0.3)
Percentage Change	15.6%	8.3%	22.1%	0.1%	0.6%	(1.6%)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; leased space; payments to the Governor's Office of Information Technology (OIT); CORE operations; and increased input costs for printing and postage for Integrated Document Solutions.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$24,946 General Fund for the second-year impact of prior year legislation including S.B 18-042 (Ag Workforce Development Program) and S.B. 18-200 (Eliminate Unfunded PERA Liability).

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Commissioner's Office and Administrative Services' indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a decrease of \$508,707, including \$137,655 General Fund and \$371,052 cash funds, for the out year impact of funding decisions made through the FY 2018-19 appropriation for salary survey.

AG WORKFORCE DEVELOPMENT NEW LINE ITEM: The appropriation includes a transfer within the Department of Agriculture (Ag) of \$64,108 General Fund from the Commissioner's Office to the Markets Division in a new line item, which reflects the General Assembly's intent based on the appropriation clause in S.B. 18-042, which enacted the program.

AGRICULTURAL SERVICES

This section includes four major Department program areas administered by their respective divisions:

- **ANIMAL INDUSTRY DIVISION** programs monitor the health of livestock and other animals used in various agricultural fields; prevent and control livestock disease; license and inspect pet animal facilities; implement pest control; and investigate animal cruelty claims.
- **PLANT INDUSTRY DIVISION** programs manage statewide pest control programs; register pesticides and pesticide applicators; inspect plants and plant byproducts intended for domestic use or international export; oversee the organic certification program; and inspect nursery stock for quality and health.
- **INSPECTION AND CONSUMER SERVICES DIVISION** programs ensure compliance with product quality standards through licensing and inspection, the certification of large and small commercial weights and measurements devices, and analysis of fertilizer and animal feed for chemical contaminants.
- **CONSERVATION SERVICES DIVISION** programs provide technical and financial support, leadership, statewide coordination, and regulatory oversight to public and private landowners on an array of natural resource management challenges including noxious weed management and biological pest control.

The primary source of revenue supporting appropriations for these divisions is from license and inspection fees, which are credited to several cash funds, as well as General Fund.

AGRICULTURAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$16,722,431	\$4,674,998	\$8,908,143	\$799,000	\$2,340,290	138.4
TOTAL	\$16,722,431	\$4,674,998	\$8,908,143	\$799,000	\$2,340,290	138.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$16,722,431	\$4,674,998	\$8,908,143	\$799,000	\$2,340,290	138.4
Annualize prior year budget actions	378,725	126,770	251,955	0	0	0.0
Biological pest control staff	64,794	64,794	0	0	0	0.9
Annualize prior year legislation	57,120	11,555	45,565	0	0	0.0
Hemp grant program spending authority	5,000	0	5,000	0	0	0.0
SB 19-207	\$17,228,070	\$4,878,117	\$9,210,663	\$799,000	\$2,340,290	139.3
SB 19-158	121,007	121,007	0	0	0	1.6
SB 19-186	238,592	0	238,592	0	0	0.6
SB 19-220	405,470	0	405,470	0	0	4.6
TOTAL	\$17,993,139	\$4,999,124	\$9,854,725	\$799,000	\$2,340,290	146.1
INCREASE/(DECREASE)	\$1,270,708	\$324,126	\$946,582	\$0	\$0	7.7

AGRICULTURAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	7.6%	6.9%	10.6%	0.0%	0.0%	5.6%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes several changes to reflect the out-year impact of funding decisions made through the FY 2018-19 appropriation, including:

- An increase of \$378,739 total funds, including \$126,784 General Fund and \$251,955 cash funds for annualization of the FY 2018-19 salary survey; and
- A decrease of \$14 General Fund for the FY 2017-18 Federal lands West Slope coordinator.

BIOLOGICAL PEST CONTROL STAFF: The appropriation includes an increase of \$64,794 General Fund and 0.9 FTE in FY 2019-20 to add an additional biological control scientist to the state insectary located in Palisade. The new position will address the backlog of requests for the Canada thistle rust fungus, the new biological control agent developed in partnership with the United States Department of Agriculture, to control the spread of the Canada thistle invasive species. Once the backlog is addressed, the position will pursue developing programs to target invasive species identified as most threatening by the Western Governors' Association.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$57,120 total funds, including \$11,555 General Fund and \$45,565 cash funds, for the second-year impact of prior year legislation S.B. 18-200 (Eliminate Unfunded PERA Liability).

HEMP GRANT PROGRAM SPENDING AUTHORITY: The appropriation includes an increase of \$5,000 cash funds from the Hemp Grant Program Cash Fund to allow the Department to make hemp research grants from donations made to the program from one of Colorado's hemp growers.

AGRICULTURAL MARKETS DIVISION

The Agricultural Markets Division is organized into two subdivisions:

- The AGRICULTURAL MARKETS subdivision provides support and marketing assistance to Colorado's agricultural businesses competing in local, national, and international arenas by coordinating market orders, promoting Colorado agricultural products, and assisting start-up or expanding food processing companies within the state. The primary sources of funding are the Wine Industry Development Cash Fund, the Agriculture Value-Added Development Cash Fund, and General Fund.
- The AGRICULTURAL PRODUCTS INSPECTION subdivision administers the agricultural products inspection program, which performs mandatory and non-mandatory inspections to determine the grade, size, and quality of fruits and vegetables. This subdivision receives \$200,000 General Fund in addition to cash funds from agricultural products inspection fees.

AGRICULTURAL MARKETS DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,944,503	\$708,061	\$3,250,712	\$45,000	\$940,730	41.4
TOTAL	\$4,944,503	\$708,061	\$3,250,712	\$45,000	\$940,730	41.4

AGRICULTURAL MARKETS DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,944,503	\$708,061	\$3,250,712	\$45,000	\$940,730	41.4
Marketing support for Colorado Agriculture	300,000	300,000	0	0	0	0.0
Annualize prior year budget actions	98,577	10,871	87,706	0	0	0.0
Agriculture Workforce Development new line item	64,108	64,108	0	0	0	0.3
Annualize prior year legislation	991	991	0	0	0	0.0
SB 19-207	\$5,408,179	\$1,084,031	\$3,338,418	\$45,000	\$940,730	41.7
TOTAL	\$5,408,179	\$1,084,031	\$3,338,418	\$45,000	\$940,730	41.7
INCREASE/(DECREASE)	\$463,676	\$375,970	\$87,706	\$0	\$0	0.3
Percentage Change	9.4%	53.1%	2.7%	0.0%	0.0%	0.7%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MARKETING SUPPORT FOR COLORADO AGRICULTURE: The appropriation includes an increase of \$300,000 General Fund for marketing support for Colorado agriculture and agricultural products. The Department will utilize the funding as follows:

- Internationally
 - attend and subsidize attendance costs at international trade shows for buyers and sellers and
 - host in-bound trade teams and coordinate out-bound trade missions.
- Domestically
 - advertise in traditional and emerging media, which will also support a refresh of the Colorado Proud brand, which is celebrating its 20th anniversary,
 - perform public relations, and
 - sponsor events and partner with event hosts.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$98,577 to reflect the out year impact of funding decisions made through the FY 2018-19 appropriation for salary survey.

AGRICULTURE WORKFORCE DEVELOPMENT NEW LINE ITEM: The appropriation includes a transfer within the Department of Agriculture of \$64,108 General Fund from the Commissioner’s Office to the Markets Division in a new line item, which reflects the General Assembly’s intent based on the appropriation clause in S.B. 18-042, which enacted the program.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$991 General Fund for the second-year impact of prior year legislation S.B. 18-200 (Eliminate Unfunded PERA Liability).

BRAND BOARD

The Brand Board serves the livestock industry and assists the public with problems related to livestock management. This division administers and records livestock brands and inspects cattle, horse, and alternative livestock brands (such as deer and elk) to verify ownership at the time of sale, transport, or slaughter. The Brand Board is cash funded from the Brand Inspection Fund and the Alternative Livestock Farm Cash Fund. Pursuant to Section 35-41-101 (5)(a), C.R.S., the Brand Board constitutes an enterprise for the purposes of Section 20 of Article X of the State Constitution (TABOR).

BRAND BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE

BRAND BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,406,125	\$0	\$4,406,125	\$0	\$0	59.0
TOTAL	\$4,406,125	\$0	\$4,406,125	\$0	\$0	59.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,406,125	\$0	\$4,406,125	\$0	\$0	59.0
Annualize prior year budget actions	31,391	0	31,391	0	0	0.0
SB 19-207	\$4,437,516	\$0	\$4,437,516	\$0	\$0	59.0
TOTAL	\$4,437,516	\$0	\$4,437,516	\$0	\$0	59.0
INCREASE/(DECREASE)	\$31,391	\$0	\$31,391	\$0	\$0	0.0
Percentage Change	0.7%	n/a	0.7%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$31,391 cash funds to reflect the out year impact of funding decisions made through the FY 2018-19 appropriation for salary survey.

COLORADO STATE FAIR

The Colorado State Fair Authority, administered by an eleven-member board, plans and operates the annual fair event, as well as non-fair events held at the fairgrounds during the rest of the year. The State Fair is designated as a Type 1 agency pursuant to Section 35-65-401 (1)(a), C.R.S., and is almost entirely cash funded from the Colorado State Fair Authority Cash Fund and the Agriculture Management Fund. Revenue is from fees collected during the State Fair and from other non-fair events. These fees fund personal services and operating expenses. The State Fair receives \$1.0 million General Fund for Future Farmers of America and 4-H program support, program costs, and facility maintenance. Attendance for the 2018 State Fair was 444,476 compared to 480,204 in 2017, a decrease of 8.0 percent.

COLORADO STATE FAIR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$9,975,705	\$1,000,000	\$8,975,705	\$0	\$0	26.9
TOTAL	\$9,975,705	\$1,000,000	\$8,975,705	\$0	\$0	26.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$9,975,705	\$1,000,000	\$8,975,705	\$0	\$0	26.9
No changes	0	0	0	0	0	0.0
SB 19-207	\$9,975,705	\$1,000,000	\$8,975,705	\$0	\$0	26.9
TOTAL	\$9,975,705	\$1,000,000	\$8,975,705	\$0	\$0	26.9
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

NO CHANGES: The appropriation does not contain changes from the FY 2018-19 appropriation.

CONSERVATION BOARD

The Conservation Board is responsible for providing administrative and fiscal oversight to Colorado's 77 conservation districts. The Board also coordinates federal programs related to natural resource issues, provides guidance on stream bank erosion, and assists farmers and ranchers in implementing a variety of water and energy practices. The primary sources of funding are General Fund, federal grant dollars from the U.S. Department of Agriculture Natural Resources Conservation Service, and cash funds transferred from the Severance Tax Operational Fund.

CONSERVATION BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,160,384	\$1,203,603	\$450,000	\$0	\$506,781	5.2
TOTAL	\$2,160,384	\$1,203,603	\$450,000	\$0	\$506,781	5.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,160,384	\$1,203,603	\$450,000	\$0	\$506,781	5.2
No changes	0	0	0	0	0	0.0
SB 19-207	\$2,160,384	\$1,203,603	\$450,000	\$0	\$506,781	5.2
TOTAL	\$2,160,384	\$1,203,603	\$450,000	\$0	\$506,781	5.2
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	0.0%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

NO CHANGES: The appropriation does not contain changes from the FY 2018-19 appropriation.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-038 (RECLAIMED WATER USE ON INDUSTRIAL HEMP): Codifies rules promulgated by the Water Quality Control Commission (WQCC) within the Colorado Department of Public Health and Environment (CDPHE) related to the allowable uses of reclaimed domestic wastewater, and expands allowable uses to include irrigation of industrial hemp, when it is not used as a food crop.

S.B. 18-042 (AGRICULTURE WORKFORCE DEVELOPMENT PROGRAM): Creates an Agriculture Workforce Development program to reimburse agricultural businesses that hire interns. Eligible businesses may be reimbursed up to 50 percent of the costs to employ an intern, including wages, fixed expenses, and other costs. The internships must provide an intern with at least 130 hours of work experience over no more than six months. Appropriates \$43,157 General Fund and 0.3 FTE to the Commissioner's Office for implementation.

S.B. 18-188 (AGRICULTURE MARKETING ACT NOTICES AND INCLUSION OF MILLET): Amends the Colorado Agricultural Marketing Act of 1939 to add millet to the definition of agricultural commodity and allows the Commissioner of Agriculture to determine how the public announcement of the issuance, suspension, amendment, or termination of a marketing order will be made. By defining millet as an agricultural commodity, millet producers will be able to seek a referendum to establish a millet market order.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the

monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-205 (INDUSTRIAL HEMP DESIGNATION AGRICULTURE PRODUCT): Adds industrial hemp to the definition of commodity and farm products and authorizes the Commissioner of Agriculture to set fees for the Industrial Hemp Program sufficient to cover its direct and indirect costs.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1338 (REDUCED REVENUE SEVERANCE TAX OPERATIONAL FUND TRANSFERS): Transfers \$450,000 General Fund to the Conservation District Grant Fund (CDGF), which funds matching grants to conservation districts throughout Colorado. Pursuant to Section 35-1-106.7, C.R.S., the CDGF is continuously appropriated. For more information about this bill, see Part III at the end of the Department of Natural Resources.

2019 SESSION BILLS

S.B. 19-158 (SUNSET PET AND ANIMAL CARE & FACILITIES ACT): Continues the Pet and Animal Care & Facilities Act program until September 1, 2026, which regulates pet animal breeders, groomers, trainers, boarders, shelters, rescues, and sellers. Pet animals include dogs, cats, rabbits, guinea pigs, hamsters, mice, rats, gerbils, ferrets, birds, fish, reptiles, amphibians, and invertebrates. The Agriculture Commissioner promulgates rules pertaining to minimum standards of physical facility, sanitation, ventilation, temperature, humidity, spatial and enclosure requirements, nutrition, humane care, and medical treatment. The Division of Animal Industry in the CDA conducts four types of inspections: pre-license, routine, complaint-based, and follow up. When violations are noted during an inspection, licensees are expected to correct them. If a licensee commits enough violations, disciplinary action can be taken.

Appropriates \$123,007 General Fund to the Department of Agriculture, which amount is based on an assumption that the department will require an additional 1.6 FTE to continue the program.

S.B. 19-186 (EXPAND AG CHEMICAL MANAGEMENT PROGRAM AND PROTECT SURFACE WATERS): Changes the term *groundwater* to *state waters* in statute, which expands the authority for the Agriculture Commissioner to regulate actions that prevent or remedy introduction of agricultural chemicals from subsurface water only to include both surface water and groundwater. Provides \$239,592 cash funds from the Plant Health, Pest Control, and Environmental Protection Cash Fund, which amount is based on an assumption that the department will require an additional 0.6 FTE to implement the act.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-220 (HEMP REGULATION ALIGNMENT WITH 2018 FEDERAL FARM BILL): Authorizes the Agriculture Commissioner to draft and submit a hemp management plan in accordance with requirements set forth by the Secretary of the United States Department of Agriculture (USDA) pursuant to the Agricultural Improvement Act of 2018, also known as the 2018 Federal Farm Bill. The commissioner may consult with stakeholders in developing the plan. The bill also modifies the definition of industrial hemp or hemp to conform to the federal definition, which prevents hemp from containing no more than 0.3 percent of the psychoactive content from Delta-9 Tetrahydrocannabinol (THC). Provides \$406,470 cash funds from the Industrial Hemp Registration Program Cash Fund, which amount is based on an assumption that the department will require an additional 4.6 FTE to implement the act.

Details

DEPARTMENT OF CORRECTIONS

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF CORRECTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$928,048,606	\$829,097,218	\$40,610,054	\$54,336,517	\$4,004,817	6,247.4
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Management	232,520,236	225,739,214	6,239,305	248,805	292,912	91.9
Institutions	469,994,997	467,859,325	1,646,922	0	488,750	4,736.0
Support Services	47,960,516	45,963,660	865,853	1,131,003	0	241.2
Inmate Programs	44,020,204	40,552,109	1,406,368	1,968,480	93,247	549.7
Community Services	52,758,006	47,202,308	10,000	5,506,600	39,098	428.1
Parole Board	1,780,602	1,780,602	0	0	0	17.5
Correctional Industries	63,888,979	0	15,316,540	45,481,629	3,090,810	155.0
Canteen Operations	15,125,066	0	15,125,066	0	0	28.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$893,072,938	\$800,096,300	\$38,410,054	\$51,050,517	\$3,516,067	6,245.9
SB 14-049	85,935	85,935	0	0	0	0.0
SB 14-176	82,534	82,534	0	0	0	0.0
HB 14-1037	21,484	21,484	0	0	0	0.0
HB 14-1214	59,295	59,295	0	0	0	0.0
SB 15-067	417,635	417,635	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0
HB 15-1229	22,068	22,068	0	0	0	0.0
HB 15-1305	11,034	11,034	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
SB 16-142	546	546	0	0	0	0.0
HB 16-1080	87,454	87,454	0	0	0	0.0
SB 18-119	22,072	22,072	0	0	0	0.0
SB 18-150	89,600	89,600	0	0	0	0.0
HB 18-1176	3,286,000	0	0	3,286,000	0	0.0
SB 19-111	2,095,990	2,095,990	0	0	0	0.0
SB 19-207	18,808,631	16,119,881	2,200,000	0	488,750	1.5
FY 2019-20 TOTAL APPROPRIATION:	\$988,046,445	\$885,094,026	\$47,619,442	\$51,757,665	\$3,575,312	6,279.3
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Management	254,861,099	247,623,287	6,696,095	248,805	292,912	101.0
Institutions	481,765,903	480,106,485	1,659,418	0	0	4,745.6
Support Services	54,109,353	52,082,147	859,456	1,167,750	0	241.2
Inmate Programs	46,275,700	42,807,605	1,406,368	1,968,480	93,247	550.6
Community Services	62,543,605	60,252,276	10,000	2,242,231	39,098	436.6
Parole Board	2,222,226	2,222,226	0	0	0	21.3
Correctional Industries	64,954,373	0	15,673,919	46,130,399	3,150,055	155.0
Canteen Operations	21,314,186	0	21,314,186	0	0	28.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$975,865,876	\$872,913,457	\$47,619,442	\$51,757,665	\$3,575,312	6,266.8
SB 15-067	505,907	505,907	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0

DEPARTMENT OF CORRECTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 15-1229	5,076	5,076	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
HB 16-1080	131,181	131,181	0	0	0	0.0
SB 18-119	34,677	34,677	0	0	0	0.0
HB 18-1200	22,072	22,072	0	0	0	0.0
SB 19-008	492,750	492,750	0	0	0	1.6
SB 19-143	25,200	25,200	0	0	0	0.0
SB 19-165	293,774	293,774	0	0	0	1.8
HB 19-1064	784,542	784,542	0	0	0	9.1
INCREASE/(DECREASE)	\$59,997,839	\$55,996,808	\$7,009,388	(\$2,578,852)	(\$429,505)	31.9
Percentage Change	6.5%	6.8%	17.3%	(4.7%)	(10.7%)	0.5%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Corrections are annotated with the "(I)". For additional information, see Appendix J.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$24,889,498	\$0	\$21,314,186	\$0	\$3,575,312

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

MANAGEMENT

The Management Division contains the main departmental management functions, including the Executive Director's Office, the External Capacity Subprogram, and the Inspector General Subprogram. The Executive Director's Office provides general administrative oversight for the Department. The External Capacity Subprogram reimburses private prisons and local jails and monitors private prisons. The Inspector General Subprogram is responsible for investigating crimes in prisons. Cash funds and reappropriated funds are primarily from Correctional Industries and Canteen sales revenue, the State Criminal Alien Assistance Program Cash Fund, the Victims Assistance and Law Enforcement fund, and from revenues received for monitoring private prisons that house out-of-state offenders in Colorado.

MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$224,090,237	\$219,509,215	\$4,039,305	\$248,805	\$292,912	91.9
SB 19-207	8,429,999	6,229,999	2,200,000	0	0	0.0
TOTAL	\$232,520,236	\$225,739,214	\$6,239,305	\$248,805	\$292,912	91.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$232,520,236	\$225,739,214	\$6,239,305	\$248,805	\$292,912	91.9
Centrally appropriated line items	24,829,871	24,133,080	696,791	0	0	0.0
Prison capacity	10,415,478	8,215,478	2,200,000	0	0	0.0
Staff retention	3,055,701	2,987,064	68,637	0	0	0.0
Provider rate increase	842,313	842,313	0	0	0	0.0
Jail rate adjustment	793,829	793,829	0	0	0	0.0
Technical changes	230,142	230,142	0	0	0	0.0
La Vista staff increase	113,031	113,031	0	0	0	0.0
Parole caseload	55,029	55,029	0	0	0	0.0
Annualize prior year legislation	23,270	23,270	0	0	0	0.0

MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions	(18,783,148)	(16,274,510)	(2,508,638)	0	0	0.0
SB 19-207	\$254,095,752	\$246,857,940	\$6,696,095	\$248,805	\$292,912	91.9
HB 19-1064	765,347	765,347	0	0	0	9.1
TOTAL	\$254,861,099	\$247,623,287	\$6,696,095	\$248,805	\$292,912	101.0
INCREASE/(DECREASE)	\$22,340,863	\$21,884,073	\$456,790	\$0	\$0	9.1
Percentage Change	9.6%	9.7%	7.3%	0.0%	0.0%	9.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 modifies the FY 2018-19 appropriation to increase external capacity appropriations by \$8,429,999 total funds, of which \$6.3 million is General Fund and \$2.2 million is cash funds.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$10,973,701	\$10,656,469	\$317,232	\$0	\$0	0.0
PERA Direct Distribution	9,854,160	9,569,276	284,884	0	0	0.0
Health, life, and dental adjustment	4,529,524	4,398,105	131,419	0	0	0.0
AED adjustment	406,093	394,286	11,807	0	0	0.0
SAED adjustment	406,093	394,286	11,807	0	0	0.0
Legal services adjustment	359,395	347,185	12,210	0	0	0.0
Shift differential adjustment	347,028	353,979	(6,951)	0	0	0.0
Leased space adjustment	175,489	165,086	10,403	0	0	0.0
Short-term disability adjustment	41,562	40,357	1,205	0	0	0.0
Workers' compensation adjustment	(1,473,474)	(1,426,912)	(46,562)	0	0	0.0
Payment to risk management / property funds adjustment	(789,700)	(759,037)	(30,663)	0	0	0.0
TOTAL	\$24,829,871	\$24,133,080	\$696,791	\$0	\$0	0.0

PRISON CAPACITY: The appropriation includes an increase of \$10.4 million total funds, of which \$8.2 million is General Fund and \$2.2 million are cash funds for changes to prison capacity.

STAFF RETENTION: The appropriation includes an increase of \$3.1 million total funds, of which \$3.0 million is General Fund and \$68,637 is cash funds.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$842,313 General Fund for a provider rate increase.

JAIL RATE ADJUSTMENT: The appropriation includes an increase of \$793,829 General Fund for adjustments to jail rates reimbursements from the Department of Corrections to jails.

TECHNICAL CHANGES: The appropriation includes an increase of \$230,142 General Fund for technical changes due to the additional day caused by the leap year.

LA VISTA STAFF INCREASE: The appropriation includes an increase of \$113,031 General Fund for staffing level increases at LA Vista Correctional Facility.

PAROLE CASELOAD: The appropriation includes an increase of \$55,029 General Fund for parole caseload changes from increased use of parole in the Department.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annual depreciation-lease equivalent payments	\$235,033	\$235,033	\$0	\$0	\$0	0.0
FY 18-19 Salary survey	(10,588,182)	(10,279,544)	(308,638)	0	0	0.0
Supplemental Prison capacity	(8,396,961)	(6,196,961)	(2,200,000)	0	0	0.0
Supplemental Parole caseload	(33,038)	(33,038)	0	0	0	0.0
TOTAL	(\$18,783,148)	(\$16,274,510)	(\$2,508,638)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

INSTITUTIONS

The Institutions division includes all cost centers directly attributable to the operation of state-owned and operated correctional facilities. Included are costs for utilities, maintenance, housing and security, food, medical, laundry, case management, mental health, and the costs of running the Youthful Offender System. The cash funds are primarily from fees charged for inmate medical costs and utilities costs associated with Correctional Industries programs. The federal funds that periodically appear are in the division are from donated U.S. Department of Agriculture foods.

INSTITUTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$447,320,319	\$445,673,397	\$1,646,922	\$0	\$0	4,736.0
SB 14-049	85,935	85,935	0	0	0	0.0
SB 14-176	82,534	82,534	0	0	0	0.0
HB 14-1037	21,484	21,484	0	0	0	0.0
HB 14-1214	59,295	59,295	0	0	0	0.0
SB 15-067	417,635	417,635	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0
HB 15-1229	22,068	22,068	0	0	0	0.0
HB 15-1305	11,034	11,034	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
SB 16-142	546	546	0	0	0	0.0
HB 16-1080	87,454	87,454	0	0	0	0.0
SB 18-119	22,072	22,072	0	0	0	0.0
SB 19-111	2,095,990	2,095,990	0	0	0	0.0
SB 19-207	9,883,241	9,394,491	0	0	488,750	0.0
TOTAL	\$469,994,997	\$467,859,325	\$1,646,922	\$0	\$488,750	4,736.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$469,994,997	\$467,859,325	\$1,646,922	\$0	\$488,750	4,736.0
Staff retention	22,270,984	22,270,984	0	0	0	0.0
Medical caseload	10,548,014	10,548,014	0	0	0	0.0
La Vista staff increase	448,965	448,965	0	0	0	8.0
Mental health contract services adjustment	370,738	370,738	0	0	0	0.0

INSTITUTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Offender dress out	270,847	270,847	0	0	0	0.0
Food service inflation	248,403	248,403	0	0	0	0.0
Provider rate increase	169,123	169,123	0	0	0	0.0
Annualize prior year budget actions	(22,003,814)	(21,526,979)	11,915	0	(488,750)	0.0
Annualize prior year legislation	(11,641,039)	(11,642,228)	1,189	0	0	0.0
Indirect cost assessment	(608)	0	(608)	0	0	0.0
SB 19-207	\$470,676,610	\$469,017,192	\$1,659,418	\$0	\$0	4,744.0
SB 15-067	505,907	505,907	0	0	0	0.0
HB 15-1043	9,397,689	9,397,689	0	0	0	0.0
HB 15-1229	5,076	5,076	0	0	0	0.0
HB 15-1341	487,701	487,701	0	0	0	0.0
HB 16-1080	131,181	131,181	0	0	0	0.0
SB 18-119	34,677	34,677	0	0	0	0.0
HB 18-1200	22,072	22,072	0	0	0	0.0
SB 19-008	491,940	491,940	0	0	0	1.6
HB 19-1064	13,050	13,050	0	0	0	0.0
TOTAL	\$481,765,903	\$480,106,485	\$1,659,418	\$0	\$0	4,745.6
INCREASE/(DECREASE)	\$11,770,906	\$12,247,160	\$12,496	\$0	(\$488,750)	9.6
Percentage Change	2.5%	2.6%	0.8%	n/a	(100.0%)	0.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-111 modifies the FY 2018-19 appropriation to increase the appropriations by \$2.1 million General Fund for correctional officers overtime pay.

Senate Bill 19-207 modifies the FY 2018-19 appropriation to increase the appropriation by \$9.9 million total funds, of which \$9.4 million is General Fund and \$488,750 is federal funds for increases in medical caseload.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

STAFF RETENTION: The appropriation includes an increase of \$22.3 million General Fund for staff retention.

MEDICAL CASELOAD: The appropriation includes an increase of \$10.5 million General Fund for medical caseload changes due to inmate population changes and inflationary costs.

LA VISTA STAFF INCREASE: The appropriation includes an increase of \$448,965 General Fund and 8.0 FTE for staffing level increases at LA Vista Correctional Facility.

MENTAL HEALTH CONTRACT SERVICES ADJUSTMENT: The appropriation includes an increase of \$370,738 General Fund for increases to mental health contract services.

OFFENDER DRESS OUT: The appropriation includes an increase of \$270,847 General Fund to compensate for inflationary increases in offender release clothing.

FOOD SERVICE INFLATION: The appropriation includes an increase of \$248,403 General Fund to account for inflationary costs of providing food service.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$169,123 General Fund for a provider rate increase.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$8,135,095	\$8,123,180	\$11,915	\$0	\$0	0.0
Centennial South Payment	(20,255,668)	(20,255,668)	0	0	0	0.0
Supplemental Medical caseload	(9,874,541)	(9,385,791)	0	0	(488,750)	0.0
Supplemental Parole caseload	(8,700)	(8,700)	0	0	0	0.0
TOTAL	(\$22,003,814)	(\$21,526,979)	\$11,915	\$0	(\$488,750)	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$950,182	\$948,993	\$1,189	\$0	\$0	0.0
Five year sentencing adjustment	(10,495,231)	(10,495,231)	0	0	0	0.0
SB 19-111 Supplemental bill	(2,095,990)	(2,095,990)	0	0	0	0.0
TOTAL	(\$11,641,039)	(\$11,642,228)	\$1,189	\$0	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

SUPPORT SERVICES

The Support Services division includes business operations, personnel, offender services, communications, transportation, training, information systems, and facility services. The cash funds and reappropriated funds are primarily from sales revenue from Canteen Operations and Correctional Industries.

SUPPORT SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$47,869,003	\$45,872,147	\$865,853	\$1,131,003	\$0	241.2
SB 18-150	89,600	89,600	0	0	0	0.0
SB 19-207	1,913	1,913	0	0	0	0.0
TOTAL	\$47,960,516	\$45,963,660	\$865,853	\$1,131,003	\$0	241.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$47,960,516	\$45,963,660	\$865,853	\$1,131,003	\$0	241.2
DeCORuM operating	2,796,520	2,796,520	0	0	0	0.0
Centrally appropriated line items	2,629,705	2,643,281	(8,700)	(4,876)	0	0.0
Annualize prior year budget actions	421,482	419,388	2,094	0	0	0.0
Staff retention	217,093	217,093	0	0	0	0.0
Annualize prior year legislation	41,604	41,395	209	0	0	0.0
Parole caseload	6,723	6,723	0	0	0	0.0
La Vista staff increase	3,555	3,555	0	0	0	0.0
Indirect cost assessment	0	(41,623)	0	41,623	0	0.0
SB 19-207	\$54,077,198	\$52,049,992	\$859,456	\$1,167,750	0	241.2
SB 19-008	810	810	0	0	0	0.0
SB 19-143	25,200	25,200	0	0	0	0.0

SUPPORT SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1064	6,145	6,145	0	0	0	0.0
TOTAL	\$54,109,353	\$52,082,147	\$859,456	\$1,167,750	\$0	241.2
INCREASE/(DECREASE)	\$6,148,837	\$6,118,487	(\$6,397)	\$36,747	\$0	(0.0)
Percentage Change	12.8%	13.3%	(0.7%)	3.2%	n/a	(0.0%)

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 modifies the FY 2018-19 appropriation to increase the appropriation by \$1,913 General Fund for increases in parole caseload.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

DECORUM OPERATING: The appropriation includes an increase of \$2.8 million General Fund for the maintenance costs associated with the Department of Corrections Offender Records Management System (DeCORuM).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Securing IT operations	\$2,471,322	\$2,456,954	\$14,368	\$0	\$0	0.0
Payments to OIT adjustment	283,217	281,843	1,374	0	0	0.0
Optimize self-service capabilities	69,492	69,088	404	0	0	0.0
Essential database support	9,483	9,428	55	0	0	0.0
Application refresh and consolidation	8,799	8,748	51	0	0	0.0
DPA Annual fleet vehicle request	(110,372)	(89,976)	(20,396)	0	0	0.0
CORE adjustment	(102,236)	(92,804)	(4,556)	(4,876)	0	0.0
TOTAL	\$2,629,705	\$2,643,281	(\$8,700)	(\$4,876)	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of salary survey and parole caseload.

STAFF RETENTION: The appropriation includes an increase of \$217,093 General Fund for staff retention.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

PAROLE CASELOAD: The appropriation includes an increase of \$6,723 General Fund for parole caseload changes from increased use of parole in the Department.

LA VISTA STAFF INCREASE: The appropriation includes an increase of \$3,555 General Fund for staffing level increases at LA Vista Correctional Facility.

INDIRECT COST ASSESSMENT: The appropriation includes a net zero change in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

INMATE PROGRAMS

The Inmate Programs division includes educational, vocational, recreational, and inmate labor programs operated by the Department. This division also includes the Sex Offender Treatment Subprogram, the Drug and Alcohol Treatment Subprogram, and the Volunteers Subprogram. Cash and reappropriated funds are primarily from the Correctional Treatment Cash Fund and sales revenue of the Canteen Operation.

INMATE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$44,020,204	\$40,552,109	\$1,406,368	\$1,968,480	\$93,247	549.7
TOTAL	\$44,020,204	\$40,552,109	\$1,406,368	\$1,968,480	\$93,247	549.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$44,020,204	\$40,552,109	\$1,406,368	\$1,968,480	\$93,247	549.7
Staff retention	1,109,065	1,109,065	0	0	0	0.0
Annualize prior year budget actions	969,192	969,192	0	0	0	0.0
Annualize prior year legislation	95,231	95,231	0	0	0	0.0
La Vista staff increase	60,749	60,749	0	0	0	0.9
Provider rate increase	35,143	21,259	0	13,884	0	0.0
Medical caseload	(13,884)	0	0	(13,884)	0	0
SB 19-207	\$46,275,700	\$42,807,605	\$1,406,368	\$1,968,480	\$93,247	550.6
TOTAL	\$46,275,700	\$42,807,605	\$1,406,368	\$1,968,480	\$93,247	550.6
INCREASE/(DECREASE)	\$2,255,496	\$2,255,496	\$0	\$0	\$0	0.9
Percentage Change	5.1%	5.6%	0.0%	0.0%	0.0%	0.2%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

STAFF RETENTION: The appropriation includes an increase of \$1.1 million General Fund for staff retention.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second -year impact of salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

LA VISTA STAFF INCREASE: The appropriation includes an increase of \$60,749 General Fund and 0.9 FTE for staffing level increases at LA Vista Correctional Facility.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$35,143 total funds, of which \$21,259 is General Fund and \$13,884 are reappropriated funds, for a provider rate increase.

MEDICAL CASELOAD: The appropriation includes a decrease of \$13,884 reappropriated funds for medical caseload changes due to inmate population changes and inflationary costs.

COMMUNITY SERVICES

The Community Services division includes the Parole Subprogram, the Community Supervision Subprogram for inmates in community corrections and in the Intensive Supervision-Inmate (ISP-I) program, and the Community Re-entry Subprogram. Other costs associated with residential community corrections placements are appropriated to the Department of Public Safety's Division of Criminal Justice. The reappropriated funds are from the Correctional Treatment Cash Fund.

COMMUNITY SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$48,978,528	\$46,708,830	\$10,000	\$2,220,600	\$39,098	426.6
HB 18-1176	3,286,000	0	0	3,286,000	0	0.0
SB 19-207	493,478	493,478	0	0	0	1.5
TOTAL	\$52,758,006	\$47,202,308	\$10,000	\$5,506,600	\$39,098	428.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$52,758,006	\$47,202,308	\$10,000	\$5,506,600	\$39,098	428.1
Parole caseload	7,851,265	7,851,265	0	0	0	10.0
Re-entry grant for parolee support	3,741,409	3,741,409	0	0	0	0.0
Parolee housing adjustment	1,000,000	1,000,000	0	0	0	0.0
Annualize prior year budget actions	256,717	256,717	0	0	0	(1.5)
Provider rate increase	148,497	126,866	0	21,631	0	0.0
Annualize prior year legislation	(3,212,289)	73,711	0	(3,286,000)	0	0.0
SB 19-207	\$62,543,605	\$60,252,276	\$10,000	\$2,242,231	\$39,098	436.6
TOTAL	\$62,543,605	\$60,252,276	\$10,000	\$2,242,231	\$39,098	436.6
INCREASE/(DECREASE)	\$9,785,599	\$13,049,968	\$0	(\$3,264,369)	\$0	8.5
Percentage Change	18.5%	27.6%	0.0%	(59.3%)	0.0%	2.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 modifies the FY 2018-19 appropriation to increase the appropriation by \$493,478 General Fund and 1.5 FTE for increases in parole caseload.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

PAROLE CASELOAD: The appropriation includes an increase of \$7.9 million General Fund and 10.0 FTE for parole caseload changes from increased use of parole in the Department.

RE-ENTRY GRANTS FOR PAROLEE SUPPORT: The appropriation includes an increase of \$3.7 million General Fund for offender re-entry support to cover the increased number of individuals being placed on parole.

PAROLEE HOUSING ADJUSTMENT: The appropriation includes an increase of \$1.0 million General Fund to increase the amount of support available for parolee housing.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second--year impact of salary survey and the parole caseload supplemental.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$148,497 total funds, of which \$126,866 is General Fund and \$21,631 are reappropriated funds for a provider rate increase.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability) and H.B. 18-1176.

PAROLE BOARD

The Parole Board has the discretion to grant or deny parole to offenders who have reached their parole eligibility date. The Board must parole offenders when they reach their mandatory parole date. The Board imposes conditions of parole on parolees and it may revoke parole when those conditions are violated.

PAROLE BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,780,602	\$1,780,602	\$0	\$0	\$0	17.5
TOTAL	\$1,780,602	\$1,780,602	\$0	\$0	\$0	17.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,780,602	\$1,780,602	\$0	\$0	\$0	17.5
Parole board changes	105,000	105,000	0	0	0	2.0
Annualize prior year budget actions	39,016	39,016	0	0	0	0.0
Annualize prior year legislation	3,834	3,834	0	0	0	0.0
SB 19-207	\$1,928,452	\$1,928,452	0	0	0	19.5
SB 19-165	293,774	293,774	0	0	0	1.8
TOTAL	\$2,222,226	\$2,222,226	\$0	\$0	\$0	21.3
INCREASE/(DECREASE)	\$441,624	\$441,624	\$0	\$0	\$0	3.8
Percentage Change	24.8%	24.8%	n/a	n/a	n/a	21.7%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

PAROLE BOARD CHANGES: The appropriation includes an increase of \$105,000 General Fund for staffing in the parole board.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second -year impact of salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

CORRECTIONAL INDUSTRIES

Correctional Industries manages profit-oriented work programs that provide inmates with on-the-job training while generating revenues to cover costs. Major businesses operated by Correctional Industries include the manufacture of license plates, office furniture, and modular office systems; a print shop; a leather products shop; wildland fire fighting; dog and horse training; and a garment production operation. Correctional Industries sells its products primarily to other government agencies. Correctional Industries is fully supported by cash and reappropriated funds from sales of Correctional Industries products and services. Because Correctional Industries is an enterprise, its appropriations are exempt from Section 20 of Article X of the State Constitution (TABOR).

CORRECTIONAL INDUSTRIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$63,888,979	\$0	\$15,316,540	\$45,481,629	\$3,090,810	155.0
TOTAL	\$63,888,979	\$0	\$15,316,540	\$45,481,629	\$3,090,810	155.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$63,888,979	\$0	\$15,316,540	\$45,481,629	\$3,090,810	155.0
Staff retention	651,279	0	0	651,279	0	0.0
Annualize prior year budget actions	347,715	0	347,715	0	0	0.0
Indirect cost assessment	47,601	0	(9,135)	(2,509)	59,245	0.0

CORRECTIONAL INDUSTRIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	18,799	0	18,799	0	0	0.0
SB 19-207	\$64,954,373	\$0	\$15,673,919	\$46,130,399	\$3,150,055	155.0
TOTAL	\$64,954,373	\$0	\$15,673,919	\$46,130,399	\$3,150,055	155.0
INCREASE/(DECREASE)	\$1,065,394	\$0	\$357,379	\$648,770	\$59,245	0.0
Percentage Change	1.7%	n/a	2.3%	1.4%	1.9%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

STAFF RETENTION: The appropriation includes an increase of \$651,279 reappropriated funds for staff retention.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second -year impact of salary survey and the PIE program minimum wage increase.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessment.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CANTEEN OPERATIONS

The Canteen Operation provides personal items for purchase by inmates, including toiletries, snack foods, televisions, phone services, and other approved items. Per court order, all funds remaining after expenses are used to provide inmates with additional educational or recreational resources including library materials and cable television services. The Canteen Operation is fully supported by cash funds from sales of canteen products to inmates. Because Correctional Industries is an enterprise, its appropriations are exempt from Section 20 of Article X of the State Constitution (TABOR). Canteen appropriations are informational pursuant to Section 17-24-126 (1) C.R.S.

CANTEEN OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$15,125,066	\$0	\$15,125,066	\$0	\$0	28.0
TOTAL	\$15,125,066	\$0	\$15,125,066	\$0	\$0	28.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$15,125,066	\$0	\$15,125,066	\$0	\$0	28.0
Annualize prior year budget actions	6,183,929	0	6,183,929	0	0	0.0
Annualize prior year legislation	10,561	0	10,561	0	0	0.0
Indirect cost assessment	(5,370)	0	(5,370)	0	0	0.0
SB 19-207	\$21,314,186	\$0	\$21,314,186	0	0	28.0
TOTAL	\$21,314,186	\$0	\$21,314,186	\$0	\$0	28.0
INCREASE/(DECREASE)	\$6,189,120	\$0	\$6,189,120	\$0	\$0	0.0
Percentage Change	40.9%	n/a	40.9%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second -year impact of salary survey and canteen operating expenses.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-119 (FALSE IMPRISONMENT OF A MINOR): Increases the crime of false imprisonment of a minor from a class 2 misdemeanor to a class 5 felony when a person confines or detains a person under the age of 18 by means of tying, locking, caging, chaining, or otherwise restricting the minor's freedom of movement under circumstances that pose a risk of bodily injury or serious emotional distress. Includes a statutory General Fund appropriation to the Department that provides a total of \$174,751 over 5 years.

S.B. 18-150 (VOTER REGISTRATION OF INDIVIDUALS IN CRIMINAL JUSTICE SYSTEM): Allows parolees to preregister to vote and requires parole and probation officers to provide parolees with voter registration information. For FY 2018-19, provides one-time appropriations of \$89,600 to the Department of Corrections from the General Fund and \$95,555 to the Department of State from the Department of State Cash Fund.

S.B. 18-200 (MODIFICATIONS TO PERA TO ELIMINATE UNFUNDED LIABILITY): Classifies Correctional Officers I through IV hired on or after January 1, 2020 as state troopers for employer and employee contributions to PERA, which will increase the Department's PERA contribution for these individuals to 13.1 percent from the 10.4 percent rate that would otherwise apply. Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1077 (BURGLARY OF FIREARMS): Increases the crime of burglary from a class 4 felony to a class 3 felony if the objective of the burglary is the theft of firearms or ammunition. Includes a statutory General Fund appropriation to the Department that provides a total of \$1,401,432 over 5 years with \$69,856 provided in FY 2020-21 and \$467,144 in FY 2021-22.

S.B. 18-1132 (COSTS OF INCARCERATING DEPARTMENT OF CORRECTIONS OFFENDERS IN LOCAL JAILS): Requires counties to annually report to the Joint Budget Committee the average cost of holding Department of Corrections offenders in their jails.

H.B. 18-1158 (SUPPLEMENTAL BILL): Modifies FY 2017-18 and FY 2016-17 appropriations to the Department.

H.B. 18-1176 (REAUTHORIZE OFFENDER REENTRY GRANT PROGRAM): Continues for 5 years the offender reentry grant program operated by the Department, which makes grants through an intermediary to community organizations that provide parolees with re-entry services that aim to reduce recidivism, enhance public safety, and increase parolee success. For FY 2018-19 provides a one-time appropriation to expand the program of \$3,286,000 from the Correctional Treatment Cash Fund to the Judicial Department and a one-time reappropriation of this amount to the Department of Corrections. The bill's legislative declaration states the General Assembly's intent that the program be supported by the General Fund in fiscal years 2019-20 through 2022-23 and encourages the Department of Corrections to request annual General Fund appropriations of \$5,475,380 for each of those years.

H.B. 18-1200 (CYBERCRIME CHANGES): Replaces the term “computer crime” with “cybercrime” in the criminal code, adds three new cybercrimes, adds definitions, and modifies the circumstances and classification of some such crimes. Includes a statutory General Fund appropriation to the Department that provides a total of \$135,418 over 5 years with \$22,072 provided in FY 2019-20 and \$34,677 in FY 2021-22.

H.B. 18-1251 (COMMUNITY CORRECTIONS TRANSITION PLACEMENTS): Modifies the procedures for community corrections transition placement referrals involving the State Board of Parole, the Department of Corrections, community corrections boards, and community corrections programs.

H.B. 18-1287 (REAUTHORIZE COMMISSION ON CRIMINAL AND JUVENILE JUSTICE): Reauthorizes until 2023 the Commission on Criminal and Juvenile Justice, which engages in evidence-based analysis of the Colorado criminal justice system and annually reports to the Governor, the General Assembly, and the Chief Justice of the Colorado Supreme Court. No appropriation to the Department is in the bill, but reauthorization has the effect of continuing a \$56,160 General Fund appropriation to the Department’s *Planning and Analysis Contracts* line item that would otherwise end.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1410 (PRISON POPULATION MEASUREMENT MEASURES): Requires the Department to notify the Governor, Joint Budget Committee, State Parole Board, each elected district attorney, the chief judge of each judicial district, the State Public Defender, and the Department of Public Safety (DPS) when the vacancy rate in Department facilities and private prisons housing Department offenders falls below two percent. When this occurs, the Department may:

- Request information about unused community corrections beds from the DPS, which must promptly respond and provide weekly updates until the vacancy rate exceeds three percent;
- Provide the Parole Board with names of inmates who do not require full parole board review or victim notification for parole release and (1) are within 90 days of their mandatory release date and have a verified parole sponsor, or (2) were granted conditional parole approval and have satisfied the condition. The Parole Board must conduct a file review of these individuals within 10 days and determine whether or not to order release. Inmates within 90 days of their mandatory release date can be released up to 30 days before that date.

2019 SESSION BILLS

S.B. 19-008 (SUBSTANCE USE DISORDER TREATMENT IN CRIMINAL JUSTICE SYSTEM): Makes several changes to state law concerning substance use disorders and the criminal justice system including the following:

- Requires county jails that accept state funding through the Department of Human Services’ (DHS’) Jail-based Behavioral Health Services Program to have a policy in place by January 1, 2020, that describes how medication-assisted treatment will be provided when necessary to confined individuals. Requires the Department of Corrections (DOC) to allow medication-assisted treatment to continue in cases where an inmate was receiving treatment in a county jail prior to transfer into DOC custody. Allows county sheriffs and the DOC to enter into agreements with treatment organizations to assist in the development and administration of medication-assisted treatment in jails and prisons. Appropriates \$492,750 General Fund to DOC for FY 2019-20, and indicates that DOC will require 1.6 FTE to implement the act.
- Appropriates \$1,963,832 General Fund to DHS for FY 2019-20, and indicates that DHS will require 1.5 FTE to implement the act. This funding includes: \$1,165,052 to increase the number of local co-responder programs from eight to eleven; and \$798,780 for medication-assisted treatment in county jails.
- Requires the Department of Public Health and Environment (CDPHE) to develop and implement the Harm Reduction Grant Program to reduce health risks associated with drug use and improve coordination between law enforcement agencies, public health agencies, and community-based organizations. Creates the Harm Reduction Grant Program Cash Fund to support the grant program and appropriates \$1,800,000 cash funds from the

Marijuana Tax Cash Fund to the new fund for FY 2019-20. Reappropriates this same amount to CDPHE for FY 2019-20 and indicates that CDPHE will require 1.8 FTE to implement the act.

- Requires the Commission on Criminal and Juvenile Justice (CCJJ) in the Department of Public Safety to study and make recommendations on various issues concerning the treatment of individuals with substance use disorders who come into contact with the criminal justice system, and to report to the General Assembly by July 1, 2020. Appropriates \$40,300 General Fund to the Department of Public Safety for FY 2019-20.
- Establishes a new process for sealing convictions for certain drug-related offenses, including: level 4 drug felonies and any drug misdemeanor involving the possession of a controlled substance; a felony or misdemeanor conviction prior to October 1, 2013, where the offense would be classified as a level 4 drug felony or drug misdemeanor if it had been committed on or after that date; and any municipal violation involving a controlled substance.
- Directs the Substance Abuse Trend and Response Task Force to formulate a response to substance use disorder problems, including the use of drop-off treatment services, mobile and walk-in crisis centers, and withdrawal management programs for low-level drug offenders. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Human Services.

S.B. 19-064 (RETAIN CRIMINAL JUSTICE PROGRAMS FUNDING): Creates cash funds for use by four criminal justice programs in the Departments of Corrections, Public Health and Environment, and Local Affairs. These cash funds are continuously appropriated to the departments operating the programs allowing use of the funds over multiple fiscal years. The bill also extends the sunset date for the Justice Reinvestment Crime Prevention Grant Program and the Justice Reinvestment Crime Prevention Small Business Program through 2023.

S.B. 19-111 (SUPPLEMENTAL BILL): Modifies FY 2017-18 and FY 2018-19 appropriations to the Department.

S.B. 19-143 (PAROLE CHANGES): Makes various changes to prison population management options to reduce the pressure on prison capacity. This includes changes to parole revocations and increases in the number of individuals eligible for re-entry services. The appropriation for the Department of Corrections was \$25,200 General Fund.

S.B. 19-165 (INCREASE PAROLE BOARD MEMBERSHIP): Increases the number of State Parole Board members from seven members to nine members.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2018-19

S.B. 19-208 (State Employee Reserve Fund Transfer): Transfers \$23,000,000 from the State Employee Reserve Fund to the General Fund in FY 2019-20. Of this amount, \$13.0 million was transferred to cover a portion of the costs for the Department’s staff raises. This is a one-time transfer.

H.B. 19-1064 (Victim Notification Criminal Proceedings): Removes opt-in requirements for a victim to receive notifications of criminal proceedings involving their alleged offender or offender and instead automatically enrolls them. For FY 2019-20, appropriates \$784,542 General Fund to the Department of Corrections. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

Details

DEPARTMENT OF EDUCATION

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$5,918,775,777	\$4,116,143,086	\$1,146,052,221	\$39,385,509	\$617,194,961	602.5
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Management and Administration	102,484,558	24,273,381	33,766,242	30,677,304	13,767,631	163.1
Assistance to Public Schools	5,790,971,189	4,075,310,059	1,110,934,220	4,481,398	600,245,512	221.1
Library Programs	8,831,327	4,864,213	275,296	510,000	3,181,818	38.1
School for the Deaf and the Blind	16,488,703	11,695,433	1,076,463	3,716,807	0	180.2
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$5,760,809,014	\$4,051,091,776	\$1,053,136,768	\$39,385,509	\$617,194,961	601.6
SB 18-013	564,279	564,279	0	0	0	0.0
SB 18-085	240,000	0	240,000	0	0	0.0
HB 18-1019	30,000	30,000	0	0	0	0.0
HB 18-1070	34,000,000	0	34,000,000	0	0	0.0
HB 18-1189	600,000	600,000	0	0	0	0.0
HB 18-1193	260,937	0	260,937	0	0	0.3
HB 18-1309	1,019,110	1,019,110	0	0	0	0.3
HB 18-1379	189,504,911	123,428,205	66,076,706	0	0	0.0
HB 18-1393	1,000,000	0	1,000,000	0	0	0.0
HB 18-1396	554,869	554,869	0	0	0	0.3
HB 18-1412	3,000,000	3,000,000	0	0	0	0.0
SB 19-128	(77,057,343)	(64,145,153)	(12,912,190)	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
HB 19-1055	4,250,000	0	4,250,000	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$6,185,897,769	\$4,405,170,565	\$1,118,704,379	\$42,577,029	\$619,445,796	616.4
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Management and Administration	106,475,212	24,593,275	34,649,470	32,579,536	14,652,931	165.7
Assistance to Public Schools	6,052,654,010	4,362,897,971	1,082,692,701	5,504,803	601,558,535	232.4
Library Programs	9,666,880	5,390,864	281,686	760,000	3,234,330	38.1
School for the Deaf and the Blind	17,101,667	12,288,455	1,080,522	3,732,690	0	180.2
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$5,851,129,906	\$4,190,124,616	\$999,232,465	\$42,327,029	\$619,445,796	605.4
SB 19-010	3,000,000	0	3,000,000	0	0	1.0
SB 19-059	250,000	250,000	0	0	0	0.3
SB 19-161	2,000	2,000	0	0	0	0.0
SB 19-176	1,544,916	44,916	1,500,000	0	0	0.8
SB 19-199	33,134,746	0	33,134,746	0	0	4.2
SB 19-204	493,097	493,097	0	0	0	0.4
SB 19-215	68,000	68,000	0	0	0	0.0
SB 19-216	129,563	129,563	0	0	0	0.3
SB 19-246	38,775,902	37,675,902	1,100,000	0	0	1.3
HB 19-1002	272,929	272,929	0	0	0	0.9

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1017	43,114	0	43,114	0	0	0.4
HB 19-1055	80,656,559	0	80,656,559	0	0	0.0
HB 19-1110	19,816	19,816	0	0	0	0.0
HB 19-1120	116,550	116,550	0	0	0	0.9
HB 19-1132	168,942	168,942	0	0	0	0.3
HB 19-1134	106,196	106,196	0	0	0	0.0
HB 19-1171	463,729	463,729	0	0	0	0.0
HB 19-1187	250,000	250,000	0	0	0	0.0
HB 19-1192	37,495	0	37,495	0	0	0.0
HB 19-1236	1,012,201	1,012,201	0	0	0	0.2
HB 19-1262	173,972,108	173,972,108	0	0	0	0.0
HB 19-1332	250,000	0	0	250,000	0	0.0
INCREASE/(DECREASE)	\$267,121,992	\$289,027,479	(\$27,347,842)	\$3,191,520	\$2,250,835	13.9
Percentage Change	4.5%	7.0%	(2.4%)	8.1%	0.4%	2.3%

¹ Includes General Fund Exempt.

GENERAL FUND EXEMPT: Amounts in the General Fund column include appropriations from both the General Fund and General Fund Exempt Account. The General Fund Exempt Account was created by Referendum C, passed by Colorado voters in November 2005. Referendum C allowed the State to retain for FY 2005-06 through FY 2009-10 all revenue collected in excess of the TABOR limit and for FY 2010-11 and subsequent fiscal years all revenues in excess of the TABOR limit but less than the excess state revenues cap. The retained revenue must be placed in the General Fund Exempt Account. The table below shows the amount of General Fund that is appropriated for FY 2018-19 and FY 2019-20 from the General Fund Exempt Account for preschool through twelfth grade education pursuant to Sections 24-77-103.6 (2)(b) and 24-77-104.5 (3), C.R.S. For additional information on General Fund Exempt appropriations, see Appendix D.

FISCAL YEAR	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$4,116,143,086	\$3,230,809,753	\$885,333,333
FY 2019-20	\$4,405,170,565	\$3,507,459,732	\$897,710,833

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Education are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$646,307,940	\$0	\$5,262,144	\$21,600,000	\$619,445,796

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

MANAGEMENT AND ADMINISTRATION

This section provides funding for the State Board of Education, the Commissioner of Education, and general department administrative responsibilities including: human resources, budgeting, accounting, information management, assessments, and data analyses. This section also includes funding for the Office of Professional Services, the Division of On-line Learning, activities associated with educator effectiveness, and the State Charter School Institute.

Cash funds primarily include the State Education Fund, the State Public School Fund, the Educator Licensure Cash Fund, the Institute Charter School Assistance Fund, general education development (GED) program fees, and the Public School Capital Construction Assistance Fund. Reappropriated funds consist primarily of indirect cost recoveries, the transfer of funds from various cash- and federally-funded line items, and the transfer of various grants and donations originally appropriated in the Assistance to Public Schools section.

MANAGEMENT AND ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$102,454,558	\$24,243,381	\$33,766,242	\$30,677,304	\$13,767,631	163.1
HB 18-1019	30,000	30,000	0	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
TOTAL	\$102,484,558	\$24,273,381	\$33,766,242	\$30,677,304	\$13,767,631	163.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$102,484,558	\$24,273,381	\$33,766,242	\$30,677,304	\$13,767,631	163.1
Centrally appropriated line items	4,066,374	1,194,593	938,100	501,603	1,432,078	0.0
CSI mill levy equalization	2,952,276	1,476,138	0	1,476,138	0	0.0
Schools of choice	315,504	315,504	0	0	0	2.6
Annualize prior year legislation	108,579	87,455	7,996	8,642	4,486	0.0
Indirect cost assessment	27,570	0	60,633	0	(33,063)	0.0
Technical changes	18,645	0	0	0	18,645	0.0
Fund source adjustments	0	(1,154)	0	1,154	0	0.0
Annualize prior year budget actions	(3,500,294)	(2,754,642)	(123,501)	(85,305)	(536,846)	0.0
SB 19-207	\$106,473,212	\$24,591,275	\$34,649,470	\$32,579,536	\$14,652,931	165.7
SB 19-161	2,000	2,000	0	0	0	0.0
TOTAL	\$106,475,212	\$24,593,275	\$34,649,470	\$32,579,536	\$14,652,931	165.7
INCREASE/(DECREASE)	\$3,990,654	\$319,894	\$883,228	\$1,902,232	\$885,300	2.6
Percentage Change	3.9%	1.3%	2.6%	6.2%	6.4%	1.6%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 includes an adjustment to the FY 2018-19 Long Bill to allow the Department to roll forward a portion of information technology funding from FY 2018-19 to FY 2019-20.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes a net increase of \$4.1 million total funds (including \$1.2 million General Fund) related to employee benefits and other centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,531,969	\$492,701	\$238,932	\$179,058	\$621,278	0.0
PERA direct distribution	1,288,681	410,346	201,941	151,296	525,098	0.0
Health, life, and dental	613,734	45,181	189,948	77,873	300,732	0.0
Payments to OIT	336,402	98,710	135,258	102,434	0	0.0
Payment to risk management / property funds adjustment	235,531	235,531	0	0	0	0.0
Legal services adjustment	150,487	86,989	59,637	3,861	0	0.0
Amortization equalization disbursement	66,536	(53,428)	37,367	18,469	64,128	0.0
Supplemental amortization equalization disbursement	66,536	(53,428)	37,367	18,469	64,128	0.0
Administrative law judges	25,310	0	20,944	4,366	0	0.0
Short-term disability	5,792	(582)	1,781	1,028	3,565	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Capitol Complex leased space	(80,296)	(24,159)	(20,490)	(4,708)	(30,939)	0.0
Workers' compensation	(73,308)	(32,745)	(9,567)	(4,953)	(26,043)	0.0
Leased space	(68,850)	(10,469)	43,177	(11,689)	(89,869)	0.0
CORE operations	(32,150)	(54)	1,805	(33,901)	0	0.0
TOTAL	\$4,066,374	\$1,194,593	\$938,100	\$501,603	\$1,432,078	0.0

CSI MILL LEVY EQUALIZATION: The appropriation includes an increase of \$3.0 million total funds (including \$1.5 million General Fund appropriated to the Mill Levy Equalization Fund and \$1.5 million reappropriated funds to appropriate those funds out of the cash fund) for distribution to Colorado Charter School Institute (CSI) schools to equalize local mill levy override revenues that are not available to CSI schools.

SCHOOLS OF CHOICE: The appropriation includes an increase of \$315,504 General Fund to support the Schools of Choice Unit's ongoing support and oversight of charter schools statewide under the Charter Schools Act (Sections 22-30.5-101 through 22-30.5-704, C.R.S.). The appropriation also includes a transfer of 2.6 FTE previously reflected in the Appropriated Sponsored Programs line item in the Assistance to Public Schools section into the newly created Schools of Choice line item in this division.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1306 Improving Ed Stability for Foster Youth	\$48,800	\$48,800	\$0	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	37,279	16,155	7,996	8,642	4,486	0.0
HB 18-1019 K12 Accreditation Weighted Factors	22,500	22,500	0	0	0	0.0
TOTAL	\$108,579	\$87,455	\$7,996	\$8,642	\$4,486	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessments.

TECHNICAL CHANGES: The appropriation includes an increase of \$18,645 federal funds to align appropriations for the statewide assessment system with the federal funding anticipated to be available for FY 2019-20.

FUND SOURCE ADJUSTMENTS: The appropriation include a decrease of \$1,154 General Fund that is offset by an increase of that amount of reappropriated funds.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Staffing information management systems	(\$2,304,550)	(\$2,304,550)	\$0	\$0	\$0	0.0
FY 2018-19 Salary survey	(1,080,916)	(335,264)	(123,501)	(85,305)	(536,846)	0.0
FY 18-19 State Board meeting transcription	(114,828)	(114,828)	0	0	0	0.0
TOTAL	(\$3,500,294)	(\$2,754,642)	(\$123,501)	(\$85,305)	(\$536,846)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

ASSISTANCE TO PUBLIC SCHOOLS

This section includes funding that is distributed to public schools or is used to directly support public schools (e.g., federally-funded Department staff that provide technical assistance to districts concerning special education programs). This section is comprised of the following four subsections:

- **Public School Finance:** This subsection includes funding for the state share of districts' total program funding required under the School Finance Act, for other distributions that are directly related to school district pupil counts, and for administration of the School Finance Act and related programs.
- **Categorical Programs:** This subsection includes state and federal funding for all programs defined as "categorical programs" pursuant to Article IX, Section 17 of the Colorado Constitution.
- **Grant Programs, Distributions, and Other Assistance:** This subsection includes other state and federal funds that are distributed to schools and districts, or that are used to provide direct support and assistance to schools and districts.
- **Indirect Cost Assessment:** This subsection reflects all of the indirect cost assessments against fund sources within the Assistance to Public Schools division.

The changes in appropriation by subdivision and the factors driving such changes are included in tables for each subdivision.

ASSISTANCE TO PUBLIC SCHOOLS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$5,633,034,426	\$4,010,288,749	\$1,018,018,767	\$4,481,398	\$600,245,512	220.2
SB 18-013	564,279	564,279	0	0	0	0.0
SB 18-085	240,000	0	240,000	0	0	0.0
HB 18-1070	34,000,000	0	34,000,000	0	0	0.0
HB 18-1189	600,000	600,000	0	0	0	0.0
HB 18-1193	260,937	0	260,937	0	0	0.3
HB 18-1309	1,019,110	1,019,110	0	0	0	0.3
HB 18-1379	189,504,911	123,428,205	66,076,706	0	0	0.0
HB 18-1393	1,000,000	0	1,000,000	0	0	0.0
HB 18-1396	554,869	554,869	0	0	0	0.3
HB 18-1412	3,000,000	3,000,000	0	0	0	0.0
SB 19-128	(77,057,343)	(64,145,153)	(12,912,190)	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
HB 19-1055	4,250,000	0	4,250,000	0	0	0.0
TOTAL	\$5,790,971,189	\$4,075,310,059	\$1,110,934,220	\$4,481,398	\$600,245,512	221.1
FY 2019-20 APPROPRIATION:						
SB 19-207	\$5,718,138,147	\$4,147,854,022	\$963,220,787	\$5,504,803	\$601,558,535	221.4
SB 19-010	3,000,000	0	3,000,000	0	0	1.0
SB 19-059	250,000	250,000	0	0	0	0.3
SB 19-176	1,544,916	44,916	1,500,000	0	0	0.8
SB 19-199	33,134,746	0	33,134,746	0	0	4.2
SB 19-204	493,097	493,097	0	0	0	0.4
SB 19-215	68,000	68,000	0	0	0	0.0
SB 19-216	129,563	129,563	0	0	0	0.3
SB 19-246	38,775,902	37,675,902	1,100,000	0	0	1.3
HB 19-1002	272,929	272,929	0	0	0	0.9
HB 19-1017	43,114	0	43,114	0	0	0.4
HB 19-1055	80,656,559	0	80,656,559	0	0	0.0
HB 19-1110	19,816	19,816	0	0	0	0.0
HB 19-1120	116,550	116,550	0	0	0	0.9

ASSISTANCE TO PUBLIC SCHOOLS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1132	168,942	168,942	0	0	0	0.3
HB 19-1134	106,196	106,196	0	0	0	0.0
HB 19-1171	463,729	463,729	0	0	0	0.0
HB 19-1187	250,000	250,000	0	0	0	0.0
HB 19-1192	37,495	0	37,495	0	0	0.0
HB 19-1236	1,012,201	1,012,201	0	0	0	0.2
HB 19-1262	173,972,108	173,972,108	0	0	0	0.0
TOTAL	\$6,052,654,010	\$4,362,897,971	\$1,082,692,701	\$5,504,803	\$601,558,535	232.4
INCREASE/(DECREASE)	\$261,682,821	\$287,587,912	(\$28,241,519)	\$1,023,405	\$1,313,023	11.3
Percentage Change	4.5%	7.1%	(2.5%)	22.8%	0.2%	5.1%

¹ Includes General Fund Exempt.

PUBLIC SCHOOL FINANCE

This subsection of the Assistance to Public Schools section primarily consists of appropriations for the State's share of funding required under the School Finance Act of 1994, as amended. The local share of funding (39.1 percent of the amount required under the Act for FY 2019-20 or \$3.0 billion) is not reflected in appropriations to the Department. This subsection also includes funding for other distributions that are directly related to school district pupil counts, as well as funding for staff responsible for administering the School Finance Act and the Colorado Preschool Program, and for auditing school districts to ensure compliance with the federal school lunch, public school transportation, and English language proficiency programs.

For FY 2019-20, 90.0 percent of the State's share of districts' total program funding is from the General Fund; the remainder is appropriated from two cash funds: the State Education Fund and the State Public School Fund. Administrative costs are primarily supported by transfers from the State Share of Districts' Total Program Funding, which has the effect of reducing funding that would otherwise be distributed to school districts.

SCHOOL FINANCE FORMULA OVERVIEW: FY 2019-20 FUNDING FOR PUBLIC SCHOOL FINANCE

The annual Long Bill contains appropriations based on current law. Thus, for purposes of public school finance, the Long Bill contains appropriations to fund public schools based on projected student enrollment, the existing statutory public school finance funding formula, and the minimum constitutionally required increase in the statewide base per-pupil funding amount. The General Assembly also passes a separate bill each year, called the school finance bill, that modifies the statutory school finance formula for the upcoming fiscal year. The school finance bill always specifies, in statute, the constitutionally required increase in the statewide base per-pupil funding amount. In addition, the school finance bill often includes other statutory modifications that increase or decrease the cost of funding public schools. If necessary, the school finance bill then includes an appropriation clause which increases or decreases Long Bill appropriations for the following fiscal year accordingly.

The FY 2019-20 Long Bill (S.B. 19-207) includes appropriations sufficient to fully fund public schools based on projected student enrollment for FY 2019-20 (excluding enrollment increases resulting from the transition to funding full-day kindergarten associated with H.B. 19-1262), support the minimum constitutionally required increase in the statewide base per-pupil funding amount, and maintain the budget stabilization factor as a constant dollar amount from FY 2018-19 to FY 2019-20 (\$672.4 million) as required by H.B. 18-1379. Specifically, appropriations in the Public School Finance subsection of the FY 2019-20 *Long Bill* decreased by \$56.4 million total funds compared to FY 2018-19 (not including additional legislation), as described below in the “FY 2019-20 Appropriation – S.B. 19-207 (Long Bill) Issue Descriptions” section.

The 2019 school finance bill (S.B. 19-246) includes formula modifications that increase the cost of funding the public school finance formula for FY 2019-20. For FY 2019-20, the bill accounts for an anticipated increase of \$107.6 million in local revenues above the amount assumed in the Long Bill. Based on the anticipated increase in local funding and other formula adjustments, the bill reduces state funding for total program by \$5.1 million General Fund and reduces the dollar value of the budget stabilization factor by \$100.0 million (from \$672.4 million assumed in the Long Bill to \$572.4 million).

Beginning in FY 2019-20, H.B. 19-1262 (State Funding for Full-day Kindergarten) funds full-day kindergarten students as 1.0 student FTE (as compared to 0.58 FTE under prior law). The bill increases total program funding by \$190.2 million in FY 2019-20, including \$182.9 million in state funds and \$7.3 million in local funds.

The largest line item appropriation within this subsection provides the state share of districts' total program funding. The table below provides data related to this line item appropriation for both FY 2018-19 and FY 2019-20. As detailed in the table, the appropriation for districts' total program funding (including the Long Bill, the school finance bill, and H.B. 19-1262) reduces the dollar value of the budget stabilization factor by \$100.0 million from FY 2018-19 to FY 2019-20. Total state and local funding for school districts for FY 2019-20 is \$518.4 million (7.3 percent) higher than for FY 2018-19. This level of funding is anticipated to increase average per-pupil funding from \$8,123 in FY 2018-19 to \$8,480 in FY 2019-20 (an increase of \$357 per pupil, or 4.4 percent).

SCHOOL FINANCE FORMULA OVERVIEW					
DISTRICTS' TOTAL PROGRAM FUNDING: FY 2018-19 AND FY 2019-20					
SCHOOL FINANCE: TOTAL PROGRAM	FY 2018-19 AMENDED APPROPRIATION	LONG BILL APPROPRIATION (SB 19-207)	OTHER LEGISLATION ¹	FY 2019-20 APPROPRIATION	ANNUAL CHANGE
Funded pupil count	870,084.9	872,201.8	22,367.1	894,568.9	24,484.0
<i>Annual percent change</i>					2.8%
Statewide base per-pupil funding	\$6,768.77	\$6,951.53	\$0.00	\$6,951.53	\$182.76
<i>Annual percent change</i>					2.7%
Total program funding (prior to budget stabilization factor)	\$7,739,732,989	\$7,965,424,012	\$192,681,591	\$8,158,105,603	\$418,372,614
LESS: Budget stabilization factor reduction	(672,396,894)	(672,396,894)	100,000,000	(572,396,894)	100,000,000
EQUALS: Adjusted total program funding	\$7,067,336,095	\$7,293,027,118	\$292,681,591	\$7,585,708,709	\$518,372,614
<i>Annual percent change</i>					7.3%
Total funds reduction as percent of "full" funding	(8.7%)	(8.4%)		(7.0%)	
Statewide average per-pupil funding	\$8,122.58	\$8,361.63	\$118.11	\$8,479.74	\$357.15
<i>Annual percent change</i>					4.4%
Local share of adjusted total program funding	\$2,598,750,917	\$2,851,058,828	\$114,893,990	\$2,965,952,818	\$367,201,901
<i>Annual percent change</i>					14.1%
State share of adjusted total program funding	\$4,468,585,178	\$4,441,968,290	\$177,787,601	\$4,619,755,891	\$425,606,724
<i>Annual percent change</i>					3.4%
<i>State share as % of Districts' Total Program</i>	<i>63.2%</i>	<i>60.9%</i>		<i>60.9%</i>	

¹ Senate Bill 19-246 (School Finance) accounts for an increase of \$107.6 million in local funding above the amount anticipated in the Long Bill appropriation and includes a net reduction of \$5.1 million General Fund for the state share of total program funding. Including other adjustments, S.B. 19-246 reduces the dollar value of the budget stabilization factor by \$100.0 million. House Bill 19-1262 (State Funding for Full-day Kindergarten) increases the allocation of funds under the school finance act for full-day kindergarten students from 0.58 student FTE under current law to 1.0 student FTE in FY 2019-20. Accounting for other adjustments, the bill adds an estimated 22,367.1 funded pupils and \$190.2 million in total program funding (including \$182.9 million in state funds and \$7.3 million in local funds).

The next table compares FY 2018-19 and FY 2019-20 appropriations for the Public School Finance subsection of the budget. The table is followed by descriptions of mid-year adjustments to FY 2018-19 appropriations and descriptions of the year-over-year funding changes that are reflected in the FY 2019-20 Long Bill. Descriptions of the statutory and appropriation changes included in other bills are included in the "Recent Legislation" section.

PUBLIC SCHOOL FINANCE

	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,407,818,913	\$3,863,185,534	\$542,963,522	\$1,669,857	\$0	17.9
HB 18-1379	189,504,911	123,428,205	66,076,706	0	0	0.0
SB 19-128	(77,057,343)	(64,145,153)	(12,912,190)	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
TOTAL	\$4,520,266,481	\$3,922,468,586	\$596,128,038	\$1,669,857	\$0	17.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,520,266,481	\$3,922,468,586	\$596,128,038	\$1,669,857	\$0	17.9
CPP tax checkoff	425,000	0	425,000	0	0	0.0
Annualize prior year budget actions	67,760	0	2,234	65,526	0	0.0
Fund source adjustments	0	0	0	0	0	0.0
Annualize prior year legislation	(30,529,800)	(545,147)	(29,987,935)	3,282	0	0.0
Total program adjustment	(26,366,916)	66,605,334	(92,972,250)	0	0	0.0
SB 19-207	\$4,463,862,525	\$3,988,528,773	\$473,595,087	\$1,738,665	\$0	17.9
SB 19-246	14,875,902	14,875,902	0	0	0	0.0
HB 19-1262	173,972,108	173,972,108	0	0	0	0.0
TOTAL	\$4,652,710,535	\$4,177,376,783	\$473,595,087	\$1,738,665	\$0	17.9
INCREASE/(DECREASE)	\$132,444,054	\$254,908,197	(\$122,532,951)	\$68,808	\$0	0.0
Percentage Change	2.9%	6.5%	(20.6%)	4.1%	n/a	0.0%

¹ Includes General Fund Exempt.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-128 includes the following adjustments:

- A reduction of \$77.6 million in state funding distributed to public schools through the School Finance Act (including \$64.7 million General Fund and \$12.9 million cash funds from the State Education Fund) to account for higher-than-anticipated local revenues and lower-than-anticipated student counts. The reduction in state funds maintained the budget stabilization factor at the dollar amount anticipated in the original FY 2018-19 appropriation (\$672.4 million).
- An increase of \$545,147 General Fund to correct underpayments to State Charter School Institute schools in prior years.

Senate Bill 19-207 adjusts the portion of General Fund appropriations from the General Fund Exempt account.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CPP TAX CHECKOFF: The appropriation includes \$425,000 cash funds in one-time funding for distribution to Colorado Preschool Program (CPP) providers. The cash funds were collected as a result of a voluntary tax checkoff authorized in S.B. 11-109 (Public Education Fund Tax Checkoff) and transferred to the Public Education Fund created in that bill.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of salary survey increases provided in FY 2018-19.

FUND SOURCE ADJUSTMENTS: The appropriation includes an increase of \$110,000 cash funds from the State Education Fund to offset a decrease of that amount of cash funds from the Financial Reporting Fund to support the statewide financial transparency system.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation. The reduction is driven by the elimination of one-time funding provided for distribution to rural schools in H.B. 18-1379 (School Finance).

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$3,282	\$0	\$0	\$3,282	\$0	0.0
HB 18-1379 School Finance	(30,000,000)	0	(30,000,000)	0	0	0.0
SB 19-128 Mid-year School Finance	(533,082)	(545,147)	12,065	0	0	0.0
TOTAL	(\$30,529,800)	(\$545,147)	(\$29,987,935)	\$3,282	\$0	0.0

TOTAL PROGRAM ADJUSTMENT: The Long Bill appropriation includes a net decrease of \$26.4 million total funds (including an increase of \$66.6 million General Fund that is offset by a decrease of \$93.0 million cash funds from the State Education Fund and the State Public School Fund) for school finance. The change includes the following components: (1) a net decrease of \$26.6 million total funds for the state share of total program funding; and (2) an increase of \$319,479 cash funds from the State Education Fund for the Hold-harmless Full-day Kindergarten Funding line item.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

CATEGORICAL PROGRAMS

This subsection includes appropriations for all "categorical programs," a term that refers to programs designed to serve particular groups of students (e.g., students with limited proficiency in English) or particular student needs (e.g., transportation). Article IX, Section 17 of the Colorado Constitution defines categorical programs and requires the General Assembly to increase total state funding for all categorical programs annually by at least the rate of inflation plus one percent for FY 2001-02 through FY 2010-11 and by at least the rate of inflation for subsequent fiscal years.

Categorical programs are funded primarily with General Fund, cash funds from the State Education Fund, and various sources of federal funds. Additional cash funds are from the Public School Transportation Fund. Reappropriated funds include federal funds transferred from the Department of Human Services.

CATEGORICAL PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$475,260,087	\$141,765,474	\$166,425,928	\$191,090	\$166,877,595	73.1
TOTAL	\$475,260,087	\$141,765,474	\$166,425,928	\$191,090	\$166,877,595	73.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$475,260,087	\$141,765,474	\$166,425,928	\$191,090	\$166,877,595	73.1
Categorical programs increase	8,309,018	0	8,309,018	0	0	0.0
Annualize prior year budget actions	273,153	0	0	0	273,153	0.0
Annualize prior year legislation	24,417	0	0	0	24,417	0.0
SB 19-207	\$483,866,675	\$141,765,474	\$174,734,946	\$191,090	\$167,175,165	73.1
SB 19-246	22,000,000	22,000,000	0	0	0	0.0
TOTAL	\$505,866,675	\$163,765,474	\$174,734,946	\$191,090	\$167,175,165	73.1
INCREASE/(DECREASE)	\$30,606,588	\$22,000,000	\$8,309,018	\$0	\$297,570	(0.0)
Percentage Change	6.4%	15.5%	5.0%	0.0%	0.2%	(0.0%)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CATEGORICAL PROGRAMS INCREASE: As required by Amendment 23, the appropriation includes an increase of \$8,309,018 (2.7 percent) in *state* funding (from the State Education Fund) for categorical programs, based on the inflation rate from 2018. The following table details the allocation of the increase among categorical programs.

INFLATIONARY INCREASE IN <i>STATE</i> FUNDING FOR CATEGORICAL PROGRAMS FOR FY 2019-20				
LONG BILL LINE ITEM	FY 2018-19 APPROPRIATION OF STATE FUNDS	ALLOCATION OF FY 2019-20 INCREASES IN STATE FUNDS		FY 2019-20 LONG BILL APPROPRIATION OF STATE FUNDS
		\$ CHANGE	% CHANGE	
DISTRICT PROGRAMS REQUIRED BY STATUTE				
Special education programs for children with disabilities	\$176,129,215	\$4,571,396	2.6%	\$180,700,611
English language proficiency programs	21,608,211	1,386,225	6.4%	22,994,436
OTHER CATEGORICAL PROGRAMS				
Public school transportation	59,099,150	1,381,495	2.3%	60,480,645
Career and technical education	26,675,279	563,044	2.1%	27,238,323
Special education programs for gifted and talented children	12,528,041	169,158	1.4%	12,697,199
Expelled and at-risk student services grant program	9,493,560	0	0.0%	9,493,560
Small attendance center aid	1,076,550	237,700	22.1%	1,314,250
Comprehensive health education	1,131,396	0	0.0%	1,131,396
Totals	\$307,741,402	\$8,309,018	2.7%	\$316,050,420

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of salary survey appropriations provided in FY 2018-19.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation adds \$24,463 total funds (including \$20,989 General Fund) to reflect the second year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

GRANT PROGRAMS, DISTRIBUTIONS, AND OTHER ASSISTANCE

This subsection includes state and federal funds that are distributed to schools and districts, or that are used to provide direct support and assistance to schools and districts, other than those programs that are defined as categorical programs. This subsection includes funding for the Public School Capital Construction Assistance Board and the Facility Schools Board.

Significant sources of cash funds include: the Public School Capital Construction Assistance Fund, the State Education Fund, the Marijuana Tax Cash Fund, the State Public School Fund, fees collected for workshops and training, and gifts, grants, and donations. Significant sources of reappropriated funds include federal child care funds transferred from the Department of Human Services, and federal Medicaid funds transferred from the Department of Health Care Policy and Financing that are used to administer the Public School Health Services Program.

The most significant sources of federal funds reflected in this subsection include the following:

- Title I of the Elementary and Secondary Education Act - funding to improve education for children at risk of school failure, including those who live in low income communities, migrant children, and those who are neglected and delinquent;
- U.S. Department of Agriculture Food and Nutrition Service - funding for the National School Lunch Program, which provides for reduced-cost or free meals to students; and
- Title II of the Elementary and Secondary Education Act - funding for professional development and activities designed to improve educator quality.

GRANT PROGRAMS, DISTRIBUTIONS, AND OTHER ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$747,446,105	\$5,337,741	\$308,604,317	\$2,564,880	\$430,939,167	129.2
SB 18-013	564,279	564,279	0	0	0	0.0
SB 18-085	240,000	0	240,000	0	0	0.0
HB 18-1070	34,000,000	0	34,000,000	0	0	0.0
HB 18-1189	600,000	600,000	0	0	0	0.0
HB 18-1193	260,937	0	260,937	0	0	0.3
HB 18-1309	1,019,110	1,019,110	0	0	0	0.3
HB 18-1393	1,000,000	0	1,000,000	0	0	0.0
HB 18-1396	554,869	554,869	0	0	0	0.3
HB 18-1412	3,000,000	3,000,000	0	0	0	0.0
HB 19-1055	4,250,000	0	4,250,000	0	0	0.0
TOTAL	\$792,935,300	\$11,075,999	\$348,355,254	\$2,564,880	\$430,939,167	130.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$792,935,300	\$11,075,999	\$348,355,254	\$2,564,880	\$430,939,167	130.1
ELC educator talent priorities	4,500,000	3,000,000	0	1,500,000	0	0.0
ELC career development priorities	4,500,000	4,500,000	0	0	0	0.0
Charter school capital construction	3,000,000	0	3,000,000	0	0	0.0
Funding for school turnaround	2,314,027	2,314,027	0	0	0	1.8
Technical changes	295,150	191,676	103,474	0	0	0.0
Fund source adjustments	0	0	21,002	(557,767)	536,765	0.0
Schools of choice	0	0	0	0	0	(2.6)
READ Act adjustments	(33,242,424)	0	(33,242,424)	0	0	(1.0)
Annualize prior year legislation	(6,050,385)	(2,610,534)	(3,460,040)	751	19,438	2.1
Annualize prior year budget actions	(599,606)	(911,393)	88,488	11,613	211,686	0.0
SB 19-207	\$767,652,062	\$17,559,775	\$314,865,754	\$3,519,477	\$431,707,056	130.4
SB 19-010	3,000,000	0	3,000,000	0	0	1.0
SB 19-059	250,000	250,000	0	0	0	0.3
SB 19-176	1,544,916	44,916	1,500,000	0	0	0.8
SB 19-199	33,134,746	0	33,134,746	0	0	4.2
SB 19-204	493,097	493,097	0	0	0	0.4
SB 19-215	68,000	68,000	0	0	0	0.0
SB 19-216	129,563	129,563	0	0	0	0.3
SB 19-246	1,900,000	800,000	1,100,000	0	0	1.3
HB 19-1002	272,929	272,929	0	0	0	0.9
HB 19-1017	43,114	0	43,114	0	0	0.4
HB 19-1055	80,656,559	0	80,656,559	0	0	0.0
HB 19-1110	19,816	19,816	0	0	0	0.0
HB 19-1120	116,550	116,550	0	0	0	0.9
HB 19-1132	168,942	168,942	0	0	0	0.3
HB 19-1134	106,196	106,196	0	0	0	0.0
HB 19-1171	463,729	463,729	0	0	0	0.0
HB 19-1187	250,000	250,000	0	0	0	0.0
HB 19-1192	37,495	0	37,495	0	0	0.0
HB 19-1236	1,012,201	1,012,201	0	0	0	0.2
TOTAL	\$891,319,915	\$21,755,714	\$434,337,668	\$3,519,477	\$431,707,056	141.4
INCREASE/(DECREASE)	\$98,384,615	\$10,679,715	\$85,982,414	\$954,597	\$767,889	11.3

GRANT PROGRAMS, DISTRIBUTIONS, AND OTHER ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	12.4%	96.4%	24.7%	37.2%	0.2%	8.7%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

House Bill 19-1055 includes an increase of \$4.25 million cash funds from the Charter School Facilities Assistance Account of the Public School Capital Construction Assistance Fund for charter school capital construction.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ELC EDUCATOR TALENT PRIORITIES: The appropriation includes an increase of \$4.5 million total funds (including \$3.0 million General Fund and \$1.5 million reappropriated funds) in one-time funding to support educator talent (recruitment, retention, and professional development) efforts aligned with the recommendations of the Education Leadership Council (ELC). The increase includes an appropriation of \$3.0 million to the Retaining Teachers Fund created in H.B. 18-1412, which is continuously appropriated to the Department. Because those funds are anticipated to be spent over two years, the appropriation reflects an increase of \$1.5 million reappropriated funds to support the Retaining Teachers Grant Program in FY 2019-20.

ELC CAREER DEVELOPMENT PRIORITIES: The appropriation includes an increase of \$4.5 million General Fund based on the Education Leadership Council's recommendations related to career development. The increase includes the following components: (1) \$3.0 million in ongoing funding to expand the Career Development Success Program to pay incentives for participating school districts and charter schools that encourage high school students to complete a qualified workforce program; and (2) \$1.5 million in one-time funding to provide professional development for career counselors.

CHARTER SCHOOL CAPITAL CONSTRUCTION: The appropriation includes an increase of \$3.0 million cash funds from the Charter School Facilities Assistance Account of the Public School Capital Construction Assistance Fund for charter school capital construction.

FUNDING FOR SCHOOL TURNAROUND: The appropriation includes an increase of \$2.3 million General Fund and 1.8 FTE to expand state support for schools identified as turnaround or priority improvement status (the two lowest categories) in the statewide accountability system.

TECHNICAL CHANGES: The appropriation includes several technical adjustments based on anticipated caseload changes, minor contract adjustments, and other technical changes.

TECHNICAL CHANGES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Facility schools adjustment	\$253,790	\$0	\$253,790	\$0	\$0	0.0
School lunch protection adjustment	191,676	191,676	0	0	0	0.0
Interstate compact adjustment	2,486	0	2,486	0	0	0.0
Start Smart adjustment	(150,000)	0	(150,000)	0	0	0.0
Counselor Corps adjustment	(2,802)	0	(2,802)	0	0	0.0
TOTAL	\$295,150	\$191,676	\$103,474	\$0	\$0	0.0

FUND SOURCE ADJUSTMENTS: The appropriation includes a decrease of \$557,767 reappropriated funds which is offset by increases in federal funds and cash funds.

SCHOOLS OF CHOICE: The appropriation includes a reduction of 2.6 FTE previously reflected in this subdivision, as those FTE are now reflected in the Schools of Choice line item in the Management and Administration division.

READ ACT ADJUSTMENTS: The Long Bill appropriation includes a reduction of \$33.2 million cash funds from the Early Literacy Fund to eliminate the Long Bill appropriation for Early Literacy Program Per Pupil Intervention Funding.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1266 Career Development Success Program Expansion	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
HB 18-1306 Improving Ed Stability for Foster Youth	996,230	996,230	0	0	0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	30,617	1,643	8,785	751	19,438	0.0
HB 18-1396 Adv. Placement Exam Fee Grant Program	5,714	5,714	0	0	0	0.1
HB 18-1070 Additional Public School Capital Construction	0	0	0	0	0	0.0
HB 19-1055 Public School Capital Construction	(4,250,000)	0	(4,250,000)	0	0	0.0
HB 18-1412 Retaining Teachers Grant Program	(2,000,000)	(3,000,000)	1,000,000	0	0	1.0
HB 18-1309 Programs Addressing Educator Shortages	(996,177)	(996,177)	0	0	0	0.0
HB 18-1189 Expanding Effective Teacher Residency Programs	(600,000)	(600,000)	0	0	0	0.0
SB 15-290 Colorado Student Leaders Institute	(218,825)	0	(218,825)	0	0	0.0
HB 18-1013 Expand Child Nutrition School Lunch Protection	(17,944)	(17,944)	0	0	0	0.0
TOTAL	(\$6,050,385)	(\$2,610,534)	(\$3,460,040)	\$751	\$19,438	2.1

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$325,394	\$13,607	\$88,488	\$11,613	\$211,686	0.0
Educator Perception	75,000	75,000	0	0	0	0.0
FY 2018-19 Career Development Success Pilot Program	(1,000,000)	(1,000,000)	0	0	0	0.0
TOTAL	(\$599,606)	(\$911,393)	\$88,488	\$11,613	\$211,686	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

INDIRECT COST ASSESSMENT

This subsection reflects all of the indirect cost assessments against fund sources within the Assistance to Public Schools division. Major fund sources include federal funds in the Special Education Programs for Children with Disabilities line item and the Appropriated Sponsored Programs line item, with relatively minor contributions from cash and reappropriated fund sources within the division.

INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,509,321	\$0	\$25,000	\$55,571	\$2,428,750	0.0
TOTAL	\$2,509,321	\$0	\$25,000	\$55,571	\$2,428,750	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,509,321	\$0	\$25,000	\$55,571	\$2,428,750	0.0
Indirect cost assessment	247,564	0	0	0	247,564	0.0
SB 19-207	\$2,756,885	\$0	\$25,000	\$55,571	\$2,676,314	0.0
TOTAL	\$2,756,885	\$0	\$25,000	\$55,571	\$2,676,314	0.0
INCREASE/(DECREASE)	\$247,564	\$0	\$0	\$0	\$247,564	0.0
Percentage Change	9.9%	n/a	0.0%	0.0%	10.2%	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division’s indirect cost assessment.

LIBRARY PROGRAMS

This section contains appropriations for all library-related programs and staff. There are approximately 1,800 publicly-funded libraries in Colorado, including libraries operated by school districts, higher education institutions, and counties and municipalities, as well as institutional libraries at nursing homes, correctional facilities, and similar institutions. State library programs, which provide support to locally-funded libraries, are primarily supported by General Fund and federal funds. Cash fund sources include grants and donations. Reappropriated funds are transferred from the Colorado Disabled Telephone Users Fund to the Reading Services for the Blind Cash Fund and are used to support privately operated reading services for the blind.

LIBRARY PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$8,831,327	\$4,864,213	\$275,296	\$510,000	\$3,181,818	38.1
TOTAL	\$8,831,327	\$4,864,213	\$275,296	\$510,000	\$3,181,818	38.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$8,831,327	\$4,864,213	\$275,296	\$510,000	\$3,181,818	38.1
State grants to libraries increase	500,000	500,000	0	0	0	0.0
Annualize prior year budget actions	78,581	24,373	5,991	0	48,217	0.0
Annualize prior year legislation	6,972	2,278	399	0	4,295	0.0
SB 19-207	\$9,416,880	\$5,390,864	\$281,686	\$510,000	\$3,234,330	38.1
HB 19-1332	250,000	0	0	250,000	0	0.0
TOTAL	\$9,666,880	\$5,390,864	\$281,686	\$760,000	\$3,234,330	38.1
INCREASE/(DECREASE)	\$835,553	\$526,651	\$6,390	\$250,000	\$52,512	0.0
Percentage Change	9.5%	10.8%	2.3%	49.0%	1.7%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

STATE GRANTS TO LIBRARIES INCREASE: The appropriation includes an increase of \$500,000 General Fund for the State Grants to Publicly-Supported Libraries Program.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$78,581 total funds (including \$24,373 General Fund) to annualize salary survey appropriations provided for FY 2018-19.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation adds \$6,972 total funds (including \$2,278 General Fund) to reflect the second year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

SCHOOL FOR THE DEAF AND THE BLIND

This section contains appropriations for the operation of the Colorado School for the Deaf and the Blind (CSDB), which is located in Colorado Springs. The CSDB provides educational services for children throughout the state who are deaf, hard of hearing, blind, or visually impaired, and under the age of 21. In FY 2018-19, the CSDB had an on-campus enrollment of 209 students (ages 3 to 21). The on-campus enrollment included 133 deaf/hard of hearing students and 76 blind/low vision students. Of the 209 total students, 70 resided at CSDB (returning home on weekends), and the remaining 139 students attended classes only during the day. In addition to the on-campus enrollment, the school provided in-home services to 336 children from birth to age 3 (and their families) through the early intervention (CO-Hears) program and 151 children from birth to age 8 through the Early Literacy Development Initiative (ELDI). The school also provided outreach services to 119 school-age students being served in local districts, supported in part by fees paid by the local school districts.

The General Fund provides the primary source of funding for the CSDB. However, the CSDB also receives State Education Fund money that is reappropriated from the Facility School Funding line item. Similar to community-based residential facilities that operate education programs, the CSDB is permitted to receive up to 1.73 times the *statewide base per pupil funding* level, based on the number of instructional days in the School's calendar. The CSDB also receives other sources of state and federal funding (e.g., Medicaid and nutrition funding), tuition from other states that place children at CSDB, payments from school districts that place students at CSDB on a short-term basis for diagnostic purposes, and various grants and fees. The General Assembly appropriates General Fund to cover operating costs that are not covered by other funding sources.

SCHOOL FOR THE DEAF AND THE BLIND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$16,488,703	\$11,695,433	\$1,076,463	\$3,716,807	\$0	180.2
TOTAL	\$16,488,703	\$11,695,433	\$1,076,463	\$3,716,807	\$0	180.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$16,488,703	\$11,695,433	\$1,076,463	\$3,716,807	\$0	180.2
CSDB teacher salary increase	396,307	396,307	0	0	0	0.0
Annualize prior year budget actions	171,205	155,762	3,487	11,956	0	0.0
Technical changes	25,000	25,000	0	0	0	0.0
Annualize prior year legislation	24,463	20,989	572	2,902	0	0.0
Fund source adjustments	0	(1,025)	0	1,025	0	0.0
Centrally appropriated line items	(4,011)	(4,011)	0	0	0	0.0
SB 19-207	\$17,101,667	\$12,288,455	\$1,080,522	\$3,732,690	\$0	180.2
TOTAL	\$17,101,667	\$12,288,455	\$1,080,522	\$3,732,690	\$0	180.2

SCHOOL FOR THE DEAF AND THE BLIND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$612,964	\$593,022	\$4,059	\$15,883	\$0	0.0
Percentage Change	3.7%	5.1%	0.4%	0.4%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CSDB TEACHER SALARY INCREASE: The appropriation adds \$396,307 General Fund for salary increases for teachers employed at the CSDB based on the Colorado Springs District 11 salary schedule, as required by Section 22-80-106.5, C.R.S.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$171,205 total funds (including \$155,762 General Fund) to annualize salary survey appropriations provided for FY 2018-19.

TECHNICAL CHANGES: The appropriation includes an increase of \$25,000 General Fund to support increased utilities costs at the CSDB.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation adds \$24,463 total funds (including \$20,989 General Fund) to reflect the second year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

FUND SOURCE ADJUSTMENTS: The appropriation includes a decrease in General Fund which is offset by an increase in reappropriated funds transferred from the Facility School Funding line item.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for shift differential and vehicle lease payments.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-013 (EXPAND CHILD NUTRITION SCHOOL LUNCH PROTECTION ACT): Expands the Child Nutrition School Lunch Protection Program to include grades six through eight. Current law provides free school lunches to students that qualify for reduced price lunches from kindergarten through fifth grade. This bill expands eligibility to include students through eighth grade. For FY 2018-19, appropriates \$564,279 General Fund to the Department of Education.

S.B. 18-085 (FINANCIAL INCENTIVES FOR EDUCATION IN RURAL AREAS): Expands stipends for teachers in rural school districts who are seeking certification as a national board certified teacher or concurrent enrollment teacher. Increases the number of stipends from 20 to 60 and makes other modifications to the program. Stipends may not exceed \$6,000 per teacher, and teachers who accept the stipend must commit to teaching in a rural area for a total of three years. For FY 2018-19, appropriates \$240,000 cash funds from the State Education Fund to the Department of Education and reappropriates that amount to the Department of Higher Education. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Higher Education.

S.B. 18-158 (SCHOOL ACCESS TO INTEROPERABLE COMMUNICATIONS): Creates the School Access for Emergency Response (SAFER) grant program in the Division of Homeland Security and Emergency Management in the Department of Public Safety to provide funding to schools and public safety communications networks for interoperable communication hardware, software, equipment maintenance, and training. Creates the SAFER cash

fund and directs transfers of \$5.0 million per year from the State Public School Fund to the SAFER cash fund for FY 2018-19 through FY 2023-24. For FY 2018-19, transfers \$5.0 million cash funds from the State Public School Fund to the SAFER cash fund and appropriates \$5.0 million cash funds from the SAFER cash fund to the Department of Public Safety. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Public Safety.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1019 (K-12 ACCREDITATION WEIGHTED FACTORS): Requires the Department of Education to calculate participation in advanced placement (AP) courses or concurrent enrollment when determining accreditation categories for public schools and school districts. Beginning in FY 2020-21, the bill requires the Department to calculate a score for the statewide accountability system's postsecondary and workforce readiness indicator based on the percentage of students who successfully complete either: (1) an AP course in a subject other than English language arts or mathematics and earn a score of three or higher on the end of year AP exam; or (2) a concurrent enrollment course in a subject other than English language arts or mathematics and earn a grade of "B" or higher in the course. For FY 2018-19, appropriates \$30,000 General Fund to the Department of Education.

H.B. 18-1070 (ADDITIONAL PUBLIC SCHOOL CAPITAL CONSTRUCTION FUNDING): Diverts additional marijuana excise tax revenue to the Public School Capital Construction Assistance Fund which supports the Building Excellent Schools Today (BEST) Program. Current law deposits the first \$40.0 million in annual marijuana excise tax funds to the Public School Capital Construction Assistance Fund to support lease purchase payments and cash grants under the BEST Program and deposits any amount above the \$40.0 million into the Public School (Permanent) Fund. Beginning in FY 2018-19, this bill increases the diversion of marijuana excise tax revenues to the Public School Capital Construction Assistance Fund to the greater of \$40.0 million or 90.0 percent of total excise tax revenues. For FY 2018-19, appropriates \$34.0 million cash funds from the Public School Capital Construction Assistance Fund to the Department of Education to support the BEST Program, including \$19.0 million for lease purchase payments and \$15.0 million for cash grants.

H.B. 18-1100 (EDUCATOR LICENSURE CASH FUND): Extends the continuous appropriation of the Educator Licensure Cash Fund to the Department of Education. Current law continuously appropriates those funds to the Department through FY 2017-18, and this bill extends the continuous appropriation for three additional years (through FY 2020-21).

H.B. 18-1101 (RETAIL MARIJUANA SALES TAX APPROPRIATIONS FOR SCHOOLS): Makes retail marijuana sales tax revenues deposited into the State Public School Fund subject to annual appropriation and requires the General Assembly to appropriate such funds in the year following the year of collection. Current law continuously appropriates marijuana sales tax revenues deposited into the State Public School Fund to the Department of Education in the year of collection.

H.B. 18-1171 (SCHOOL FINANCE MID-YEAR ADJUSTMENTS): Makes mid-year school finance-related statutory adjustments to reflect actual pupil counts and the local revenues available for school finance in FY 2017-18. Maintains statewide average per pupil funding at the original appropriated level for FY 2017-18 (\$7,662.18). After adjusting for a \$96.9 million increase in local revenues available for school finance (above the level anticipated in the original FY 2017-18 appropriation) and a lower-than-anticipated student count (reducing total program funding before the application of the budget stabilization factor by \$12.9 million), maintaining statewide average per pupil

funding at a constant level reduces the budget stabilization factor by \$5.9 million in FY 2017-18 and allows for a reduction of \$103.9 million in state funding for the state share of districts' total program funding. For FY 2017-18, makes the following changes:

- Reduces appropriations for the state share of districts' total program funding by \$103,934,329 total funds, including \$73,210,538 cash funds from the State Public School Fund and \$30,723,791 General Fund.
- Reduces appropriations for hold-harmless full-day kindergarten funding by \$4,629 cash funds from the State Education Fund.
- Transfers \$30,723,791 from the General Fund to the State Public School Fund.

H.B. 18-1189 (EXPANDING EFFECTIVE TEACHER RESIDENCY PROGRAMS): Creates the teacher residency expansion program in the Department of Education. Requires the Department to contract with up to three institutions of higher education and up to three alternative teacher licensure program providers that operate teacher residency programs to expand those programs on a pilot basis. Requires the Department to provide funding to contracting entities to offset a portion of the costs of program expansion. Creates the Teacher Expansion Program Fund, which is continuously appropriated to the Department of Education. For FY 2018-19, appropriates \$600,000 General Fund to the Teacher Expansion Program Fund, which is anticipated to support the program for FY 2018-19 through FY 2022-23.

H.B. 18-1193 (EXTEND ADVANCED PLACEMENT INCENTIVES PROGRAM): Extends the Advanced Placement Incentives Pilot Program (originally created in H.B. 14-1118) for three years, through FY 2020-21. Adds annual reporting requirements, including reporting disaggregated data regarding participating student enrollment in advanced placement courses, the number of students that took the end of year advanced placement exams, and the number of students that scored at least a "three" on the exams. For FY 2017-18, appropriates \$260,937 cash funds from the State Education Fund and 0.3 FTE to the Department of Education.

H.B. 18-1309 (PROGRAMS ADDRESSING EDUCATOR SHORTAGES): Makes several changes to state law related to programs intended to address educator shortages. Creates a teacher of record license that the Department of Education may issue to applicants who: have completed most of their bachelor degree requirements, have not completed required field work, participate in a "grow your own educator" or teacher of record program, and will be employed in a position in which there is a critical teacher shortage. Requires the Departments of Education and Higher Education to create a framework for the creation of "grow your own" educator programs and requires the Department of Education to distribute grants to districts or schools that employ participating students under a grow your own educator program. Grants are intended to cover payment of participating students' share of tuition for up to 36 credit hours. Creates the Partnership for Rural Education Preparation at the University of Colorado-Denver to collaborate with other institutions on solutions to the rural teacher shortage. For FY 2018-19, makes the following appropriations: (1) \$1,019,110 General Fund and 0.3 FTE to the Department of Education; and (2) \$156,116 General Fund to the Department of Higher Education.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

H.B. 18-1379 (PUBLIC SCHOOL FINANCE): Amends the "Public School Finance Act of 1994" and other statutory provisions to provide funding for school districts for FY 2018-19, making the following changes:

- Increases the *statewide base per pupil funding* amount from \$6,546.20 to \$6,768.77 (3.4 percent) to account for the annual change in the Denver-Boulder-Greeley consumer price index in CY 2017.
- Reduces the dollar value of the budget stabilization factor by \$150.0 million from FY 2017-18 (\$822.4 million) to FY 2018-19 (\$672.4 million).

- Specifies that the dollar value of the budget stabilization factor in FY 2019-20 cannot exceed its value in FY 2018-19.
- Adds 1,000 half-day slots to the Early Childhood At-risk Enhancement (ECARE) program, equal to 500.0 student FTE.
- Requires the Department of Education to distribute \$30.0 million to eligible rural school districts and rural institute charter schools and specifies the method of distribution.
- Modifies the distribution of funding under the English Language Proficiency Act categorical program to allocate funds proportionately, based on the number of students who have no or limited English proficiency and the number of students who have been designated as fluent but require continued monitoring.
- Modifies core course level participation and performance reporting requirements.

Makes the following appropriations to the Department of Education for FY 2018-19: (1) \$159,313,868 total funds for the state share of districts' total program funding (including \$123,428,205 General Fund, \$30,723,791 cash funds from the State Public School Fund, and \$5,161,872 cash funds from the State Education Fund); (2) \$30.0 million cash funds from the State Education Fund for distribution to rural school districts and rural institute charter schools on a per pupil basis; and (3) \$191,043 cash funds from the State Education Fund for hold-harmless full-day kindergarten funding.

H.B. 18-1393 (EFFECTIVE IMPLEMENTATION OF READ ACT): Modifies statutory requirements of the Reading to Ensure Academic Development (READ) Act. Specifies that reading assessments and instructional programming under the READ Act must be evidence- or scientifically-based, must be aligned with each other, and must align with preschool through elementary and secondary education standards for reading. Specifies requirements for the Department to review and update the list of approved reading assessments. Specifies requirements for the use of READ Act per pupil intervention funding. Modifies grant requirements for the Early Literacy Competitive Grant Program and provides additional funding for the program. For FY 2018-19, appropriates \$1.0 million cash funds from the Marijuana Tax Cash Fund to the Department of Education.

H.B. 18-1396 (ADVANCED PLACEMENT EXAM FEE GRANT PROGRAM): Creates the Advanced Placement (AP) Exam Fee Grant Program in the Department of Education to pay a portion of low-income students' AP exam fees. Requires the Department to review grant applications, determine award amounts, and award grants in accordance with rules to be established by the State Board of Education. For FY 2018-19, appropriates \$554,869 General Fund and 0.3 FTE to the Department of Education.

H.B. 18-1412 (RETAINING TEACHERS GRANT PROGRAM): Creates the Retaining Teachers Grant Program in the Department of Education to assist local education providers in the implementation of a variety of specific initiatives intended to improve teacher retention. Requires the Department to review grant applications, recommend grant recipients and amounts to the State Board of Education, and provide technical assistance to local education providers. Specifies that grants are awarded for three years, subject to annual review by the Department and renewal by the State Board of Education. Creates the Retaining Teachers Fund, which is continuously appropriated to the Department. For FY 2018-19, appropriates \$3.0 million General Fund to the Retaining Teachers Fund, which is anticipated to support the program for FY 2018-19 through FY 2020-21.

2019 SESSION BILLS

S.B. 19-010 (PROFESSIONAL BEHAVIORAL HEALTH SERVICES FOR SCHOOLS): Modifies the Behavioral Health Care Professional Matching Grant Program (also known as the School Health Professionals Grant Program) to allow funding to be used for additional behavioral health care services, change application requirements, and clarify what positions qualify as school health professionals. For FY 2019-20, appropriates \$3.0 million cash funds from the Marijuana Tax Cash Fund and 1.0 FTE to the Department of Education.

S.B. 19-059 (AUTOMATIC ENROLLMENT IN ADVANCED COURSES GRANT PROGRAM): Creates the John W. Buckner Automatic Enrollment in Advanced Courses Grant Program in the Department of Education to provide assistance to local education providers that automatically enroll students in advanced courses. Defines advanced courses to include Advanced Placement courses, International Baccalaureate courses, and any courses designated by the local education provider as an honors, gifted, or accelerated course. Allows recipient to use grant funds to expand the number of advanced courses available, incentivize teachers to teach advanced courses, develop advanced course curriculum, and expand parent and student engagement. For FY 2019-20, appropriates \$250,000 General Fund and 0.3 FTE to the Department of Education.

S.B. 19-066 (HIGH COST SPECIAL EDUCATION TRUST FUND GRANTS): Creates the High Cost Special Education Trust Fund (trust fund), to be administered by the Colorado Special Education Fiscal Advisory Committee (SEFAC). On July 1, 2019, transfers \$2.5 million from the Marijuana Tax Cash Fund to the trust fund, which constitutes the principal of the trust fund and may not be appropriated, transferred, or expended. Continuously appropriates interest earnings on the trust fund to the Department of Education to provide grants to reimburse administrative units for high cost special education expenses (defined in the bill as expenses necessary to meet the needs of a single student in the preceding school year that exceed either \$100,000 or 2.5 percent of the administrative unit's annual audited operating expenses, whichever is less). Specifies reporting requirements for the SEFAC regarding the grant program. Repeals the bill on July 1, 2027, and transfers any remaining interest income to the General Fund and any remaining principal to the Marijuana Tax Cash Fund.

S.B. 19-094 (EXTEND SCHOOL FINANCE INTERIM COMMITTEE): Reauthorizes the Legislative Interim Committee on School Finance (originally authorized in H.B. 17-1340 to meet during the 2017 and 2018 interims) to meet during the 2019 interim. Allows the committee to use any uncommitted FY 2018-19 appropriations to support FY 2019-20 expenditures.

S.B. 19-128 (FY 2018-19 SCHOOL FINANCE MID-YEAR ADJUSTMENTS): Makes mid-year school finance-related statutory adjustments to reflect actual pupil counts and the local revenues available for school finance in FY 2018-19. Maintains the budget stabilization factor at the original appropriated level for FY 2018-19 (\$672.4 million). After adjusting for a \$56.1 million increase in local revenues available for school finance (above the level anticipated in the original FY 2018-19 appropriation) and a lower-than-anticipated student count (reducing total program funding before the application of the budget stabilization factor by \$21.5 million), maintains the budget stabilization factor at a constant level. This allows for a reduction of \$77.6 million in state funding for the state share of districts' total program funding. For FY 2018-19, makes the following changes:

- Reduces appropriations for the state share of districts' total program funding by \$77,590,425 total funds, including \$64,690,300 General Fund and \$12,900,125 cash funds from the State Education Fund.
- Reduces appropriations for hold-harmless full-day kindergarten funding by \$12,065 cash funds from the State Education Fund.
- Adds \$545,147 General Fund to support a technical correction to at-risk funding provided to Charter School Institute schools in prior years.

S.B. 19-161 (SUNSET COUNCIL FOR PARENT INVOLVEMENT IN EDUCATION): Extends the State Advisory Council for Parent Involvement in Education indefinitely. Adds two council members to the council. For FY 2019-20, appropriates \$2,000 General Fund to the Department of Education.

S.B. 19-176 (EXPAND CONCURRENT ENROLLMENT OPPORTUNITIES): Changes state law related to concurrent enrollment. Requires concurrent enrollment opportunities to be offered at no tuition cost to qualified students. Clarifies what types of courses qualify as concurrent enrollment courses. Beginning in FY 2020-21, requires local education providers that enroll high school students to offer concurrent enrollment courses, including academic courses and career and technical courses. By July 1, 2020, requires the Departments of Education and Higher

Education to make available a website providing specific information on concurrent enrollment options and requirements. Creates the Concurrent Enrollment Expansion and Innovation Grant Program within the Department of Education to provide grants to partnerships between local education providers and institutions of higher education that begin to offer or expand concurrent enrollment opportunities. Specifies grant application requirements as well as the authorized uses of grant funds. For FY 2019-20, appropriates a total of \$1,544,916 and 0.8 FTE to the Department of Education, including \$1,500,000 cash funds from the Marijuana Tax Cash Fund and 0.3 FTE for the Concurrent Enrollment Expansion and Innovation Grant Program and \$44,916 General Fund and 0.5 FTE for website development and support provided to local education providers. Also appropriates \$105,000 General Fund to the Department of Higher Education and reappropriates that amount (and 1.0 FTE) to the State Board for Community Colleges and Occupational Education State System Community Colleges.

S.B. 19-199 (READ ACT IMPLEMENTATION MEASURES): Makes statutory changes to the Colorado Reading to Ensure Academic Development (READ) Act. Requires early literacy programming and services to be evidence-based and focus on reading competency in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, and reading comprehension. Requires local education providers to employ multi-tiered systems of supports for students whose reading skills are below grade level expectations. By FY 2021-22, requires local education providers to ensure that each early grade teacher completes evidence-based training in teaching reading. Requires the Department of Education to provide such training at no cost to any local education provider that requests assistance. Adds reporting requirements for local education providers receiving per pupil intervention funds. Beginning in FY 2019-20, requires the Department of Education to contract with an outside entity to develop and implement a public information campaign related to the importance of reading and to highlight local education providers that are achieving success (with a maximum cost of \$500,000 per year). Requires the Department of Education to contract with an independent evaluator to conduct a multi-year evaluation of the impact of early literacy programs (including both per pupil intervention funding and the Early Literacy Competitive Grant Program), with a maximum cost of \$750,000 per year. For FY 2019-20, eliminates the Long Bill appropriation of \$6,243,932 cash funds and 8.0 FTE for the Early Literacy Competitive Grant Program and instead appropriates a total of \$39,378,678 cash funds and 12.2 FTE as follows:

- \$7,500,000 (including \$5,378,678 from the Marijuana Tax Cash Fund and \$2,121,322 from the Early Literacy Fund) for the Early Literacy Competitive Grant Program.
- \$2,702,557 from the Early Literacy Fund for evidence-based training provided to teachers (upon request by local education providers).
- \$1,664,570 from the Early Literacy Fund and 11.7 FTE for early literacy program administration, technical assistance, and monitoring activities.
- \$750,000 from the Early Literacy Fund for the multi-year independent evaluation.
- \$500,000 from the Early Literacy Fund and 0.5 FTE for the public information campaign.
- \$26,261,551 from the Early Literacy Fund for early literacy per pupil intervention funding.

S.B. 19-204 (PUBLIC SCHOOL LOCAL ACCOUNTABILITY SYSTEMS): Creates the Local Accountability System Grant Program to support local accountability systems that supplement the state accountability system. Specifies minimum components of grant applications. Authorizes grants on a three-year cycle and allows grant awards of between \$25,000 and \$50,000 per budget year for individual local education provider (LEP) applicants and no more than \$75,000 per budget year for groups of LEPs. Requires that at least one grant recipient is a rural LEP or group of rural LEPs. Allows LEPs that implement a local accountability system to submit a supplemental performance report to the Department of Education. Requires the Department to contract with an external evaluator in the third year of the program to prepare a summary evaluation report, including quantitative and qualitative measures, of the implementation of local accountability systems that receive grants. Requires the Department of Education to report annually to the General Assembly on the implementation of local accountability systems and the performance of the grant program. For FY 2019-20, appropriates \$493,097 General Fund and 0.4 FTE to the Department of Education.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20. Includes provisions modifying FY 2018-19 appropriations to the Department.

S.B. 19-215 (PARENTS ENCOURAGING PARENTS CONFERENCE): Requires the Department of Education to provide up to four Parents Encouraging Parents (PEP) conferences per year for parents and families of children with disabilities. Specifies provisions for the conferences, including logistics, application procedures, and conference curricula. Requires the Department of Education to provide lodging and food for conferences. Provides state funding for food for the conferences, while federal funds cover other costs such as lodging, presenters, facilitators, materials, and translation and interpretive services. For FY 2019-20, appropriates \$68,000 General Fund to the Department of Education.

S.B. 19-216 (HIGH SCHOOL INNOVATIVE LEARNING PILOT PROGRAM): Creates the High School Innovative Learning Pilot Program in the Department of Education. Defines an innovative learning opportunity as learning that typically occurs outside of the classroom, including work-based learning, capstone projects, and other experiences designed to help students develop post-secondary and workforce related skills. Allows LEPs to propose innovative learning plans to apply to participate in the pilot program. Specifies application and selection criteria. In FY 2019-20, directs the State Board of Education to select up to five LEPs to participate in the pilot program starting in FY 2020-21. Authorizes the State Board to select additional participants for FY 2021-22 and subsequent years, with a stated goal of one hundred percent participation by FY 2025-26. Allows pilot program participants to count students participating in innovative learning opportunities as full-time students for funding purposes (students that would otherwise be counted as part-time students), regardless of the actual amount of instructional time for which the student is enrolled. For FY 2019-20, appropriates \$129,563 General Fund and 0.3 FTE to the Department of Education.

S.B. 19-246 (SCHOOL FINANCE): Amends the “Public School Finance Act of 1994” and other statutory provisions to provide funding for school districts for FY 2019-20, making the following changes:

- Increases the *statewide base per pupil funding* amount from \$6,768.77 to \$6,951.53 (2.7 percent) to account for the annual change in the Denver-Aurora-Lakewood consumer price index in CY 2018.
- Reduces the dollar value of the budget stabilization factor by \$100.0 million from FY 2018-19 (\$672.4 million) to FY 2019-20 (\$572.4 million).
- Specifies that the dollar value of the budget stabilization factor in FY 2020-21 cannot exceed its value in FY 2019-20.
- Requires the Department of Education to distribute \$20.0 million to eligible rural school districts and rural institute charter schools and specifies the method of distribution.
- Requires the General Assembly to appropriate an additional \$22.0 million General Fund per year to support Special Education Programs for Children with Disabilities, beginning in FY 2019-20.
- Creates the Ninth Grade Success Grant Program in the Department of Education to provide grants to LEPs to establish ninth grade success programs to assist ninth grade students in developing the necessary skills to graduate from high school and be successful after graduation. Specifies eligibility requirements and the potential uses of funds and requires the Department of Education to prioritize applicants with a four-year graduation rate within the lowest 20.0 percent of high schools statewide. Creates reporting requirements. Authorizes the use of cash funds from the Marijuana Tax Cash Fund to support the program.
- Creates the Health and Wellness Through Comprehensive Quality Physical Education Instruction Pilot Program in the Department of Education to provide three-year grants to support the implementation of comprehensive physical education instruction programs in schools.

Makes the following appropriations to the Department of Education for FY 2019-20:

- An increase of \$22,000,000 General Fund for Special Education Programs for Children with Disabilities.
- An increase of \$20,000,000 General fund for distribution to rural school districts and rural institute charter schools on a per pupil basis.
- An increase of \$1,100,000 cash funds from the Marijuana Tax Cash Fund and 0.7 FTE for the Health and Wellness through Comprehensive Quality Physical Education Instruction Pilot Program.
- An increase of \$800,000 General Fund and 0.6 FTE for the Ninth Grade Success Grant Program.
- A net decrease of \$5,154,098 General Fund for the State Share of Districts' Total Program Funding to align with revised estimates of local funds available for school finance in FY 2019-20 and the bill's reduction to the budget stabilization factor.

H.B. 19-1002 (LEADERSHIP PROFESSIONAL DEVELOPMENT FOR SCHOOL PRINCIPALS): Creates the School Leadership Pilot Program in the Department of Education to provide training and professional development for school principals. Requires the Department to identify a cohort of high-quality school principals and allow other school principals from across the state to observe and interact with that cohort and to receive additional professional development in school leadership. Specifies requirements for program design and implementation. Requires the Department to design the program in FY 2019-20 and to implement the program no later than July 2020, with principals participating in FY 2020-21 and FY 2021-22. Requires the Department to contract with an external entity in FY 2019-20 for a multi-year evaluation of the program to take place over the period of the program. Beginning in FY 2020-21, requires the Department to make grants to local education providers with principals participating in the program to cover the costs that the LEP is expected to incur as a result of allowing the school principal to participate. For FY 2019-20, appropriates \$272,929 General Fund and 0.9 FTE to the Department of Education.

H.B. 19-1017 (K-5 SOCIAL AND EMOTIONAL HEALTH ACT): Creates the K-5 Social and Emotional Health Pilot Program in the Department of Education to place additional school mental health professionals in elementary or K8 schools that have high poverty and high student needs. Defines school mental health professional to include school counselors, school psychologists, and school social workers. By January 15, 2020, requires the Department to select up to ten schools to participate in the pilot program; if available funds will not support ten schools, the bill allows the Department to select less than ten schools. Beginning in FY 2020-21, requires participating schools to hire enough mental health professionals to follow students as they progress through the school from kindergarten through fifth grade, with a targeted ratio of 250 students per mental health professional. Authorizes the pilot program to operate for FY 2020-21 through FY 2022-23 unless the General Assembly extends the repeal of the program. For FY 2019-20 and FY 2020-21, authorizes the General Assembly to appropriate cash funds from the Marijuana Tax Cash Fund to support the program, with a limit of no more than \$2.5 million in FY 2020-21. Authorizes the Department to seek, accept, and expend gifts, grants, and donations to support any additional program costs for FY 2020-21 through FY 2022-23. For FY 2019-20, appropriates \$43,114 cash funds from the Marijuana Tax Cash Fund and 0.4 FTE to the Department of Education.

H.B. 19-1055 (PUBLIC SCHOOL CAPITAL CONSTRUCTION FINANCIAL ASSISTANCE): Diverts additional marijuana excise tax revenue to the Public School Capital Construction Assistance Fund which supports the Building Excellent Schools Today (B.E.S.T.) Program. Current law deposits the greater of \$40.0 million or 90.0 percent of total excise tax revenues to the Public School Capital Construction Assistance Fund to support lease purchase payments and cash grants under the B.E.S.T. Program and deposits any remaining excise tax revenues into the Public School (Permanent) Fund. Beginning in FY 2019-20, diverts all marijuana excise tax revenues to the Public School Capital Construction Assistance Fund and eliminates deposits to the Permanent Fund. Increases the statutory limit on B.E.S.T. Program lease purchase payments from \$100.0 million under current law to \$105.0 million in FY 2019-20 and \$110.0 million in FY 2020-21. Changes the percentage of marijuana excise tax revenue credited to the Charter School Facilities Assistance Account to support charter school capital construction. Also

changes the annual appropriation from the State Education Fund for charter school capital construction based on annual changes in statewide charter school enrollment.

For FY 2018-19, transfers \$4.25 million cash funds from the Public School Capital Construction Assistance Fund to the Charter School Facilities Assistance Account and appropriates that amount to the Department of Education for charter school capital construction.

On July 1, 2020, transfers \$25.0 million from the Public School Capital Construction Assistance Fund to the Full-day Kindergarten Facility Capital Construction Fund and specifies the mechanism to distribute those funds for full-day kindergarten implementation grants in FY 2019-20. For FY 2019-20, makes the following appropriations to the Department of Education:

- \$50,000,000 cash funds from the Public School Capital Construction Assistance Fund for cash grants under the B.E.S.T. Program.
- \$25,000,000 cash funds from the Full-day Kindergarten Facility Capital Construction Fund for full-day kindergarten implementation grants.
- \$5,000,000 cash funds from the Public School Capital Construction Assistance Fund for lease purchase payments under the B.E.S.T. Program.
- \$656,559 cash funds from the State Education Fund for charter school capital construction.

H.B. 19-1110 (MEDIA LITERACY): Creates a 13-member Media Literacy Advisory Committee within the Department of Education to report on and recommend revisions to existing state standards and best practices for improving media literacy in elementary and secondary education. Specifies criteria for membership on the committee. No later than July 15, 2019, requires the Commissioner of Education to appoint committee members and to hire a consultant to perform the research and analysis required for the report. Requires the committee and consultants to convene no later than November 1, 2019, to discuss the draft report and make recommendations for the final report. Requires submission of a final report to the General Assembly no later than January 1, 2020. For FY 2019-20, appropriates \$19,816 General Fund to the Department of Education.

H.B. 19-1120 (YOUTH MENTAL HEALTH EDUCATION AND SUICIDE PREVENTION): Requires the Department of Education to create and maintain a mental health resource bank of program materials and curricula related to mental health. By July 1, 2020, requires resources in the bank to be available to elementary and secondary schools free of charge and to be available in both English and Spanish. Upon request of a local education provider, requires the Department to provide technical assistance in designing age-appropriate curricula pertaining to mental health. For FY 2019-20, appropriates \$116,550 General Fund and 0.9 FTE to the Department of Education.

H.B. 19-1132 (SCHOOL INCENTIVES TO USE COLORADO FOOD AND PRODUCERS): Creates two grant programs to encourage the purchase of Colorado products for use in federally subsidized meals in public schools and residential child care centers.

- Creates the Local School Food Purchasing Program to reimburse participating providers for the purchase of Colorado grown, raised, or processed products. Specifies eligibility criteria and application requirements. Beginning in FY 2020-21, authorizes up to \$500,000 in reimbursements under the program.
- Creates the Local School Food Purchasing Technical Assistance and Education Grant Program. Requires the Department to issue a grant to a statewide nonprofit organization to develop and manage a grant program to assist with the promotion of Colorado grown, raised, or processed products. Specifies grant recipients' authorized uses of funds.

For FY 2019-20, appropriates \$168,942 General Fund and 0.3 FTE to the Department of Education.

H.B. 19-1134 (IDENTIFICATION AND INTERVENTIONS FOR STUDENTS WITH DYSLEXIA): Requires the Commissioner of Education to convene an 11-member work group to analyze relevant data and research related to dyslexia and to evaluate the implementation and efficacy of other state legislation related to dyslexia screening and educator training. Requires the work group to submit an annual report of its recommendations to the Commissioner from FY 2019-20 through FY 2030-31. For FY 2020-21 through FY 2022-23, creates a dyslexia markers pilot program to identify markers of dyslexia and enable effective interventions. Authorizes the Department to select up to five local education providers to participate in the pilot program. For FY 2019-20, appropriates a total of \$106,196 General Fund to the Department of Education, including \$94,676 to support the working group and \$11,520 for the dyslexia markers pilot program.

H.B. 19-1171 (EXPAND CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM): Expands the Child Nutrition School Lunch Protection Program to include grades nine through twelve. Current law provides free school lunches to students that qualify for reduced price lunches from kindergarten through eighth grade. This bill expands eligibility to include students through twelfth grade. For FY 2019-20, appropriates \$463,729 General Fund to the Department of Education.

H.B. 19-1187 (INCREASE STUDENT AID APPLICATION COMPLETION RATES): Requires the General Assembly to appropriate an additional \$250,000 per year for the School Counselor Corps Grant Program for FY 2019-20 through FY 2021-22. Directs that the funds be distributed to recipients of existing counselor corps grants to encourage completion of financial aid applications, including the Free Application for Federal Student Aid (FAFSA) as well as state financial aid applications. For FY 2019-20, appropriates \$250,000 General Fund to the Department of Education.

H.B. 19-1192 (INCLUSION OF AMERICAN MINORITIES IN TEACHING CIVIL GOVERNMENT): Creates a 16-member History, Culture, Social Contributions, and Civil Government in Education Commission within the Department of Education to make recommendations to the State Board of Education regarding revisions to statewide academic standards related to history and civics. Specifies representation on the commission, including 13 members to be appointed by the Governor, two (non-voting) members from the Department of Education to be appointed by the Commissioner of Education, and the President of the State Historical Society or the President's designee. For FY 2019-20, appropriates \$37,495 cash funds from the State Education Fund to the Department of Education.

H.B. 19-1236 (WORKFORCE DIPLOMA PILOT PROGRAM): Creates the Workforce Diploma Pilot Program in the Department of Education to provide performance payments to qualified providers of dropout recovery services for eligible adult students who achieve specified education milestones. Specifies criteria to qualify as a service provider as well as student eligibility under the bill. Also specifies performance payment amounts based on the attainment of specific milestones and limits total payments under the bill to no more than \$7,000 for an individual student. Creates annual reporting requirements for service providers to report data to the Department of Education and for the Department of Education to report to the General Assembly. For FY 2019-20, appropriates \$1,012,201 General Fund and 0.2 FTE to the Department of Education.

H.B. 19-1257 (VOTER APPROVAL TO RETAIN REVENUE): Contingent on voters' approval at the statewide election held on November 5, 2019, authorizes the State to annually retain and spend all state revenues in excess of the constitutional limitation on state fiscal year spending that it would otherwise be required to refund. Requires the General Assembly to appropriate or the State Treasurer to transfer the money that is so retained in the General Fund Exempt Account to provide funding for:

- Public schools;
- Higher education; and
- Roads, bridges, and transit.

Requires the State Auditor to contract with a private entity to annually conduct a financial audit regarding the use of the money that the State retains and spends under this measure.

H.B. 19-1258 (ALLOCATE VOTER-APPROVED REVENUE): Contingent on voters approving a related referred measure to annually retain and spend state revenues in excess of the constitutional spending limit (H.B. 19-1257), allocates the money that is retained in one-third shares to provide funding for each of the following purposes:

- Public schools;
- Higher education; and
- Roads, bridges, and transit.

Requires the General Assembly to appropriate the one-third shares for public schools and higher education for the state fiscal year after the State retains the revenue under the authority of the voter-approved revenue change. Requires that the money appropriated for public schools be distributed on a per pupil basis and used by public schools only for nonrecurring expenses for the purpose of improving classrooms, and it may not be used as part of a district reserve.

Requires the State Treasurer to transfer the remaining one-third of the money to the Highway Users Tax Fund (HUTF), and further allocates this money as follows: 60 percent to the State Highway Fund; 22 percent to counties; and 18 percent to cities and incorporated towns. Of the money allocated to the State Highway Fund, requires at least 15 percent to be expended for transit purposes or for transit-related capital improvements and the remaining amount to be expended for highway purposes or highway-related capital improvements.

H.B. 19-1262 (STATE FUNDING FOR FULL-DAY KINDERGARTEN): Provides funding for full-day kindergarten programs through the school finance formula. Increases the funding allocation for each full-day kindergarten student in the school finance formula from 0.58 student FTE under current law to 1.0 student FTE. Prohibits LEPs from charging any fees for full-day kindergarten that are not routinely charged for students enrolled in other grades. Prohibits the use of Early Childhood At-risk Enhancement (ECARE) slots to provide full-day kindergarten and reallocates existing ECARE slots to be available for preschool students. Repeals the Hold-harmless Full-day Kindergarten Program. For FY 2019-20, makes the following appropriation changes:

- Eliminates the Long Bill appropriation of \$8,939,591 cash funds from the State Education Fund to the Department of Education for Hold-harmless Full-day Kindergarten Funding.
- Appropriates a total of \$182,922,699 (including \$173,972,108 General Fund and \$8,939,591 cash funds from the State Education Fund) to the Department of Education for the State Share of Districts' Total Program Funding.
- Appropriates \$25,094 General Fund and 0.3 FTE to the Department of Human Services.

H.B. 19-1277 (COMPUTER SCIENCE GRANT PROGRAM): Creates the Computer Science Education Grant Program in the Department of Education, beginning in FY 2020-21, to provide money to public schools or school districts in order to increase enrollment or participation of traditionally underrepresented students in computer science education. Specifies minimum requirements for the grant application process and the Department's prioritization of requests. Creates annual reporting requirements for grant recipients to report to the Department (beginning in October 2021) and for the Department to report to the General Assembly (beginning in January 2022). Does not require an appropriation for FY 2019-20 but is expected to require an annual appropriation of \$250,000 General Fund beginning in FY 2020-21.

H.B. 19-1332 (TELEPHONE USERS DISABILITIES FUND TALKING BOOK LIBRARY): Authorizes the use of the Colorado Telephone Users with Disabilities Fund to support the furnishing of library services to persons who are blind and physically disabled, including persons who cannot use printed materials in their conventional format. Appropriates \$250,000 cash funds from the Colorado Telephone Users with Disabilities Fund to the Department of

Regulatory Agencies and reappropriates that amount to the Department of Education to support the Colorado Talking Book Library. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Regulatory Agencies.

Details

GOVERNOR – LIEUTENANT GOVERNOR – STATE PLANNING AND BUDGETING

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$354,039,376	\$42,508,950	\$47,889,843	\$256,873,308	\$6,767,275	1,102.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Office of the Governor	22,219,434	8,604,803	8,023,620	1,366,074	4,224,937	58.5
Office of the Lieutenant Governor	831,039	829,855	1,184	0	0	5.7
Office of State Planning and Budgeting	3,903,599	1,138,174	1,154,087	1,611,338	0	20.5
Economic Development Programs	57,256,364	20,953,461	33,621,274	260,291	2,421,338	60.6
Office of Information Technology	269,828,940	10,982,657	5,089,678	253,635,605	121,000	957.5
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$346,224,463	\$39,708,812	\$47,171,431	\$252,576,945	\$6,767,275	1,100.5
SB 18-036	4,630	0	0	4,630	0	0.0
SB 18-086	250,000	250,000	0	0	0	1.0
SB 18-150	89,600	0	0	89,600	0	0.0
HB 18-1017	80,000	0	0	80,000	0	0.0
HB 18-1042	16,016	0	0	16,016	0	0.0
HB 18-1135	350,000	175,000	0	175,000	0	0.0
HB 18-1256	10,000	0	0	10,000	0	0.0
HB 18-1267	65,508	0	0	65,508	0	0.0
HB 18-1299	0	0	0	0	0	0.0
HB 18-1323	718,412	0	718,412	0	0	0.0
HB 18-1324	200,000	200,000	0	0	0	0.0
HB 18-1325	4,000,000	2,000,000	0	2,000,000	0	0.0
HB 18-1339	6,188	6,188	0	0	0	0.0
HB 18-1353	4,480	0	0	4,480	0	0.0
SB 19-112	2,007,656	156,527	0	1,851,129	0	1.3
HB 19-1127	12,423	12,423	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$405,151,943	\$53,098,394	\$51,552,746	\$293,603,363	\$6,897,440	1,157.0
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Office of the Governor	23,554,558	9,060,230	8,974,745	1,170,307	4,349,276	59.7
Office of the Lieutenant Governor	941,947	940,763	1,184	0	0	7.0
Office of State Planning and Budgeting	5,232,054	1,216,136	2,308,439	1,707,479	0	21.4
Economic Development Programs	58,766,645	21,030,555	35,048,635	260,291	2,427,164	60.6
Office of Information Technology	316,656,739	20,850,710	5,219,743	290,465,286	121,000	1,008.3
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$392,560,806	\$43,065,857	\$51,422,681	\$291,174,828	\$6,897,440	1,152.7
SB 19-006	10,000,000	9,183,000	0	817,000	0	0.0
SB 19-073	750,000	0	0	750,000	0	0.0
SB 19-143	25,200	0	0	25,200	0	0.0
SB 19-165	5,936	0	0	5,936	0	0.0
SB 19-178	60,204	0	0	60,204	0	0.0

GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-223	454,539	0	0	454,539	0	0.9
SB 19-235	136,240	0	0	136,240	0	0.0
SB 19-251	775,000	775,000	0	0	0	2.0
SB 19-256	16,590	0	0	16,590	0	0.0
HB 19-1009	2,620	0	0	2,620	0	0.0
HB 19-1127	74,537	74,537	0	0	0	0.0
HB 19-1287	160,206	0	0	160,206	0	1.4
HB 19-1309	130,065	0	130,065	0	0	0.0
INCREASE/(DECREASE)	\$51,112,567	\$10,589,444	\$3,662,903	\$36,730,055	\$130,165	54.2
Percentage Change	14.4%	24.9%	7.6%	14.3%	1.9%	4.9%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$29,059,650	\$0	\$22,162,210	\$0	\$6,897,440

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

OFFICE OF THE GOVERNOR

The Office of the Governor (division) oversees operation of the executive branch of state government including coordination, direction, and planning of agency operations. The Office represents the state, and serves as a liaison with local and federal governments. Includes the core functions of a traditional executive director's office and the Colorado Energy Office.

OFFICE OF THE GOVERNOR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$22,062,914	\$8,448,283	\$8,023,620	\$1,366,074	\$4,224,937	57.2
SB 19-112	144,097	144,097	0	0	0	1.3
HB 19-1127	12,423	12,423	0	0	0	0.0
TOTAL	\$22,219,434	\$8,604,803	\$8,023,620	\$1,366,074	\$4,224,937	58.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$22,219,434	\$8,604,803	\$8,023,620	\$1,366,074	\$4,224,937	58.5
Centrally appropriated line items	729,377	530,632	335,594	(234,653)	97,804	0.0
Electric vehicle grant fund spending authority increase	723,204	0	723,204	0	0	0.0
Governor's Director of Operations and Cabinet Affairs position	73,920	73,920	0	0	0	0.5
Office of Saving People Money on Health Care implementation	67,500	67,500	0	0	0	0.7
Indirect cost assessment	28,101	(130,900)	0	130,900	28,101	0.0
Annualize prior year budget actions	(308,175)	(103,728)	(107,023)	(92,014)	(5,410)	0.0
Annualize prior year legislation	(53,340)	(56,534)	(650)	0	3,844	0.0
SB 19-207	\$23,480,021	\$8,985,693	\$8,974,745	\$1,170,307	\$4,349,276	59.7
HB 19-1127	74,537	74,537	0	0	0	0.0
TOTAL	\$23,554,558	\$9,060,230	\$8,974,745	\$1,170,307	\$4,349,276	59.7

OFFICE OF THE GOVERNOR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$1,335,124	\$455,427	\$951,125	(\$195,767)	\$124,339	1.2
Percentage Change	6.0%	5.3%	11.9%	(14.3%)	2.9%	2.1%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-112 modifies FY 2018-19 appropriations to:

- Add \$67,500 General Fund and 0.8 FTE to add two support positions (Health Care Manager and Health Care Coordinator) for the Office of Saving People Money on Health Care located in the Governor's Office;
- Add \$60,000 General Fund and 0.5 FTE to replace the role of the state's Chief Operating Officer with a Director of Operations and Cabinet Affairs position located in the Governor's Office; and
- Add \$16,597 General Fund to cover the statutorily-mandated increases to the salary for the Governor. Pursuant to Section 24-9-101, C.R.S., the salaries paid to statewide elected officials are adjusted for the term commencing on the second Tuesday in January 2019. The amount of the adjustments are based on the salaries paid to certain judicial officers.

House Bill 19-1127 modifies FY 2018-19 appropriations to add \$12,423 General Fund for the Lieutenant Governor to serve as the Director of the Office of Saving People Money on Health Care.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$468,178	\$232,098	\$130,844	\$51,794	\$53,442	0.0
PERA Direct Distribution	395,560	196,097	110,549	43,761	45,153	0.0
Health, life, and dental	141,899	194,357	33,247	(74,756)	(10,949)	0.0
Leased space	20,471	20,471	0	0	0	0.0
Payment to risk management / property funds	13,441	12,277	0	1,164	0	0.0
AED	425	35,041	30,576	(62,096)	(3,096)	0.0
Short-term disability	373	1,338	1,112	(2,016)	(61)	0.0
SAED	200	35,041	30,351	(62,096)	(3,096)	0.0
Legal services	(190,515)	(95,811)	0	(112,706)	18,002	0.0
Payments to OIT	(62,586)	(62,586)	0	0	0	0.0
Capitol Complex leased space	(37,781)	(31,090)	0	(6,691)	0	0.0
CORE	(11,016)	0	(1,085)	(8,340)	(1,591)	0.0
Workers' compensation	(9,096)	(6,425)	0	(2,671)	0	0.0
Fleet vehicle	(176)	(176)	0	0	0	0.0
TOTAL	\$729,377	\$530,632	\$335,594	(\$234,653)	\$97,804	0.0

ELECTRIC VEHICLE GRANT FUND SPENDING AUTHORITY INCREASE: The appropriation includes an increase of \$723,204 cash funds from the Electric Vehicle Grant Fund to fund additional grants to build electric vehicle charging stations. Pursuant to statute, in addition to other vehicle registration fees, electric vehicle owners must pay a \$50 vehicle registration fee. Of this additional fee, \$30 is transmitted to the Highway Users Trust Fund and \$20 is transmitted to the Colorado Energy Office's Electric Vehicle Grant Fund. Money in the Electric Vehicle Grant Fund may be used to install recharging stations for electric vehicles via grants made to state agencies, public universities, public transit agencies, local governments, landlords of multi-family apartment buildings, private nonprofit or for-profit corporations, and the unit owners' associations of common interest communities.

GOVERNOR'S DIRECTOR OF OPERATIONS AND CABINET AFFAIRS POSITION: The appropriation includes an increase of \$73,920 General Fund and 0.5 FTE to annualize funding for the Director of Operations and Cabinet Affairs position to a total of \$133,920 General Fund and 1.0 FTE. This is a continuation of the increase included in the Office of the Governor's FY 2018-19 supplemental bill.

OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE IMPLEMENTATION: The appropriation includes an increase of \$67,500 General Fund and 0.7 FTE to annualize funding for the Office of Saving People Money on Health Care's two support positions (a full-time Health Care Manager and a half-time Health Care Coordinator) to a total of \$135,000 General Fund and 1.5 FTE. This is a continuation of the increase included in the Office of the Governor's FY 2018-19 supplemental bill.

INDIRECT COST ASSESSMENT: The appropriation includes adjustments based on the Office's indirect cost assessment plan. The adjustments reduce the General Fund required by the Office by \$130,900.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-112 Suppl Approp Dept Governor, Lt. Gov, OSPB	\$16,596	\$16,596	\$0	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	13,487	9,293	350	0	3,844	0.0
HB 14-1326 Tax Incentives For Alternative Fuel Trucks	(70,000)	(70,000)	0	0	0	0.0
HB 19-1127 Lieutenant Governor Concurrent State Service	(12,423)	(12,423)	0	0	0	0.0
HB 18-1364 Sunset Colorado Council Persons With Disabilities	(1,000)	0	(1,000)	0	0	0.0
TOTAL	(\$53,340)	(\$56,534)	(\$650)	\$0	\$3,844	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF THE LIEUTENANT GOVERNOR

The Office of the Lieutenant Governor directly oversees the Colorado Commission of Indian Affairs, Commission on Community Service, and other initiatives. The Lieutenant Governor temporarily takes the Governor's place if the Governor is out of Colorado or is unable to perform his/her duties.

OFFICE OF THE LIEUTENANT GOVERNOR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$618,609	\$617,425	\$1,184	\$0	\$0	5.7
HB 18-1324	200,000	200,000	0	0	0	0.0
SB 19-112	12,430	12,430	0	0	0	0.0
TOTAL	\$831,039	\$829,855	\$1,184	\$0	\$0	5.7
FY 2019-20 APPROPRIATION:						

OFFICE OF THE LIEUTENANT GOVERNOR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Appropriation	\$831,039	\$829,855	\$1,184	\$0	\$0	5.7
Lieutenant Governor's Office						
administration adjustment	75,000	75,000	0	0	0	1.3
Annualize prior year budget actions	21,572	21,572	0	0	0	0.0
Annualize prior year legislation	14,336	14,336	0	0	0	0.0
SB 19-207	\$941,947	\$940,763	\$1,184	\$0	\$0	7.0
TOTAL	\$941,947	\$940,763	\$1,184	\$0	\$0	7.0
INCREASE/(DECREASE)	\$110,908	\$110,908	\$0	\$0	\$0	1.3
Percentage Change	13.3%	13.4%	0.0%	n/a	n/a	22.8%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-112 modifies FY 2018-19 appropriations to add \$12,430 General Fund to cover the statutorily-mandated increases to the salary for the Lieutenant Governor. Pursuant to Section 24-9-101, C.R.S., the salaries paid to statewide elected officials are adjusted for the term commencing on the second Tuesday in January 2019. The amount of the adjustments are based on the salaries paid to certain judicial officers.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

LIEUTENANT GOVERNOR'S OFFICE ADMINISTRATION ADJUSTMENT: The appropriation includes an increase of \$75,000 General Fund and 1.3 FTE to fully fund the four positions in the Office of the Lieutenant Governor. The Office is staffed by the following: Lieutenant Governor, Chief of Staff, Deputy Chief of Staff, and Executive Assistant.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-112 Suppl Approp Dept Governor, Lt. Gov, OSPB	\$12,430	\$12,430	\$0	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	1,906	1,906	0	0	0	0.0
TOTAL	\$14,336	\$14,336	\$0	\$0	\$0	0.0

OFFICE OF STATE PLANNING AND BUDGETING

The Office of State Planning and Budgeting (OSPB) develops executive branch budget requests, reviews and analyzes departmental expenditures, and prepares quarterly revenue and economic estimates for the state. Additionally, the Office implements the Results First initiative, a cost benefit analysis model initially developed by the Washington State Institute for Public Policy, and now supported by the Pew Charitable Trusts and the MacArthur Foundation, that aims to determine the monetary value of State policies and programs.

OFFICE OF STATE PLANNING AND BUDGETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,185,187	\$1,138,174	\$435,675	\$1,611,338	\$0	20.5
HB 18-1323	718,412	0	718,412	0	0	0.0
TOTAL	\$3,903,599	\$1,138,174	\$1,154,087	\$1,611,338	\$0	20.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,903,599	\$1,138,174	\$1,154,087	\$1,611,338	\$0	20.5
Annualize prior year legislation	1,172,116	77,962	1,090,027	4,127	0	0.9
Annualize prior year budget actions	156,339	0	64,325	92,014	0	0.0
SB 19-207	\$5,232,054	\$1,216,136	\$2,308,439	\$1,707,479	\$0	21.4
TOTAL	\$5,232,054	\$1,216,136	\$2,308,439	\$1,707,479	\$0	21.4
INCREASE/(DECREASE)	\$1,328,455	\$77,962	\$1,154,352	\$96,141	\$0	0.9
Percentage Change	34.0%	6.8%	100.0%	6.0%	n/a	4.4%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1323 Pay For Success Contracts Pilot Program Funding	\$1,090,027	\$0	\$1,090,027	\$0	\$0	0.0
HB 18-1430 State Agency Long-range Financial Plan	77,962	77,962	0	0	0	0.9
SB 18-200 Eliminate Unfunded PERA Liability	4,127	0	0	4,127	0	0.0
TOTAL	\$1,172,116	\$77,962	\$1,090,027	\$4,127	\$0	0.9

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, as detailed in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$92,014	\$0	\$0	\$92,014	\$0	0.0
FY 2018-19 Office of State Planning and Budgeting 2% reduction	64,325	0	64,325	0	0	0.0
TOTAL	\$156,339	\$0	\$64,325	\$92,014	\$0	0.0

ECONOMIC DEVELOPMENT PROGRAMS

The Office of Economic Development and International Trade (OEDIT) assists in strengthening Colorado's prospects for long-term economic growth by providing broad-based support to businesses. The Office's support services include business funding and incentives, promotion of creative industries, international trade assistance, tourism promotion, minority business assistance, key industry promotion (including advanced industries, aerospace, and health and wellness), and film, television, and media industry development.

ECONOMIC DEVELOPMENT PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE

FY 2018-19 APPROPRIATION:						
HB 18-1322	\$56,906,364	\$20,778,461	\$33,621,274	\$85,291	\$2,421,338	60.6
HB 18-1135	350,000	175,000	0	175,000	0	0.0
TOTAL	\$57,256,364	\$20,953,461	\$33,621,274	\$260,291	\$2,421,338	60.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$57,256,364	\$20,953,461	\$33,621,274	\$260,291	\$2,421,338	60.6
Revenue adjustment for income tax withholdings used for advanced industries	1,321,444	0	1,321,444	0	0	0.0
Annualize prior year budget actions	139,772	82,156	52,206	0	5,410	0.0
Minority Business Office operating increase	25,000	0	25,000	0	0	0.0
Indirect cost assessment	23,794	0	23,794	0	0	0.0
Annualize prior year legislation	12,594	7,261	4,917	0	416	0.0
Centrally appropriated line items	(12,323)	(12,323)	0	0	0	0.0
SB 19-207	\$58,766,645	\$21,030,555	\$35,048,635	\$260,291	\$2,427,164	60.6
TOTAL	\$58,766,645	\$21,030,555	\$35,048,635	\$260,291	\$2,427,164	60.6
INCREASE/(DECREASE)	\$1,510,281	\$77,094	\$1,427,361	\$0	\$5,826	0.0
Percentage Change	2.6%	0.4%	4.2%	0.0%	0.2%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

REVENUE ADJUSTMENT FOR INCOME TAX WITHHOLDINGS USED FOR ADVANCED INDUSTRIES: The appropriation includes an increase of \$1,321,444 cash funds from the Advanced Industries Acceleration Cash Fund due to updated data associated with income tax withholdings that support advanced industries development, pursuant to Section 39-22-604.3, C.R.S.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

MINORITY BUSINESS OFFICE OPERATING INCREASE: The appropriation includes an increase of \$25,000 cash funds from the Minority Business Fund to support initiatives of the Office of Economic Development and International Trade's Minority Business Office. The agency is tasked with promoting the business development of new and existing minority businesses in coordination with state economic development activities.

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$23,794 cash funds to the Office's indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to S.B. S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Leased space	(\$11,141)	(\$11,141)	\$0	\$0	\$0	0.0
Fleet vehicle	(1,182)	(1,182)	0	0	0	0.0
TOTAL	(\$12,323)	(\$12,323)	\$0	\$0	\$0	0.0

OFFICE OF INFORMATION TECHNOLOGY

The Governor's Office of Information Technology (OIT) is responsible for the operation and delivery of all information and communications technology services across state executive branch agencies. The Office is tasked with providing information technology services, as well as promoting Colorado as the ideal location for information technology companies and technology-based workers.

OFFICE OF INFORMATION TECHNOLOGY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$263,451,389	\$8,726,469	\$5,089,678	\$249,514,242	\$121,000	956.5
SB 18-036	4,630	0	0	4,630	0	0.0
SB 18-086	250,000	250,000	0	0	0	1.0
SB 18-150	89,600	0	0	89,600	0	0.0
HB 18-1017	80,000	0	0	80,000	0	0.0
HB 18-1042	16,016	0	0	16,016	0	0.0
HB 18-1256	10,000	0	0	10,000	0	0.0
HB 18-1267	65,508	0	0	65,508	0	0.0
HB 18-1299	0	0	0	0	0	0.0
HB 18-1325	4,000,000	2,000,000	0	2,000,000	0	0.0
HB 18-1339	6,188	6,188	0	0	0	0.0
HB 18-1353	4,480	0	0	4,480	0	0.0
SB 19-112	1,851,129	0	0	1,851,129	0	0.0
TOTAL	\$269,828,940	\$10,982,657	\$5,089,678	\$253,635,605	\$121,000	957.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$269,828,940	\$10,982,657	\$5,089,678	\$253,635,605	\$121,000	957.5
Securing information technology operations	11,857,490	0	0	11,857,490	0	9.0
Centrally appropriated line items	4,496,977	28,478	0	4,468,499	0	0.0
Enterprise data integration services	3,139,756	0	0	3,139,756	0	2.0
Department of Corrections' offender records management system operating increase	2,796,520	0	0	2,796,520	0	0.0
Colorado Benefits Management System adjustments	2,520,566	0	0	2,520,566	0	0.0
Department of Human Services' child protective services computer system maintenance increase	2,452,920	0	0	2,452,920	0	0.0
Annualize prior year budget actions	1,391,147	1	0	1,391,146	0	0.0
Lottery information technology staff consolidation	1,253,065	0	0	1,253,065	0	13.0
Department of Health Care Policy and Financing's Medicaid operational and compliance issue resolution	1,189,470	0	0	1,189,470	0	3.0
Department of Health Care Policy and Financing's customer interaction improvements	1,020,000	0	0	1,020,000	0	0.0
Database security support resource increase	936,776	0	0	936,776	0	8.0
Department of Health Care Policy and Financing's local program administration improvements	821,240	0	0	821,240	0	0.0
Information technology application refresh and consolidation	800,700	0	0	800,700	0	0.0
Department of Revenue's tax processing system enhancements	681,477	0	0	681,477	0	6.0
Department of Labor and Employment's unemployment insurance migrated information technology system operations increase	601,509	0	0	601,509	0	4.5
Information technology self-service capability implementation	333,426	0	0	333,426	0	0.0

OFFICE OF INFORMATION TECHNOLOGY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Information technology project management adjustment	144,342	0	0	144,342	0	1.0
Indirect cost assessment	10,504	0	0	10,504	0	0.0
Annualize prior year legislation	(2,136,686)	(118,426)	0	(2,018,260)	0	0.0
SB 19-207	\$304,140,139	\$10,892,710	\$5,089,678	\$288,036,751	\$121,000	1,004.0
SB 19-006	10,000,000	9,183,000	0	817,000	0	0.0
SB 19-073	750,000	0	0	750,000	0	0.0
SB 19-143	25,200	0	0	25,200	0	0.0
SB 19-165	5,936	0	0	5,936	0	0.0
SB 19-178	60,204	0	0	60,204	0	0.0
SB 19-223	454,539	0	0	454,539	0	0.9
SB 19-235	136,240	0	0	136,240	0	0.0
SB 19-251	775,000	775,000	0	0	0	2.0
SB 19-256	16,590	0	0	16,590	0	0.0
HB 19-1009	2,620	0	0	2,620	0	0.0
HB 19-1287	160,206	0	0	160,206	0	1.4
HB 19-1309	130,065	0	130,065	0	0	0.0
TOTAL	\$316,656,739	\$20,850,710	\$5,219,743	\$290,465,286	\$121,000	1,008.3
INCREASE/(DECREASE)	\$46,827,799	\$9,868,053	\$130,065	\$36,829,681	\$0	50.8
Percentage Change	17.4%	89.9%	2.6%	14.5%	0.0%	5.3%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-112 modifies FY 2018-19 appropriations to:

- Add \$1,309,206 reappropriated funds for OIT to provide the agency with spending authority to support the Department of Health Care Policy and Financing on a Colorado Benefits Management System (CBMS) project. The Department of Health Care Policy and Financing was appropriated funds for the project in the FY 2018-19 Long Bill, however the corresponding spending authority for these funds was erroneously omitted for OIT;
- Add \$538,623 reappropriated funds transferred from the Department of Human Services to OIT to improve server performance supporting the Automated Child Support Enforcement System; and
- Add \$3,300 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT to license time-keeping tools for staff working on the care and case management system.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

SECURING INFORMATION TECHNOLOGY OPERATIONS: The appropriation includes an increase of \$11,857,490 reappropriated funds transferred from state agencies to OIT and 9.0 FTE to accelerate the pace at which the Secure Colorado cybersecurity strategic plan, created by the agency's Office of Information Security and the Colorado Information Security Advisory Board, is implemented, as well as to implement new initiatives identified through recent analyses of the state's capabilities.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$2,399,232	\$24,587	\$0	\$2,374,645	\$0	0.0
PERA Direct Distribution	2,144,838	22,113	0	2,122,725	0	0.0
Health, life, and dental	161,266	(10,282)	0	171,548	0	0.0
Legal services	134,699	0	0	134,699	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payment to risk management / property funds	27,402	0	0	27,402	0	0.0
AED	(92,954)	(3,901)	0	(89,053)	0	0.0
SAED	(92,954)	(3,901)	0	(89,053)	0	0.0
Workers' compensation	(63,704)	0	0	(63,704)	0	0.0
Shift differential	(55,148)	0	0	(55,148)	0	0.0
CORE	(31,983)	0	0	(31,983)	0	0.0
Capitol Complex leased space	(26,275)	0	0	(26,275)	0	0.0
Short-term disability	(3,912)	(138)	0	(3,774)	0	0.0
Fleet vehicle	(3,530)	0	0	(3,530)	0	0.0
TOTAL	\$4,496,977	\$28,478	\$0	\$4,468,499	\$0	0.0

ENTERPRISE DATA INTEGRATION SERVICES: The appropriation includes an increase of \$3,139,756 reappropriated funds transferred from state agencies to OIT and 2.0 FTE to enter into a statewide enterprise license agreement (ELA) with a vendor for Enterprise Service Bus technologies. The requested staff increase of 2.0 FTE would be used for Enterprise Service Bus implementation support services. An Enterprise Service Bus implements a communication system between mutually interacting software applications such that data can be shared from application to application without removing the data from its underlying databases.

DEPARTMENT OF CORRECTIONS' OFFENDER RECORDS MANAGEMENT SYSTEM OPERATING INCREASE: The appropriation includes an increase of \$2,796,520 reappropriated funds transferred from the Department of Corrections to OIT for the maintenance costs associated with the offender records management system known as "DeCORuM."

COLORADO BENEFITS MANAGEMENT SYSTEM ADJUSTMENTS: The appropriation includes an increase of \$2,520,566 reappropriated funds transferred from the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment to OIT for a variety of changes associated with the implementation of the Colorado Benefits Management System (CBMS) and the Program Eligibility and the Application Kit (PEAK). These changes are meant to ensure compliance with state and federal requirements, to reduce security risks, to improve interactions with citizens engaged in the eligibility and enrollment processes associated with public assistance programs, and to implement a series of technical appropriation adjustments.

DEPARTMENT OF HUMAN SERVICES' CHILD PROTECTIVE SERVICES COMPUTER SYSTEM MAINTENANCE INCREASE: The appropriation includes an increase of \$2,452,920 reappropriated funds transferred from the Department of Human Services to OIT to contract for additional developers, business analysts, database administrators, service desk support, and infrastructure to maintain the state's child protective services computer system, known as Trails.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, as detailed in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Office of Information Technology CBMS PEAK	\$1,306,463	\$0	\$0	\$1,306,463	\$0	0.0
FY 2018-19 Office of Information Technology Microsoft enterprise license agreement	409,096	0	0	409,096	0	0.0
FY 2018-19 Office of Information Technology Voice and data services	328,386	0	0	328,386	0	0.0
FY 2018-19 Department of Revenue DRIVES system	32,585	0	0	32,585	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Office of Information Technology Human Resource Information System timekeeping savings	8,055	0	0	8,055	0	0.0
FY 2018-19 Department of Public Safety Sex Offender Management Board data system	(361,424)	0	0	(361,424)	0	0.0
FY 2018-19 Department of Health Care Policy and Financing BUS continuation	(230,040)	0	0	(230,040)	0	0.0
FY 2017-18 Department of Revenue telephone replacement	(67,500)	0	0	(67,500)	0	0.0
FY 2018-19 Department of Local Affairs Peace Officer grant program	(23,825)	0	0	(23,825)	0	0.0
FY 2018-19 Salary survey	(5,946)	1	0	(5,947)	0	0.0
FY 2018-19 Department of Natural Resources application development and support	(4,703)	0	0	(4,703)	0	0.0
TOTAL	\$1,391,147	\$1	\$0	\$1,391,146	\$0	0.0

LOTTERY INFORMATION TECHNOLOGY STAFF CONSOLIDATION: The appropriation includes an increase of \$1,253,065 reappropriated funds and 13.0 FTE to transfer information technology employees from the Department of Revenue's Lottery Division to OIT who were not previously consolidated in the Office following the passage of S.B. 05-155 (Centralize IT Management In OIT). Note, the Department of Revenue's FY 2019-20 Long Bill includes a corresponding reduction of \$1.3 million total funds and 13.0 FTE.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S MEDICAID OPERATIONAL AND COMPLIANCE ISSUE RESOLUTION: The appropriation includes an increase of \$1,189,470 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT and 3.0 FTE to address operating and compliance issues with a collection of information technology systems and processes related to eligibility, benefits authorization, and claims processing.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S CUSTOMER INTERACTION IMPROVEMENTS: The appropriation includes an increase of \$1,020,000 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT for a series of information technology updates to assist the citizens in its communications with the Department regarding its public assistance programs.

DATABASE SECURITY SUPPORT RESOURCE INCREASE: The appropriation includes an increase of \$936,776 reappropriated funds transferred from state agencies to OIT and 8.0 FTE to augment the database services team with additional staff to support non-production databases (development and testing). Currently, the database services team only has resources to support production databases, which leaves non-production databases vulnerable to security breaches.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S LOCAL PROGRAM ADMINISTRATION IMPROVEMENTS: The appropriation includes an increase of \$821,240 reappropriated funds transferred from the Department of Health Care Policy and Financing to OIT to process all returned mail generated from the Colorado Benefits Management System.

INFORMATION TECHNOLOGY APPLICATION REFRESH AND CONSOLIDATION: The appropriation includes an increase of \$800,700 reappropriated funds transferred from state agencies to OIT to replace state agency "one off" applications with solutions built on current, enterprise-level technologies that are supported by the Office.

DEPARTMENT OF REVENUE'S TAX PROCESSING SYSTEM ENHANCEMENTS: The appropriation includes an increase of \$681,477 reappropriated funds transferred from the Department of Revenue to OIT and 6.0 FTE to

create an in-house technical team to support the state's tax administration system known as "GenTax". Historically, GenTax has relied on vendor services for the day-to-day, technical operation of the system, including the provision of programming changes to accommodate tax policy changes.

DEPARTMENT OF LABOR AND EMPLOYMENT'S UNEMPLOYMENT INSURANCE MIGRATED INFORMATION TECHNOLOGY SYSTEM OPERATIONS INCREASE: The appropriation includes an increase of \$601,509 reappropriated funds transferred from the Department of Labor and Employment to OIT and 4.5 FTE for ongoing annual operating support for the Department's upgraded unemployment insurance system.

INFORMATION TECHNOLOGY SELF-SERVICE CAPABILITY IMPLEMENTATION: The appropriation includes an increase of \$333,426 reappropriated funds transferred from state agencies to OIT to augment service desk capabilities with artificial intelligence and chatbots to provide basic support services to state agencies.

INFORMATION TECHNOLOGY PROJECT MANAGEMENT ADJUSTMENT: The appropriation includes an increase of \$144,342 reappropriated funds transferred from the Department of Transportation to OIT and 1.0 FTE to convert a 1.0 FTE term-limited project manager supporting the Department to a full-time employee due to the Department's ongoing need for project management services. This change does not increase appropriations for the Department, as the agency was paying the Office through an inter-agency agreement for this project management function.

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$10,504 reappropriated funds to the Office's indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$194,122	\$1,701	\$0	\$192,421	\$0	0.0
SB 19-112 Suppl Approp Dept Governor, Lt. Gov, OSPB	(1,851,129)	0	0	(1,851,129)	0	0.0
SB 18-086 Cyber Coding Cryptology For State Records	(114,830)	(114,830)	0	0	0	0.0
SB 18-150 Voter Registration Individuals Criminal Justice System	(89,600)	0	0	(89,600)	0	0.0
HB 18-1017 Psychology Interjurisdictional Compact	(77,000)	0	0	(77,000)	0	0.0
HB 17-1057 Interstate Physical Therapy Licensure Compact	(74,000)	0	0	(74,000)	0	0.0
HB 18-1267 Income Tax Credit For Retrofitting Home For Health	(65,508)	0	0	(65,508)	0	0.0
HB 18-1299 Electronic Filing Title Registration Motor Vehicle	(16,590)	0	0	(16,590)	0	0.0
HB 18-1042 Private Interstate Commercial Vehicle Registration	(16,016)	0	0	(16,016)	0	0.0
HB 18-1256 Sunset Continue Civil Rights Division And Commission	(10,000)	0	0	(10,000)	0	0.0
HB 18-1339 Background Checks Employees Access Federal Tax Information	(5,297)	(5,297)	0	0	0	0.0
SB 18-036 Relocate Title 24 Tobacco Sales Minors To Title 44	(4,630)	0	0	(4,630)	0	0.0
HB 17-1326 Justice Reinvestment Crime Prevention Initiative	(3,296)	0	0	(3,296)	0	0.0
HB 17-1313 Civil Forfeiture Reform	(2,912)	0	0	(2,912)	0	0.0
TOTAL	(\$2,136,686)	(\$118,426)	\$0	(\$2,018,260)	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

SB 18-027 (ENHANCED NURSE LICENSURE COMPACT): Adopts the Enhanced Nurse Licensure Compact and repeals the existing Nurse Licensure Compact. The enhanced compact requires that all registered and licensed practical nurses licensed after July 20, 2017, complete a fingerprint-based criminal history check in order to participate in the compact. Nurses holding a multi-state license prior to July 20, 2017, will be grandfathered into the enhanced compact. Transfers \$110,000 from the Department of Regulatory Agencies to the Governor's Office of Information Technology for FY 2017-18 for the provision of technology services to implement this bill. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Regulatory Agencies.

S.B. 18-036 (RELOCATE TITLE 24 TOBACCO SALES MINORS TO TITLE 44): Relocates statutes concerning regulation of tobacco sales to minors from Title 24 to the newly created Title 44 of the Colorado Revised Statutes and makes minor technical changes. In FY 2018-19, appropriates \$6,730 cash funds including \$5,402 from the Liquor Enforcement Division and State Licensing Authority Cash Fund and \$1,328 from the Tobacco Education Programs Fund, to the Department of Revenue, of which \$4,630 is reappropriated to the Governor's Office of Information Technology for FY 2018-19. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

S.B. 18-086 (CYBER CODING CRYPTOLOGY FOR STATE RECORDS): Requires the state's Chief Information Security Officer to annually identify, assess, and mitigate cyber threats to the State. Includes various provisions to promote security of state data and Colorado's role as a center for cybersecurity research, development, and training. Among other provisions, appropriates \$5,100,000 General Fund to the Department of Higher Education in FY 2018-19 for allocation to higher education governing boards participating in activities related to cybersecurity and distributed ledger technologies as follows: Colorado Mesa University - \$300,000; Metropolitan State University of Denver - \$300,000; Western State Colorado University - \$200,000; Colorado State University System - \$1,200,000; University of Colorado System - \$2,800,000; Community College System - \$300,000. General Fund appropriations are first appropriated to the College Opportunity Fund Program and are then reappropriated to the individual governing boards for fee-for-service contracts, resulting in a matching increase of \$5,100,000 reappropriated funds. Appropriates \$250,000 General Fund and 1.0 FTE to the Governor's Office of Information Technology to evaluate the potential use of blockchain and distributed ledger technologies and make recommendations to the Joint Technology Committee on future implementation opportunities of such technologies. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Higher Education.

S.B. 18-150 (VOTER REGISTRATION INDIVIDUALS CRIMINAL JUSTICE SYSTEM): Changes the election code to allow the Department of State to preregister parolees to vote once removed from parole and qualified to vote. Directs the Division of Adult Parole in the Department of Corrections to provide voter information to persons released from parole. Appropriates \$95,555 cash fund from the Department of State Cash Fund. Transfers \$89,600 from the Department of Corrections to the Governor's Office of Information Technology for FY 2018-19 for the provision of technology services to implement this bill. For additional detail, see the "Recent Legislation" section at the end of Part III for the Department of Corrections.

H.B. 18-1017 (PSYCHOLOGY INTERJURISDICTIONAL COMPACT): Enters Colorado into the Psychology Interjurisdictional Compact to allow psychologists to practice in other compact states (member states) via telepsychology or short-term, in-person practice. To participate in the compact, a psychologist must have a full and

unrestricted psychologist license in a member state and possess appropriate certifications from the Association of State and Provincial Psychology Boards. Transfers \$80,000 from the Department of Regulatory Agencies to the Governor's Office of Information Technology for FY 2018-19 for the provision of technology services to implement this bill. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Regulatory Agencies.

H.B. 18-1042 (PRIVATE INTERSTATE COMMERCIAL VEHICLE REGISTRATION): Allows private parties to perform expedited vehicle registrations for commercial trucks. Requires the Department of Revenue (DOR) to promulgate rules in order to allow a private provider to perform expedited vehicle registration for Class A commercial vehicles. The provider may retain a service fee, but will collect and remit the registration taxes and fees to the department. In FY 2018-19, includes a net appropriation of \$20,865 General Fund and includes a net decrease of 0.3 FTE to the Department of Revenue, of which \$16,016 is reappropriated to the Governor's Office of Information Technology for FY 2018-19. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 18-1135 (EXTEND ADVANCED INDUSTRY EXPORT ACCELERATION PROGRAM): Extends the Advanced Industries Export Acceleration Program that managed by the Office of Economic Development through January 1, 2025. Appropriates \$175,000 General Fund to the Advanced Industries Export Acceleration Cash Fund for FY 2018-19 and reappropriates an equal amount from the Fund to the Office.

HB 18-1160 (SUPPLEMENTAL BILL): Modifies FY 2017-18 appropriations to the Department.

H.B. 18-1256 (SUNSET CONTINUE CIVIL RIGHTS DIVISION AND COMMISSION): Continues the state's Civil Rights Division and Civil Rights Commission in the Department of Regulatory Agencies, which are scheduled to repeal on July 1, 2018. Transfers \$10,000 from the Department of Regulatory Agencies to the Governor's Office of Information Technology for FY 2018-19 for the provision of technology services to implement this bill. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Regulatory Agencies.

H.B. 18-1267 (INCOME TAX CREDIT FOR RETROFITTING HOME FOR HEALTH): For tax years 2019 through 2023, allows certain taxpayers to claim a state income tax credit for a portion of qualified costs incurred while retrofitting their residence for the purpose of improving accessibility, increasing visitability, or allowing qualified individuals to age in place. Requires the Department of Local Affairs's (DOLA's) Division of Housing to certify that the taxpayer meets specified requirements, issue tax credits, and ensure that the total amount of credits issued does not exceed \$1.0 million each year. Appropriates \$132,328 General Fund to DOLA for FY 2018-19, and states the assumption that DOLA will require an additional 1.0 FTE. Appropriates \$65,508 of this amount to the Office of the Governor for FY 2018-19 to provide information technology services to DOLA. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

H.B. 18-1299 (ELECTRONIC FILING TITLE REGISTRATION MOTOR VEHICLE): Under current law, the Department of Revenue (DOR) may establish a system to allow the electronic transmission of registration, lien, and titling information for motor vehicles. To implement this system, the bill allows the DOR to adopt rules to: maintain titling information electronically; accept electronic signatures on any documents; eliminate any notarization requirements for document signatures; allow all parties to electronically file and release lien information; and authorize third-party providers to process registration, lien, and titling information on behalf of a business entity. The bill includes an appropriation clause for FY 2018-19, however the effective date clause in the bill establishes an effective date for the entire bill of July 1, 2019, nullifying the appropriation in FY 2018-19. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1323 (PAY FOR SUCCESS CONTRACTS PILOT PROGRAM FUNDING): Transfers specified amounts from the General Fund and the Marijuana Tax Cash Fund to the Office of State Planning and Budgeting (OSPB) Youth Pay for Success Initiatives Account within the Pay for Success Contracts Fund for FY 2018-19 through FY 2021-22. OSPB may expend this money for three specified Pay for Success contracts for pilot programs designed to reduce juvenile involvement in the justice system, reduce out-of-home placements of juveniles, and improve on-time high school graduation rates. The Department of Human Services may expend any money appropriated to it from the Account for expenses related to the administration of any pay for success contract. This bill has a General Fund impact of \$401,314 for FY 2018-19 and a total General Fund impact of \$1.9 million between FY 2018-19 and FY 2021-22. Additionally, the bill has a Marijuana Tax Cash Fund impact of \$989,470 for FY 2018-19 and a total Marijuana Tax Cash Fund impact of \$4.4 million between FY 2018-19 and FY 2021-22. Appropriates \$718,412 cash funds from the Youth Pay for Success Initiatives Account within the Pay for Success Contracts Fund to OSPB for FY 2018-19 to implement the pilot programs.

TRANSFERS TO THE OFFICE OF STATE PLANNING AND BUDGETING YOUTH PAY FOR SUCCESS INITIATIVES ACCOUNT					
TRANSFER SOURCE	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	TOTAL
General Fund	\$401,314	\$545,079	\$498,355	\$448,480	\$1,893,228
Marijuana Tax Cash Fund	989,470	1,717,764	1,725,066	0	4,432,300
TOTAL	\$1,390,784	\$2,262,843	\$2,223,421	\$448,480	\$6,325,528

H.B. 18-1324 (CODIFY GOVERNOR'S COMMISSION ON COMMUNITY SERVICE): Codifies the Governor's existing Commission on Community Service, known as Serve Colorado, in statute. The program was created through an executive order issued by Governor Romer in 1993. Governor Owens recreated Serve Colorado in 2002 and placed it in the Lieutenant Governor's Office. This bill establishes the powers of Serve Colorado, including the makeup of its commission, its obligations, and its duties. Appropriates \$200,000 General Fund to the Office of the Lieutenant Governor for FY 2018-19 to cover a portion of the program's operations.

H.B. 18-1325 (Digital Trunked Radio System Coverage Gaps): Expands the allowable use of the Public Safety Communications Trust Fund and appropriates \$2.0 million from the General Fund to the Fund for FY 2018-19 and FY 2019-20 to address network coverage gaps and reappropriates an equal amount from the Fund to the Office of Information Technology.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Appropriates \$6,188 General Fund to the Governor's Office of Information Technology for FY 2018-19 to purchase of criminal history background checks for employees. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 18-1353 (DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM): Creates the Defense Counsel on First Appearance Grant Program in the Department of Local Affairs's Division of Local Government to reimburse local governments for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. Allows the Division to spend the annual appropriation for this grant program over two fiscal years. Appropriates \$1,853,037 General Fund to DOLA for FY 2018-19, and states the assumption that DOLA will require an additional 0.5 FTE. Appropriates \$6,078 of this amount to other agencies for FY 2018-19 to provide services to DOLA, including \$4,480 to the Office of the Governor for information technology services and \$1,598 to the Department of Law to provide legal services. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

2019 SESSION BILLS

S.B. 19-006 (ELECTRONIC SALES AND USE TAX SIMPLIFICATION SYSTEM): Requires the Office of Information Technology to solicit bids for an electronic sales and use tax simplification system. Appropriates \$9,183,000 General Fund to the Office of the Governor for FY 2019-20 for the initial funding of the electronic sales and use tax simplification system. Additionally, appropriates \$817,000 General Fund to the Department of Revenue for FY 2019-20 to create and maintain a geographic information systems (GIS) database of jurisdictional boundaries of sales tax districts to calculate appropriate sales and use tax rates for individual addresses. Reappropriates this amount to the Office of the Governor to create and maintain this database. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

S.B. 19-073 (STATEWIDE SYSTEM OF ADVANCE MEDICAL DIRECTIVES): Requires the Department of Public Health and Environment to create and administer a statewide electronic system of advance medical directives. Appropriates \$993,147 General Fund and 0.5 FTE to the Department of Public Health and Environment for FY 2019-20 to procure and maintain the advance medical directives system. Reappropriates \$750,000 of this amount to the Office of the Governor to provide information technology services. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

S.B. 19-112 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-143 (PAROLE CHANGES): Makes various changes to prison population management options, reentry services, parole, and facility security level designation. Appropriates \$25,200 General Fund to the Department of Corrections for FY 2019-20 to update existing systems to generate various eligible offender lists to forward to the State Parole Board. Reappropriates this amount to the Office of the Governor to provide information technology services. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Corrections.

S.B. 19-165 (INCREASE PAROLE BOARD MEMBERSHIP): Increases the number of State Parole Board members from seven to nine. Appropriates \$293,774 General Fund and 1.8 FTE to the Department of Corrections for FY 2019-20 for the two additional Board members and for programming changes to the Board’s computation system that is currently programmed for seven members. Of this amount, reappropriates \$5,936 to the Office of the Governor to provide information technology services. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Corrections.

S.B. 19-178 (PROGRAM TO SUBSIDIZE ADOPTION FOR CHILDREN AND YOUTH): Repeals and reenacts the Adoption Assistance Program. Appropriates \$60,204 total funds, including \$42,143 General Fund to the Department of Human Services for FY 2019-20 to make modifications to the child protective services system in order to collect and report on the necessary data. Reappropriates this amount to the Office of the Governor to provide information technology services. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Human Services.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-223 (ACTIONS RELATED TO COMPETENCY TO PROCEED): Makes various changes to the process when a defendant’s competency to proceed is raised in a criminal proceeding. Appropriates the following:

- \$6,458,000 General Fund for FY 2018-19 and \$8,141,194 General Fund and 19.0 FTE for FY 2019-20 to the Department of Human Services to add psychologists to conduct inpatient and outpatient competency evaluations, to provide case management services and support must be provided to defendants released, for additional community-based restoration and jail-based mental health services, increase the number of social

workers to ensure the proper care and coordination of pretrial defendants, and to develop an electronic system to track the status of defendants receiving competency evaluation or restoration services. Of the amount appropriated for FY 2019-20, reappropriates \$454,539 and 0.9 FTE to the Office of the Governor to provide information technology services and \$50,000 to the Department of Law for the provision of legal services; and

- \$750,570 and 5.4 FTE to the Judicial Department for FY 2019-20 for trial courts to review additional and more thorough competency reports, periodically review the status of defendants, and to conduct more competency and civil commitment hearings.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Human Services.

S.B. 19-235 (AUTOMATIC VOTER REGISTRATION): Requires the transfer of certain records to the Department of State for the purpose of automatically registering voters. Appropriates the following:

- \$67,840 cash funds to the Department of State for FY 2019-20 to create automated voter registration modules in the statewide voter registration system for the information received from the Department of Revenue, pursuant to this legislation;
- \$136,240 total funds, including \$61,301 General Fund, to the Department of Human Services for FY 2019-20 to make modifications to the Colorado Benefits Management System to enable the electronic monthly transfer of information from the Department of Human Services to the Department of State. Reappropriates this amount to the Office of the Governor to provide information technology services; and
- \$18,000 General Fund to the Department of Revenue for FY 2019-20 to allow for the automatic transfer of driver records from the Department’s Division of Motor Vehicles to the Department of State.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of State.

S.B. 19-251 (REQUIREMENTS OF OIT OFFICE OF INFORMATION TECHNOLOGY BASED ON EVALUATION RECOMMENDATIONS): Implements several recommendations from a recent evaluation of the Governor's Office of Information Technology (OIT). Specifically, the legislation requires:

- The project management plan for every major information technology project to include a change management plan;
- OIT to develop and implement a communications and stakeholder management plan for interacting with its customers, and develop a method to annually solicit customer feedback;
- OIT to convene a working group to create and implement a strategic plan for how state agencies use technology to provide services, data, and information to citizens and businesses; and
- OIT to convene a working group during the 2019 legislative interim to determine the cost and feasibility of transferring the ownership of information technology assets to OIT and to report to the General Assembly by December 1, 2019 with any recommendations.

Appropriates \$775,000 General Fund and 2.0 FTE to the Office of the Governor to incorporate a change management plan into major information technology projects and to contract for vendor services to support the creation of strategic plans.

S.B. 19-256 (ELECTRONIC DOCUMENTS MOTOR VEHICLE APPROPRIATION): Appropriates \$1,187,502 cash funds and 1.7 FTE to the Department of Revenue for FY 2019-20, of which \$16,590 is reappropriated to the Office of the Governor to provide information technology services, to implement H.B. 18-1299 (Electronic Filing Title Registration Motor Vehicle). House Bill 18-1299 authorized third-party providers to electronically process registration, lien, and titling information, distribute license plate inventory, and distribute the Department of

Revenue's registration information to business entities. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 19-1009 (SUBSTANCE USE DISORDERS RECOVERY): Expands a state housing voucher program to individuals with substance use disorders who are transitioning back into the community, requires certification of recovery residences, and creates the Opioid Crisis Recovery Funds Advisory Committee. Appropriates \$1,000,000 cash funds and 0.9 FTE to the Department of Local Affairs for FY 2019-20 to administer the expanded supportive housing program and to provide additional housing vouchers. Of this amount, \$2,560 is reappropriated to the Office of the Governor to provide information technology services. Additionally, appropriates \$50,000 General Fund to the Department of Human Services for FY 2019-20 to administer grants to recovery residences. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

H.B. 19-1127 (LIEUTENANT GOVERNOR CONCURRENT STATE SERVICE): Allows the Lieutenant Governor to serve as the Director of the Office of Saving People Money on Health Care and increases the salary of the Lieutenant Governor to serve in this role. Appropriates \$12,423 General Fund for FY 2018-19 and \$74,537 General Fund for FY 2019-20 to the Office of the Governor to cover the costs of the Lieutenant Governor's salary increase.

H.B. 19-1287 (TREATMENT FOR OPIOIDS AND SUBSTANCE USE DISORDERS): Enacts several initiatives to improve access to behavioral health care and substance use disorder treatment services, including the development of a web-based behavioral health capacity tracking system, establishment of a care navigation program, and creation of a capacity building grant program. Appropriates \$5,589,344 cash funds and 2.5 FTE to the Department of Human Services for FY 2019-20 build the systems and programs necessitated by this legislation. Of this amount, \$160,206 is reappropriated to the Office of the Governor to provide information technology services. Additionally, appropriates \$63,922 total funds, including \$21,733 General Fund, to the Department of Health Care Policy and Financing for FY 2019-20 to assist in care coordination for Medicaid clients. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Human Services.

H.B. 19-1309 (MOBILE HOME PARK ACT OVERSIGHT): Creates certain protections for mobile home owners and establishes the Mobile Home Park Act Dispute Resolution and Enforcement program fund. Appropriates \$22,073 cash funds and 0.1 FTE to the Department of Law for FY 2019-20 to provide legal services to the Department of Local Affairs. Additionally, appropriates \$130,065 cash funds to the Office of the Governor to provide information technology services to the Department of Local Affairs. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

Details

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$10,374,350,259	\$2,957,484,523	\$1,389,264,217	\$83,491,228	\$5,944,110,291	506.3
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	340,805,511	75,047,213	48,175,236	4,004,743	213,578,319	465.8
Medical Services Premiums	7,819,315,170	2,175,848,712	1,027,854,986	79,040,579	4,536,570,893	0.0
Behavioral Health Community Programs	663,485,611	188,367,662	29,000,474	0	446,117,475	0.0
Office of Community Living	566,970,695	292,123,556	2,277,218	295,906	272,274,015	40.5
Indigent Care Program	570,009,801	10,188,431	210,455,500	0	349,365,870	0.0
Other Medical Services	291,720,961	157,026,598	69,611,900	150,000	64,932,463	0.0
Department of Human Services Medicaid-Funded Programs	122,042,510	58,882,351	1,888,903	0	61,271,256	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$10,130,526,763	\$2,891,689,537	\$1,290,827,504	\$84,557,891	\$5,863,451,831	491.4
SB 18-145	27,675	27,675	0	0	0	0.4
SB 18-231	109,500	109,500	0	0	0	0.0
SB 18-266	(2,061,973)	(730,316)	222,613	0	(1,554,270)	6.8
HB 18-1003	925,000	0	925,000	0	0	0.0
HB 18-1136	473,655	155,193	81,634	0	236,828	1.5
HB 18-1321	(104,303)	0	(34,052)	0	(70,251)	0.8
HB 18-1326	(684,116)	(477,058)	0	0	(207,058)	0.0
HB 18-1327	2,640,790	1,570,395	0	0	1,070,395	0.9
HB 18-1328	97,263	48,630	0	0	48,633	1.8
HB 18-1407	24,586,381	12,185,446	0	0	12,400,935	2.7
SB 19-113	270,028,661	41,018,888	128,959,905	(1,626,177)	101,676,045	0.0
SB 19-207	(52,290,037)	11,811,633	(31,718,387)	559,514	(32,942,797)	0.0
HB 19-1004	75,000	75,000	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$10,689,061,864	\$3,151,370,264	\$1,386,291,098	\$93,615,672	\$6,057,784,830	544.6
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	390,767,089	86,628,734	54,197,823	4,514,382	245,426,150	504.2
Medical Services Premiums	7,895,417,528	2,285,686,174	983,543,298	88,876,290	4,537,311,766	0.0
Behavioral Health Community Programs	723,074,435	201,872,261	38,385,780	0	482,816,394	0.0
Office of Community Living	683,378,555	346,434,955	7,751,685	0	329,191,915	40.4
Indigent Care Program	573,137,498	10,154,902	228,555,396	0	334,427,200	0.0
Other Medical Services	301,827,899	162,002,713	71,968,213	225,000	67,631,973	0.0
Department of Human Services Medicaid-Funded Programs	121,458,860	58,590,525	1,888,903	0	60,979,432	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$10,657,855,447	\$3,136,842,180	\$1,385,028,692	\$93,615,672	\$6,042,368,903	532.8
SB 19-005	971,802	1,041,802	0	0	(70,000)	4.1
SB 19-195	1,391,387	619,484	0	0	771,903	3.9

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-209	13,510,958	6,755,479	0	0	6,755,479	0.0
SB 19-222	150,000	51,000	24,000	0	75,000	0.0
SB 19-238	11,427,252	5,682,377	0	0	5,744,875	0.0
SB 19-254	250,000	0	250,000	0	0	0.0
HB 19-1004	150,000	150,000	0	0	0	0.0
HB 19-1038	439,425	0	66,955	0	372,470	0.0
HB 19-1176	92,649	92,649	0	0	0	0.0
HB 19-1269	334,001	113,560	53,440	0	167,001	3.0
HB 19-1287	63,922	21,733	10,228	0	31,961	0.8
HB 19-1302	2,425,021	0	857,783	0	1,567,238	0.0
INCREASE/(DECREASE)	\$314,711,605	\$193,885,741	(\$2,973,119)	\$10,124,444	\$113,674,539	38.3
Percentage Change	3.0%	6.6%	(0.2%)	12.1%	1.9%	7.6%

¹ Includes General Fund Exempt.

² Includes \$429,909 in FY 2018-19 and \$407,703 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

GENERAL FUND EXEMPT: Amounts in the General Fund column include appropriations from both the General Fund and General Fund Exempt. Appropriations for this department include two different types of General Fund Exempt, which are described below.

- The General Fund Exempt Account was created by Referendum C, passed by Colorado voters in November 2005. Referendum C allowed the State to retain for FY 2005-06 through FY 2009-10 all revenue collected in excess of the TABOR limit and for FY 2010-11 and subsequent fiscal years all revenues in excess of the TABOR limit but less than the excess state revenues cap. The retained revenue must be placed in the General Fund Exempt Account. Money in the General Fund Exempt Account is appropriated to this department for the purposes of funding health care for Colorado's elderly, low-income, and disabled populations pursuant to Sections 24-77-103.6 (2)(a) and 24-77-104.5 (2)(a)(I), C.R.S.
- Amendment 35, which was approved by voters in November 2004, imposed new cigarette and tobacco taxes through the addition of Section 21 in Article X of the State Constitution. The new tobacco tax revenues authorized by Amendment 35 are exempt from the TABOR state fiscal year spending limit, and General Fund appropriations from these revenues are also exempt from the statutory restriction on General Fund appropriations. Amendment 35 requires that a portion of the new tobacco tax revenues be appropriated to the General Fund and made available to this department for the Children's Basic Health Plan.

The table below reflects General Fund Exempt appropriations for FY 2018-19 and FY 2019-20 from both of the sources described above. For additional information on General Fund Exempt appropriations, see Appendix D.

GENERAL FUND SUMMARY	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$2,957,484,523	\$2,071,721,281	\$885,763,242
FY 2019-20	\$3,151,370,264	\$2,253,251,728	\$898,118,536

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Health Care Policy and Financing are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$290,931,251	\$0	\$16,315,459	\$0	\$274,615,792

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

This appropriation for the Executive Director's Office contains the administrative funding for the Department, including the Department's personnel, operation of the Medicaid Management Information System, utilization reviews, provider audits, eligibility determinations, contract research and analysis, and customer services. The fund sources for this division include the General Fund, federal funds received for the Medicaid and Children's Basic Health Plan programs, the Health Care Expansion Fund, the Children's Basic Health Plan Trust Fund, provider fees from hospitals and nursing facilities, and various other cash funds.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$289,137,545	\$66,152,556	\$41,384,957	\$4,530,495	\$177,069,537	450.9
SB 18-145	27,675	27,675	0	0	0	0.4
SB 18-231	109,500	109,500	0	0	0	0.0
SB 18-266	7,938,027	2,007,911	729,853	0	5,200,263	6.8
HB 18-1136	473,655	155,193	81,634	0	236,828	1.5
HB 18-1321	143,839	40,373	9,796	0	93,670	0.8
HB 18-1326	337,500	33,750	0	0	303,750	0.0
HB 18-1327	2,640,790	1,570,395	0	0	1,070,395	0.9
HB 18-1328	197,279	98,639	0	0	98,640	1.8
HB 18-1407	698,799	241,650	0	0	457,149	2.7
SB 19-113	39,025,902	4,534,571	5,968,996	(525,752)	29,048,087	0.0
HB 19-1004	75,000	75,000	0	0	0	0.0
TOTAL	\$340,805,511	\$75,047,213	\$48,175,236	\$4,004,743	\$213,578,319	465.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$340,805,511	\$75,047,213	\$48,175,236	\$4,004,743	\$213,578,319	465.8
Medicaid enterprise operations	17,897,990	485,451	1,439,773	0	15,972,766	1.8
County administration financing	7,625,469	0	2,571,082	0	5,054,387	0.0
Centrally appropriated items	2,949,163	681,507	223,351	513,042	1,531,263	0.0
Primary care alternative payment	2,544,093	527,154	277,293	0	1,739,646	1.8
Annualize prior year budget actions	2,418,532	641,228	109,874	1,096	1,666,334	5.5
Local administration	2,375,875	1,674,467	98,170	3	603,235	2.5
All-Payer Claims Database	2,319,731	2,511,464	0	0	(191,733)	0.0
Office of Electronic Health Information	1,709,468	931,831	0	0	777,637	2.7
Customer experience	1,589,000	524,260	270,240	0	794,500	1.8
Office of Community Living governance	1,241,578	380,648	0	0	860,930	0.0
Community provider rate adjustment	889,799	129,785	212,114	0	547,900	0.0
Operational compliance and oversight	866,050	371,457	75,317	0	419,276	5.4
CBMS-PEAK	585,811	52,417	216,556	1,567	315,271	0.0
Transfers to other agencies	458,029	177,774	0	30,738	249,517	0.0
Home health and private duty nursing acuity tool	358,583	179,292	0	0	179,291	0.0
Benefits and technology advisory committee	314,696	114,702	42,646	0	157,348	1.8
State Innovation Model	202,434	202,434	0	0	0	1.5
Employment first initiatives	126,230	0	126,230	0	0	1.8
Breast and cervical cancer	(86,242)	0	(43,121)	0	(43,121)	0.0
Public school health services	(26,021)	(7,616)	0	(36,807)	18,402	0.0
SB 19-207	\$387,165,779	\$84,625,468	\$53,794,761	\$4,514,382	\$244,231,168	492.4
SB 19-005	971,802	1,041,802	0	0	(70,000)	4.1
SB 19-195	1,091,387	469,484	0	0	621,903	3.9
SB 19-222	150,000	51,000	24,000	0	75,000	0.0
SB 19-238	188,575	63,038	0	0	125,537	0.0
SB 19-254	250,000	0	250,000	0	0	0.0

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1004	150,000	150,000	0	0	0	0.0
HB 19-1038	222,732	0	22,273	0	200,459	0.0
HB 19-1176	92,649	92,649	0	0	0	0.0
HB 19-1269	334,001	113,560	53,440	0	167,001	3.0
HB 19-1287	63,922	21,733	10,228	0	31,961	0.8
HB 19-1302	86,242	0	43,121	0	43,121	0.0
TOTAL	\$390,767,089	\$86,628,734	\$54,197,823	\$4,514,382	\$245,426,150	504.2
INCREASE/(DECREASE)	\$49,961,578	\$11,581,521	\$6,022,587	\$509,639	\$31,847,831	38.4
Percentage Change	14.7%	15.4%	12.5%	12.7%	14.9%	8.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 includes: (1) An increase of \$19.1 million total funds, including \$3.9 million General Fund, to adjust appropriations supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK) based on the implementation of a new cost allocation model on July 1, 2018 for sharing the expenses of operating and maintaining CBMS and PEAK across the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment; (2) An increase of \$10.6 million total funds to reimburse counties for eligibility determination and related services for Medicaid and the Children's Basic Health Plan; and (3) An increase of \$9.5 million total funds, including \$433,424 General Fund, to address operating and compliance issues for systems related to eligibility, enrollment, benefits authorization, and claims processing.

House Bill 19-1004 includes \$75,000 General Fund for consulting costs associated with developing a proposal for a state option for health care coverage.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MEDICAID ENTERPRISE OPERATIONS: The appropriation includes \$17.9 million total funds, including \$485,451 General Fund, and 1.8 FTE to address operating and compliance issues with a collection of information technology systems and processes related to eligibility, benefits authorization, and claims processing.

COUNTY ADMINISTRATION FUNDING: The appropriation includes \$7.6 million total funds to increase the Department's spending authority for eligibility determinations, customer service functions, and related activities performed by counties.

CENTRALLY APPROPRIATED ITEMS: The appropriation includes \$2.9 million total funds, including \$681,507 General Fund, for adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

PRIMARY CARE ALTERNATIVE PAYMENT: The appropriation includes \$2.5 million total funds, including \$527,154 General Fund, and 1.8 FTE for three initiatives to expand and improve performance payments for primary care.

- Risk Sharing Option - Request federal approval to offer providers an option to split current fee-for-service payments into a portion that is paid on a capitated basis and a remainder that is paid on a fee-for-service basis
- Clinical Quality Measures - Collect Electronic Clinical Quality Measure (eCQM) information from providers, which can be more useful for designing effective performance payments than claims data

- Claims data common format - Finance Medicaid's share of work by the Multi-Payer Collaborative to aggregate claims data in a common format, so that Medicaid can use the same performance measures, definitions, and data sources as other payers and not pull providers in multiple directions

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a net reduction of \$2.4 million total funds, including \$641,228 General Fund, and 5.5 FTE for out-year impacts of prior year legislation and budget actions. For a list of all annualizations of prior year legislation and budget actions, see the description for the Department in Part II of this report.

LOCAL ADMINISTRATION: The appropriation includes \$2.4 million total funds, including \$1.7 million General Fund, and 2.5 FTE for three initiatives to improve county administration of public assistance:

- Consolidate returned mail processing to remove it from county responsibilities
- Increase incentive funding for county performance
- Centralize administration of non-emergency medical transportation (NEMT)

ALL-PAYER CLAIMS DATABASE: The appropriation includes a net increase of \$2.3 million total funds, including \$2.5 million General Fund, to finance the All-Payer Claims Database (APCD) to allow the APCD staff to focus on data quality, rather than fundraising, and to stabilize support for the APCD. In addition, the APCD is expected to reduce costs to users of purchasing data sets and custom reports.

OFFICE OF ELECTRONIC HEALTH INFORMATION: The appropriation includes \$1.7 million total funds, including \$931,831 General Fund, and 2.7 FTE for the Colorado Health IT Roadmap.

CUSTOMER EXPERIENCE: The appropriation includes \$1.6 million total funds, including \$524,260 General Fund, and 1.8 FTE for several initiatives to improve customer experience.

- Update, index, and expand the automated call center knowledge library
- Contract for assistance ensuring that all communications to clients, including those produced by vendors, use plain language, consistent terminology, and proper translation
- Automate online chat assistance to use artificial intelligence for the most commonly asked questions
- Utilize one-time contract services and on-going in-house staff to improve and maintain training for call center staff and quality control for communications
- Provide funding to support volunteer clients who serve on the Member Experience Advisory Councils that provide recommendations on Department communications and procedures for Medicaid and the Children's Basic Health Plan

OFFICE OF COMMUNITY LIVING GOVERNANCE: The appropriation includes \$1.2 million total funds, including \$380,648 General Fund, for four initiatives to improve the Office of Community Living:

- Contract with a case management broker to assist clients in selecting a case management agency, in order to comply with conflict-free case management requirements
- Address inadequate funding for the federally-mandated Preadmission Screening and Resident Review (PASRR) that identifies mental health or intellectual and developmental disability needs before people enter a nursing home, and separate responsibility for administering the PASRR from entities that provide services, in order to remove a potential conflict of interest
- Continue funding for staff associated with the Behavioral Health Crisis Pilot, in order to coordinate behavioral health services for people with intellectual and developmental disabilities
- Increase oversight of Individual Residential Support Services for people with intellectual and developmental disabilities by providing funding for the Department of Local Affairs to conduct housing quality inspections

COMMUNITY PROVIDER RATE ADJUSTMENT: The appropriation includes an increase of \$889,799 total funds, including \$129,785 General Fund, for a common policy across-the-board increase for most community providers of 1.0 percent.

OPERATIONAL COMPLIANCE AND OVERSIGHT: The appropriation includes \$866,050 total funds, including \$371,457 General Fund, and 5.4 FTE for seven compliance and oversight initiatives:

- Eligibility system audits – Contract for services and hire internal staff to audit eligibility determinations, which the Department projects will lead to faster corrections and savings
- PACE oversight – Hire staff to increase oversight of billing, quality and adequacy of care, and enrollment for the Program for All-Inclusive Care for the Elderly (PACE), which serves elderly people who meet nursing level of care and within a flat rate tries to manage care and provide community supports to allow clients to live as independently as possible
- Managed care financial reviews – Increase contracts to perform financial reviews of managed care organizations and their subcontracts to ensure accurate rates
- Hospital back-up data validation – Contract for services to validate data used in rate setting for the hospital back-up program, which provides nursing services for high-acuity patients and allows them to discharge from a hospital setting
- Single Entry Point oversight - Hire staff to meet federal oversight standards for the Single Entry Points, which provide case management, care planning, and referrals for long-term services and supports
- Audit management – Hire staff to manage an announced increase in federal audits and ensure federal auditors receive the information needed in a timely and coordinated fashion
- Claims review for intellectual and developmental disability services – Hire staff to investigate and recover erroneously paid claims for services for people with intellectual and developmental disabilities in response to referrals from the Department of Public Health and Environment, internal staff, case management agencies, and other entities.

CBMS-PEAK: The appropriation includes \$585,811 total funds, including \$52,417 General Fund, for supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK) based on the implementation of a new cost allocation model on July 1, 2018 for sharing the expenses of operating and maintaining CBMS and PEAK across the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment.

TRANSFERS TO OTHER AGENCIES: The appropriation includes an increase of \$458,029 total funds, including \$177,774 General Fund, for transfers to other agencies, primarily for the Department of Public Health and Environment.

HOME HEALTH AND PRIVATE DUTY NURSING ACUITY TOOL: The appropriation includes \$358,583 total funds, including \$179,292 General Fund, to develop a statistically-valid and clinically-based tool for assessing the needs of clients for long-term home health services and for private duty nursing services.

BENEFITS AND TECHNOLOGY ADVISORY COMMITTEE: The appropriation includes an increase of \$314,696 total funds, including \$114,702 General Fund, and 1.8 FTE to create a standing benefits and technology advisory committee to evaluate new evidence-based research to inform decisions about the amount, scope, and duration of benefits.

STATE INNOVATION MODEL: The appropriation includes \$202,434 General Fund for three staff for six months (1.5 FTE) to work on the Colorado State Innovation Model (SIM) and the Transforming Clinical Practice Initiative (TCPi).

EMPLOYMENT FIRST INITIATIVES: The appropriation includes \$126,230 total funds and 1.8 FTE to conduct a supported employment pilot program for individuals with intellectual and developmental disabilities.

BREAST AND CERVICAL CANCER: The appropriation includes decrease of \$86,242 total funds for the expiration of the statutory authority for the Breast and Cervical Cancer Prevention and Treatment Program.

PUBLIC SCHOOL HEALTH SERVICES: The appropriation includes a decrease of \$26,021 total funds, including a decrease of \$7,616 General Fund, based on expected certified public expenditures by school districts and boards of cooperative education for public school health services and associated administrative costs.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

MEDICAL SERVICES PREMIUMS

This division provides the health care funding for an estimated 1,292,797 Medicaid clients in FY 2019-20. Medical services include medical care services (i.e. physician visits, prescription drugs, hospitalization) and long-term care services (i.e. nursing home care and community-based services). Significant sources of cash funds include tobacco revenues deposited in the Health Care Expansion Fund, provider fees from hospitals and nursing facilities, funds spent by local governments for health services and certified as the state match for federal funds, unclaimed property trust fund revenues deposited in the Adult Dental Fund, and recoveries and recoupments. The reappropriated funds include transfers from the Department of Higher Education for the University of Colorado supplemental payment and from the Old Age Pension State Medical Program. Federal funds represent the federal funds available for the Medicaid program through the federal medical assistance program (FMAP).

MEDICAL SERVICES PREMIUMS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$7,642,975,557	\$2,117,582,663	\$940,263,783	\$77,385,674	\$4,507,743,437	0.0
SB 18-266	(10,000,000)	(2,738,227)	(507,240)	0	(6,754,533)	0.0
HB 18-1321	(248,142)	(40,373)	(43,848)	0	(163,921)	0.0
HB 18-1326	(1,384,496)	(692,248)	0	0	(692,248)	0.0
HB 18-1328	67,940	33,971	0	0	33,969	0.0
HB 18-1407	69,070	34,536	0	0	34,534	0.0
SB 19-113	236,132,421	38,243,322	121,225,050	1,095,391	75,568,658	0.0
SB 19-207	(48,297,180)	23,425,068	(33,082,759)	559,514	(39,199,003)	0.0
TOTAL	\$7,819,315,170	\$2,175,848,712	\$1,027,854,986	\$79,040,579	\$4,536,570,893	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$7,819,315,170	\$2,175,848,712	\$1,027,854,986	\$79,040,579	\$4,536,570,893	0.0
Medical Services Premiums	114,137,435	123,149,133	(45,643,686)	74,924	36,557,064	0.0
Community provider rate adjustment	39,303,231	13,368,773	1,738,277	0	24,196,181	0.0
CU School of Medicine	19,432,406	0	0	9,716,203	9,716,203	0.0
Targeted rate adjustments	11,634,968	7,214,006	(155,715)	0	4,576,677	0.0
Adult dental annual cap	11,130,000	0	2,941,728	0	8,188,272	0.0
Local administration	700,000	252,000	98,000	0	350,000	0.0
Public school health services	0	(119,583)	0	119,583	0	0.0
Annualize prior year budget actions	(141,181,407)	(44,780,864)	(3,227,225)	(74,999)	(93,098,319)	0.0
Breast and cervical cancer	(2,293,990)	0	(798,986)	0	(1,495,004)	0.0
Colorado Choice Transitions	(1,478,565)	(739,282)	0	0	(739,283)	0.0
Medicaid enterprise operations	(1,000,000)	(273,800)	(50,700)	0	(675,500)	0.0
Fraud investigation	(213,364)	(78,518)	(7,980)	0	(126,866)	0.0
Operational compliance and oversight	(103,456)	(24,958)	(4,387)	0	(74,111)	0.0
SB 19-207	\$7,869,382,428	\$2,273,815,619	\$982,744,312	\$88,876,290	\$4,523,946,207	0.0

MEDICAL SERVICES PREMIUMS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-209	13,510,958	6,755,479	0	0	6,755,479	0.0
SB 19-238	10,230,152	5,115,076	0	0	5,115,076	0.0
HB 19-1302	2,293,990	0	798,986	0	1,495,004	0.0
TOTAL	\$7,895,417,528	\$2,285,686,174	\$983,543,298	\$88,876,290	\$4,537,311,766	0.0
INCREASE/(DECREASE)	\$76,102,358	\$109,837,462	(\$44,311,688)	\$9,835,711	\$740,873	0.0
Percentage Change	1.0%	5.0%	(4.3%)	12.4%	0.0%	n/a

¹ Includes General Fund Exempt.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 includes an increase of \$235.7 million total funds, including \$39.2 million General Fund, for medical services and long-term services and supports provided through Medicaid, an increase of \$0.4 million total funds for a Denver Health intergovernmental transfer, and a fund source adjustment for public school health services.

Senate Bill 19-207 includes a net decrease of \$48.3 million total funds, including an increase of \$23.4 million General Fund, for medical services and long-term services and supports provided through Medicaid.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MEDICAL SERVICES PREMIUMS: The appropriation provides an increase of \$114.1 million total funds, including an increase of \$123.1 million General Fund, to reflect a new forecast of enrollment, utilization, and per capita costs for medical services and long-term services and supports provided through Medicaid. Annualizations of prior year budget actions reduce forecasted expenditures by a net \$141.2 million, including \$44.8 million General Fund. The tables below show the projected year over year changes by detailed enrollment category for the enrollment/utilization trends and annualizations combined. Note that these tables detail changes attributable to the forecast and annualizations only. They may not match other summary tables in this document that account for other legislation and policy changes beyond the forecast.

ENROLLMENT				
CATEGORY	FY 18-19	FY 19-20	DIFFERENCE	PERCENT
Adults 65+ to SSI	47,849	49,615	1,766	3.7%
Adults with Disabilities 60 to 64	12,775	13,467	692	5.4%
Individuals with Disabilities to 59	68,950	69,889	939	1.4%
Disabled Buy-In to 450% FPL	8,975	10,284	1,309	14.6%
Parents / Caretakers to 68% FPL	177,605	179,310	1,705	1.0%
Breast & Cervical Cancer to 250% FPL	141	131	(10)	(7.1%)
Children to 107% FPL	421,460	418,640	(2,820)	(0.7%)
SB 11-008 Children 107% to 147% FPL	60,447	60,852	405	0.7%
Foster Care to 26 years	22,112	22,808	696	3.1%
Pregnant Adults to 142% FPL	12,163	12,442	279	2.3%
SB 11-250 Pregnant 142% to 200% FPL	2,347	2,498	151	6.4%
Non-Citizens - Emergency Services	2,627	2,648	21	0.8%
Adults 65+ SSI to 135% FPL-Medicare premiums	35,260	36,445	1,185	3.4%
Subtotal - Traditional Medicaid	872,711	879,029	6,318	0.7%
ACA "Newly Eligible"				
Parents / Caretakers 69% to 138% FPL	66,149	70,601	4,452	6.7%
Adults w/out Dependent Children to 138% FPL	337,338	343,167	5,829	1.7%
Subtotal - ACA "Newly Eligible"	403,487	413,768	10,281	2.5%

ENROLLMENT				
CATEGORY	FY 18-19	FY 19-20	DIFFERENCE	PERCENT
TOTAL	1,276,198	1,292,797	16,599	1.3%

EXPENDITURES				
CATEGORY	FY 18-19	FY 19-20	DIFFERENCE	PERCENT
Adults 65+ to SSI	\$1,350,488,842	\$1,415,949,737	\$65,460,895	4.8%
Adults with Disabilities 60 to 64	269,280,342	281,210,463	11,930,121	4.4%
Individuals with Disabilities to 59	1,332,650,600	1,401,911,748	69,261,148	5.2%
Disabled Buy-In to 450% FPL	72,146,956	77,208,850	5,061,894	7.0%
Parents / Caretakers to 68% FPL	522,403,435	515,981,711	(6,421,724)	(1.2%)
Breast & Cervical Cancer to 250% FPL	2,555,077	2,308,115	(246,962)	(9.7%)
Children to 107% FPL	872,153,095	872,504,811	351,716	0.0%
SB 11-008 Children 107% to 147% FPL	95,680,635	94,916,696	(763,939)	(0.8%)
Foster Care to 26 years	108,191,400	112,804,015	4,612,615	4.3%
Pregnant Adults to 142% FPL	129,988,356	131,515,053	1,526,697	1.2%
SB 11-250 Pregnant 142% to 200% FPL	20,369,632	21,642,459	1,272,827	6.2%
Non-Citizens - Emergency Services	39,538,625	29,714,408	(9,824,217)	(24.8%)
Adults 65+ SSI to 135% FPL-Medicare premiums	43,547,870	45,897,468	2,349,598	5.4%
Subtotal - Traditional Medicaid	\$4,858,994,865	\$5,003,565,534	\$144,570,669	3.0%
ACA "Newly Eligible"				
Parents / Caretakers 69% to 138% FPL	\$180,302,397	\$186,820,862	\$6,518,465	3.6%
Adults w/out Dependent Children to 138% FPL	1,298,415,067	1,288,787,749	(9,627,318)	(0.7%)
Subtotal - ACA "Newly Eligible"	\$1,478,717,464	\$1,475,608,611	(\$3,108,853)	(0.2%)
Medical Services Subtotal	\$6,337,712,329	\$6,479,174,145	\$141,461,816	2.8%
Booster Payments / Financing	1,481,202,841	1,312,697,053	(168,505,788)	(11.4%)
TOTAL	\$7,818,915,170	\$7,791,871,198	(\$27,043,972)	(8.6%)

PER CAPITA				
CATEGORY	FY 18-19	FY 19-20	DIFFERENCE	PERCENT
Adults 65+ to SSI	\$28,224	\$28,539	\$315	1.1%
Adults with Disabilities 60 to 64	\$21,079	\$20,881	(\$197)	(0.9%)
Individuals with Disabilities to 59	\$19,328	\$20,059	\$731	3.8%
Disabled Buy-In to 450% FPL	\$8,039	\$7,508	(\$531)	(6.6%)
Parents / Caretakers to 68% FPL	\$2,941	\$2,878	(\$64)	(2.2%)
Breast & Cervical Cancer to 250% FPL	\$18,121	\$17,619	(\$502)	(2.8%)
Children to 107% FPL	\$2,069	\$2,084	\$15	0.7%
SB 11-008 Children 107% to 147% FPL	\$1,583	\$1,560	(\$23)	(1.5%)
Foster Care to 26 years	\$4,893	\$4,946	\$53	1.1%
Pregnant Adults to 142% FPL	\$10,687	\$10,570	(\$117)	(1.1%)
SB 11-250 Pregnant 142% to 200% FPL	\$8,679	\$8,664	(\$15)	(0.2%)
Non-Citizens - Emergency Services	\$15,051	\$11,221	(\$3,829)	(25.4%)
Adults 65+ SSI to 135% FPL-Medicare premiums	\$1,235	\$1,259	\$24	2.0%
Subtotal - Traditional Medicaid	\$5,568	\$5,692	\$124	2.2%
ACA "Newly Eligible"				
Parents / Caretakers 69% to 138% FPL	\$2,726	\$2,646	(\$80)	(2.9%)
Adults w/out Dependent Children to 138% FPL	\$3,849	\$3,756	(\$93)	(2.4%)
Subtotal - ACA "Newly Eligible"	\$3,665	\$3,566	(\$99)	(2.7%)
TOTAL	\$4,966	\$5,012	\$46	0.9%

COMMUNITY PROVIDER RATE ADJUSTMENT: The appropriation includes an increase of \$39.3 million, including \$13.4 million General Fund, for a common policy across-the-board increase for most community providers of 1.0 percent. The adjustment does not apply to rates that are capitated, cost-based, or based on a methodology defined in statute or regulation, such as rates for pharmacy reimbursements, rural health centers, federally qualified health centers, home- and community-based services for children with autism, hospice care in nursing facilities, nursing

reimbursements, disease management, and administrative contracts. The increase does not apply to rates receiving a targeted adjustment.

CU SCHOOL OF MEDICINE: The appropriation includes an increase of \$19.4 million total funds, including \$9.7 million reappropriated funds transferred from the University of Colorado, for Medicaid payments to physicians employed by the University of Colorado School of Medicine.

TARGETED RATE ADJUSTMENTS: The appropriation includes an increase of \$11.6 million, including \$7.2 million General Fund, for the following targeted rate adjustments:

- Home- and Community-Based Services (HCBS) – An increase of \$10.2 million total funds, including \$5.1 million General Fund, to increase select HCBS waiver services with large gaps between current rates and expected costs, including eliminating the budget neutrality factor for respite care, transition services, and behavioral health counseling, and reducing the budget neutrality factor by 24.0 percent for adult day programs.
- Consumer Directed Personal Care/Homemaker – An increase of \$8.9 million total funds, including \$4.5 million General Fund, to increase personal care and homemaker rates for consumer directed services by approximately 8.1 percent with an assumed October implementation.
- Transportation – An increase of \$6.8 million total funds, including \$1.8 million General Fund, to increase a subset of emergency medical transportation and non-emergency medical transportation rates.
- Maternity Services – An increase of \$4.4 million total funds, including \$2.0 million General Fund, to increase maternity service rates to 80 percent of the benchmark¹.
- Tracheae Prosthesis/Aquatic Therapy/Polysomnography – An increase of \$211,190 total funds, including \$62,517 General Fund, for miscellaneous rates the Department indicates are outdated and have been identified by stakeholders as creating access-to-care issues.
- Primary Care/Radiology/PT and OT – A budget neutral rebalancing of rates that are below 80 percent or above 100 percent of the benchmark Medicare rates for primary care, evaluation and management, radiology, physical therapy, and occupational therapy. To preserve budget neutrality, prevent disproportionate negative impacts on providers, and ensure investments in high value services, the Department may not rebalance all rates that otherwise meet the criteria.
- Laboratory/Pathology – A decrease of \$9.3 million total funds, including \$3.5 million General Fund, to rebalance laboratory and pathology rates below 80 percent and above 100 percent of the benchmark Medicare rates. There are 54 rates above or below the 80-100 percent band, and rebalancing all of them to fit in the band would result in a net reduction to expenditures.
- Anesthesia – A decrease of \$3.1 million total funds, including \$925,095 General Fund, to reduce anesthesia rates to 120 percent of the benchmark Medicare rates.
- Diabetes Test Strips – A decrease of \$2.3 million total funds, including \$873,026 General Fund, to reduce rates for diabetes test strips.

ADULT DENTAL ANNUAL CAP: The appropriation includes an increase of \$11.1 million total funds to raise the annual cap on adult dental services from \$1,000 to \$1,500. The state match is cash funds including \$2.3 million from revenue earned by the Unclaimed Property Trust Fund that is deposited in the Adult Dental Fund and \$662,924 from the Healthcare Affordability and Sustainability Fee.

LOCAL ADMINISTRATION: The appropriation includes \$700,000 total funds, including \$252,000 General Fund, for three initiatives to improve county administration of public assistance:

- Consolidate returned mail processing to remove it from county responsibilities;
- Increase incentive funding for county performance; and

¹ The Medicaid Provider Rate Review Advisory Committee identified the benchmark based on Medicaid rates in Arizona, Nebraska, Oklahoma, Oregon, and Wyoming.

- Centralize administration of non-emergency medical transportation (NEMT).

PUBLIC SCHOOL HEALTH SERVICES: The appropriation includes a decrease \$119,583 General Fund and an increase of \$119,583 reappropriated funds for a fund source adjustment for public school health services.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a net reduction of \$141.2 million total funds, including \$44.8 million General Fund, for out-year impacts of prior year legislation and budget actions. For a list of all annualizations of prior year legislation and budget actions, see the description for the Department in Part II of this report.

BREAST AND CERVICAL CANCER: The appropriation includes a decrease of \$2.3 million total funds for the expiration of the statutory authority for the Breast and Cervical Cancer Prevention and Treatment Program.

COLORADO CHOICE TRANSITIONS: The appropriation includes a net decrease of \$1.5 million total funds, including \$739,282 General Fund, for an expected decrease in nursing home costs and increase in Home- and Community-Based Services costs associated with more housing vouchers in the Department of Local Affairs for people transitioning from a Medicaid-financed nursing home to a community setting.

MEDICAID ENTERPRISE OPERATIONS: The appropriation includes a decrease of \$1.0 million total funds, including \$273,800 General Fund, as part of an initiative to address operating and compliance issues with a collection of information technology systems and processes related to eligibility, benefits authorization, and claims processing.

FRAUD INVESTIGATION: The appropriation includes a decrease of \$213,364 total funds, including \$78,518 General Fund, as a minimum estimate of increased fraud recoveries due to an increase of 3.0 fraud investigators in the Department of Law.

OPERATIONAL COMPLIANCE AND OVERSIGHT: The appropriation includes a decrease of \$103,456 total funds, including \$24,958 General Fund, for compliance and oversight initiatives.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

BEHAVIORAL HEALTH COMMUNITY PROGRAMS

This section provides funding for Medicaid clients' behavioral health care. Most mental health and substance use disorder services are provided to Medicaid-eligible clients through a statewide managed care or "capitated" program through which the Department contracts with "regional accountable entities" (RAEs) to provide or arrange for medically necessary behavioral health services to Medicaid-eligible clients. Each RAE receives a pre-determined monthly amount for each client who is eligible for Medicaid behavioral health services and enrolled with that RAE. In addition to funding for capitation payments to RAEs, a separate appropriation covers fee-for-service payments for certain behavioral health services that are not covered by the capitation program. Appropriations for FY 2019-20 reflect funding for a projected 1,253,704 Medicaid clients eligible for behavioral health services. Behavioral health services are primarily supported by General Fund and federal funds. Cash fund sources include the Healthcare Affordability and Sustainability Fee Cash Fund and the Breast and Cervical Cancer Prevention and Treatment Fund.

BEHAVIORAL HEALTH COMMUNITY PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						

BEHAVIORAL HEALTH COMMUNITY PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1322	\$656,838,829	\$184,413,282	\$30,054,951	\$0	\$442,370,596	0.0
HB 18-1407	48,601	24,301	0	0	24,300	0.0
SB 19-113	(16,862,088)	(208,296)	(1,526,548)	0	(15,127,244)	0.0
SB 19-207	23,460,269	4,138,375	472,071	0	18,849,823	0.0
TOTAL	\$663,485,611	\$188,367,662	\$29,000,474	\$0	\$446,117,475	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$663,485,611	\$188,367,662	\$29,000,474	\$0	\$446,117,475	0.0
Enrollment/utilization trends	49,846,697	10,870,960	8,972,635	0	30,003,102	0.0
Targeted rate adjustments	8,573,533	2,399,578	455,267	0	5,718,688	0.0
Annualize prior year budget actions	1,074,897	212,440	(47,475)	0	909,932	0.0
Community provider rate adjustment	93,697	21,621	4,879	0	67,197	0.0
Eligibility/benefits changes	(44,789)	0	(15,676)	0	(29,113)	0.0
SB 19-207	\$723,029,646	\$201,872,261	\$38,370,104	\$0	\$482,787,281	0.0
HB 19-1302	44,789	0	15,676	0	29,113	0.0
TOTAL	\$723,074,435	\$201,872,261	\$38,385,780	\$0	\$482,816,394	0.0
INCREASE/(DECREASE)	\$59,588,824	\$13,504,599	\$9,385,306	\$0	\$36,698,919	0.0
Percentage Change	9.0%	7.2%	32.4%	n/a	8.2%	n/a

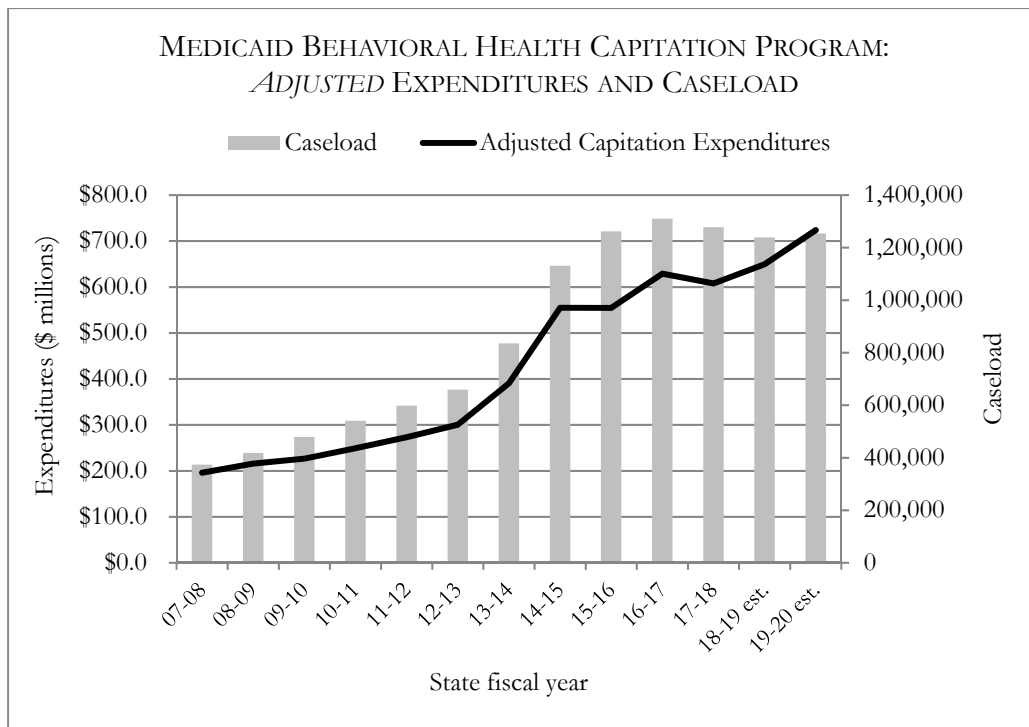
FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 and S.B. 19-207 increase FY 2018-19 appropriations by \$6.6 million total funds, including \$3.9 million General Fund, to reflect changes in the Department's caseload and expenditure forecast from February 2018 to February 2019. The Department's revised estimates reflect lower projected caseload growth for every eligibility category except for Adults Age 65 and Over, with the significant decreases projected for the income-driven eligibility categories (Children, Adults Without Dependent Children, and Parents/Caretakers). However, caseload-driven expenditure reductions are more than offset by recent increases in per-member-per-month rates. The Department discovered that many of the individuals losing Medicaid eligibility were using few, if any, behavioral health services. This increased the overall utilization rate for those remaining eligible for services. As a result, the per-member-per-month rates that were paid in the first six months of FY 2018-19 and that were used for the November 2018 forecast were deemed actuarially unsound under guidance from the federal Centers for Medicare and Medicaid Services (CMS). Rates were revised accordingly and implemented January 1, 2019. The most significant expenditure increases are in the Adults Without Dependent Children and Children eligibility categories. The caseload decreases and rate increases result in a \$1.2 million increase in projected expenditures.

In addition, the Department changed the timing of the federally required Health Insurance Provider Fee Payment related to services provided in FY 2017-18 (the last year of the contracts with behavioral health organizations). This \$5.4 million payment will be made in FY 2018-19 rather than FY 2019-20.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ENROLLMENT/UTILIZATION TRENDS: The appropriation includes an increase of \$49.8 million total funds, including \$10.9 million General Fund, for the capitation and fee-for-service Medicaid behavioral health programs. The appropriation is based on the Department's February 2019 caseload and expenditure forecast. The following chart illustrates recent caseload and expenditure trends and the estimates that were used as the basis for FY 2018-19 and FY 2019-20 appropriations. The chart reflects “adjusted” Capitation Program expenditures, which means that reconciliations, recoupments, health insurance provider fee payments, and incentive payments are reflected in the fiscal year in which the associated behavioral health services were provided, rather than in the fiscal year in which the financial adjustment was made. More detailed data concerning caseload and expenditure changes by eligibility category are included in Part II of this document.



TARGETED RATE ADJUSTMENTS: The appropriation includes an increase of \$8.6 million total funds, including \$2.4 million General Fund, for to increase base capitation program rates for community mental health centers and other mental health and substance use disorder providers, excluding hospitals and federally qualified health centers. This increase is based on applying a 2.0 percent increase to providers' employee compensation expenses.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$1.1 million total funds, including \$212,440 General Fund, for out-year impacts of recent legislation and budget actions.

PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 17-1353 Medicaid delivery and payment initiatives	\$1,414,051	\$287,685	\$215,351	\$0	\$911,015	0.0
HB 18-1407 Access to disability services	58,383	29,191	0	0	29,192	0.0
FY 18-19 R9 Provider rate adjustments	7,806	1,885	331	0	5,590	0.0
FY 17-18 R6 Delivery system and payment reform	(405,343)	(106,321)	(263,157)	0	(35,865)	0.0
TOTAL	\$1,074,897	212,440	(\$47,475)	\$0	\$909,932	0.0

COMMUNITY PROVIDER RATE ADJUSTMENT: The appropriation includes an increase of \$93,697 total funds, including \$21,621 General Fund, for a common policy across-the-board increase for most community providers of 1.0 percent. This rate increase applies to fee-for-service payments made for behavioral health services, but it does not apply to payments made through the statewide capitation program.

ELIGIBILITY/BENEFITS CHANGES: The appropriation includes a decrease of \$44,789 total funds for the expiration of the statutory authority for the Breast and Cervical Cancer Prevention and Treatment Program that insures approximately 130 people annually with breast or cervical cancer who were screened at designated sites and have income up to 250 percent of the federal poverty guidelines and do not otherwise qualify for Medicaid. The program used cash funds revenue from specialty license plate fees.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF COMMUNITY LIVING

The Office houses the Division for Intellectual and Developmental Disabilities (IDD) and is responsible for the following functions related to the provision of services by community-based providers to individuals with intellectual and developmental disabilities:

- Administration of four Medicaid waivers for individuals with developmental disabilities;
- Establishment of service reimbursement rates;
- Ensuring compliance with federal Centers for Medicare and Medicaid rules and regulations;
- Communication and coordination with community-centered boards regarding waiver policies, rate changes, and waiting list information reporting; and
- Administration of the Family Support Services Program.

OFFICE OF COMMUNITY LIVING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$570,034,979	\$294,368,028	\$1,564,074	\$0	\$274,102,877	40.5
HB 18-1326	362,880	181,440	0	0	181,440	0.0
HB 18-1328	2,515,319	1,257,660	0	0	1,257,659	0.0
HB 18-1407	23,769,911	11,884,959	0	0	11,884,952	0.0
SB 19-113	591,812	0	295,906	295,906	0	0.0
SB 19-207	(30,304,206)	(15,568,531)	417,238	0	(15,152,913)	0.0
TOTAL	\$566,970,695	\$292,123,556	\$2,277,218	\$295,906	\$272,274,015	40.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$566,970,695	\$292,123,556	\$2,277,218	\$295,906	\$272,274,015	40.5
Annualize prior year budget actions	45,616,859	23,713,323	(1,203,414)	(295,906)	23,402,856	(1.0)
Office of Community Living	44,942,970	22,537,399	283,785	0	22,121,786	0.0
Services for individuals with IDD	13,930,525	2,777,250	5,376,025	0	5,777,250	0.0
Community provider rate adjustment	5,952,153	3,054,082	7,689	0	2,890,382	0.0
Targeted rate adjustments	4,413,255	2,206,628	0	0	2,206,627	0.0
Employment first initiatives	500,000	(510,382)	1,010,382	0	0	0.0
Office of Community Living governance	43,573	28,836	0	0	14,737	0.9
SB 19-207	\$682,370,030	\$345,930,692	\$7,751,685	\$0	\$328,687,653	40.4
SB 19-238	1,008,525	504,263	0	0	504,262	0.0
TOTAL	\$683,378,555	\$346,434,955	\$7,751,685	\$0	\$329,191,915	40.4
INCREASE/(DECREASE)	\$116,407,860	\$54,311,399	\$5,474,467	(\$295,906)	\$56,917,900	(0.1)
Percentage Change	20.5%	18.6%	240.4%	(100.0%)	20.9%	(0.2%)

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 increases the FY 2018-19 appropriation by \$591,812 total funds for the Cross-system Response for Behavioral Health Crises Pilot Program.

Senate Bill 19-207 reduces the FY 2018-19 appropriation by \$30.3 million total funds, including \$15.6 million General Fund, to reflect changes in the Department's caseload and expenditure forecast from November 2018 to February 2019.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impacts of prior year legislation and budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1407 Access to disability services	\$43,201,157	\$21,600,576	\$0	\$0	\$21,600,581	0.0
SB 16-192 IDD Assessment tool	3,398,536	1,699,268	0	0	1,699,268	0.0
HB 18-1326 Transition from institutional setting	733,772	366,886	0	0	366,886	0.0
FY 2018-19 R9 Provider rate adjustments	565,732	290,611	457	0	274,664	0.0
HB 18-1328 Redesign children health waiver	321,470	160,735	0	0	160,735	0.0
SB 18-145 Employment first recommendations	303,158	303,158	0	0	0	0.0
FY 2018-19 Salary survey	81,534	33,062	7,705	0	40,767	0.0
FY 2017-18 R10 RCTF recommendation	13,217	6,609	0	0	6,608	0.0
SB 18-200 Eliminate Unfunded PERA Liability	8,239	3,381	547	0	4,311	0.0
HB 15-1368 Cross-system Response Pilot	(1,508,029)	0	(1,212,123)	(295,906)	0	(1.0)
FY 2018-19 R17 Single assessment tool	(1,501,927)	(750,963)	0	0	(750,964)	0.0
TOTAL	\$45,616,859	\$23,713,323	(\$1,203,414)	(\$295,906)	\$23,402,856	(1.0)

OFFICE OF COMMUNITY LIVING: The appropriation includes an increase of \$44.9 million total funds, including \$22.5 million General Fund, based on the February 2019 caseload and expenditure forecast. For additional information, please see the Department's General Factors Driving the Budget in Part II of this report.

SERVICES FOR INDIVIDUALS WITH IDD: The appropriation includes an increase of \$13.9 million total funds, including \$2.8 million General Fund, for services for people with intellectual and developmental disabilities (IDD) to: 1) eliminate the current waitlist for the State-only Supported Living Services Program; 2) enroll 272 waitlist members onto the Family Support Services Program; and 3) enroll 150 people onto the adult comprehensive services waiver.

COMMUNITY PROVIDER RATE ADJUSTMENT: The appropriation includes an increase of \$6.0 million total funds, including \$3.1 million General Fund, for an across the board provider rate increase for most community providers of 1.0 percent.

TARGETED RATE ADJUSTMENTS: The appropriation includes an increase of \$4.4 million total funds, including \$2.2 million General Fund, for targeted rate increases for Home- and Community-Based Services.

EMPLOYMENT FIRST INITIATIVES: The appropriation includes a net increase of \$500,000 total funds, including a decrease of \$510,382 General Fund and an increase of \$1.0 million cash funds from the Intellectual and Developmental Disabilities Services Cash Fund, to conduct a supported employment pilot program for individuals with intellectual and developmental disabilities.

OFFICE OF COMMUNITY LIVING GOVERNANCE: The appropriation includes \$43,573 total funds, including \$28,836 General Fund, and 0.9 FTE to continue funding for staff associated with the Behavioral Health Crisis Pilot, in order to coordinate behavioral health services for people with intellectual and developmental disabilities.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

INDIGENT CARE PROGRAM

This division contains funding for the following programs:

- Indigent Care Program - This program provides partial reimbursement to participating hospitals and clinics that serve uninsured or under-insured clients. To be eligible for this program, clients must have income or assets equal to or lower than 250 percent of the federal poverty level (FPL) and may not qualify for assistance through the Medicaid program.
- Children's Basic Health Plan - This program provides health insurance to otherwise uninsured children from families at or below 250 percent of the federal poverty guidelines. The program also provides health insurance to eligible adult women between 185 percent and 250 percent of the federal poverty guidelines.

Funding sources include the General Fund, provider fees paid by hospitals, tobacco tax and tobacco master settlement revenues, and federal funds.

INDIGENT CARE PROGRAM						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$559,668,913	\$10,188,431	\$209,466,791	\$0	\$340,013,691	0.0
SB 19-113	7,306,529	0	513,646	0	6,792,883	0.0
SB 19-207	3,034,359	0	475,063	0	2,559,296	0.0
TOTAL	\$570,009,801	\$10,188,431	\$210,455,500	\$0	\$349,365,870	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$570,009,801	\$10,188,431	\$210,455,500	\$0	\$349,365,870	0.0
Children's Basic Health Plan	3,612,937	(43,369)	18,766,987	0	(15,110,681)	0.0
Annualize prior year budget actions	(679,727)	(11,323)	(668,404)	0	0	0.0
Other	(22,206)	21,163	(43,369)	0	0	0.0
SB 19-207	\$572,920,805	\$10,154,902	\$228,510,714	\$0	\$334,255,189	0.0
HB 19-1038	216,693	0	44,682	0	172,011	0.0
TOTAL	\$573,137,498	\$10,154,902	\$228,555,396	\$0	\$334,427,200	0.0
INCREASE/(DECREASE)	\$3,127,697	(\$33,529)	\$18,099,896	\$0	(\$14,938,670)	0.0
Percentage Change	0.5%	(0.3%)	8.6%	n/a	(4.3%)	n/a

¹ Includes \$429,909 in FY 2018-19 and \$407,703 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 includes an increase of \$7.3 million total funds for a more recent forecast of utilization and enrollment of children and pregnant women in the Children's Basic Health Plan.

Senate Bill 19-207 includes an increase of \$3.0 million total funds for a more recent forecast of utilization and enrollment of children and pregnant women in the Children's Basic Health Plan.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CHILDREN'S BASIC HEALTH PLAN: The appropriation provides an increase of \$3.6 million total funds, including a decrease of \$43,369 General Fund, to reflect a new forecast of enrollment, utilization, and per capita costs for the Children's Basic Health Plan. The tables below provide data on enrollment, medical and dental expenditures, and per capita costs over time. The tables do not include repayments to the federal government for prior year

disallowances, and so the totals may not match the line item expenditures for years when a disallowance payment was due.

ENROLLMENT				
	CHILDREN	PRENATAL	TOTAL	% CHANGE
FY 08-09	61,582	1,665	63,247	6.5%
FY 09-10	68,725	1,561	70,286	11.1%
FY 10-11	67,267	1,742	69,009	-1.8%
FY 11-12	74,266	2,064	76,330	10.6%
FY 12-13	77,835	1,611	79,446	4.1%
FY 13-14	61,554	953	62,507	-21.3%
FY 14-15	53,704	687	54,391	-13.0%
FY 15-16	51,041	668	51,709	-4.9%
FY 16-17	64,261	626	64,887	25.5%
FY 17-18	76,889	842	77,731	19.8%
FY 18-19 proj.	83,358	793	84,151	8.3%
FY 19-20 proj.	87,916	878	88,794	5.5%

EXPENDITURES				
	CHILDREN	PRENATAL	TOTAL	% CHANGE
FY 08-09	112,599,454	18,086,904	130,686,358	15.2%
FY 09-10	162,471,143	16,023,878	178,495,021	36.6%
FY 10-11	155,207,326	22,076,574	177,283,899	-0.7%
FY 11-12	161,043,047	21,411,076	182,454,123	2.9%
FY 12-13	170,136,500	21,433,958	191,570,458	5.0%
FY 13-14	170,744,026	12,009,028	182,753,054	-4.6%
FY 14-15	126,621,571	9,580,452	136,202,023	-25.5%
FY 15-16	114,115,567	8,544,303	122,659,870	-9.9%
FY 16-17	144,360,918	5,898,928	150,259,846	22.5%
FY 17-18	185,787,407	7,970,670	193,758,077	28.9%
FY 18-19 proj.	191,246,282	14,075,806	205,322,088	6.0%
FY 19-20 proj.	196,719,921	12,215,104	208,935,025	1.8%

PER CAPITA EXPENDITURES				
	CHILDREN	PRENATAL	TOTAL	% CHANGE
FY 08-09	1,828	10,863	2,066	8.2%
FY 09-10	2,364	10,265	2,540	22.9%
FY 10-11	2,307	12,673	2,569	1.2%
FY 11-12	2,168	10,374	2,390	-7.0%
FY 12-13	2,186	13,305	2,411	0.9%
FY 13-14	2,774	12,601	2,924	21.2%
FY 14-15	2,358	13,945	2,504	-14.4%
FY 15-16	2,236	12,791	2,372	-5.3%
FY 16-17	2,246	9,423	2,316	-2.4%
FY 17-18	2,416	9,466	2,493	7.6%
FY 18-19 proj.	2,294	17,750	2,440	-2.1%
FY 19-20 proj.	2,238	13,912	2,353	-3.6%

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a net reduction of \$679,727 total funds, including a reduction of \$11,323 General Fund, for out-year impacts of prior year legislation and budget actions. For a list of all annualizations of prior year legislation and budget actions, see the description for the Department in Part II of this report.

OTHER: The appropriation includes miscellaneous other changes, primarily related to fund source adjustments for tobacco revenues.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OTHER MEDICAL SERVICES

This division contains the funding for:

- The state's obligation under the Medicare Modernization Act for prescription drug benefits
- The Old Age Pension State-Only Medical Program
- Health training programs, including the Commission on Family Medicine and the University Teaching Hospitals
- Public School Health Services

Funding sources for these programs include the General Fund, cash funds for certified public expenditures at school districts, the Old Age Pension Medical and Supplemental Medical Fund, reappropriated funds from Amendment 35 tobacco taxes, and matching federal funds.

OTHER MEDICAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$291,403,161	\$160,889,589	\$66,204,045	\$2,641,722	\$61,667,805	0.0
HB 18-1003	925,000	0	925,000	0	0	0.0
SB 19-113	(423,921)	(3,679,712)	2,482,855	(2,491,722)	3,264,658	0.0
SB 19-207	(183,279)	(183,279)	0	0	0	0.0
TOTAL	\$291,720,961	\$157,026,598	\$69,611,900	\$150,000	\$64,932,463	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$291,720,961	\$157,026,598	\$69,611,900	\$150,000	\$64,932,463	0.0
Annualize prior year budget actions	12,198,893	0	5,936,946	75,000	6,186,947	0.0
Medicare Modernization Act	3,874,936	3,874,936	0	0	0	0.0
Senior dental	1,000,000	1,000,000	0	0	0	0.0
Public school health services	(6,966,891)	101,179	(3,580,633)	0	(3,487,437)	0.0
SB 19-207	\$301,827,899	\$162,002,713	\$71,968,213	\$225,000	\$67,631,973	0.0
TOTAL	\$301,827,899	\$162,002,713	\$71,968,213	\$225,000	\$67,631,973	0.0
INCREASE/(DECREASE)	\$10,106,938	\$4,976,115	\$2,356,313	\$75,000	\$2,699,510	0.0
Percentage Change	3.5%	3.2%	3.4%	50.0%	4.2%	n/a

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-113 includes an increase of \$4.0 million for expenditures by school districts and Boards of Cooperative Education Services (BOCES) in support of Medicaid eligible children with an Individual Education Plan (IEP) or Individualized Family Services Plan (IFSP) and a decrease of \$4.5 million General Fund in reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare.

Senate Bill 19-207 includes a decrease of \$183,279 General Fund in reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$12.2 million total funds for out-year impacts of prior year legislation and budget actions. For a list of all annualizations of prior year legislation and budget actions, see the description for the Department in Part II of this report.

MEDICARE MODERNIZATION ACT: The appropriation includes an increase of \$3.9 million General Fund for reimbursements to the federal government for prescription drugs for people eligible for both Medicaid and Medicare based on the most recent forecast of the state's obligation under the federal formula.

SENIOR DENTAL: The appropriation includes an increase of \$1.0 million General Fund to increase services provided through the senior dental program.

PUBLIC SCHOOL HEALTH SERVICES: The appropriation includes a decrease of \$7.0 million total funds, including an increase of \$101,179 General Fund, based on expected certified public expenditures by school districts and boards of cooperative education services (BOCES) for public school health services and associated administrative costs.

DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS

This section contains funding for programs administered by the Department of Human Services that are funded with Medicaid dollars. General Fund is appropriated in this section, matched with anticipated federal funds, and then transferred to the Department of Human Services as Medicaid cash funds.

DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$120,467,779	\$58,094,988	\$1,888,903	\$0	\$60,483,888	0.0
HB 18-1328	(2,683,275)	(1,341,640)	0	0	(1,341,635)	0.0
SB 19-113	4,258,006	2,129,003	0	0	2,129,003	0.0
TOTAL	\$122,042,510	\$58,882,351	\$1,888,903	\$0	\$61,271,256	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$122,042,510	\$58,882,351	\$1,888,903	\$0	\$61,271,256	0.0
Human Services programs	(883,650)	(441,826)	0	0	(441,824)	0.0
SB 19-207	\$121,158,860	\$58,440,525	\$1,888,903	\$0	\$60,829,432	0.0
SB 19-195	300,000	150,000	0	0	150,000	0.0
TOTAL	\$121,458,860	\$58,590,525	\$1,888,903	\$0	\$60,979,432	0.0
INCREASE/(DECREASE)	(\$583,650)	(\$291,826)	\$0	\$0	(\$291,824)	0.0
Percentage Change	(0.5%)	(0.5%)	0.0%	n/a	(0.5%)	n/a

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

House Bill 19-113 modifies FY 2018-19 appropriations for programs administered by the Department of Human Services. The table below summarizes the changes for each division within the Department of Human Services that is responsible for the administration of the program. See the description of mid-year adjustments for the Department of Human Services in the department's section of Part III for more information.

HUMAN SERVICES PROGRAMS FY 2017-18 CHANGES BY DIVISION H.B. 19-113					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Executive Director's Office	\$0	\$0	\$0	\$0	\$0
Office of Information Technology Services	0	0	0	0	0
Office of Operations	0	0	0	0	0
Division of Child Welfare	0	0	0	0	0
Office of Early Childhood	0	0	0	0	0
Office of Self Sufficiency	0	0	0	0	0

HUMAN SERVICES PROGRAMS FY 2017-18 CHANGES BY DIVISION H.B. 19-113					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Behavioral Health Services	509,080	254,540	0	0	254,540
Services for People with Disabilities	0	0	0	0	0
Adult Assistance Programs	0	0	0	0	0
Division of Youth Corrections	49,656	24,828	0	0	24,828
Other	3,699,270	1,849,635	0	0	1,849,635
TOTAL	\$4,258,006	\$2,129,003	\$0	\$0	\$2,129,003

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

HUMAN SERVICES PROGRAMS: The table below summarizes the changes for each division within the Department of Human Services that is responsible for the administration of the program. The table includes the preceding incremental changes. See the Part III detail of appropriation by administrative section for the Department of Human Services for more information.

DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Appropriation	\$122,042,510	\$58,882,351	\$1,888,903	\$0	\$61,271,256	0.0
CHANGES FROM FY 2018-19 APPROPRIATION						
Executive Director's Office	(\$4,136,730)	(\$2,068,365)	\$0	\$0	(\$2,068,365)	0.0
Office of Information Technology Services	0	0	0	0	0	0.0
Office of Operations	0	0	0	0	0	0.0
Division of Child Welfare	2,498	1,249	0	0	1,249	0.0
Office of Early Childhood	0	0	0	0	0	0.0
Office of Self Sufficiency	1,425	712	0	0	713	0.0
Behavioral Health Services	66,124	33,062	0	0	33,062	0.0
Services for People with Disabilities	1,630,945	815,472	0	0	815,473	0.0
Adult Assistance Programs, Community Services for the Elderly	0	0	0	0	0	0.0
Division of Youth Corrections	(205,425)	(102,712)	0	0	(102,713)	0.0
Other	1,757,513	878,756	0	0	878,757	0.0
TOTAL FY 2019-20 LONG BILL APPROPRIATION	\$121,158,860	\$58,440,525	\$1,888,903	\$0	\$60,829,432	0.0
\$ Change from prior year	(\$883,650)	(\$441,826)	\$0	\$0	(\$441,824)	0.0
% Change from prior year	(0.7%)	(0.8%)	0.0%	n/a	(0.7%)	n/a

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

SB 18-145 (IMPLEMENT EMPLOYMENT FIRST RECOMMENDATIONS): Requires the Department of Labor and Employment (CDLE) and the Medical Services Board in the Department of Health Care Policy and Financing (HCPF) to promulgate rules by July 1, 2019 requiring training or certification for certain providers of supported employment services for persons with disabilities. These requirements are contingent upon appropriations to HCPF to reimburse vendors of supported employment services for the cost of training and certification. Also expands HCPF reporting requirements. Provides the following appropriations for FY 2018-19:

- \$27,675 General Fund and 0.4 FTE to HCPF;
- \$2,131 General Fund to CDLE for legal services; and

- \$2,131 reappropriated funds to the Department of law for legal services to CDLE.

Appropriations to HCPF are expected to increase to \$331,200 General Fund and 0.5 FTE in FY 2019-20.

S.B. 18-195 (HEALTHCARE AFFORDABILITY AND SUSTAINABILITY FEE CASH FUND APPROPRIATIONS): Makes money in the Healthcare Affordability and Sustainability Fee (HAS Fee) Cash Fund subject to annual appropriation by the General Assembly, rather than continuously appropriated to the Colorado Healthcare Affordability and Sustainability Enterprise. The bill does not change the statutory allowable uses of the HAS Fee and any appropriations by the General Assembly would need to comply with those allowable uses.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-231 (TRANSITION TO COMMUNITY-BASED SERVICES TASK FORCE): Establishes a task force for transition planning to make recommendations on improvements for the transition of individuals with disabilities who are receiving services and supports in an educational setting to receiving services and supports through home- and community-based services. It specifies membership on the task force and duties including making a report to specified committees of the general assembly. Appropriates \$109,500 General Fund to the Department of Health Care Policy and Financing in FY 2018-19.

SB 18-266 (CONTROLLING MEDICAID COSTS): Authorizes four new initiatives intended to control Medicaid expenditures:

- Create a resource control unit of six people (5.4 FTE in the first year) dedicated to controlling costs
- Deploy cost and quality technology for the Regional Accountable Entities and providers that identifies the most effective providers and medications to help steer clients to the best health outcomes and reduce expenditures
- Implement a comprehensive hospital admission review program, including pre-admission certification, continued stay reviews, discharge planning, and retrospective claims reviews
- Purchase commercial technology that would periodically update billing system safeguards that identify and reject inappropriate claims

The bill includes requirements for stakeholder engagement, technology testing, and reporting to the General Assembly, and parameters around coverage determinations for hospital stays. For FY 2018-19 the bill includes appropriations and assumptions about federal funds and FTE with a net result for the Department of Health Care Policy and Financing of a decrease of \$2,061,973 total funds, including a decrease of \$730,316 General Fund, an increase of \$222,613 cash funds, a decrease of \$1,554,270 federal funds, and an increase of 6.8 FTE.

HB 18-1003 (OPIOID MISUSE PREVENTION): Implements several policies related to the prevention of opioid and substance misuse. Makes appropriations to several departments, including an appropriation of \$925,000 cash funds from the Marijuana Tax Cash Fund to the Department of Health Care Policy and Financing for the Screening, Brief Intervention, and Referral to Treatment (SBIRT) training program for the development of a training module on substance-exposed pregnancies and additional funding for SBIRT grants. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Public Health and Environment.

H.B. 18-1136 (EXPAND MEDICAID BENEFIT FOR SUBSTANCE USE DISORDER): Adds residential and inpatient substance use disorder treatment and medical detoxification services as a benefit under the Colorado Medicaid Program, conditional upon federal approval. If the new benefit is enacted, requires Managed Service Organizations

(MSOs) to determine to what extent money allocated from the MTCF may be used to assist in providing substance use disorder services if those services are not otherwise covered by private or public insurance. Appropriates a total of \$236,827 in state funds to the Department of Health Care Policy and Financing (HCPF) for FY 2018-19 (including \$155,193 General Fund and \$81,634 cash funds from the Healthcare Affordability and Sustainability Fee Cash Fund), and states the assumption that HCPF will receive \$236,828 federal funds for FY 2018-19.

HB 18-1321 (EFFICIENT ADMINISTRATION MEDICAID TRANSPORTATION): Requires that the Department of Health Care Policy and Financing (HCPF) create and implement an efficient and cost-effective method to meet urgent transportation needs within the existing Medicaid non-medical transportation benefit. This method must include medical service provider and facility access to approved transportation providers and an efficient method for obtaining and paying for transportation services. For FY 2018-19 the bill includes appropriations and assumptions about federal funds and FTE with a net result for the Department of Health Care Policy and Financing of a decrease of \$104,303 total funds, including a decrease of \$34,052 cash funds, a decrease of \$70,251 federal funds, and an increase of 0.8 FTE.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2016-17 and FY 2017-18 appropriations to the Department.

HB 18-1326 (SUPPORT FOR TRANSITION FROM INSTITUTIONAL SETTINGS): Allows Medicaid clients moving from an institutional setting to a community setting to access the following transition services:

- Intensive case management
- Household set-up
- Home delivered meals
- Peer mentorship
- Independent living skills training

For FY 2018-19 the bill includes appropriations and assumptions about federal funds with a net result for the Department of Health Care Policy and Financing of a decrease of \$684,116 total funds, including a decrease of \$477,058 General Fund and a decrease of \$207,058 federal funds. Appropriates \$306,000 General Fund to the Department of Local Affairs' Division of Housing for FY 2018-19 to provide housing vouchers for HCPF transition clients.

HB 18-1327 (ALL-PAYER HEALTH CLAIMS DATABASE): Allows the General Assembly to appropriate General Fund for the operations of the All-Payer Claims Database (APCD) and establishes a scholarship grant program to support research using the APCD. The Department of Health Care Policy and Financing distributes the scholarship grants to nonprofits and governmental entities to defray the cost of research using the APCD, except that the Department may not make grants back to itself. For FY 2018-19 the bill includes appropriations and assumptions about federal funds and FTE with a net result for the Department of Health Care Policy and Financing of \$2,640,790 total funds, including \$1,570,395 General Fund, \$1,070,395 federal funds, and 0.9 FTE.

H.B. 18-1328 (REDESIGN RESIDENTIAL CHILD HEALTH CARE WAIVER): Directs the Department of Health Care Policy and Financing (HCPF) to initiate a stakeholder process for purposes of preparing and submitting a redesigned Children's Habilitation Residential Program (CHRP) waiver for federal approval that allows for home- and community-based services for children with intellectual and developmental disabilities who have complex behavioral support needs. HCPF may also request federal authorization to change the agency designated to administer and operate the program from the Department of Human Services to HCPF. Includes language creating the redesigned program, relocates the program in statute, and makes conforming changes in statute to reflect the new location of the program. The new program will become effective once federal approval has been granted for the redesigned CHRP waiver. Appropriates \$97,263 total funds, including \$48,633 General Fund, to the

Department of Health Care Policy and Financing in FY 2018-19 and states the assumption that the Department will require an additional 1.8 FTE.

HB 18-1329 (SUPPLEMENTAL PAYMENT DURABLE MEDICAL EQUIPMENT): Authorizes the Department of Health Care Policy and Financing to make General Fund payments, with no matching federal funds, in FY 2017-18 to providers who were negatively affected by a federal law that requires Medicaid rates for durable medical equipment not exceed comparable Medicare rates. Appropriates \$7,591,815 General Fund to the Department of Health Care Policy and Financing in FY 2017-18.

HB 18-1330 (SUPPLEMENTAL PAYMENT OFFICE-ADMINISTERED DRUGS MEDICAID): Authorizes the Department of Health Care Policy and Financing to make General Fund payments, with no matching federal funds, in FY 2017-18 to providers who were negatively affected by implementation of a federal rule that required a planned change to physician-administered drug rates to be implemented six months sooner than authorized by the General Assembly. Appropriates \$754,000 General Fund to the Department of Health Care Policy and Financing in FY 2017-18.

H.B. 18-1407 (ACCESS TO DISABILITY SERVICES AND STABLE WORKFORCE): Requires the Department of Health Care Policy and Financing (HCPF) to seek federal approval for a 6.5 percent increase in the reimbursement rate for certain services specified in the bill that are delivered through the home- and community-based services intellectual and developmental disabilities, supported living services, and children's extensive supports waivers. Service agencies are required to use 100 percent of the increased funding for compensation for direct support professionals as defined in the bill. Requires service agencies to document the use of the increased funding for compensation using a reporting tool developed by the Department and the service agencies. Allows the Department to recoup from the service agency the amount of funding resulting from the reimbursement rate increase that is not used for compensation for direct support professionals. Requires the Department to assess the impact and outcomes of the reimbursement rate increase on persons with intellectual and developmental disabilities and to include the impact and outcome data, including staff stability survey data, in its annual report to the general assembly concerning the waiting list for intellectual and developmental disability services. Requires the Department to initiate 300 nonemergency enrollments from the waiting list for the home- and community-based services developmental disabilities waiver in the 2018-19 state fiscal year. Appropriates \$24,586,381 total funds, including \$12,185,446 General Fund, to the Department of Health Care Policy and Financing in FY 2018-19 and states the assumption that the Department will receive \$12,400,935 federal funds and will require an additional 2.7 FTE.

2019 SESSION BILLS

S.B. 19-005 (IMPORT PRESCRIPTION DRUGS FROM CANADA): Requires the Department of Health Care Policy and Financing to submit a request for federal approval for a program to import prescription drugs from Canada. Establishes parameters for the importation program. Allows expenditures for preparation of the request for federal approval, but prohibits expenditures for implementation until federal approval is received. Provides a net increase of \$971,802 total funds and 4.1 FTE to the Department of Health Care Policy and Financing, including an increase of \$1,041,802 General Fund and a decrease of \$70,000 federal funds. Also, provides \$134,719 reappropriated funds and 0.7 FTE for the Department of Law.

S.B. 19-113 (SUPPLEMENTAL BILL): Modifies FY 2018-19 and FY 2017-18 appropriations to the Department.

S.B. 19-195 (BEHAVIORAL HEALTH SERVICES FOR CHILDREN AND YOUTH): Requires the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to work collaboratively to provide Medicaid-covered wraparound services for children and youth at risk of out-of-home placement or who are currently in out-of-home placement. Requires HCPF to seek federal authorization to provide such services by July 1, 2020, and upon federal authorization, requires that managed care entities implement such services. Appropriates \$619,484 General Fund to HCPF for FY 2019-20, and states the assumptions that HCPF will receive

\$771,903 federal funds and require 3.9 FTE. For additional information, see the “Recent Legislation” section at the end of Part III for DHS.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20. Includes provisions modifying FY 2017-18 and FY 2018-19 appropriations to the Department.

S.B. 19-209 (PACE PROGRAM FUNDING METHODOLOGY): Repeals a statutory requirement that the Department of Health Care Policy and Financing use a "grade of membership" method in determining rates for the Program for All-Inclusive Care for the Elderly (PACE) and instead requires the Department to meet with PACE organizations to consider funding methodologies for future years. Provides \$13,510,958 total funds, including \$6,755,479 General Fund and \$6,755,479 federal funds, based on estimated PACE rates without the change to the "grade of membership" method.

S.B. 19-222 (BEHAVIORAL HEALTH CARE FOR INDIVIDUALS AT RISK): Requires the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to improve access to behavioral health services for individuals at risk of institutionalization. Also requires the Office of Behavioral Health in DHS to collaborate with HCPF to develop an implementation plan to increase the number of high-intensity behavioral health treatment programs statewide. Appropriates \$51,000 General Fund and \$24,000 cash funds to HCPF for FY 2019-20, and states the assumption that HCPF will receive \$75,000 federal funds. For additional information, see the “Recent Legislation” section at the end of Part III for DHS.

SB 19-238 (IMPROVE WAGES AND ACCOUNTABILITY HOME CARE WORKERS): Requires the Department of Health Care Policy and Financing to request federal approval to increase certain personal care and homemaker rates by 8.1 percent in FY 2019-20 and requires agencies receiving Medicaid compensation for these services to use the rate increase for compensation of non-administrative employees. Beginning July 1, 2020, sets a minimum hourly wage of \$12.41 for people providing personal care, homemaker, or in-home support services and requires that at least 85 percent of any increase in funding for these services in FY 2020-21 be used to increase compensation for non-administrative employees. Requires the Department in cooperation with the Department of Public Health and Environment to establish a process for reviewing and enforcing initial and ongoing training requirements for employees providing personal care, homemaker, and respite care services. Provides \$11,427,252 total funds to the Department of Health Care Policy and Financing for the rate increase and stakeholder outreach costs, including \$5,682,377 General Fund and \$5,744,875 federal funds.

SB 19-254 (NURSING HOME PENALTY CASH FUND): Repeals certain statutory limits on the Nursing Home Penalty Cash Fund, including a minimum reserve requirement of \$1.0 million, an annual expenditure limit of \$250,000 or 25 percent of prior year revenue if the fund balance is less than \$2.0 million, and a sunset of the grant program and the Nursing Home Innovations Grant Board. Instead, requires the Medical Services Board to set a minimum reserve requirement to ensure sufficient funds to protect the health or property of individuals residing in nursing facilities. Increases the FY 2019-20 cash funds appropriation out of the Nursing Home Penalty Cash Fund from \$250,000 to \$500,000.

H.B. 19-1001 (HOSPITAL TRANSPARENCY MEASURES TO ANALYZE EFFICACY): Requires hospitals to report certain financial information to the Department of Health Care Policy and Financing and requires the Department to prepare an annual hospital expenditure report. Requires the Department in consultation with the Department of Public Health and Environment to make recommendations to the General Assembly regarding the structure of the statutory Hospital Report Card and Hospital Charge Report.

H.B. 19-1004 (PROPOSAL FOR AFFORDABLE HEALTH COVERAGE OPTION): Requires the Department of Health Care Policy and Financing and the Department of Regulatory Agencies to develop a proposal for a state option for health care coverage by November 15, 2019, and after presenting the plan to submit requests for federal approval to implement it. For consulting services to help develop the proposal and the request for federal approval, the bill

appropriates to the Department of Health Care Policy and Financing \$75,000 General Fund in FY 2018-19 and \$150,000 General Fund in FY 2019-20 and to the Department of Regulatory Agencies \$115,500 General Fund in FY 2018-19 and \$231,000 General Fund in FY 2019-20.

H.B. 19-1038 (DENTAL SERVICES FOR PREGNANT WOMEN ON CHP+): Expands benefits under the Children's Basic Health Plan to include dental services for enrolled prenatal and postpartum women. Provides \$439,425 total funds to the Department of Health Care Policy and Financing in FY 2019-20, including \$66,955 cash funds and \$372,470 federal funds.

H.B. 19-1176 (HEALTH CARE COST SAVINGS): Creates a task force to study and compare the current method of financing health care in Colorado with: (1) a multi-payer universal health care system that has a mandated set of benefits; and (2) a publicly financed and privately delivered universal health care system that directly compensates providers. Requires reports to the General Assembly by January 1, 2021 and September 1, 2021. For FY 2019-20, appropriates \$92,649 General Fund to the Department of Health Care Policy and Financing to support the task force and \$7,351 General Fund to the Legislative Department for per diem costs for legislators participating in the task force.

H.B. 19-1210 (LOCAL GOVERNMENT MINIMUM WAGE): Repeals an existing provision that prevents local governments from enacting minimum wage laws separate from those of the State, and allows local governments to establish minimum wage laws for individuals performing work while physically present within their jurisdictions through their governing body, an initiative, or referendum. Local minimum wages may exceed the state and federal minimum wages. The bill includes a provision requiring the Department of Health Care Policy and Financing to implement a local minimum wage enhancement payment for eligible nursing facilities, if a local government increases its minimum wage above the statewide minimum wage.

H.B. 19-1269 (BEHAVIORAL HEALTH CARE COVERAGE): Requires private health insurers and the State's Medicaid plan to provide medically necessary coverage for behavioral, mental health, and substance use disorder services on par with the coverage for physical health services and to demonstrate compliance through new reporting requirements. Appropriates \$113,560 General Fund and \$53,440 cash funds to the Department of Health Care Policy and Financing (HCPF) for FY 2019-20, and states the assumptions that HCPF will receive \$167,001 federal funds and require 3.0 FTE. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Regulatory Agencies.

H.B. 19-1287 (TREATMENT FOR SUBSTANCE USE DISORDERS): Enacts several initiatives to improve access to behavioral health and substance use disorder treatment, including requiring the Department of Human Services (DHS) to establish a care navigation system to assist individuals in accessing substance use disorder treatment. Appropriates \$21,733 General Fund and \$10,228 cash funds to the Department of Health Care Policy and Financing (HCPF) for FY 2019-20 to assist in care coordination for Medicaid clients, and states the assumptions that HCPF will receive \$31,961 federal funds and require 0.8 FTE. For additional information, see the "Recent Legislation" section at the end of Part III for DHS.

H.B. 19-1302 (CANCER TREATMENT & LICENSE PLATE SURCHARGE): Reauthorizes the Breast and Cervical Cancer Treatment and Prevention Program and Fund in the Department of Health Care Policy and Financing. Provides \$2,425,021 to the Department in FY 2019-20, including \$857,783 cash funds and \$1,567,238 federal funds.

H.B. 19-1320 (HOSPITAL COMMUNITY BENEFIT ACCOUNTABILITY): Requires nonprofit hospitals to perform a community health needs assessment, create a community benefit implementation plan, solicit annual feedback on community benefit activities, and submit annual reports to the Department of Health Care Policy and Financing.

H.B. 19-1326 (RATES FOR SENIOR LOW-INCOME DENTAL PROGRAM): Changes the statutory minimum rates for the senior dental program from the rates paid by a predecessor program to equivalent rates paid by Medicaid and

requires the Department of Health Care Policy and financing to review and make recommendations regarding the operation and effectiveness of the program.

Details

DEPARTMENT OF HIGHER EDUCATION

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$4,585,307,920	\$1,003,593,739	\$2,739,337,662	\$819,590,900	\$22,785,619	26,150.0
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Department Administrative Office	7,322,326	2,291,329	2,883,847	1,209,687	937,463	0.0
Colorado Commission on Higher Education and Higher Education Special Purpose Programs	130,169,580	28,884,667	74,869,641	21,116,438	5,298,834	96.6
Colorado Commission on Higher Education Financial Aid	197,591,921	196,617,879	0	974,042	0	0.5
College Opportunity Fund Program	743,033,169	743,033,169	0	0	0	0.0
Governing Boards	3,373,782,522	0	2,632,232,185	741,550,337	0	25,712.3
Local District College Grants Pursuant to Section 23-71-301, C.R.S.	18,898,536	17,734,550	1,163,986	0	0	0.0
Division of Occupational Education	59,960,692	12,311,435	0	32,075,279	15,573,978	32.0
Auraria Higher Education Center	22,567,834	0	0	22,567,834	0	188.1
History Colorado	31,981,340	2,720,710	28,188,003	97,283	975,344	120.5
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$4,537,265,323	\$978,325,997	\$2,735,130,010	\$801,023,697	\$22,785,619	26,148.6
SB 18-085	240,000	0	0	240,000	0	0.0
SB 18-086	10,200,000	5,100,000	0	5,100,000	0	0.0
SB 18-206	8,181,450	0	8,181,450	0	0	0.0
SB 18-262	29,974,228	16,747,025	0	13,227,203	0	0.0
HB 18-1002	530,448	530,448	0	0	0	0.5
HB 18-1003	750,000	0	750,000	0	0	0.0
HB 18-1226	74,153	74,153	0	0	0	0.0
HB 18-1309	156,116	156,116	0	0	0	0.0
HB 18-1331	660,000	660,000	0	0	0	0.9
HB 18-1332	2,000,000	2,000,000	0	0	0	0.0
SB 19-207	(4,723,798)	0	(4,723,798)	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$4,875,838,547	\$1,112,705,645	\$2,836,261,687	\$900,986,375	\$25,884,840	26,303.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Department Administrative Office	6,149,880	313,560	3,744,239	1,360,796	731,285	0.0
Colorado Commission on Higher Education and Higher Education Special Purpose Programs	132,894,646	31,616,548	75,591,398	20,379,797	5,306,903	99.0
Colorado Commission on Higher Education Financial Aid	220,308,854	219,988,594	0	320,260	0	1.3
College Opportunity Fund Program	824,382,899	824,382,899	0	0	0	0.0
Governing Boards	3,548,832,861	0	2,726,175,801	822,657,060	0	25,862.5
Local District College Grants Pursuant to Section 23-71-301, C.R.S.	21,222,695	19,663,825	1,558,870	0	0	0.0
Division of Occupational Education	65,476,572	13,910,021	0	32,700,632	18,865,919	32.0

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Auraria Higher Education Center	23,470,547	0	0	23,470,547	0	188.5
History Colorado	33,099,593	2,830,198	29,191,379	97,283	980,733	120.5
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$4,867,932,187	\$1,108,869,602	\$2,832,661,687	\$900,516,058	\$25,884,840	26,297.8
SB 19-001	2,500,000	0	2,500,000	0	0	0.0
SB 19-003	623,969	623,969	0	0	0	1.4
SB 19-137	218,825	218,825	0	0	0	1.0
SB 19-176	210,000	105,000	0	105,000	0	1.0
SB 19-190	1,217,787	1,217,787	0	0	0	0.9
SB 19-228	1,100,000	0	1,100,000	0	0	0.0
SB 19-231	305,145	305,145	0	0	0	0.8
HB 19-1006	1,000,000	1,000,000	0	0	0	0.0
HB 19-1202	200,634	100,317	0	100,317	0	0.9
HB 19-1264	500,000	250,000	0	250,000	0	0.0
HB 19-1294	30,000	15,000	0	15,000	0	0.0
INCREASE/(DECREASE)	\$290,530,627	\$109,111,906	\$96,924,025	\$81,395,475	\$3,099,221	153.8
Percentage Change	6.3%	10.9%	3.5%	9.9%	13.6%	0.6%

¹ Includes General Fund Exempt.

GENERAL FUND EXEMPT: Amounts in the General Fund column include appropriations from both the General Fund and General Fund Exempt Account. The General Fund Exempt Account was created by Referendum C, passed by Colorado voters in November 2005. Referendum C allowed the State to retain for FY 2005-06 through FY 2009-10 all revenue collected in excess of the TABOR limit and for FY 2010-11 and subsequent fiscal years all revenues in excess of the TABOR limit but less than the excess state revenues cap. The retained revenue must be placed in the General Fund Exempt Account. The table below shows the amount appropriated from the General Fund Exempt Account for FY 2018-19 and FY 2019-20 for higher education pursuant to Sections 24-77-103.6 (2)(b) and 24-77-104.5 (1)(b)(III), C.R.S. For additional information on General Fund Exempt appropriations, see Appendix D.

GENERAL FUND SUMMARY	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$1,003,593,739	\$178,360,406	\$825,233,333
FY 2019-20	\$1,112,705,645	\$275,072,312	\$837,633,333

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Higher Education are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$481,704,141	\$0	\$455,767,343	\$51,958	\$25,884,840

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

DEPARTMENT ADMINISTRATIVE OFFICE

This division includes funding for centrally appropriated items for the Colorado Commission on Higher Education, the Division of Private Occupational Schools, and History Colorado. These centrally appropriated items include salary survey, risk management, leased space, health benefits, and other miscellaneous expenses. These expenses are

not appropriated centrally for the other divisions within the Department. The sources of cash funds include limited gaming revenues deposited in the State Historical Fund and various fees. The source of reappropriated funds is indirect cost recoveries.

DEPARTMENT ADMINISTRATIVE OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$7,282,707	\$2,291,329	\$2,844,228	\$1,209,687	\$937,463	0.0
SB 19-207	39,619	0	39,619	0	0	0.0
TOTAL	\$7,322,326	\$2,291,329	\$2,883,847	\$1,209,687	\$937,463	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$7,322,326	\$2,291,329	\$2,883,847	\$1,209,687	\$937,463	0.0
Centrally appropriated line items	(824,364)	(2,017,530)	1,070,267	229,775	(106,876)	0.0
Annualize prior year budget actions	(348,082)	39,761	(209,875)	(78,666)	(99,302)	0.0
SB 19-207	\$6,149,880	\$313,560	\$3,744,239	\$1,360,796	\$731,285	0.0
TOTAL	\$6,149,880	\$313,560	\$3,744,239	\$1,360,796	\$731,285	0.0
INCREASE/(DECREASE)	(\$1,172,446)	(\$1,977,769)	\$860,392	\$151,109	(\$206,178)	0.0
Percentage Change	(16.0%)	(86.3%)	29.8%	12.5%	(22.0%)	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table. In addition to other changes, the risk management/property fund adjustment eliminates \$2,049,082 General Fund in one-time funding provided in FY 2018-19 to assist some higher education governing boards in covering exceptional FY 2017-18 property damage costs.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$477,674	\$11,562	\$338,392	\$82,996	\$44,724	0.0
PERA Direct Distribution	380,532	8,858	230,482	91,942	49,250	0.0
Health Life Dental	179,407	7,125	209,580	(7,533)	(29,765)	0.0
Payments to OIT	223,234	0	189,517	33,717	0	0.0
AED	27,357	1,995	103,936	5,532	(84,106)	0.0
SAED	27,357	1,995	103,936	5,532	(84,106)	0.0
Legal services	7,640	0	(4,159)	11,799	0	0.0
Payment to risk management / property funds	(2,112,369)	(2,049,082)	(62,557)	(730)	0	0.0
CORE	(20,479)	0	(31,799)	11,320	0	0.0
Workers' compensation	(13,969)	0	(9,010)	(4,959)	0	0.0
ALJ	(485)	0	(485)	0	0	0.0
Short-term disability	(263)	17	2,434	159	(2,873)	0.0
TOTAL	(\$824,364)	(\$2,017,530)	\$1,070,267	\$229,775	(\$106,876)	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including annualization of prior year salary survey and additional General Fund provided to assist History Colorado in addressing escalating Office of Information Technology costs. Salary survey is appropriated in the Department Administrative Office in the first year awarded and included in division-level appropriations in subsequent years.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS

This division includes funding for the Commission's staff, the Division of Private Occupational Schools, and special purpose initiatives of the Department. The sources of cash funds include indirect cost recoveries, fees paid to the Division of Private Occupational Schools, and limited gaming revenues that are used for competitive research grants. The primary source of reappropriated funds is indirect cost recoveries.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$127,039,311	\$25,994,398	\$74,869,641	\$20,876,438	\$5,298,834	95.7
SB 18-085	240,000	0	0	240,000	0	0.0
HB 18-1226	74,153	74,153	0	0	0	0.0
HB 18-1309	156,116	156,116	0	0	0	0.0
HB 18-1331	660,000	660,000	0	0	0	0.9
HB 18-1332	2,000,000	2,000,000	0	0	0	0.0
TOTAL	\$130,169,580	\$28,884,667	\$74,869,641	\$21,116,438	\$5,298,834	96.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$130,169,580	\$28,884,667	\$74,869,641	\$21,116,438	\$5,298,834	96.6
Depreciation payments for higher education capital projects	2,271,303	2,271,303	0	0	0	0.0
Annualize prior year budget actions	186,133	66,176	41,291	78,666	0	0.0
Inflationary adjustment for Colorado Geological Survey	71,749	14,912	47,402	1,366	8,069	0.0
Indirect cost study	40,000	40,000	0	0	0	0.0
Centrally appropriated line items	4,568	0	0	4,568	0	0.0
Indirect cost adjustments	0	(140,901)	2,304	138,597	0	0.0
Annualize prior year legislation	(1,913,492)	(1,694,667)	0	(218,825)	0	(0.9)
Lease-purchase payment adjustments	(995,776)	(885,523)	630,760	(741,013)	0	0.0
SB 19-207	\$129,834,065	\$28,555,967	\$75,591,398	\$20,379,797	\$5,306,903	95.7
SB 19-003	623,969	623,969	0	0	0	1.4
SB 19-137	218,825	218,825	0	0	0	1.0
SB 19-190	1,217,787	1,217,787	0	0	0	0.9
HB 19-1006	1,000,000	1,000,000	0	0	0	0.0
TOTAL	\$132,894,646	\$31,616,548	\$75,591,398	\$20,379,797	\$5,306,903	99.0
INCREASE/(DECREASE)	\$2,725,066	\$2,731,881	\$721,757	(\$736,641)	\$8,069	2.4
Percentage Change	2.1%	9.5%	1.0%	(3.5%)	0.2%	2.5%

¹ Includes General Fund Exempt.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

DEPRECIATION PAYMENTS FOR HIGHER EDUCATION CAPITAL PROJECTS: Pursuant to Section 24-30-1310 (2)(b), C.R.S., the appropriation adds \$2,271,303 General Fund to the depreciation-lease equivalent payment line item for higher education projects funded with the General Fund, Capital Construction Fund, or Controlled Maintenance Trust Fund money on or after FY 2015-16. The amount due is based on a building's depreciation schedule. One percent of the project cost is credited to the Controlled Maintenance Trust Fund, and the balance is deposited to the Capital Construction Fund.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions. This includes adjustments to annualize FY 2018-19 salary survey and to annualize FY 2017-18 salary survey and merit pay appropriations which were omitted from the FY 2018-19

appropriation. Salary survey and merit pay are appropriated in the Department Administrative Office in the first year awarded and included in division-level appropriations in subsequent years.

INFLATIONARY ADJUSTMENT FOR THE COLORADO GEOLOGICAL SURVEY: The appropriation includes an increase of \$71,749 total funds, representing a 2.7 percent inflationary adjustment, for the Colorado Geological Survey at the Colorado School of Mines. The increase is intended to support inflationary increases in salaries and benefits.

INDIRECT COST STUDY: The appropriation includes \$40,000 General Fund for the Department to conduct a study of its indirect cost collection plan and determine whether additional adjustments are required.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$4,568 total funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INDIRECT COST ADJUSTMENTS: The appropriation includes adjustments related to indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation. This includes a reduction of \$2,000,000 General Fund to eliminate a one-time appropriation included in HB 18-1332 (Strategies for Educator Preparation Programs), a reduction of \$218,825 reappropriated funds and 1.0 FTE to eliminate time-limited support for the Colorado Student Leaders Institute Pilot authorized in S.B. 17-060, a reduction of \$156,116 General Fund to annualize H.B. 18-1309 (Partnership for Rural Education Preparation), and a reduction of \$39,428 General Fund to annualize H.B. 18-1226 (Review of Degree Programs), partially offset by an increase of \$500,877 General Fund and 0.1 FTE to annualize H.B. 18-1331 (Higher Education Open Educational Resources).

LEASE-PURCHASE PAYMENT ADJUSTMENTS: The appropriation includes annual technical adjustments to three lease purchase payments: the University of Colorado Health Sciences Center at Fitzsimons lease purchase authorized by H.B. 03-1256; the Higher Education Federal Mineral Lease Revenues lease purchase that supported the construction of various higher education capital construction projects in 2008; and the lease purchase for the new History Colorado Center authorized in 2008. These adjustments result in a reduction of \$885,523 General Fund, primarily due to increases in cash funds available to offset General Fund otherwise required.

LEASE-PURCHASE PAYMENT ADJUSTMENTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
HED FML COP adjustment	(\$992,026)	(\$741,013)	\$490,000	(\$741,013)	0.0
Anschutz Medical Center COP adjustment	(3,750)	(144,510)	140,760	0	0.0
TOTAL	(\$995,776)	(\$885,523)	\$630,760	(\$741,013)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

This division includes the state-funded financial aid programs, most of which are administered by the Colorado Commission on Higher Education. This division is supported by General Fund and, in some years, reappropriated funds from indirect cost recoveries.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$193,907,098	\$192,933,056	\$0	\$974,042	\$0	0.0
SB 18-262	3,154,375	3,154,375	0	0	0	0.0
HB 18-1002	530,448	530,448	0	0	0	0.5
TOTAL	\$197,591,921	\$196,617,879	\$0	\$974,042	\$0	0.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$197,591,921	\$196,617,879	\$0	\$974,042	\$0	0.5
Operating and financial aid adjustment for public colleges and universities	22,967,385	22,967,385	0	0	0	0.0
Fort Lewis College Native American tuition waiver	2,601,184	2,601,184	0	0	0	0.0
Indirect cost adjustments	0	653,782	0	(653,782)	0	0.0
Annualize prior year legislation	(3,156,781)	(3,156,781)	0	0	0	0.0
SB 19-207	\$220,003,709	\$219,683,449	0	\$320,260	0	0.5
SB 19-231	305,145	305,145	0	0	0	0.8
TOTAL	\$220,308,854	\$219,988,594	\$0	\$320,260	\$0	1.3
INCREASE/(DECREASE)	\$22,716,933	\$23,370,715	\$0	(\$653,782)	\$0	0.8
Percentage Change	11.5%	11.9%	n/a	(67.1%)	n/a	160.0%

¹ Includes General Fund Exempt.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education and financial aid. Among other adjustments, this includes an increase of \$22,967,385 for Need Based Grants, reflecting the statutory requirements that financial aid increase at the same rate as support for the governing boards.

FORT LEWIS COLLEGE NATIVE AMERICAN TUITION WAIVER: The appropriation includes an increase of \$2,601,184 General Fund for the Fort Lewis College Native American tuition waiver, bringing the total waiver payment to \$19,626,043 General Fund. Waiver payments are mandated by Section 23-52-105 (1)(b)(I), C.R.S., which requires the General Assembly to fund 100 percent of the tuition obligations for qualifying Native American students attending Fort Lewis College. Funding for the tuition waiver is made one year in arrears and is calculated based on the prior year enrollment estimates.

INDIRECT COST ADJUSTMENTS: The appropriation includes a decrease in the amount of indirect cost recoveries applied to offset the need for General Fund in this department.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. In this division, this includes a reduction of \$3,154,375 to eliminate one-time funding for financial aid included in S.B. 18-262 (Higher Education Master Plan Funding) and a reduction of \$2,406 General fund to annualize H.B. 18-1002 (Rural Teacher Fellowships).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COLLEGE OPPORTUNITY FUND PROGRAM

This section provides funding for student stipend payments for resident students attending state-operated higher education institutions and resident students attending certain private institutions located in the state, as well as fee-for-service contracts between the Commission and the institutions. For a summary of the impact of these changes by governing board, see the Governing Boards section.

COLLEGE OPPORTUNITY FUND PROGRAM						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$724,671,076	\$724,671,076	\$0	\$0	\$0	0.0
SB 18-086	5,100,000	5,100,000	0	0	0	0.0
SB 18-262	13,262,093	13,262,093	0	0	0	0.0
SB 19-207	0	0	0	0	0	0.0
TOTAL	\$743,033,169	\$743,033,169	\$0	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$743,033,169	\$743,033,169	\$0	\$0	\$0	0.0
Operating and financial aid adjustment for public colleges and universities	94,051,616	94,051,616	0	0	0	0.0
COF private stipend enrollment	89,890	89,890	0	0	0	0.0
General Fund Exempt adjustment	0	0	0	0	0	0.0
Annualize prior year legislation	(13,262,093)	(13,262,093)	0	0	0	0.0
SB 19-207	\$823,912,582	\$823,912,582	\$0	\$0	\$0	0.0
SB 19-176	105,000	105,000	0	0	0	0.0
HB 19-1202	100,317	100,317	0	0	0	0.0
HB 19-1264	250,000	250,000	0	0	0	0.0
HB 19-1294	15,000	15,000	0	0	0	0.0
TOTAL	\$824,382,899	\$824,382,899	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$81,349,730	\$81,349,730	\$0	\$0	\$0	0.0
Percentage Change	10.9%	10.9%	n/a	n/a	n/a	n/a

¹ Includes General Fund Exempt.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 modifies the FY 2018-19 appropriations to reduce appropriations from the General Fund by \$92,233,333 and increase appropriations from the General Fund Exempt account by the same amount.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education and financial aid. The appropriation includes: (1) an overall increase of \$97,722,026 (12.9 percent) for student stipends, fee-for-service contracts, and grants for the public governing boards; and (2) an increase of \$22,967,385 for financial aid. The appropriation also includes \$188,008 to align stipend amounts for students attending private institutions with stipends for students at the public institutions, as required by statute.

This section includes most of the increase for the governing boards, including an increase of \$51,950,485 General Fund for fee-for-service contracts with state institutions and an increase of \$41,913,122 General Fund for stipends for undergraduate resident students attending state institutions. The appropriation includes an increase in the stipend rate to \$94.00 per credit hour (\$2,820 for 30 credit hours) for an estimated 126,298 student FTE. The FY 2018-19 stipend rate was \$85.00, with \$2.0 of this amount provided on a one-time basis through S.B. 18-262.

Funding for fee-for-service contracts and stipends for students attending state institutions is reappropriated to the state higher education institutions in the Governing Boards section.

This section also includes the increase of \$188,009 General Fund for an increase in the stipend rate for eligible students attending private institutions from \$1,245 to \$1,410 for 30 credit hours.

COF PRIVATE STIPEND ENROLLMENT: The appropriation includes an increase of \$89,890 General Fund for projected increases in enrollment for students qualifying for the College Opportunity Fund (COF) stipend at certain private institutions. The COF stipend program allows Pell-eligible students at designated private higher educational institutions to receive a stipend at 50 percent of the rate provided for students at public institutions. An estimated 1,224 students will participate in the program in FY 2019-20.

GENERAL FUND EXEMPT ADJUSTMENT: The appropriation reduces the amount from the General Fund by \$12,400,000 and increases the amount from the General Fund Exempt account by the same amount.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. In this division, this includes a reduction of \$13,262,093 General Fund to eliminate one-time funding provided under S.B. 18-262 (Higher Education Master Plan Funding)

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

GOVERNING BOARDS

This division includes cash funds for the state-operated higher education institutions from tuition, tobacco settlement money, mandatory student fees, gaming funds, and other state cash funds. It also includes reappropriated funds for student stipend payments and fee-for-service contracts with the state governing boards. Amounts shown as reappropriated funds in this section are appropriated first as General Fund in the College Opportunity Fund Program section.

GOVERNING BOARDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS ¹	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,351,287,286	\$0	\$2,628,064,152	\$723,223,134	\$0	25,712.3
SB 18-086	5,100,000	0	0	5,100,000	0	0.0
SB 18-206	8,181,450	0	8,181,450	0	0	0.0
SB 18-262	13,227,203	0	0	13,227,203	0	0.0
HB 18-1003	750,000	0	750,000	0	0	0.0
SB 19-207	(4,763,417)	0	(4,763,417)	0	0	0.0
TOTAL	\$3,373,782,522	\$0	\$2,632,232,185	\$741,550,337	\$0	25,712.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,373,782,522	\$0	\$2,632,232,185	\$741,550,337	\$0	25,712.3
Operating and financial aid adjustment for public colleges and universities	93,863,609	0	0	93,863,609	0	0.0
Tuition spending authority	80,437,084	0	80,437,084	0	0	0.0
Student fee adjustments	8,655,140	0	8,655,140	0	0	0.0
Higher education limited gaming revenue	2,193,479	0	2,193,479	0	0	0.0
Tobacco Master Settlement Agreement revenue adjustment	307,913	0	307,913	0	0	0.0
Governing board FTE adjustments	0	0	0	0	0	148.3
Annualize prior year legislation	(14,477,203)	0	(1,250,000)	(13,227,203)	0	0.0

GOVERNING BOARDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS ¹	FEDERAL FUNDS	FTE
SB 19-207	\$3,544,762,544	\$0	\$2,722,575,801	\$822,186,743	\$0	25,860.6
SB 19-001	2,500,000	0	2,500,000	0	0	0.0
SB 19-176	105,000	0	0	105,000	0	1.0
SB 19-228	1,100,000	0	1,100,000	0	0	0.0
HB 19-1202	100,317	0	0	100,317	0	0.9
HB 19-1264	250,000	0	0	250,000	0	0.0
HB 19-1294	15,000	0	0	15,000	0	0.0
TOTAL	\$3,548,832,861	\$0	\$2,726,175,801	\$822,657,060	\$0	25,862.5
INCREASE/(DECREASE)	\$175,050,339	\$0	\$93,943,616	\$81,106,723	\$0	150.2
Percentage Change	5.2%	n/a	3.6%	10.9%	n/a	0.6%

¹ Reappropriated amounts in this section reflect General Fund amounts that are initially appropriated in the College Opportunity Fund Program section.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-207 includes adjustments to higher education tuition and fee revenue estimates for FY 2018-19 as reflected in the tables below. The total adjustment, a reduction of \$4,763,417, represents a variance of (0.2) percent from the original estimate of tuition and fee revenue.

FY 2018-19 REVISED TUITION REVENUE ESTIMATE			
	FY 2018-19 APPROPRIATION	FY 2018-19 REVISED FORECAST/APPROPRIATION	AMOUNT CHANGE
Adams State University	\$19,495,000	\$19,310,315	(\$184,685)
Colorado Mesa University	71,090,824	71,848,494	757,670
Metropolitan State University	113,949,031	112,664,652	(1,284,379)
Western Colorado University	19,095,358	18,859,870	(235,488)
Colorado State University System	474,624,870	480,482,538	5,857,668
Fort Lewis College	36,470,841	39,493,677	3,022,836
University of Colorado System	1,079,305,504	1,076,065,759	(3,239,745)
Colorado School of Mines	151,118,127	146,664,696	(4,453,431)
University of Northern Colorado	99,213,832	91,513,486	(7,700,346)
Community College System	270,395,914	275,882,906	5,486,992
TOTAL	\$2,334,759,301	\$2,332,786,393	(\$1,972,908)

FY 2018-19 REVISED MANDATORY FEE REVENUE ESTIMATE			
	FY 2018-19 APPROPRIATION	FY 2018-19 REVISED FORECAST/APPROPRIATION	AMOUNT CHANGE
Adams State University	\$5,921,735	\$5,694,094	(\$227,641)
Colorado Mesa University	5,557,261	5,577,647	20,386
Metropolitan State University	19,592,820	19,461,925	(130,895)
Western Colorado University	6,033,106	6,092,044	58,938
Colorado State University System	77,376,685	76,704,620	(672,065)
Fort Lewis College	5,578,254	5,733,497	155,243
University of Colorado System	92,192,437	90,808,047	(1,384,390)
Colorado School of Mines	15,053,276	14,704,556	(348,720)
University of Northern Colorado	20,768,704	20,389,223	(379,481)
Community College System	20,727,063	20,845,179	118,116
TOTAL	\$268,801,341	\$266,010,832	(\$2,790,509)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education (state governing boards, local district colleges, and area technical colleges) and financial aid. The appropriation includes: (1) an overall increase of \$97,722,026 (12.9 percent) for student stipends, fee-for-service contracts, and grants for

the public governing boards, allocated based on the H.B. 14-1319 funding model; and (2) an increase of \$22,967,385 for financial aid, reflecting the statutory requirements that financial aid increase at the same rate as support for the governing boards. The appropriation also includes \$188,008 to align stipend amounts for students attending private institutions with stipends for students at the public institutions, as required by statute.

Of the total, \$93,863,608 for the state-operated governing boards (**Subtotal - State Boards in the table**) is reappropriated in this section of the Long Bill.

GENERAL FUND APPROPRIATIONS AND CHANGES BY CATEGORY AND GOVERNING BOARD FY 2018-19 TO FY 2019-20				
GOVERNING BOARDS/INSTITUTIONS ¹	FY 2018-19 ADJUSTED BASE APPROPRIATION	FY 2019-20 LONG BILL	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$15,294,223	\$17,280,257	\$1,986,034	12.99%
Colorado Mesa University	28,732,752	32,484,959	3,752,207	13.06%
Metropolitan State University of Denver	56,785,329	63,969,142	7,183,813	12.65%
Western Colorado University	13,501,710	15,235,379	1,733,669	12.84%
Colorado State University System	152,751,802	172,028,219	19,276,417	12.62%
Fort Lewis College	12,521,493	14,136,437	1,614,944	12.90%
University of Colorado System	216,039,212	244,273,926	28,234,714	13.07%
Colorado School of Mines	22,396,891	25,371,265	2,974,374	13.28%
University of Northern Colorado	41,822,358	47,079,464	5,257,106	12.57%
Community College System	168,477,365	190,327,695	21,850,330	12.97%
Subtotal - State Boards (this section)	\$728,323,135	\$822,186,743	\$93,863,608	12.89%
Colorado Mountain College	7,974,578	9,010,042	1,035,464	12.98%
Aims Community College	9,429,415	10,653,783	1,224,368	12.98%
Area Technical Colleges	12,311,435	13,910,021	1,598,586	12.98%
Subtotal - Governing Boards/Institutions	\$758,038,563	\$855,760,589	\$97,722,026	12.89%
Need Based Grants (total funds) ²	140,347,061	163,314,446	22,967,385	16.36%
Other: Private COF stipends	1,447,941	1,635,949	188,008	12.98%
TOTAL	\$899,833,565	\$1,020,710,984	\$120,877,419	13.43%

¹ Includes College Opportunity Fund stipends, fee-for-service contracts, and grants to local district colleges and area technical colleges.

² Statute requires a proportionate increase for financial aid on a base that includes other components, in addition to Need Based Grants.

The allocation of funds among the state governing boards was produced by the H.B. 14-1319 funding model but reflects an effort to provide each board with an approximately equal percentage increase in funding. For additional information on the total appropriations by governing board and the higher education funding model, see Factors Driving the Budget for the Department of Higher Education in Part II of this report.

TUITION SPENDING AUTHORITY: The appropriation includes an increase of \$80,437,084 cash funds spending authority for state public institutions' tuition revenue for FY 2019-20. The spending authority is based on the assumption that undergraduate resident tuition revenue will be held flat, except at Metropolitan State University of Denver, where a 3.0 percent rate increase is assumed. No limitations are assumed on tuition rates for graduate and nonresident students. The tables below show the total change and the FY 2019-20 amounts including estimates of resident and non-resident tuition, enrollment, and weighted tuition per full-time-equivalent student.

FY 2019-20 TUITION REVENUE ESTIMATE				
	FY 2018-19 REVISED FORECAST	FY 2019-20 FORECAST	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$19,310,315	\$20,230,385	\$920,070	4.8%
Colorado Mesa University	71,848,494	73,257,086	1,408,592	2.0%
Metropolitan State University	112,664,652	114,596,033	1,931,381	1.7%
Western Colorado University	18,859,870	19,363,743	503,873	2.7%
Colorado State University System	480,482,538	501,157,843	20,675,305	4.3%
Ft. Lewis College	39,493,677	41,545,266	2,051,589	5.2%
University of Colorado System	1,084,247,209	1,133,343,699	49,096,490	4.5%

FY 2019-20 TUITION REVENUE ESTIMATE				
	FY 2018-19 REVISED FORECAST	FY 2019-20 FORECAST	AMOUNT CHANGE	PERCENTAGE CHANGE
Colorado School of Mines	146,664,696	152,799,763	6,135,067	4.2%
University of Northern Colorado	91,513,486	91,859,771	346,285	0.4%
Community College System	275,882,906	273,251,338	(2,631,568)	-1.0%
TOTAL	\$2,340,967,843	\$2,421,404,927	\$80,437,084	3.4%

FY 2019-20 ESTIMATED RESIDENT AND NON-RESIDENT TUITION, ENROLLMENT, AND TUITION PER FULL TIME EQUIVALENT (FTE) STUDENT						
	RESIDENT TUITION	RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER RESIDENT STUDENT FTE	NON- RESIDENT TUITION	NON- RESIDENT STUDENT FTE	WEIGHTED AVG. TUITION PER NON-RESIDENT STUDENT FTE
Adams State University	\$11,351,694	1,735.3	\$6,542	\$8,878,691	785.1	\$11,309
Colorado Mesa University	58,764,831	6,584.1	8,925	14,492,255	1,379.5	10,506
Metropolitan State University	104,767,792	14,394.0	7,279	9,828,241	556.0	17,677
Western Colorado Univ.	8,767,756	1,523.3	5,756	10,595,987	646.7	16,384
Colorado State University System	233,680,469	19,174.2	12,187	267,477,374	8,489.4	31,507
Fort Lewis College	9,747,790	1,431.0	6,812	31,797,476	1,586.0	20,049
University of Colorado System	522,287,590	42,856.0	12,187	611,056,109	17,843.5	34,245
Colorado School of Mines	55,934,480	3,416.0	16,374	96,865,283	2,676.6	36,190
University of Northern Colorado	63,476,297	6,965.3	9,113	28,383,474	1,457.1	19,479
Community College System	236,596,094	45,776.8	5,168	36,655,244	2,798.1	13,100
TOTAL	\$1,305,374,793	143,856.0	\$9,074	\$1,116,030,134	38,218.0	\$29,202

ENROLLMENT PROJECTIONS

Tuition and fee projections are based on enrollment estimates. The tables below compare FY 2018-19 (revised) and FY 2019-20 enrollment projections.

TOTAL STUDENT FTE ENROLLMENT (INCLUDES RESIDENTS AND NONRESIDENTS)			
	FY 2018-19 TOTAL SFTE FORECAST (REVISED)	FY 2019-20 TOTAL SFTE FORECAST	PERCENTAGE CHANGE
Adams State University	2,427.7	2,520.3	3.8%
Colorado Mesa University	7,884.7	7,963.6	1.0%
Metropolitan State University	15,100.4	14,950.0	(1.0%)
Western State Colorado University	2,170.1	2,170.0	0.0%
Colorado State University System	27,439.6	27,663.6	0.8%
Ft. Lewis College	2,994.0	3,017.0	0.8%
University of Colorado System	59,735.5	60,699.5	1.6%
Colorado School of Mines	5,998.6	6,092.6	1.6%
University of Northern Colorado	8,653.9	8,422.4	(2.7%)
Community College System	49,052.5	48,574.8	(1.0%)
TOTAL	181,457.0	182,073.8	0.3%

RESIDENT STUDENT ENROLLMENT			
	FY 2019-19 RESIDENT SFTE FORECAST	FY 2019-20 RESIDENT SFTE FORECAST	PERCENTAGE CHANGE
Adams State University	1,685.6	1,735.3	2.9%
Colorado Mesa University	6,518.9	6,584.1	1.0%
Metropolitan State University	14,539.0	14,394.0	(1.0%)
Western State Colorado University	1,523.3	1,523.3	0.0%
Colorado State University System	19,412.2	19,174.2	(1.2%)
Ft. Lewis College	1,439.0	1,431.0	(0.6%)
University of Colorado System	42,128.1	42,856.0	1.7%
Colorado School of Mines	3,393.0	3,416.0	0.7%
University of Northern Colorado	7,231.2	6,965.3	(3.7%)

RESIDENT STUDENT ENROLLMENT			
	FY 2019-19 RESIDENT SFTE FORECAST	FY 2019-20 RESIDENT SFTE FORECAST	PERCENTAGE CHANGE
Community College System	46,210.6	45,776.8	(0.9%)
TOTAL	144,080.9	143,856.0	(0.2%)

STUDENT VERSUS INSTITUTIONAL PERSPECTIVE ON COSTS AND REVENUE

Student perspective – tuition and fees: The table below shows the impact of these changes on the sum of weighted average resident student tuition and estimated mandatory fees, if institutions increase tuition at the current estimated levels (incorporates maximum allowed by caps on resident undergraduates) and increase mandatory fees consistent with projections.

RESIDENT STUDENT WEIGHTED AVERAGE TUITION AND FEES FY 2018-19 AND FY 2019-20				
	FY 2018-19	FY 2019-20	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$8,822	\$8,801	(\$21)	(0.2%)
Colorado Mesa University	9,633	9,675	42	0.4%
Metropolitan State University	8,355	8,896	541	6.5%
Western State Colorado University	8,563	8,820	257	3.0%
Colorado State University System	14,922	15,027	105	0.7%
Fort Lewis College	8,727	8,535	(192)	(2.2%)
University of Colorado System	13,468	13,707	239	1.8%
Colorado School of Mines	18,826	18,906	80	0.4%
University of Northern Colorado	11,291	11,443	152	1.3%
Community College System	5,593	5,603	9	0.2%

Institutional perspective – revenue: The table below shows the impact of all changes in 2019 session legislation on total institutional revenue including General Fund, other state support (e.g. gaming revenue), resident and non-resident tuition, and anticipated fee revenue increases.

CHANGE IN TOTAL PROJECTED INSTITUTIONAL REVENUE				
	FY 2018-19	FY 2019-20	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$40,864,939	\$43,220,403	\$2,355,464	5.8%
Colorado Mesa University	107,333,688	112,290,543	4,956,855	4.6%
Metropolitan State University	190,470,560	202,744,885	12,274,325	6.4%
Western Colorado University	38,995,262	41,248,040	2,252,778	5.8%
Colorado State University System	712,045,230	752,086,999	40,041,769	5.6%
Fort Lewis College	58,280,270	60,880,637	2,600,367	4.5%
University of Colorado System	1,409,510,275	1,488,513,728	79,003,453	5.6%
Colorado School of Mines	184,242,745	193,594,366	9,351,621	5.1%
University of Northern Colorado	154,395,435	158,563,300	4,167,865	2.7%
Community College System	477,644,118	495,689,960	18,045,842	3.8%
TOTAL	\$3,373,782,522	\$3,548,832,861	\$175,050,339	5.2%

STUDENT FEE ADJUSTMENTS: The appropriation includes an increase of \$8,655,140 for the projected increase in mandatory student fee revenue. Mandatory higher education fees are shown for informational purposes only.

FY 2019-20 FEE REVENUE ESTIMATE - MANDATORY FEES				
	FY 2018-19 ADJUSTED ESTIMATE	FY 2019-20 ESTIMATE	AMOUNT CHANGE	PERCENTAGE CHANGE
Adams State University	\$5,694,094	\$5,694,094	\$0	n/a
Colorado Mesa University	5,577,647	5,971,429	393,782	7.1%
Metropolitan State University	19,461,925	24,179,710	4,717,785	24.2%
Western Colorado University	6,092,044	6,648,918	556,874	9.1%

FY 2019-20 FEE REVENUE ESTIMATE - MANDATORY FEES

	FY 2018-19 ADJUSTED ESTIMATE	FY 2019-20 ESTIMATE	AMOUNT CHANGE	PERCENTAGE CHANGE
Colorado State University System	76,704,620	78,550,620	1,846,000	2.4%
Ft. Lewis College	5,733,497	5,198,934	(534,563)	(9.3%)
University of Colorado System	90,808,047	92,288,191	1,480,144	1.6%
Colorado School of Mines	14,704,556	15,423,338	718,782	4.9%
University of Northern Colorado	20,389,223	19,624,065	(765,158)	(3.8%)
Community College System	20,845,179	21,086,674	241,495	1.2%
TOTAL	\$266,010,832	\$274,665,973	\$8,655,141	3.3%

Estimated mandatory fee revenue per student FTE is reflected in the table below. Fees are typically the same for resident and non-resident students.

FY 2019-20 ESTIMATED MANDATORY FEES PER STUDENT FTE

	FEE REVENUE	TOTAL STUDENT FTE	WEIGHTED AVG. MANDATORY FEE REVENUE PER STUDENT FTE
Adams State University	\$5,694,094	2,520.3	\$2,259
Colorado Mesa University	5,971,429	7,963.6	750
Metropolitan State University	24,179,710	14,950.0	1,617
Western State Colorado University	6,648,918	2,170.0	3,064
Colorado State University System	78,550,620	27,663.6	2,839
Ft. Lewis College	5,198,934	3,017.0	1,723
University of Colorado System	92,288,191	60,699.5	1,520
Colorado School of Mines	15,423,338	6,092.6	2,531
University of Northern Colorado	19,624,065	8,422.4	2,330
Community College System	21,086,674	48,574.8	434
TOTAL	\$274,665,973	182,073.8	\$1,509

HIGHER EDUCATION LIMITED GAMING REVENUE: The appropriation reflects the increase in limited gaming revenue distributed to institutions with a two-year mission, pursuant to state Constitutional provisions. Limited gaming distributions are shown for informational purposes only. Amounts in the Long Bill are based on the most recent actual data available (FY 2017-18 for the FY 2019-20 Long Bill).

HIGHER EDUCATION LIMITED GAMING REVENUE

AMENDMENT 50 LIMITED GAMING	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	INCREASE INCLUDED IN FY 2019-20 LONG BILL
<u>State Institutions</u>			
State Community College System	\$8,843,987	\$10,904,253	\$2,060,266
Adams State University	26,169	15,667	(10,502)
Colorado Mesa University	433,354	577,069	143,715
Subtotal - State Boards (this Section)	\$9,303,510	\$11,496,989	\$2,193,479
<u>Local District Colleges</u>			
Aims Community College	633,284	712,850	79,566
Colorado Mountain College	530,702	846,020	315,318
TOTAL	\$10,467,496	\$13,055,859	\$2,588,363

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The appropriation includes an increase of \$307,913 cash funds for the projected increase in revenue to the Tobacco Settlement Health Education Fund appropriated to the Regents of the University of Colorado for programs on the medical campus.

GOVERNING BOARD FTE ADJUSTMENTS: The appropriation includes a net increase of 148.7 FTE for the governing boards, including 148.3 reflected in the Governing Boards section and 0.4 FTE in the Auraria Higher

Education Center appropriation. These employee FTE positions are shown for informational purposes only and are based on the estimated number of FY 2018-19 FTE who are paid through state institutions' educational and general budgets (amounts included in the Long Bill).

GOVERNING BOARD EMPLOYEE FTE				
	FY 2018-19 (FY 2017-18 ESTIMATES)	FY 2019-20 (FY 2018-19 ESTIMATES)	CHANGE	
			AMOUNT	PERCENTAGE
Adams State University	328.6	315.7	(12.9)	(3.9%)
Colorado Mesa University	770.2	764.4	(5.8)	(0.8%)
Metropolitan State University	1,433.5	1,373.8	(59.7)	(4.2%)
Western Colorado University	265.0	273.2	8.2	3.1%
Colorado State University System	4,861.3	4,957.5	96.2	2.0%
Fort Lewis College	462.3	425.7	(36.6)	(7.9%)
University of Colorado System	9,171.4	9,471.3	299.9	3.3%
Colorado School of Mines	1,008.4	1,078.4	70.0	6.9%
University of Northern Colorado	1,360.7	1,370.2	9.5	0.7%
Community College System	6,050.9	5,830.4	(220.5)	(3.6%)
Auraria Higher Education Center	188.1	188.5	0.4	0.2%
TOTAL	25,900.4	26,049.1	148.7	0.6%

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second- and third-year impact of prior year legislation. In this division, this includes eliminating \$13,227,203 reappropriated funds that were provided one-time only pursuant to S.B. 18-262 (HED Master Plan Funding), a reduction of \$500,000 cash funds to eliminate temporary funding authorized pursuant to S.B. 17-074 (Medication-assisted Treatment program) and a reduction of \$750,000 cash funds to eliminate temporary funding provided pursuant to H.B. 18-1003 (Opioid Treatment).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.

This section subsidizes the operations of the state's two local district colleges: Aims Community College and Colorado Mountain College. These two institutions have special property tax districts that support their operations and governing boards that are independent from state-operated governing board systems. Students from the special property tax districts pay discounted tuition rates. The source of cash funds is limited gaming money.

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS ¹	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$18,567,979	\$17,403,993	\$1,163,986	\$0	\$0	0.0
SB 18-262	330,557	330,557	0	0	0	0.0
TOTAL	\$18,898,536	\$17,734,550	\$1,163,986	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$18,898,536	\$17,734,550	\$1,163,986	\$0	\$0	0.0
Operating and financial aid adjustment for public colleges and universities	2,259,832	2,259,832	0	0	0	0.0
Higher education limited gaming revenue	394,884	0	394,884	0	0	0.0
Annualize prior year legislation	(330,557)	(330,557)	0	0	0	0.0
SB 19-207	\$21,222,695	\$19,663,825	\$1,558,870	\$0	\$0	0.0
TOTAL	\$21,222,695	\$19,663,825	\$1,558,870	\$0	\$0	0.0

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS ¹	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$2,324,159	\$1,929,275	\$394,884	\$0	\$0	0.0
Percentage Change	12.3%	10.9%	33.9%	n/a	n/a	n/a

¹Includes General Fund Exempt.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education and financial aid. This includes an increase of \$2,259,832 General Fund for Colorado Mountain College and Aims Community College to align with the overall increase provided for the other governing boards. For additional information, see the Governing Boards section

HIGHER EDUCATION LIMITED GAMING REVENUE: The appropriation reflects the increase in limited gaming revenue distributed to institutions with a two-year mission, pursuant to state Constitutional provisions. This includes Colorado Mountain College and Aims Community College. Limited gaming distributions are shown for informational purposes only. For additional information, see the Governing Boards section

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. In this division, this includes eliminating one-time appropriations provided pursuant to S.B. 18-262 (HED Master Plan Funding).

DIVISION OF OCCUPATIONAL EDUCATION

This division supervises and administers state occupational education programs and approves the allocation and distribution of state and federal vocational education funds to the community colleges, local district colleges, area technical colleges, secondary school districts, and any other appropriate state and local educational agencies or institutions. This division also coordinates resources available for the promotion of job development, job training, and job retraining in the state. The primary source of reappropriated funds is a transfer from the Department of Education for career and technical education, but there is also a smaller transfer from the Governor's Office for training related to economic development, as well as indirect cost recoveries. The federal funds are from grants from the Carl D. Perkins Vocational and Technical Education Act and miscellaneous smaller grants.

DIVISION OF OCCUPATIONAL EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$59,960,692	\$12,311,435	\$0	\$32,075,279	\$15,573,978	32.0
TOTAL	\$59,960,692	\$12,311,435	\$0	\$32,075,279	\$15,573,978	32.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$59,960,692	\$12,311,435	\$0	\$32,075,279	\$15,573,978	32.0
Informational funds adjustment for occupational education programs	3,291,941	0	0	0	3,291,941	0.0
Operating and financial aid adjustment for public colleges and universities	1,598,586	1,598,586	0	0	0	0.0
State Assistance for Career and Technical Education adjustment	563,044	0	0	563,044	0	0.0
Occupational Education Perkins increase	62,309	0	0	62,309	0	0.0
SB 19-207	\$65,476,572	\$13,910,021	\$0	\$32,700,632	\$18,865,919	32.0
TOTAL	\$65,476,572	\$13,910,021	\$0	\$32,700,632	\$18,865,919	32.0

DIVISION OF OCCUPATIONAL EDUCATION						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$5,515,880	\$1,598,586	\$0	\$625,353	\$3,291,941	0.0
Percentage Change	9.2%	13.0%	n/a	1.9%	21.1%	0.0%

¹ Includes General Fund Exempt.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INFORMATIONAL FUNDS ADJUSTMENT FOR OCCUPATIONAL EDUCATION PROGRAMS: The appropriation includes an increase of \$3,291,941 federal funds to reflect anticipated increases in federal funding for the Carl D. Perkins Vocational and Technical Education Act.

OPERATING AND FINANCIAL AID ADJUSTMENT FOR PUBLIC COLLEGES AND UNIVERSITIES: The appropriation includes an increase of \$120,877,419 General Fund allocated among public institutions of higher education and financial aid. This section includes an increase for the area technical colleges to align with the overall increase provided for the other governing boards. For additional information, see the Governing Boards section.

STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION ADJUSTMENT: The appropriation includes an increase of \$563,044 reappropriated funds from the Department of Education for the State Assistance for Career and Technical Education line item. This aligns with the increase for this categorical program in the Department of Education.

OCCUPATIONAL EDUCATION PERKINS INCREASE: The appropriation includes \$62,309 reappropriated funds from indirect cost collections for the Division of Occupational Education Administrative Costs line item to provide the federally required state match associated with increased federal funding for the Perkins Grant.

AURARIA HIGHER EDUCATION CENTER

Established by statute in 1974, the Auraria Higher Education Center (AHEC) is governed by a Board of Directors who oversee the centralized operations of the campus located in Denver. AHEC houses and provides common services to the Community College of Denver, Metropolitan State University of Denver, and the University of Colorado at Denver and Health Sciences Center. Reappropriated funds in this section are from the governing boards located on the campus.

AURARIA HIGHER EDUCATION CENTER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$22,567,834	\$0	\$0	\$22,567,834	\$0	188.1
TOTAL	\$22,567,834	\$0	\$0	\$22,567,834	\$0	188.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$22,567,834	\$0	\$0	\$22,567,834	\$0	188.1
Auraria Higher Education Center	902,713	0	0	902,713	0	0.0
Governing board FTE adjustments	0	0	0	0	0	0.4
SB 19-207	\$23,470,547	\$0	\$0	\$23,470,547	\$0	188.5
TOTAL	\$23,470,547	\$0	\$0	\$23,470,547	\$0	188.5
INCREASE/(DECREASE)	\$902,713	\$0	\$0	\$902,713	\$0	0.4
Percentage Change	4.0%	n/a	n/a	4.0%	n/a	0.2%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

AURARIA HIGHER EDUCATION CENTER: The appropriation increases spending authority for the Auraria Higher Education Center by \$902,713 reappropriated funds for amounts received from the institutions operating on the Auraria campus (University of Colorado – Denver, Metropolitan State University of Denver, and the Community College of Denver).

GOVERNING BOARD FTE ADJUSTMENTS: The appropriation includes an increase of 0.4 FTE for the Auraria Higher Education Center. These employee FTE positions are shown for informational purposes only and are based on the estimated number of FY 2018-19 FTE who are paid through state institutions' educational and general budgets (amounts included in the Long Bill).

HISTORY COLORADO

History Colorado, founded in 1879, is an educational institution of the State and acts as trustee for the State in collecting, preserving, exhibiting, and interpreting collections and properties of state historical significance. History Colorado maintains museums and historical sites throughout Colorado and provides assistance to local and regional historical societies and museums. It also distributes gaming revenue to gaming cities and operates a state-wide grant program for historic preservation. Cash funds in this section are primarily from limited gaming funds deposited in the State Historical Fund. Additional sources include cash funds from museum fees, memberships, and other revenue-generating activities and, for informational purposes, support from the State of New Mexico for the Cumbres and Toltec Railroad.

HISTORY COLORADO						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$31,981,340	\$2,720,710	\$28,188,003	\$97,283	\$975,344	120.5
SB 19-207	0	0	0	0	0	0.0
TOTAL	\$31,981,340	\$2,720,710	\$28,188,003	\$97,283	\$975,344	120.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$31,981,340	\$2,720,710	\$28,188,003	\$97,283	\$975,344	120.5
Cumbres and Toltec Scenic Railroad	1,162,500	1,162,500	0	0	0	0.0
History Colorado informational funds	716,000	0	716,000	0	0	0.0
Community museum connectivity project	129,249	29,249	100,000	0	0	0.0
Annualize prior year budget actions	(889,179)	(1,082,261)	187,693	0	5,389	0.0
Lease-purchase payment adjustments	(317)	0	(317)	0	0	0.0
SB 19-207	\$33,099,593	\$2,830,198	\$29,191,379	\$97,283	\$980,733	120.5
TOTAL	\$33,099,593	\$2,830,198	\$29,191,379	\$97,283	\$980,733	120.5
INCREASE/(DECREASE)	\$1,118,253	\$109,488	\$1,003,376	\$0	\$5,389	0.0
Percentage Change	3.5%	4.0%	3.6%	0.0%	0.6%	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

House Bill 19-207 adds a footnote in History Colorado allowing up to \$329,833 General Fund appropriated for community museums in FY 2018-19, if not expended by June 30, 2019, to be rolled forward for expenditure in FY 2019-20.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CUMBRES AND TOLTEC SCENIC RAILROAD: The appropriation includes \$1,162,500 General Fund to support ongoing capital improvements and an inflationary adjustment for operating expenses for the railroad.

HISTORY COLORADO INFORMATIONAL FUNDS: The appropriation includes adjustments for amounts in History Colorado that are shown for informational purposes only. This includes an increase of \$616,000 cash funds for an anticipated increase in New Mexico's contributions for the capital and operating expenses of the Cumbres and Toltec Scenic Railroad and \$100,000 for an anticipated increase in State Historical Fund money (limited gaming revenue) distributed for historic preservation projects in Central City, Black Hawk, and Cripple Creek.

COMMUNITY MUSEUM CONNECTIVITY PROJECT: The appropriation includes \$129,249 total funds, including \$29,249 General Fund and \$100,000 cash funds, for additional costs associated with implementing effective wi-fi connectivity at the History Colorado community museums.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second- and third-year impact of prior year budget actions. In this division, this includes a reduction of \$1,092,500 General Fund to annualize prior year appropriations for capital improvements for the Cumbres and Toltec railroad. It also includes adjustments to annualize FY 2018-19 salary survey funding. Salary survey is appropriated in the Department Administrative Office in the first year awarded and included in division-level appropriations in subsequent years.

LEASE-PURCHASE PAYMENT ADJUSTMENTS: The appropriation includes an adjustment for the annual lease-purchase payment for the History Colorado Center.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-085 (FINANCIAL INCENTIVES FOR EDUCATION IN RURAL AREAS): Expands stipends for teachers in rural school districts who are seeking certification as a national board certified teacher or concurrent enrollment teacher. Increases the number of stipends from 20 to 60 and makes other modifications to the program. Stipends may not exceed \$6,000 per teacher, and teachers who accept the stipend must commit to teaching in a rural area for a total of three years. Provides an appropriation of \$240,000 cash funds from the State Education Fund to the Department of Education in FY 2018-19, and provides an appropriation of \$240,000 reappropriated funds to the Department of Higher Education from the amount appropriated to the Department of Education. The same level of funding is anticipated to be required in future years.

S.B. 18-086 (CYBER CODING CRYPTOLOGY FOR STATE RECORDS): Requires the state's Chief Information Security Officer to annually identify, assess, and mitigate cyber threats to the State. Includes various provisions to promote security of state data and Colorado's role as a center for cybersecurity research, development, and training. Among other provisions, appropriates \$5,100,000 General Fund to the Department of Higher Education in FY 2018-19 for allocation to higher education governing boards participating in activities related to cybersecurity and distributed ledger technologies as follows: Colorado Mesa University - \$300,000; Metropolitan State University of Denver - \$300,000; Western State Colorado University - \$200,000; Colorado State University System - \$1,200,000; University of Colorado System - \$2,800,000; Community College System - \$300,000. General Fund appropriations are first appropriated to the College Opportunity Fund Program and are then reappropriated to the individual governing boards for fee-for-service contracts, resulting in a matching increase of \$5,100,000 reappropriated funds.

Requires that specified percentages of these appropriations for higher education institutions be used for scholarships for students who are doing work in connection with cybersecurity and distributed ledger technologies. Requires a report from the Department of Higher Education, in collaboration with the governing boards, on the use of this additional funding to expand faculty, student internships, degrees awarded, seminars, and matching funding related to cybersecurity research and training above the April 2018 baseline. The report must be provided to the Joint Budget Committee and other specified legislative committees on or before October 1, 2019 and must be presented in annual SMART Act legislative hearings. Requires the Department and funding recipients to provide recommendations at SMART Act hearings in 2021 and every three years thereafter on whether the funding should be continued. For additional information, see the “Recent Legislation” section at the end of Part III for the Governor-Lieutenant Governor-State Planning and Budgeting.

S.B. 18-206 (RESEARCH INSTITUTIONS AFFORDABILITY FOR RESIDENTS/INCREASE NON-RESIDENT ENROLLMENT): Reduces the percentage of students enrolled at the state’s research institutions (University of Colorado System, Colorado State University System, Colorado School of Mines, and University of Northern Colorado) who must be Colorado resident (“in-state”) students. Requires that not less than fifty-five percent (rather than two-thirds) of enrollment at the research institutions be in-state resident students, after excluding foreign student and students enrolled in online courses. Makes other changes to formula calculations concerning resident/nonresident student ratios. Requires the Department of Higher Education submit an annual report to the Joint Budget Committee and the legislative Education Committees, beginning October 15, 2018, that provides nominal data for each institution in each affected student category and provides calculations demonstrating the institution’s compliance with the statute. Requires this data be consistently included in the State’s student records database. Provides an appropriation of \$8,181,450 cash funds from tuition to the University of Colorado for FY 2018-19 based on the additional nonresident tuition revenue anticipated to be received as a result of the statutory change.

S.B. 18-262 (HIGHER ED TARGETED MASTER PLAN FUNDING): Appropriates \$16.7 million additional General Fund for higher education institutions and financial aid for FY 2018-19. This funding is allocated based on existing statute and the funding model included in the FY 2018-19 Long Bill, with specified exceptions that allow a portion of amounts that would otherwise be allocated to the University of Colorado and Colorado State University systems to be allocated to the other governing boards.

S.B. 18-262 FY 2018-19 HIGHER EDUCATION GENERAL FUND APPROPRIATIONS	
GOVERNING BOARDS	
Adams State University	\$540,138
Colorado Mesa University	741,441
Metropolitan State University of Denver	1,558,654
Western State Colorado University	541,638
Colorado State University System	2,106,270
Fort Lewis College	531,603
University of Colorado System	2,465,807
Colorado School of Mines	476,602
University of Northern Colorado	670,368
Community College System	3,594,682
Colorado Mountain College	144,670
Aims Community College	185,887
Area technical colleges	0
SUBTOTAL - GOVERNING BOARDS¹	\$13,557,760
FINANCIAL AID/OTHER	
Need-based grants	\$1,654,375
Colorado Opportunity Scholarship Initiative	1,500,000
Student stipends - private institutions	34,890
SUBTOTAL - FINANCIAL AID/OTHER	\$3,189,265

S.B. 18-262 FY 2018-19 HIGHER EDUCATION
GENERAL FUND APPROPRIATIONS

TOTAL	\$16,747,025
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¹Amounts allocated to governing boards other than Colorado Mountain College, Aims Community College, and the Area Technical Colleges are appropriated first to the College Opportunity Fund Program in the Department and are then reappropriated as student stipends and fee-for-service contracts to the governing boards.

Includes appropriations of \$13,227,203 reappropriated funds, since General Fund appropriations for most of the governing boards are first appropriated to the College Opportunity Fund program and are then reappropriated to the individual governing boards for student stipends and fee-for-service contracts.

H.B. 18-1002 (RURAL SCHOOL DISTRICT TEACHING FELLOWSHIP PROGRAMS): Creates a teaching fellowship program for rural local education providers and institutions of higher education that offer a teacher preparation program. Authorizes up to 100 one-year fellowships that are designed by participating rural education providers and institutions of higher education to meet the needs of the rural education provider and the higher education student who receives the teaching fellowship. Teaching fellows receive a \$10,000 stipend, in addition to any other financial assistance available to the fellow. Stipends are funded 50 percent by the participating institution of higher education and 50 percent from state support. The education provider commits to extending an offer of employment to students who successfully complete a fellowship, and students receiving a job offer commit to two full years of employment or repaying their fellowship stipend. Requires reporting from participating institutions and an annual report from the Department of Higher Education to the Joint Budget Committee, Education Committees, the State Board of Education, and the Colorado Commission on Higher Education. Includes an appropriation of \$530,448 General Fund and 0.5 FTE to the Department of Higher Education for FY 2018-19. A similar funding level anticipated in subsequent years.

H.B. 18-1003 (OPIOID MISUSE PREVENTION): Implements several policies related to the prevention of opioid and substance misuse and allocates \$2,489,249 total funds in FY 2018-19, including \$750,000 Marijuana Tax Cash Fund, to the University of Colorado for the Center for Research Into Substance Use Disorder Prevention, Treatment, and Recovery to develop and implement continuing medical education activities for prescribers of pain medication. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

H.B. 18-1226 (HIGHER ED REVIEW DEGREE PROGRAM COSTS AND OUTCOMES): Requires the Department of Higher Education prepare a return on investment report on undergraduate degree and certificate programs offered by state institutions of higher education. The report is due on or before July 31, 2019 and each July 31 thereafter. Provides an appropriation of \$74,153 General Fund to the Department of Higher Education. This is expected to annualize to \$34,250 General Fund and 0.5 FTE in FY 2019-20.

H.B. 18-1309 (PROGRAMS ADDRESSING EDUCATOR SHORTAGES): Includes various provisions to address educator shortages, including establishing new “grow your own educator” and “teacher of record” programs in the Department of Education. Among other provisions, creates a Partnership for Rural Education Preparation at the University of Colorado-Denver (UCD) to collaborate with other institutions on solutions to the rural teacher shortage. Includes an appropriation of \$156,116 General Fund to the Department of Higher Education for allocation to the University of Colorado for the Partnership for Rural Education Preparation program. This amount is expected to support one staff member at UCD for the two-year period from FY 2018-19 through FY 2019-20. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Education.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

H.B. 18-1331 (HIGHER ED OPEN EDUCATIONAL RESOURCES): Creates the Colorado Open Educational Resources (OER) Council and grant program in the Department of Higher Education (DHE). Open educational resources are high-quality teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits their free use and repurposing by others. Establishes requirements for appointments to the Council by the Executive Director of DHE and the Commissioner of Education. Council responsibilities include:

- Recommending statewide policies for promoting adaptation, creation, and use of OER at Colorado public institutions of higher education;
- Facilitating professional development and sharing of knowledge about OER;
- Implementing the OER grant program that is created in the bill; and
- Submitting an annual report to the Colorado Commission on Higher Education and the General Assembly on the use of OER and the impact of the grant program.

The OER grant program provides grants to public institutions of higher education to promote the use of OER at the institutions and to faculty and staff, individually or in groups, to create and adapt open educational resources. The bill also directs the Colorado Commission on Higher Education to adopt guidelines to require public institutions of higher education to ensure that, beginning in the fall of 2021, students are informed prior to course registration concerning which courses and sections use OER or other low-cost materials. Provides a General Fund appropriation of \$660,000 and 0.9 FTE for FY 2018-19 that is expected to increase to \$1,160,877 for FY 2019-20 and a similar amount in FY 2020-21. The Council and grant program are repealed effective November 1, 2021.

H.B. 18-1332 (COLLABORATIVE EDUCATOR PREPARATION PROGRAM GRANTS): Creates the Collaborative Educator Preparation Grant Program (grant program) in the Department to support educator preparation initiatives implemented through partnerships between educator preparation programs and local education providers (LEPs). Educator preparation programs include those offered by institutions of higher education or through alternative teacher programs. Requires the Department, in collaboration with the rural education coordinator, to convene meetings between LEPs and educator preparation programs to assist them in developing joint proposals for teacher preparation initiatives, e.g., teacher residency programs or technology to support long-distance supervision of new teachers. Provides a one-time appropriation of \$2,000,000 General Fund to the Department for FY 2018-19. Unexpended amounts may be rolled forward and spent through FY 2019-20.

2019 SESSION BILLS

S.B. 19-001 (EXPAND MEDICATION-ASSISTED TREATMENT PILOT PROGRAM): Extends the Medication-assisted Treatment (MAT) Pilot Program for an additional two years, increases program funding, expands the program's coverage area, and makes several other program changes. Pursuant to the provisions of the act, the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies at the University of Colorado School of Medicine makes grants to organizations providing medication-assisted treatment to persons with opioid use disorders in Pueblo county, Routt county, the San Luis Valley, and up to two additional counties through FY 2020-21. Provides an appropriation of \$2,500,000 from the Marijuana Tax Cash Fund to the Department of Higher Education, for allocation to the Regents of the University of Colorado, for FY 2019-20. This amount is expected to continue in FY 2020-21.

S.B. 19-003 (EDUCATOR LOAN FORGIVENESS PROGRAM): Modifies and extends a teacher loan forgiveness pilot program to target hard-to-fill educator positions. The program had not been funded in recent years, and, prior to this act, was scheduled to repeal July 1, 2019. Specifies that eligible educators may receive up to \$5,000 in loan forgiveness for each year of employment in a qualified position, for up to five years. For FY 2019-20, provides an appropriation of \$623,969 to the Department of Higher Education for the program and reflects the assumption that

1.4 FTE will be required. These amounts are anticipated to increase to \$1,135,979 General Fund and 1.5 FTE in FY 2020-21 and \$2,635,979 and 1.5 FTE in FY 2023-24.

S.B. 19-095 (FIVE-YEAR REVIEW OF HIGHER EDUCATION FUNDING FORMULA): Requires that the Colorado Commission on Higher Education (CCHE) conduct a review of the higher education funding formula by November 1, 2019 and every five years thereafter, and submit the review report to the Governor, Joint Budget Committee, and the education committees of the General Assembly.

S.B. 19-137 (EXTEND THE COLORADO STUDENT LEADERS INSTITUTE): Continues the Colorado Student Leaders Institute through June 30, 2024. The program provides a competitive 4-week summer education program for up to 100 high school students at the University of Colorado-Denver campus. Prior to the act, the program was scheduled to repeal June 30, 2019. For FY 2019-20, provides an appropriation of \$218,825 General Fund to the Department of Higher Education and reflects an assumption that an additional 1.0 FTE will be required. This level of funding is anticipated to continue in future years.

S.B. 19-176 (EXPANDING CONCURRENT ENROLLMENT OPPORTUNITIES): Changes state law related to concurrent enrollment. Requires concurrent enrollment opportunities to be offered at no tuition cost to qualified students. Among other adjustments, appropriates \$105,000 General Fund to the Department of Higher Education and reappropriates that amount (and 1.0 FTE) to the State Board for Community Colleges and Occupational Education State System Community Colleges. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Education.

S.B. 19-190 (TEACHER PREPARATION PROGRAM SUPPORT): Requires the Colorado Departments of Education and Higher Education to adopt guidelines and best practices for teacher preparation programs at institutions of higher education. Creates a grant program to support mentor teachers who oversee pre-service teacher candidates in clinical experience. For FY 2019-20, provides an appropriation of \$1,217,787 General Fund to the Department of Higher Education and reflects the assumption that an additional 0.9 FTE will be required. The act is anticipated to require an appropriation to the Department of Higher Education of \$1,172,527 General Fund and 0.5 FTE in FY 2020-21 and future years.

S.B. 19-207 (LONG BILL): GENERAL APPROPRIATIONS ACT FOR FY 2019-20. Also provides supplemental FY 2018-19 appropriation adjustments in the Department of Higher Education.

S.B. 19-228 (SUBSTANCE USE DISORDERS PREVENTION MEASURES): Provides funding for the implementation of several programs for the prevention of opioid and other substance use disorders in the Departments of Human Services, Higher Education, and Public Health and Environment. The table below summarizes the fiscal impact in FY 2019-20 and FY 2020-21. All funding is from the Marijuana Tax Cash Fund. In the Department of Higher Education, all funding is appropriated to the Regents of the University of Colorado for allocation to the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies.

FISCAL IMPACT OF S.B. 19-228					
	FUND SOURCE	FY 2019-20	FTE	FY 2020-21	FTE
Human Services (Maternal and Child Health Pilot Program - \$692,367 in FY 20 and \$662,961 in FY 21; Youth Opioid Prevention Grant Program \$500,000 FY 20 only)	MTCF*	\$1,192,367	2.1	\$662,961	1.6
Higher Education (public awareness campaign on safe storage, use disposal of antagonist drugs - \$750,000 in FY 20 and ongoing; one-time local community grant application assistance - \$250,000 in FY 20 only; 2-year perinatal substance use data linkage project - \$100,000 in FY 20 and \$50,000 in FY 21)	MTCF	1,100,000	0.0	800,000	0.0

FISCAL IMPACT OF S.B. 19-228

	FUND SOURCE	FY 2019-20	FTE	FY 2020-21	FTE
Public Health and Environment (public health interventions to address opioid and substance use disorder - FY 20 only)	MTCF	2,000,000	0.9	0	0.0
TOTAL**	MTCF	\$4,292,367	3.0	\$1,462,961	1.6

*Marijuana Tax Cash Fund

**Excludes centrally-appropriated funds

S.B. 19-231 (COLORADO SECOND CHANCE SCHOLARSHIP): Creates the Second Chance Scholarship in the Department of Higher Education to assist persons who were previously committed to the Division of Youth Services and are pursuing a postsecondary credential. Creates an advisory board and requires the board to award scholarships of up to \$10,000 per student. For FY 2019-20, provides an appropriation of \$305,145 General Fund to the Department of Higher Education, reflecting the assumption that the Department will require an additional 0.8 FTE and that at least 25 scholarships will be awarded in FY 2019-20. The act is anticipated to require \$320,402 General Fund and 1.0 FTE in FY 2020-21 and ongoing.

H.B. 19-1006 (WILDFIRE MITIGATION): Appropriates \$1,000,000 General Fund to the Department of Higher Education for allocation to the State Forest Service at Colorado State University for the Forest Restoration and Wildfire Risk Mitigation Grant Program.

H.B. 19-1202 (FOOD SYSTEMS ADVISORY COUNCIL): Moves the Colorado Food Systems Advisory Council from the Department of Agriculture to Colorado State University and modifies its membership, purpose, and duties. For FY 2019-20, provides an appropriation of \$100,317 General Fund to the Department of Higher Education and reappropriates this amount to Colorado State University System, reflecting the assumption that 0.9 FTE will be required. This amount is expected to increase to \$151,168 General Fund and 1.0 FTE for FY 2020-21 and future years.

H.B. 19-1257 (VOTER APPROVAL TO RETAIN REVENUE): Contingent on voters' approval at the statewide election held on November 5, 2019, authorizes the State to annually retain and spend all state revenues in excess of the constitutional limitation on state fiscal year spending that it would otherwise be required to refund. Requires the General Assembly to appropriate or the State Treasurer to transfer the money that is so retained in the General Fund Exempt Account to provide funding for:

- Public schools;
- Higher education; and
- Roads, bridges, and transit.

Requires the State Auditor to contract with a private entity to annually conduct a financial audit regarding the use of the money that the State retains and spends under this measure.

H.B. 19-1258 (ALLOCATE VOTER-APPROVED REVENUE): Contingent on voters approving a related referred measure to annually retain and spend state revenues in excess of the constitutional spending limit (H.B. 19-1257), allocates the money that is retained in one-third shares to provide funding for each of the following purposes:

- Public schools;
- Higher education; and
- Roads, bridges, and transit.

Requires the General Assembly to appropriate the one-third shares for public schools and higher education for the state fiscal year after the State retains the revenue under the authority of the voter-approved revenue change. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Education.

H.B. 19-1264 (CONSERVATION EASEMENT TAX CREDIT MODIFICATIONS): Extends the Conservation Easement Oversight Commission and the conservation easement certification program in the Department of Regulatory Agencies until 2026. Among other appropriations, appropriates \$250,000 General Fund to the Department of Higher Education and reappropriates this amount to the Colorado State University System for allocation to the Colorado Natural Heritage Program and the Geospatial Centroid to facilitate the provision of public access to the Colorado ownership, management, and protection (COMaP) service. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Regulatory Agencies.

H.B. 19-1294 (TRANSFER APPRENTICESHIP CREDIT TO COLLEGE CREDIT): Creates a working group in the Community College System to study the transfer of construction industry registered apprenticeship program credit to college credit. For FY 2019-20, provides a one-time appropriation of \$15,000 General Fund to the Department of Higher Education and reappropriates this amount to the State Board for Community Colleges and Occupational State System Community Colleges.

Details

DEPARTMENT OF HUMAN SERVICES

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$2,194,566,053	\$977,848,825	\$416,811,839	\$188,322,020	\$611,583,369	5,053.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	124,341,033	80,532,730	2,273,020	33,566,909	7,968,374	154.8
Office of Information Technology Services	62,869,981	26,894,552	854,992	21,438,575	13,681,862	11.0
Office of Operations	50,126,980	29,904,596	1,251,442	18,970,942	0	421.0
County Administration	86,869,745	29,142,536	22,277,197	0	35,450,012	0.0
Division of Child Welfare	515,903,654	287,178,994	93,387,956	14,094,797	121,241,907	96.3
Office of Early Childhood	257,466,868	91,693,061	47,655,426	7,968,022	110,150,359	89.9
Office of Self Sufficiency	284,395,347	13,498,121	30,575,513	2,449,478	237,872,235	256.8
Office of Behavioral Health	351,774,623	237,959,076	47,956,749	24,147,347	41,711,451	1,353.0
Services for People with Disabilities	124,870,429	1,495,430	40,441,358	61,495,468	21,438,173	1,414.6
Adult Assistance Programs	203,369,995	54,010,118	127,792,228	1,001,800	20,565,849	30.5
Division of Youth Services	132,577,398	125,539,611	2,345,958	3,188,682	1,503,147	1,225.9
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$2,172,833,651	\$960,747,033	\$419,282,280	\$187,608,968	\$605,195,370	5,046.4
SB 18-191	(50,000)	0	(50,000)	0	0	0.0
SB 18-250	2,564,603	2,564,603	0	0	0	1.8
SB 18-254	18,368,787	14,546,680	(1,208,177)	0	5,030,284	1.8
SB 18-270	1,588,250	1,588,250	0	0	0	0.0
HB 18-1064	158,374	158,374	0	0	0	0.0
HB 18-1094	1,286,611	1,286,611	0	0	0	0.5
HB 18-1306	2,817,327	0	550,066	0	2,267,261	0.9
HB 18-1319	30,000	30,000	0	0	0	0.0
HB 18-1323	52,511	0	0	52,511	0	0.5
HB 18-1328	(2,685,176)	0	0	(2,685,176)	0	(1.0)
HB 18-1333	15,000	15,000	0	0	0	0.0
HB 18-1334	1,278,751	1,278,751	0	0	0	1.0
HB 18-1339	36,630	36,630	0	0	0	0.0
HB 18-1357	85,695	85,695	0	0	0	0.9
HB 18-1363	122,996	0	122,996	0	0	0.0
HB 18-1364	250,000	250,000	0	0	0	1.0
SB 19-114	(8,031,075)	(8,581,920)	(1,885,326)	3,345,717	(909,546)	0.0
SB 19-207	(2,614,882)	(2,614,882)	0	0	0	0.0
SB 19-223	6,458,000	6,458,000	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$2,344,561,981	\$1,043,299,934	\$440,007,083	\$214,232,110	\$647,022,854	5,130.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	138,419,758	89,888,300	2,560,000	36,266,601	9,704,857	159.8
Office of Information Technology Services	78,014,874	33,047,330	1,155,086	27,102,407	16,710,051	11.0
Office of Operations	51,166,376	30,629,738	1,402,202	19,134,436	0	423.8
County Administration	87,628,655	29,395,164	22,428,979	0	35,804,512	0.0

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Division of Child Welfare	558,624,808	299,950,356	97,283,577	23,802,932	137,587,943	99.1
Office of Early Childhood	270,901,155	92,134,943	48,954,962	7,968,022	121,843,228	90.8
Office of Self Sufficiency	288,125,365	13,537,999	30,733,565	2,712,055	241,141,746	256.7
Office of Behavioral Health	381,866,917	258,154,935	52,955,722	28,586,291	42,169,969	1,426.4
Services for People with Disabilities	134,534,589	3,979,222	44,554,358	64,562,149	21,438,860	1,414.6
Adult Assistance Programs	211,408,541	54,190,166	135,595,103	1,001,800	20,621,472	33.1
Division of Youth Services	143,870,943	138,391,781	2,383,529	3,095,417	216	1,215.6
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$2,305,389,929	\$1,033,037,078	\$431,621,749	\$203,762,670	\$636,968,432	5,132.3
SB 19-008	1,963,832	1,963,832	0	0	0	1.5
SB 19-063	50,688	0	0	0	50,688	0.0
SB 19-108	500,000	500,000	0	0	0	0.0
SB 19-136	259,562	259,562	0	0	0	0.5
SB 19-178	60,204	42,143	0	0	18,061	0.0
SB 19-195	442,449	142,449	0	300,000	0	1.5
SB 19-210	(1,886,812)	(1,886,812)	0	0	0	(31.5)
SB 19-222	220,707	0	0	0	220,707	1.0
SB 19-223	8,141,194	8,141,194	0	0	0	19.0
SB 19-228	1,192,367	0	1,192,367	0	0	2.1
SB 19-235	136,240	61,301	9,973	0	64,966	0.0
SB 19-258	19,400,000	0	0	9,700,000	9,700,000	0.0
HB 19-1009	50,000	50,000	0	0	0	0.0
HB 19-1069	19,440	0	0	19,440	0	0.0
HB 19-1142	14,093	14,093	0	0	0	0.3
HB 19-1147	900,000	450,000	0	450,000	0	0.0
HB 19-1193	500,000	500,000	0	0	0	0.6
HB 19-1215	143,650	0	143,650	0	0	0.0
HB 19-1223	1,450,000	0	1,450,000	0	0	0.8
HB 19-1262	25,094	25,094	0	0	0	0.3
HB 19-1287	5,589,344	0	5,589,344	0	0	2.5
INCREASE/(DECREASE)	\$149,995,928	\$65,451,109	\$23,195,244	\$25,910,090	\$35,439,485	77.1
Percentage Change	6.8%	6.7%	5.6%	13.8%	5.8%	1.5%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Human Services are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$604,430,478	\$0	\$300,038,872	\$1,392,668	\$302,998,938

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

This office is responsible for the management and administration of the Department, performing such functions as budgeting, human resources, and quality control, as well as program supervision, coordination, and evaluation. This section includes centrally appropriated line items, such as workers' compensation, legal services, administrative law judge services, and payments related to risk management. In addition, this office contains funding for specific functions including:

- The Juvenile Parole Board;
- The Developmental Disabilities Council;

- The Colorado Commission for the Deaf and Hard of Hearing;
- Compliance with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA); and
- The Administrative Review Unit, which performs case reviews of children and youth who are placed in out-of-home residential care, and conducts formal reviews of county adult protective services cases.

Cash funds include patient payments collected by the mental health institutes and other sources. Reappropriated funds are primarily Medicaid funds transferred from the Department of Health Care Policy and Financing and departmental indirect cost recoveries. Federal fund sources include the Temporary Assistance for Needy Families Block Grant, the Supplemental Nutrition Assistance Program Block Grant, the Child Care Development Funds Block Grant, the Substance Abuse Prevention and Treatment Block Grant, Title IV-E of the Social Security Act funds, Developmental Disabilities Assistance Act funds, and other sources.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$123,558,428	\$79,923,440	\$1,866,025	\$33,824,233	\$7,944,730	152.9
HB 18-1306	5,558	0	0	0	5,558	0.0
HB 18-1328	(17,533)	0	0	(17,533)	0	0.0
HB 18-1339	36,630	36,630	0	0	0	0.0
HB 18-1357	85,695	85,695	0	0	0	0.9
HB 18-1364	250,000	250,000	0	0	0	1.0
SB 19-114	422,255	236,965	406,995	(239,791)	18,086	0.0
TOTAL	\$124,341,033	\$80,532,730	\$2,273,020	\$33,566,909	\$7,968,374	154.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$124,341,033	\$80,532,730	\$2,273,020	\$33,566,909	\$7,968,374	154.8
Centrally appropriated line items	16,722,328	6,712,597	5,077,817	(1,642,805)	6,574,719	0.0
Compensation for direct care employees	3,832,632	3,027,779	804,853	0	0	0.0
Mental Health Institute at Pueblo bed expansion	752,045	752,045	0	0	0	0.0
Indirect cost assessment	501,278	4,319,470	(5,011,804)	6,737,967	(5,544,355)	0.0
Youth services facilities realignment and capacity improvements	270,031	270,031	0	0	0	0.0
Employment affairs staffing	219,666	0	0	219,666	0	2.4
SNAP quality assurance	111,549	55,775	0	(576,846)	632,620	2.0
Community provider rate increase	6,902	0	0	6,902	0	0.0
Annualize prior year budget actions	(8,035,452)	(5,632,807)	(181,662)	(2,304,423)	83,440	0.0
Annualize prior year legislation	(351,219)	(178,845)	(402,224)	239,791	(9,941)	0.6
Technical adjustments	(36,630)	(36,630)	0	0	0	0.0
SB 19-207	\$138,334,163	\$89,822,145	\$2,560,000	\$36,247,161	\$9,704,857	159.8
SB 19-210	(371,713)	(371,713)	0	0	0	0.0
SB 19-223	437,868	437,868	0	0	0	0.0
HB 19-1069	19,440	0	0	19,440	0	0.0
TOTAL	\$138,419,758	\$89,888,300	\$2,560,000	\$36,266,601	\$9,704,857	159.8
INCREASE/(DECREASE)	\$14,078,725	\$9,355,570	\$286,980	\$2,699,692	\$1,736,483	5.0
Percentage Change	11.3%	11.6%	12.6%	8.0%	21.8%	3.2%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to:

- Increase by \$93,991 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan; and
- To allow the Department access to funds transferred into the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net increase of \$422,255 total funds, including an increase of \$236,965 General Fund, for adjustments related to the Department's federally-approved indirect cost plan.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$9,430,800	\$6,261,041	\$630,412	\$1,348,800	\$1,190,547	0.0
Health, life, and dental	151,394	(3,358,222)	2,871,212	(2,444,364)	3,082,768	0.0
PERA distributions	7,577,569	4,064,052	1,557,487	(324,758)	2,280,788	0.0
Short-term disability	(3,305)	(18,305)	18,706	(24,322)	20,616	0.0
Workers' compensation	(895,147)	(483,379)	0	(411,768)	0	0.0
Payment to risk management / property funds	(390,940)	(217,825)	0	(173,115)	0	0.0
Legal services	514,294	276,142	0	238,152	0	0.0
Administrative Law Judges	337,663	189,093	0	148,570	0	0.0
TOTAL	\$16,722,328	\$6,712,597	\$5,077,817	(\$1,642,805)	\$6,574,719	0.0

COMPENSATION FOR DIRECT CARE EMPLOYEES: The appropriation includes \$3,832,632 total funds, including \$3,027,779 General Fund, to increase salaries for direct care staff at the Veterans Community Living Centers and at Division of Youth Services facilities.

MENTAL HEALTH INSTITUTE AT PUEBLO BED EXPANSION: The appropriation includes \$752,045 General Fund to operate and staff an additional 42 inpatient psychiatric beds at the Colorado Mental Health Institute at Pueblo (CMHIP).

INDIRECT COST ASSESSMENT: The appropriation includes a net increase of \$501,278 total funds, including an increase of \$4,319,470 General Fund, for adjustments related to the Department's federally-approved indirect cost plan.

YOUTH SERVICES FACILITIES REALIGNMENT AND CAPACITY IMPROVEMENTS: The appropriation includes an increase of \$270,031 General Fund to add behavioral health staff, commitment beds, and intake assessment capabilities at the Division of Youth Services' state owned and operated facilities.

EMPLOYMENT AFFAIRS STAFFING: The appropriation includes \$219,666 reappropriated funds spending authority from departmental indirect cost recoveries and 2.4 FTE to increase the number human resources professionals in the Department.

SNAP QUALITY ASSURANCE: The appropriation includes a net increase of \$111,549 total funds, including an increase of \$55,775 General Fund, and an increase of 2.0 FTE to move the appropriation for SNAP quality assurance from the Office of Self Sufficiency to the Executive Director's Office.

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$6,902 total funds for an across-the-board increase of 1.0 percent for community providers.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Respite care task force	\$61,700	\$0	\$0	\$61,700	\$0	0.0
Medication consistency (SB 17-019)	652	0	652	0	0	0.0
Salary survey	(8,097,804)	(5,632,807)	(182,314)	(2,366,123)	83,440	0.0
TOTAL	(\$8,035,452)	(\$5,632,807)	(\$181,662)	(\$2,304,423)	\$83,440	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1357 Ombudsman for behavioral health access to care	\$44,857	\$44,857	\$0	\$0	\$0	0.6
SB 18-200 Eliminate Unfunded PERA Liability	42,990	25,466	4,771	0	12,753	0.0
SB 19-114 Supplemental bill	(422,255)	(236,965)	(406,995)	239,791	(18,086)	0.0
HB 18-1364 Disabilities advisory council	(12,203)	(12,203)	0	0	0	0.0
HB 18-1306 Educational stability for foster children	(4,608)	0	0	0	(4,608)	0.0
TOTAL	(\$351,219)	(\$178,845)	(\$402,224)	\$239,791	(\$9,941)	0.6

TECHNICAL ADJUSTMENTS: The appropriation includes a decrease of \$36,630 General Fund to correctly reflect the appropriation made in H.B. 18-1339 (Background Checks Employees Access to Federal Tax Information).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

This section contains appropriations for developing and maintaining the major centralized computer systems of the Department, including systems that link to all 64 counties in the state.

OFFICE OF INFORMATION TECHNOLOGY SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$82,106,015	\$47,890,193	\$1,136,936	\$16,266,087	\$16,812,799	11.0
SB 19-114	(19,236,034)	(20,995,641)	(281,944)	5,172,488	(3,130,937)	0.0
TOTAL	\$62,869,981	\$26,894,552	\$854,992	\$21,438,575	\$13,681,862	11.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$62,869,981	\$26,894,552	\$854,992	\$21,438,575	\$13,681,862	11.0
Annualize prior year legislation	19,239,521	20,997,186	282,120	(5,172,488)	3,132,703	0.0
Centrally appropriated line items	9,089,647	4,775,127	0	4,314,520	0	0.0
Child protective services computer system maintenance	2,452,920	1,103,814	0	0	1,349,106	0.0
Annualize prior year budget actions	1,040,996	748,727	28,465	0	263,804	0.0
Indirect cost assessment	0	(6,521,800)	0	6,521,800	0	0.0
Colorado Benefits Management System adjustments	(17,589,380)	(15,508,259)	(280,670)	0	(1,800,451)	0.0
SB 19-207	\$77,103,685	\$32,489,347	\$884,907	\$27,102,407	\$16,627,024	11.0

OFFICE OF INFORMATION TECHNOLOGY SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-178	60,204	42,143	0	0	18,061	0.0
SB 19-223	454,539	454,539	0	0	0	0.0
SB 19-235	136,240	61,301	9,973	0	64,966	0.0
HB 19-1287	260,206	0	260,206	0	0	0.0
TOTAL	\$78,014,874	\$33,047,330	\$1,155,086	\$27,102,407	\$16,710,051	11.0
INCREASE/(DECREASE)	\$15,144,893	\$6,152,778	\$300,094	\$5,663,832	\$3,028,189	0.0
Percentage Change	24.1%	22.9%	35.1%	26.4%	22.1%	0.0%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net reduction of \$19,236,034 total funds, including a reduction of \$20,995,641 General Fund, including:

- A net zero adjustment, including a decrease of \$5,172,488 General Fund, for adjustments related to the Department's federally-approved indirect cost plan; and
- A decrease of \$19,236,034 total funds, including a decrease of \$15,823,153 General Fund, to adjust appropriations supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK). The adjustment is based on the implementation of a new cost allocation model implemented on July 1, 2018 that shares the expenses of operating and maintaining CBMS and PEAK across the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment. Across all three departments, this adjustment results in a net decrease of \$188,282 total funds, including a decrease of \$11.8 million General Fund.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$19,236,034	\$20,995,641	\$281,944	(\$5,172,488)	\$3,130,937	0.0
SB 18-200 Eliminate Unfunded PERA Liability	3,487	1,545	176	0	1,766	0.0
TOTAL	\$19,239,521	\$20,997,186	\$282,120	(\$5,172,488)	\$3,132,703	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$9,240,834	\$4,854,276	\$0	\$4,386,558	\$0	0.0
CORE operations	(151,187)	(79,149)	0	(72,038)	0	0.0
TOTAL	\$9,089,647	\$4,775,127	\$0	\$4,314,520	\$0	0.0

CHILD PROTECTIVE SERVICES COMPUTER SYSTEM MAINTENANCE: The appropriation includes an increase of \$2,452,920 total funds, including \$1,103,814 General Fund, to transfer money to the Governor's Office of Information Technology to contract for additional developers, business analysts, database administrators, service desk support, and infrastructure to maintain the state's child protective services computer system, known as TRAILS.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT CBMS/PEAK	\$763,554	\$736,010	\$27,544	\$0	\$0	0.0
CHATS transfer	250,000	0	0	0	250,000	0.0
FY 2018-19 Salary survey	27,442	12,717	921	0	13,804	0.0
TOTAL	\$1,040,996	\$748,727	\$28,465	\$0	\$263,804	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net zero total funds change, including a decrease of \$6,521,800 General Fund and an increase of \$6,521,800 reappropriated funds, for adjustments related to the Department's federally-approved indirect cost plan.

COLORADO BENEFITS MANAGEMENT SYSTEM ADJUSTMENTS: The appropriation includes a decrease of \$17,589,380 total funds, including \$15,508,259 General Fund, for a variety of changes associated with the implementation of the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK). These changes are meant to ensure compliance with state and federal requirements, to reduce security risks, to improve interactions with citizens engaged in the eligibility and enrollment processes associated with public assistance programs, and to implement a series of technical appropriation adjustments.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF OPERATIONS

This section of the budget contains appropriations for various central departmental functions and incorporates four department units: Facilities Management, Accounting, Procurement, and Contract Management. The largest of these units, the Division of Facilities Management, is responsible for managing leased space, vehicle leases, and utility costs, and for operating, cleaning, and maintaining an estimated 301 department buildings and facilities, including ten youth correctional facilities, two state mental health institute campuses, and three regional centers for the developmentally disabled, in addition to department office buildings. The Division of Accounting manages all financial operations and resources, including payments to counties and service providers, overall accounts and controls over expenditures and revenues from multiple state and federal sources, and private party billing for the Department's various community and institutional programs. The Procurement Division purchases goods and services for the Department's programs and operates warehouses and distribution centers for all departmental residential facilities. The Contract Management Unit is responsible for managing the contracting process in the Department including development, approval, and performance oversight of all Department contracts. Funding for the Office is primarily from General Fund and reappropriated funds from indirect cost assessments initially appropriated in each division.

OFFICE OF OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$50,041,748	\$26,142,184	\$1,318,899	\$22,580,665	\$0	421.0

OFFICE OF OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114	85,232	3,762,412	(67,457)	(3,609,723)	0	0.0
TOTAL	\$50,126,980	\$29,904,596	\$1,251,442	\$18,970,942	\$0	421.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$50,126,980	\$29,904,596	\$1,251,442	\$18,970,942	\$0	421.0
Annualize prior year budget actions	617,724	496,271	107,906	13,547	0	0.0
Youth services caseload adjustment	352,637	352,637	0	0	0	0.0
Mental Health Institute at Pueblo bed expansion	235,691	235,691	0	0	0	2.8
Centrally appropriated line items	(215,770)	(122,206)	0	(93,564)	0	0.0
Indirect cost assessment	(21,699)	3,392,363	(45,257)	(3,368,805)	0	0.0
Annualize prior year legislation	(1,687)	(3,702,114)	88,111	3,612,316	0	0.0
SB 19-207	\$51,093,876	\$30,557,238	\$1,402,202	\$19,134,436	\$0	423.8
SB 19-223	72,500	72,500	0	0	0	0.0
TOTAL	\$51,166,376	\$30,629,738	\$1,402,202	\$19,134,436	\$0	423.8
INCREASE/(DECREASE)	\$1,039,396	\$725,142	\$150,760	\$163,494	\$0	2.8
Percentage Change	2.1%	2.4%	12.0%	0.9%	n/a	0.7%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to:

- Decrease by \$36,954 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan; and
- To allow the Department access to funds transferred into the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net increase of \$85,232 total funds, including an increase of \$3,762,412 General Fund, including:

- A net decrease of \$46,580 total funds for adjustments related to the Department's federally-approved indirect cost plan; and
- An increase of \$131,812 General Fund for contract placements in Division of Youth Services facilities.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year salary survey.

YOUTH SERVICES CASELOAD ADJUSTMENT: The appropriation includes an increase of \$352,637 General Fund for facilities costs associated with the reopening of the state-owned, privately-operated Robert E. DeNier and Betty Marler Youth Services Centers.

MENTAL HEALTH INSTITUTE AT PUEBLO BED EXPANSION: The appropriation includes \$235,691 General Fund and 2.8 FTE for costs associated with the increased number of inpatient psychiatric beds at the Colorado Mental Health Institute at Pueblo (CMHIP).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Capitol Complex leased space	(170,772)	(97,659)	0	(73,113)	0	0.0
Vehicle lease payments	(44,998)	(24,547)	0	(20,451)	0	0.0
TOTAL	(\$215,770)	(\$122,206)	\$0	(\$93,564)	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease of \$21,699 total funds, including an increase of \$3,392,363 General Fund, for adjustments related to the Department's federally-approved indirect cost plan.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$83,545	\$60,298	\$20,654	\$2,593	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	(85,232)	(3,762,412)	67,457	3,609,723	0	0.0
TOTAL	(\$1,687)	\$3,702,114)	\$88,111	\$3,612,316	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COUNTY ADMINISTRATION

This section contains appropriations for 64 county departments of social or human services to administer the Supplemental Nutrition Assistance Program (food assistance) and Aid to the Needy Disabled. It also includes appropriations to assist counties with high human services program costs relative to their county property tax bases. Cash funds sources in this section include retained child support collections, fraud refunds, and state revenue intercepts. Federal funds are from the U.S. Department of Agriculture's Supplemental Nutrition Assistance Program and various other sources.

COUNTY ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$86,869,745	\$29,142,536	\$22,277,197	\$0	\$35,450,012	0.0
TOTAL	\$86,869,745	\$29,142,536	\$22,277,197	\$0	\$35,450,012	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$86,869,745	\$29,142,536	\$22,277,197	\$0	\$35,450,012	0.0
Community provider rate increase	758,910	252,628	151,782	0	354,500	0.0
SB 19-207	\$87,628,655	\$29,395,164	\$22,428,979	\$0	\$35,804,512	0.0
TOTAL	\$87,628,655	\$29,395,164	\$22,428,979	\$0	\$35,804,512	0.0
INCREASE/(DECREASE)	\$758,910	\$252,628	\$151,782	\$0	\$354,500	0.0
Percentage Change	0.9%	0.9%	0.7%	n/a	1.0%	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$758,910 total funds, including \$252,628 General Fund, for an across-the-board increase of 1.0 percent for community providers.

DIVISION OF CHILD WELFARE

This section provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 79.0 percent of funding in this division is allocated to counties, which are responsible for administering child welfare services under the supervision of the Department. Reappropriated funds reflect Medicaid funds and are transferred from the Department of Health Care Policy and Financing. Cash funds include county tax revenues, federal Title IV-E Waiver Demonstration Project funds that are deposited to a cash fund, docket fee revenues, Tobacco Master Settlement funds, and Marijuana Tax Cash Funds. Federal fund sources include those available pursuant to Titles IV-B and IV-E of the Social Security Act, the Title XX Social Services Block Grant, and the Child Abuse Prevention and Treatment Act.

DIVISION OF CHILD WELFARE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$493,233,903	\$270,246,230	\$93,066,432	\$16,737,912	\$113,183,329	94.6
SB 18-254	18,368,787	14,546,680	(1,208,177)	0	5,030,284	1.8
HB 18-1306	2,811,769	0	550,066	0	2,261,703	0.9
HB 18-1319	30,000	30,000	0	0	0	0.0
HB 18-1328	(2,667,643)	0	0	(2,667,643)	0	(1.0)
SB 19-114	4,126,838	2,356,084	979,635	24,528	766,591	0.0
TOTAL	\$515,903,654	\$287,178,994	\$93,387,956	\$14,094,797	\$121,241,907	96.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$515,903,654	\$287,178,994	\$93,387,956	\$14,094,797	\$121,241,907	96.3
Child welfare provider rate implementation phase 2	10,350,000	4,968,000	2,070,000	0	3,312,000	0.0
County child welfare staff phase 5	6,259,058	4,598,849	625,906	0	1,034,303	0.0
Community provider rate increase	4,527,974	2,665,969	756,271	0	1,105,734	0.0
Annualize prior year legislation	812,590	15,893	4,330	(25,201)	817,568	0.5
Leap year adjustment	428,159	275,185	85,632	0	67,342	0.0
Indirect cost assessment	262,378	0	7,101	30,164	225,113	0.0
Tony Gramscas Youth Services Program	250,000	0	250,000	0	0	0.0
Hotline for child abuse and neglect	228,999	228,999	0	0	0	0.0
Monitoring of 24-hour child care facilities	137,181	113,860	0	0	23,321	1.8
Tobacco Master Settlement Agreement	118,053	0	118,053	0	0	0.0
Annualize prior year budget actions	(67,331)	(109,486)	(21,672)	3,172	60,655	0.2
SB 19-207	\$539,210,715	\$299,936,263	\$97,283,577	\$14,102,932	\$127,887,943	98.8
SB 19-258	19,400,000	0	0	9,700,000	9,700,000	0.0
HB 19-1142	14,093	14,093	0	0	0	0.3
TOTAL	\$558,624,808	\$299,950,356	\$97,283,577	\$23,802,932	\$137,587,943	99.1
INCREASE/(DECREASE)	\$42,721,154	\$12,771,362	\$3,895,621	\$9,708,135	\$16,346,036	2.8
Percentage Change	8.3%	4.4%	4.2%	68.9%	13.5%	2.9%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to:

- Increase by \$6,894,401 federal Temporary Assistance for Needy Families (TANF) Block Grant funds from the State's long-term reserve to address FY 2017-18 over-expenditures for child welfare services; and
- Decrease by \$205,698 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide an increase of \$4,126,838 total funds, including \$2,356,084 General Fund, including:

- An increase of \$4,908,507 total funds, including \$2,356,084 General Fund, to implement out-of-home placement provider rate increases required by H.B. 17-1292 (Child Welfare Provider Rates) and S.B. 18-254 (Child Welfare Reforms);
- A net decrease of \$781,669 total funds for adjustments related to the Department's federally-approved indirect cost plan; and
- A net zero line item appropriation correction in S.B. 18-254 (Child Welfare Reforms) to appropriate \$925,156 to the Foster and Adoptive Parent Recruitment, Training, and Support line item in the Division of Child Welfare, instead of the Adoption and Relative Guardianship Assistance line item.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CHILD WELFARE PROVIDER RATE IMPLEMENTATION PHASE 2: The appropriation includes \$10,350,000 total funds, including \$4,968,000 General Fund, to implement out-of-home placement provider rate increases required by H.B. 17-1292 (Child Welfare Provider Rates) and S.B. 18-254 (Child Welfare Reforms).

COUNTY CHILD WELFARE STAFF PHASE 5: The appropriation includes \$6,259,058 total funds, including \$4,598,849 General Fund, to increase county level child welfare staffing in response to the Child Welfare Workload Study performed by the Office of the State Auditor in 2014.

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$4,527,974 total funds, including \$2,665,969 General Fund, for an across-the-board increase of 1.0 percent for community providers.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$781,669	\$0	\$2,066	(\$24,528)	\$804,131	0.0
SB 18-200 Eliminate Unfunded PERA Liability	29,930	20,079	2,264	276	7,311	0.0
SB 18-254 Child welfare reform	6,354	5,814	0	0	540	0.4
HB 18-1306 Educational stability for foster children	5,586	0	0	0	5,586	0.1
HB 18-1319 Services for former foster youth	(10,000)	(10,000)	0	0	0	0.0
HB 18-1328 CHRP waiver redesign	(949)	0	0	(949)	0	0.0
TOTAL	\$812,590	\$15,893	\$4,330	(\$25,201)	\$817,568	0.5

LEAP YEAR ADJUSTMENT: The appropriation includes \$428,159 total funds, including \$275,185 General Fund, for a leap year adjustment in FY 2019-20 to cover the cost of the leap day for providers who are paid a daily rate.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase of \$262,378 total funds for adjustments related to the Department's federally-approved indirect cost plan.

TONY GRAMPSAS YOUTH SERVICES PROGRAM: The appropriation includes \$250,000 cash funds from the Marijuana Tax Cash Fund for grants awarded to organizations providing evidence-based youth marijuana use prevention and intervention services.

HOTLINE FOR CHILD ABUSE AND NEGLECT: The appropriation includes \$228,999 General Fund for increased costs associated with the help desk and telephone operations and maintenance of the Child Abuse and Neglect Hotline.

MONITORING OF 24-HOUR CHILD CARE FACILITIES: The appropriation includes \$137,181 total funds, including \$113,860 General Fund, and 1.8 FTE in order to hire additional state child welfare staff to provide technical assistance and oversight to 24-hour child care facilities.

TOBACCO MASTER SETTLEMENT AGREEMENT: The appropriation includes \$118,053 cash funds for the Tony Grampsas Youth Services Program to reflect adjustments related to the statutory allocation of the Tobacco Master Settlement.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$237,424	\$165,262	\$11,828	\$3,172	\$57,162	0.0
Promoting permanency	30,245	26,752	0	0	3,493	0.2
Child welfare staff, phase 4	(335,000)	(301,500)	(33,500)	0	0	0.0
TOTAL	(\$67,331)	(\$109,486)	(\$21,672)	\$3,172	\$60,655	0.2

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF EARLY CHILDHOOD

The Office of Early Childhood includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide childcare subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring child care facilities and for administering programs that are designed to improve the quality and availability of child care in the State. The Division of Community and Family Support includes funding for various early childhood family support programs such as Early Intervention Services, Early Childhood Mental Health Specialists, and the Nurse Home Visitor Program.

OFFICE OF EARLY CHILDHOOD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$253,111,874	\$88,322,443	\$47,134,162	\$7,968,022	\$109,687,247	89.9
HB 18-1064	158,374	158,374	0	0	0	0.0
HB 18-1333	15,000	15,000	0	0	0	0.0
SB 19-114	4,181,620	3,197,244	521,264	0	463,112	0.0
TOTAL	\$257,466,868	\$91,693,061	\$47,655,426	\$7,968,022	\$110,150,359	89.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$257,466,868	\$91,693,061	\$47,655,426	\$7,968,022	\$110,150,359	89.9
Maintain service levels for CCCAP	10,530,500	0	0	0	10,530,500	0.0
Community provider rate increase	1,642,617	756,382	119,306	0	766,929	0.0
Spending authority for child care licensing	705,793	0	705,793	0	0	0.0
Tobacco Master Settlement Agreement	661,670	0	661,670	0	0	0.0
Family resource centers	500,000	500,000	0	0	0	0.0
Indirect cost assessment	350,527	0	53,109	0	297,418	0.0

OFFICE OF EARLY CHILDHOOD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Leap year adjustment	308,452	79,581	31,462	0	197,409	0.0
Annualize prior year budget actions	(971,929)	(1,507,061)	240,528	0	294,604	0.0
Annualize prior year legislation	(869,125)	87,886	(512,332)	0	(444,679)	0.0
SB 19-207	\$270,325,373	\$91,609,849	\$48,954,962	\$7,968,022	\$121,792,540	89.9
SB 19-063	50,688	0	0	0	50,688	0.0
HB 19-1193	500,000	500,000	0	0	0	0.6
HB 19-1262	25,094	25,094	0	0	0	0.3
TOTAL	\$270,901,155	\$92,134,943	\$48,954,962	\$7,968,022	\$121,843,228	90.8
INCREASE/(DECREASE)	\$13,434,287	\$441,882	\$1,299,536	\$0	\$11,692,869	0.9
Percentage Change	5.2%	0.5%	2.7%	0.0%	10.6%	1.0%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to increase by \$162,877 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to increase by \$4,181,620 total funds, including \$3,197,244 General Fund, the FY 2018-19 appropriation, including:

- \$3,197,244 General Fund for Early Intervention Services and Case Management caseload growth;
- \$492,000 federal funds from Child Care Development Funds to maintain both the legacy and modernized versions of the Child Care Automated Tracking System (CHATS) beyond the anticipated phase out of the legacy system; and
- \$485,618 cash funds spending authority for child care licensing.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MAINTAIN SERVICE LEVELS FOR CCCAP: The appropriation includes \$10,530,500 federal Child Care Development Funds for the implementation of H.B. 18-1335 (County Child Welfare Assistance Program Block Grants) and to maintain the current level of services provided in the Colorado Child Care Assistance Program (CCCAP).

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$1,642,617 total funds, including \$756,382 General Fund, for an across-the-board increase of 1.0 percent for community providers.

SPENDING AUTHORITY FOR CHILD CARE LICENSING: The appropriation includes \$705,793 in increased spending authority from the Child Care Licensing Cash Fund to more accurately align spending authority with revenues generated by fees collected from child care providers who are applying for a license or completing an annual license renewal.

TOBACCO MASTER SETTLEMENT AGREEMENT: The appropriation includes \$661,670 cash funds for the Nurse Home Visitor Program to reflect adjustments related to the statutory allocation of the Tobacco Master Settlement.

FAMILY RESOURCE CENTERS: The appropriation includes \$500,000 General Fund for family resource centers that provide comprehensive, community-based services to vulnerable families, individuals, and children.

INDIRECT COST ASSESSMENT: The appropriation includes \$350,527 total funds for adjustments related to the Department's federally-approved indirect cost plan.

LEAP YEAR ADJUSTMENT: The appropriation includes \$308,452 total funds, including \$79,581 General Fund, for a leap year adjustment in FY 2019-20 to cover the cost of the leap day for providers who are paid a daily rate.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$255,249	\$64,475	\$46,670	\$0	\$144,104	0.0
Incredible Years	242,322	48,464	193,858	0	0	0.0
CHATS transfer	150,500	0	0	0	150,500	0.0
Early childhood councils	(1,000,000)	(1,000,000)	0	0	0	0.0
Education advancement	(500,000)	(500,000)	0	0	0	0.0
Community response	(120,000)	(120,000)	0	0	0	0.0
TOTAL	(\$971,929)	(\$1,507,061)	\$240,528	\$0	\$294,604	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1064 Training Program prevent child sex abuse	\$95,051	\$95,051	\$0	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	35,200	7,835	8,932	0	18,433	0.0
SB 19-114 Supplemental bill	(984,376)	0	(521,264)	0	(463,112)	0.0
HB 18-1333 Child find	(15,000)	(15,000)	0	0	0	0.0
TOTAL	(\$869,125)	\$87,886	(\$512,332)	\$0	(\$444,679)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF SELF SUFFICIENCY

This section includes appropriations for various public assistance programs, including Colorado Works, the Low-income Energy Assistance Program (LEAP), child support enforcement, and disability determination programs, among others. The majority of funding for this Office comes from the federal Temporary Assistance for Needy Families (TANF) Block Grant.

OFFICE OF SELF SUFFICIENCY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$282,022,469	\$12,036,238	\$30,419,142	\$2,355,620	\$237,211,469	255.8
HB 18-1334	1,278,751	1,278,751	0	0	0	1.0
HB 18-1363	122,996	0	122,996	0	0	0.0
SB 19-114	971,131	183,132	33,375	93,858	660,766	0.0
TOTAL	\$284,395,347	\$13,498,121	\$30,575,513	\$2,449,478	\$237,872,235	256.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$284,395,347	\$13,498,121	\$30,575,513	\$2,449,478	\$237,872,235	256.8
Indirect cost assessment	2,249,290	0	44,104	355,010	1,850,176	0.0
Improving nutrition in rural and underserved communities	1,030,000	465,000	0	0	565,000	0.0

OFFICE OF SELF SUFFICIENCY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Child support employment	952,669	0	0	0	952,669	1.0
Annualize prior year budget actions	139,401	(427,321)	33,441	1,311	531,970	0.9
Food distribution program	100,000	100,000	0	0	0	0.0
Technical adjustments	36,630	36,630	0	0	0	0.0
Community provider rate increase	18,439	0	0	0	18,439	0.0
Annualize prior year legislation	(828,512)	(78,656)	(63,143)	(93,744)	(592,969)	0.0
SNAP quality assurance	(111,549)	(55,775)	0	0	(55,774)	(2.0)
SB 19-207	\$287,981,715	\$13,537,999	\$30,589,915	\$2,712,055	\$241,141,746	256.7
HB 19-1215	143,650	0	143,650	0	0	0.0
TOTAL	\$288,125,365	\$13,537,999	\$30,733,565	\$2,712,055	\$241,141,746	256.7
INCREASE/(DECREASE)	\$3,730,018	\$39,878	\$158,052	\$262,577	\$3,269,511	(0.1)
Percentage Change	1.3%	0.3%	0.5%	10.7%	1.4%	(0.0%)

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to increase by \$845,985 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide an increase of \$971,131 total funds, including \$183,132 General Fund, including:

- An increase of \$432,508 total funds for adjustments related to the Department's federally-approved indirect cost plan; and
- An increase of \$538,623 total funds, including \$183,132 General Fund, transferred to the Governor's Office of Information Technology to improve server performance supporting the Automated Child Support Enforcement System.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INDIRECT COST ASSESSMENT: The appropriation includes \$2,249,290 total funds for adjustments related to the Department's federally-approved indirect cost plan.

IMPROVING NUTRITION IN RURAL AND UNDERSERVED COMMUNITIES: The appropriation includes \$1,030,000 total funds, including \$465,000 General Fund and \$565,000 in federal Supplemental Nutrition Assistance Program (SNAP) funds, for outreach initiatives to improve food security, access, and nutrition in underserved rural/frontier communities.

CHILD SUPPORT EMPLOYMENT: The appropriation includes \$952,669 federal Temporary Assistance for Needy Families funds and 1.0 FTE to implement an evidence-based pilot program to provide employment services to low-income, non-custodial parents.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$636,295	\$71,492	\$33,441	\$1,311	\$530,051	0.0
SNAP security	2,373	1,187	0	0	1,186	0.7

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Enhancing Colorado Works	733	0	0	0	733	0.2
Food distribution/food pantries	(500,000)	(500,000)	0	0	0	0.0
TOTAL	\$139,401	(\$427,321)	\$33,441	\$1,311	\$531,970	0.9

FOOD DISTRIBUTION PROGRAM: The appropriation includes \$100,000 General Fund for food pantries and food banks to purchase Colorado-grown foods that meet the Colorado Proud definition.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$36,630 General Fund to correctly reflect the appropriation made in H.B. 18-1339

COMMUNITY PROVIDER RATE: The appropriation includes \$18,439 total funds for an across-the-board increase of 1.0 percent for community providers.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1334 Extend Transitional Jobs	\$1,278,751	\$1,278,751	\$0	\$0	\$0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	82,998	8,686	6,401	114	67,797	0.0
HB 16-1290 Extend Transitional Jobs	(1,151,628)	(1,151,628)	0	0	0	(1.0)
SB 19-114 Supplemental bill	(971,131)	(183,132)	(33,375)	(93,858)	(660,766)	0.0
HB 18-1363 Recommendations of Child Support	(36,169)	0	(36,169)	0	0	0.0
HB 18-1339 Background Checks Employee Tax	(31,333)	(31,333)	0	0	0	0.0
TOTAL	(\$828,512)	(\$78,656)	(\$63,143)	(\$93,744)	(\$592,969)	0.0

SNAP QUALITY ASSURANCE: The appropriation includes a decrease of \$111,549 total funds, including \$55,775 General Fund, and 2.0 FTE to move the appropriation for SNAP quality assurance from the Office of Self Sufficiency to the Executive Director's Office.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF BEHAVIORAL HEALTH

The Office of Behavioral Health (OBH) is responsible for administrative oversight of the State's public behavioral health system. Funding in this section supports community-based prevention, crisis response, treatment, and recovery support services for mental health and substance use disorders. Funding also supports the operation of the State's two Mental Health Institutes. Significant sources of cash funds include: marijuana tax revenues, patient revenues earned by the Mental Health Institutes, and penalty surcharges for traffic offenses involving alcohol and drugs. Significant sources of reappropriated funds include: Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF), Correctional Treatment Cash Fund money transferred from the Judicial Department, and General Fund transferred from the Department of Corrections. Federal funds primarily include the Substance Abuse Prevention and Treatment Block Grant and the Mental Health Services Block Grant.

OFFICE OF BEHAVIORAL HEALTH						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$339,797,209	\$225,066,550	\$52,693,884	\$20,606,933	\$41,429,842	1,350.7
SB 18-191	(50,000)	0	(50,000)	0	0	0.0
SB 18-250	2,564,603	2,564,603	0	0	0	1.8
SB 18-270	1,588,250	1,588,250	0	0	0	0.0
HB 18-1094	1,286,611	1,286,611	0	0	0	0.5
SB 19-114	2,744,832	3,609,944	(4,687,135)	3,540,414	281,609	0.0
SB 19-207	(2,614,882)	(2,614,882)	0	0	0	0.0
SB 19-223	6,458,000	6,458,000	0	0	0	0.0
TOTAL	\$351,774,623	\$237,959,076	\$47,956,749	\$24,147,347	\$41,711,451	1,353.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$351,774,623	\$237,959,076	\$47,956,749	\$24,147,347	\$41,711,451	1,353.0
Annualize prior year budget actions	5,240,235	5,216,890	(94,473)	31,988	85,830	0.1
Mental Health Institute at Pueblo bed expansion	4,153,408	4,153,408	0	0	0	44.5
Correctional Treatment Cash Fund adjustments	3,879,236	0	0	3,879,236	0	0.0
Targeted rate increase	1,999,721	1,500,555	499,166	0	0	0.0
Community provider rate increase	1,558,601	1,213,395	345,206	0	0	0.0
Contract medical staff salary adjustments	1,148,010	1,148,010	0	0	0	0.0
Indirect cost assessment	1,106,099	0	(2,204,319)	2,887,806	422,612	0.0
Behavioral health crisis response system enhancements	395,069	395,069	0	0	0	0.0
Food service inflation	127,811	90,669	0	37,142	0	0.0
Leap year adjustment	82,152	64,775	17,377	0	0	0.0
SB 17-207 Transportation pilot programs	51,294	0	51,294	0	0	0.0
Annualize prior year legislation	(4,693,793)	(2,919,480)	1,031,637	(2,535,319)	(270,631)	1.2
Technical adjustments	(1,330,329)	0	(1,168,420)	(161,909)	0	0.0
SB 19-207	\$365,492,137	\$248,822,367	\$46,434,217	\$28,286,291	\$41,949,262	1,398.8
SB 19-008	1,963,832	1,963,832	0	0	0	1.5
SB 19-195	442,449	142,449	0	300,000	0	1.5
SB 19-222	220,707	0	0	0	220,707	1.0
SB 19-223	7,176,287	7,176,287	0	0	0	19.0
SB 19-228	1,192,367	0	1,192,367	0	0	2.1
HB 19-1009	50,000	50,000	0	0	0	0.0
HB 19-1287	5,329,138	0	5,329,138	0	0	2.5
TOTAL	\$381,866,917	\$258,154,935	\$52,955,722	\$28,586,291	\$42,169,969	1,426.4
INCREASE/(DECREASE)	\$30,092,294	\$20,195,859	\$4,998,973	\$4,438,944	\$458,518	73.4
Percentage Change	8.6%	8.5%	10.4%	18.4%	1.1%	5.4%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to increase by \$787,833 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net increase of \$2,744,832 total funds, including an increase of \$3,609,944 General Fund, including:

- A net increase of \$1,826,772 total funds for adjustments related to the Department's federally-approved indirect cost plan;
- An increase of \$918,060 General Fund to maintain physician coverage at the Colorado Mental Health Institute at Pueblo (CMHIP) and the Colorado Mental Health Institute at Fort Logan (CMHIFL); and

- A net zero fund type adjustment, including an increase of \$2,691,884 General Fund, for the Mental Health Institutes to reflect updated estimates of earned revenue based on changes in the patient mix and their corresponding eligibility for health benefits.

Senate Bill 19-207 modifies FY 2018-19 appropriations to reduce by \$2,614,882 General Fund the FY 2018-19 appropriation for the purchase of psychiatric bed capacity in private hospitals to serve individuals who are ordered by the Court to receive competency evaluations or competency restoration services.

Senate Bill 19-223 appropriates a total of \$10,983,000 General Fund for FY 2018-19 for payments anticipated to be required pursuant to a U.S. District Court consent decree concerning the length of time pre-trial detainees wait for court-ordered competency services [*Center for Legal Advocacy v. Barnes*]. This amount includes \$10,483,000 for court fines related to non-compliance with the consent decree and \$500,000 for the expenses of a court-appointed Special Master. Both appropriations are intended to cover anticipated expenditures from June 2019 through June 2020, so the appropriation authorizes the Department to expend the appropriation over the same time period. This bill also modifies FY 2018-19 appropriations to reduce General Fund appropriations that the Department anticipates reverting at fiscal year-end, including the following reductions:

- \$2,150,000 for Community Transition Services;
- \$1,375,000 for Rural Co-occurring Disorder Services; and
- \$1,000,000 for Jail-based Behavioral Health Services.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second year impact of FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$2,747,364	\$2,615,543	\$14,003	\$31,988	\$85,830	0.0
Reduction for purchased psychiatric beds	2,614,882	2,614,882	0	0	0	0.0
Medication consistency (SB 17-019)	(108,476)	0	(108,476)	0	0	0.1
Jail-based competency restoration	(13,535)	(13,535)	0	0	0	0.0
TOTAL	\$5,240,235	\$5,216,890	(\$94,473)	\$31,988	\$85,830	0.1

MENTAL HEALTH INSTITUTE AT PUEBLO BED EXPANSION: The appropriation includes \$4,153,408 General Fund and 44.5 FTE to operate and staff an additional 42 inpatient psychiatric beds at the Colorado Mental Health Institute at Pueblo (CMHIP).

CORRECTIONAL TREATMENT CASH FUND ADJUSTMENTS: The appropriation includes \$3,879,236 reappropriated funds, including \$2,000,000 for rural treatment programs for people with co-occurring disorders and \$1,879,236 for jail-based behavioral health services. These funds are transferred from the Judicial Department and originate in the Correctional Treatment Cash Fund.

TARGETED RATE INCREASE: The appropriation includes \$1,999,721 total funds, including \$1,500,555 General Fund and \$499,166 cash funds from the Marijuana Tax Cash Fund, to increase base rates for community mental health centers and other community-based mental health and substance use disorder providers. This increase is in addition to the statewide 1.0 percent rate increase. This funding is based on applying a 2.0 percent increase to providers' employee compensation expenses, which increases overall rates for these providers by an additional 1.446 percent.

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$1,558,601 total funds, including \$1,213,395 General Fund, for an across-the-board increase of 1.0 percent for community providers.

CONTRACT MEDICAL STAFF SALARY ADJUSTMENTS: The appropriation includes \$1,148,010 General Fund to increase salaries for medical staff at the Mental Health Institutes.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase of \$1,106,099 total funds for adjustments related to the Department's federally-approved indirect cost plan.

BEHAVIORAL HEALTH CRISIS RESPONSE SYSTEM ENHANCEMENTS: The appropriation includes \$395,069 General Fund to enhance the Behavioral Health Crisis Response System hotline vendor's capacity to respond to texts and chats.

FOOD SERVICE INFLATION: The appropriation includes \$127,811 total funds, including \$90,669 General Fund and \$37,142 reappropriated funds transferred from the Department of Corrections and the Department of Education, to cover the rising cost of food products purchased by the Mental Health Institutes.

LEAP YEAR ADJUSTMENT: The appropriation includes \$82,152 total funds, including \$64,775 General Fund, for a leap year adjustment in FY 2019-20 to cover the cost of the leap day for providers who are paid a daily rate.

SB 17-207 TRANSPORTATION PILOT PROGRAMS: The appropriation includes \$51,294 cash funds from the Marijuana Tax Cash Fund to cover the full-year costs of the two behavioral health secure transportation pilot programs that were authorized by S.B. 17-207 (Strengthen Behavioral Health Crisis Response System).

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-250 Jail-based behavioral health services	\$2,555,238	\$2,555,238	\$0	\$0	\$0	1.2
SB 18-270 Behavioral health crisis transition referral	1,588,250	1,588,250	0	0	0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	340,254	317,795	2,680	8,801	10,978	0.0
HB 18-1136 Expand Medicaid benefit for substance use disorder	30,000	0	0	30,000	0	0.0
SB 18-223 Actions related to competency to proceed	(6,458,000)	(6,458,000)	0	0	0	0.0
SB 19-114 Supplemental bill (excludes reversal of FY 2018-19 Mental Health Institute revenue adjustments)	(2,744,832)	(918,060)	1,028,957	(2,574,120)	(281,609)	0.0
HB 18-1094 Children and youth mental health treatment act	(4,703)	(4,703)	0	0	0	0.0
TOTAL	(\$4,693,793)	(\$2,919,480)	\$1,031,637	(\$2,535,319)	(\$270,631)	1.2

TECHNICAL ADJUSTMENTS: The appropriation includes adjustments to consolidate certain appropriations and to align cash and reappropriated funds spending authority with actual expenditures.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Consolidate funding for co-occurring disorder treatment programs	\$0	\$0	\$0	\$0	\$0	0.0
Eliminate unnecessary spending authority	(864,506)	0	(702,597)	(161,909)	0	0.0
Adjust cash fund spending authority	(385,823)	0	(385,823)	0	0	0.0
Eliminate funding for SB 16-202 evaluation	(80,000)	0	(80,000)	0	0	0.0
TOTAL	(\$1,330,329)	\$0	(\$1,168,420)	(\$161,909)	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

SERVICES FOR PEOPLE WITH DISABILITIES

This division includes funding for the following:

- Regional Centers – state operated facilities for individuals with intellectual and developmental disabilities that provide residential services, medical care, and active treatment programs based on individual assessments and habilitation plans.
- Work Therapy Program – sheltered training and employment workshops for individuals receiving services at the Colorado Mental Health Institute at Fort Logan and the Regional Centers at Grand Junction and Wheat Ridge.
- Colorado Brain Injury Program – direct services for individuals with a traumatic brain injury, research related to traumatic brain injuries, and education related to traumatic brain injuries.
- Veterans Community Living Centers – facilities to serve honorably discharged veterans and their spouses, widows, and parents of deceased veterans, including: long-term care such as skilled nursing care; speech, physical and occupational therapy; social activities; short-term rehabilitation services for individuals seeking to return home following a qualifying hospital stay; memory care services for individuals with dementia; short-term respite care; and end-of-life/hospice services.

SERVICES FOR PEOPLE WITH DISABILITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$125,289,721	\$1,495,430	\$39,168,228	\$63,181,181	\$21,444,882	1,414.6
SB 19-114	(419,292)	0	1,273,130	(1,685,713)	(6,709)	0.0
TOTAL	\$124,870,429	\$1,495,430	\$40,441,358	\$61,495,468	\$21,438,173	1,414.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$124,870,429	\$1,495,430	\$40,441,358	\$61,495,468	\$21,438,173	1,414.6
Compensation for direct care employees	6,209,484	2,483,792	3,725,692	0	0	0.0
Annualize prior year budget actions	1,070,588	(450,000)	20,075	1,500,513	0	0.0
Indirect cost assessment	930,519	0	1,636,518	(699,977)	(6,022)	0.0
Annualize prior year legislation	553,569	0	(1,269,285)	1,816,145	6,709	0.0
SB 19-207	\$133,634,589	\$3,529,222	\$44,554,358	\$64,112,149	\$21,438,860	1,414.6
HB 19-1147	900,000	450,000	0	450,000	0	0.0
TOTAL	\$134,534,589	\$3,979,222	\$44,554,358	\$64,562,149	\$21,438,860	1,414.6
INCREASE/(DECREASE)	\$9,664,160	\$2,483,792	\$4,113,000	\$3,066,681	\$687	(0.0)
Percentage Change	7.7%	166.1%	10.2%	5.0%	0.0%	(0.0%)

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to decrease by \$1,095,105 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net reduction of \$419,292 total funds, including:

- A net decrease of \$419,292 total funds for adjustments related to the Department's federally-approved indirect cost plan; and
- A footnote indicating that the \$450,000 General Fund appropriation for the Probation Pilot Program line item remains available for use by the Department through June 30, 2021.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COMPENSATION FOR DIRECT CARE EMPLOYEES: The appropriation includes \$6,209,484 total funds, including \$2,483,792 General Fund, to increase salaries for direct care staff at the Veterans Community Living Centers.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$1,520,588	\$0	\$20,075	\$1,500,513	\$0	0.0
Probation Pilot Program	(450,000)	(450,000)	0	0	0	0.0
TOTAL	\$1,070,588	(\$450,000)	\$20,075	\$1,500,513	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net increase of \$930,519 total funds for adjustments related to the Department's federally-approved indirect cost plan.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$419,292	\$0	(\$1,273,130)	\$1,685,713	\$6,709	0.0
SB 18-200 Eliminate Unfunded PERA Liability	134,277	0	3,845	130,432	0	0.0
TOTAL	\$553,569	\$0	(\$1,269,285)	\$1,816,145	\$6,709	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

ADULT ASSISTANCE PROGRAMS

This section includes funding for the Old Age Pension Program, for various adult cash assistance programs, and for community services for the elderly, including Older Americans Act programs. Cash Funds are primarily from the Old Age Pension Fund and from local funds.

ADULT ASSISTANCE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$203,523,747	\$54,010,118	\$127,942,066	\$1,001,800	\$20,569,763	30.5
SB 19-114	(153,752)	0	(149,838)	0	(3,914)	0.0
TOTAL	\$203,369,995	\$54,010,118	\$127,792,228	\$1,001,800	\$20,565,849	30.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$203,369,995	\$54,010,118	\$127,792,228	\$1,001,800	\$20,565,849	30.5
Old Age Pension Program COLA	3,219,665	0	3,219,665	0	0	0.0
State funding for senior services	3,000,000	0	3,000,000	0	0	0.0
Community provider rate increase	184,083	126,317	36,806	0	20,960	0.0
Annualize prior year legislation	165,420	6,684	152,575	0	6,161	0.0
Annualize prior year budget actions	158,278	47,047	93,661	0	17,570	0.0

ADULT ASSISTANCE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Adult protective services support	0	0	0	0	0	1.8
Indirect cost assessment	(138,900)	0	(149,832)	0	10,932	0.0
SB 19-207	\$209,958,541	\$54,190,166	\$134,145,103	\$1,001,800	\$20,621,472	32.3
HB 19-1223	1,450,000	0	1,450,000	0	0	0.8
TOTAL	\$211,408,541	\$54,190,166	\$135,595,103	\$1,001,800	\$20,621,472	33.1
INCREASE/(DECREASE)	\$8,038,546	\$180,048	\$7,802,875	\$0	\$55,623	2.6
Percentage Change	4.0%	0.3%	6.1%	0.0%	0.3%	8.5%

FY 2017-18 APPROPRIATION - ADJUSTMENTS

Senate Bill 19-114 modifies FY 2017-18 appropriations to reduce by \$2,112 total funds the FY 2017-18 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to reduce by \$153,752 total funds the FY 2018-19 appropriation for adjustments related to the Department's federally-approved indirect cost plan.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OLD AGE PENSION PROGRAM COLA: The appropriation includes \$3,219,665 in Old Age Pension (OAP) cash funds to fund a 2.8 percent cost-of-living-adjustment (COLA) for OAP program recipients. This will increase the monthly grant standard by \$22 from \$788 to \$810.

STATE FUNDING FOR SENIOR SERVICES: The appropriation includes \$3,000,000 in increased spending authority from the Older Coloradans Cash Fund to allow the Department to allocate available funds to the 16 Area Agencies on Aging (AAAs) that provide services to seniors such as home delivered meals, transportation services, nutrition education, legal aid, and ombudsman services.

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$184,083 total funds, including \$126,317 General Fund, for a 1.0 percent across-the-board increase for community providers.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$153,752	\$0	\$149,838	\$0	\$3,914	0.0
SB 18-200 Eliminate Unfunded PERA Liability	11,668	6,684	2,737	0	2,247	0.0
TOTAL	\$165,420	\$6,684	\$152,575	\$0	\$6,161	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$86,882	\$55,009	\$14,303	\$0	\$17,570	0.0
OAP pension COLA	79,358	0	79,358	0	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Respite care task force	(7,962)	(7,962)	0	0	0	0.0
TOTAL	\$158,278	\$47,047	\$93,661	\$0	\$17,570	0.0

ADULT PROTECTIVE SERVICES SUPPORT: The appropriation reflects a net zero transfer of \$185,472 General Fund from the Adult Protective Services (APS) line item to the APS, State Administration line item to provide funding for 1.8 FTE in FY 2019-20.

INDIRECT COST ASSESSMENT: The appropriation reflects a decrease of \$138,900 total funds for adjustments related to the Department's federally-approved indirect cost plan.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF YOUTH SERVICES

Formerly known as the Division of Youth Corrections, this agency is responsible for the supervision, care, and treatment of juveniles held in secure detention pre- or post-adjudication, juveniles committed or sentenced to the Department by courts, and juveniles receiving six month mandatory parole services following a commitment. The Division maintains ten secure institutional centers and augments this capacity with contracts for community, staff secure, and detention placements.

DIVISION OF YOUTH SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$133,278,792	\$126,471,671	\$2,259,309	\$3,086,515	\$1,461,297	1,225.4
HB 18-1323	52,511	0	0	52,511	0	0.5
SB 19-114	(753,905)	(932,060)	86,649	49,656	41,850	0.0
TOTAL	\$132,577,398	\$125,539,611	\$2,345,958	\$3,188,682	\$1,503,147	1,225.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$132,577,398	\$125,539,611	\$2,345,958	\$3,188,682	\$1,503,147	1,225.9
Compensation for direct care employees	5,567,568	5,567,568	0	0	0	0.0
Annualize prior year budget actions	3,130,616	3,127,370	0	3,246	0	1.7
Targeted rate increase	1,900,000	1,900,000	0	0	0	0.0
Youth services facilities realignment and capacity improvements	1,800,390	1,800,390	0	0	0	19.5
Annualize prior year legislation	1,032,994	1,151,175	(86,649)	10,318	(41,850)	(0.5)
Community provider rate increase	471,772	441,335	20,483	9,954	0	0.0
Leap year adjustment	132,761	124,339	5,668	2,754	0	0.0
Indirect cost assessment	98,069	0	98,069	0	0	0.0
Food service inflation	60,241	7,773	0	52,468	0	0.0
Youth services caseload adjustment	(2,145,329)	(512,243)	0	(172,005)	(1,461,081)	0.0
SB 19-207	\$144,626,480	\$139,147,318	\$2,383,529	\$3,095,417	\$216	1,246.6
SB 19-108	500,000	500,000	0	0	0	0.0
SB 19-136	259,562	259,562	0	0	0	0.5
SB 19-210	(1,515,099)	(1,515,099)	0	0	0	(31.5)
TOTAL	\$143,870,943	\$138,391,781	\$2,383,529	\$3,095,417	\$216	1,215.6
INCREASE/(DECREASE)	\$11,293,545	\$12,852,170	\$37,571	(\$93,265)	(\$1,502,931)	(10.3)
Percentage Change	8.5%	10.2%	1.6%	(2.9%)	(100.0%)	(0.8%)

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-114 modifies FY 2018-19 appropriations to provide a net reduction of \$753,905 total funds, including a reduction of \$932,060 General Fund, including:

- An increase of \$86,649 cash funds spending authority for adjustments related to the Department's federally-approved indirect cost plan; and
- A net decrease of \$840,554 total funds, including a decrease of \$932,060 General Fund, for contract placements in Division of Youth Services facilities,

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COMPENSATION FOR DIRECT CARE EMPLOYEES: The appropriation includes \$5,567,568 General Fund to increase salaries for direct care staff at the Division's then state-owned and -operated facilities.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$2,090,244	\$2,086,998	\$0	\$3,246	\$0	0.0
DYS staffing final phase	912,549	912,549	0	0	0	0.0
DYS special education services	127,823	127,823	0	0	0	1.7
TOTAL	\$3,130,616	\$3,127,370	\$0	\$3,246	\$0	1.7

TARGETED RATE INCREASE: The appropriation includes \$1,900,000 General Fund to align the daily rates paid to contract providers for youth placed in community-based services from the Division of Youth Services with youth placed in community-based services from the Division of Child Welfare.

YOUTH SERVICES FACILITIES REALIGNMENT AND CAPACITY IMPROVEMENTS: The appropriation includes an increase of \$1,800,390 General Fund and 19.5 FTE to add behavioral health staff, commitment beds, and intake assessment capabilities at the Division of Youth Services' state owned and operated facilities.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-114 Supplemental bill	\$753,905	\$932,060	(\$86,649)	(\$49,656)	(\$41,850)	0.0
SB 18-200 Eliminate Unfunded PERA Liability	253,856	253,574	0	282	0	0.0
HB 18-1323 Pay For Success Contracts	59,692	0	0	59,692	0	(0.5)
HB 17-1329 Reform DYC	(34,459)	(34,459)	0	0	0	0.0
TOTAL	\$1,032,994	\$1,151,175	(\$86,649)	\$10,318	(\$41,850)	(0.5)

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes \$471,772 total funds, including \$441,335 General Fund, for a 1.0 percent across-the-board increase for community providers.

LEAP YEAR ADJUSTMENT: The appropriation includes \$132,761 total funds, including \$124,339 General Fund, for a leap year adjustment in FY 2019-20 to cover the cost of the leap day for providers who are paid a daily rate.

INDIRECT COST ASSESSMENT: The appropriation reflects an increase of \$98,069 cash funds for adjustments related to the Department's federally-approved indirect cost plan.

FOOD SERVICE INFLATION: The appropriation includes \$60,241 total funds, including \$7,773 General Fund and \$52,468 reappropriated funds transferred from the Department of Education, to cover the rising cost of food products purchased by the Division's facilities.

YOUTH SERVICES CASELOAD ADJUSTMENT: The appropriation includes a decrease of \$2,145,329 total funds, including \$512,243 General Fund, for the Division of Youth Services based on a decrease in the forecasted average daily commitment population caseload for committed youth, the reopening of the state-owned, privately-operated Robert E. DeNier and Betty Marler Youth Services Centers, and the decision that the Division will not participate in the federal Family First Prevention Services Act of 2018.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-191 (LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND): Requires in FY 2018-19 and 2019-20 that \$50,000 of the amount allocated to the Gambling Addiction Account within the Local Government Limited Gaming Impact Fund be appropriated to the Department to develop a plan for a successful gambling addiction program. Eliminates the \$100,000 cash funds appropriation to the Department from the Gambling Addiction Account for FY 2018-19 for gambling addiction services, and appropriates \$50,000 for the development of the plan. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-207 (DHS INDIRECT COST ASSESSMENT FROM CASH FUNDS): Authorizes the Department to retain money for its indirect costs, based on a federally approved cost allocation plan, from the Older Coloradans Cash Fund and the Nurse Home Visitor Program Fund.

S.B. 18-249 (MENTAL HEALTH CRIMINAL JUSTICE DIVERSION GRANT PROGRAM): Establishes within the Judicial Department's Office of the State Court Administrator the Mental Health Criminal Justice Diversion Grant Program to support up to four pre-plea local-level mental health pilot programs that will divert individuals with mental health conditions who have been charged with low-level criminal offenses into community treatment programs. Appropriates \$750,000 General Fund to the Judicial Department for FY 2018-19, and states the assumption that the Department will require an additional 0.9 FTE.

S.B. 18-250 (JAIL-BASED BEHAVIORAL HEALTH SERVICES): Formally establishes in statute the Jail-based Behavioral Health Services Program, an existing program administered by the Department's Office of Behavioral Health (OBH) that provides funding for substance use disorder services for offenders while they are in jail and as they transition back to the community. Expands the program to include mental health services, and provides additional funding for these services and for state and local program administration. Appropriates \$2,564,603 General Fund to OBH for FY 2018-19, and states the assumption that OBH will require an additional 1.8 FTE.

S.B. 18-251 (STATEWIDE BEHAVIORAL HEALTH COURT LIAISON PROGRAM): Establishes within the Judicial Department's Office of the State Court Administrator the Statewide Behavioral Health Court Liaison Program. The program will allocate funding to each judicial district to contract with local behavioral health professionals to facilitate communication and collaboration between judicial and behavioral health systems and promote positive outcomes for individuals living with mental health or co-occurring behavioral health conditions. Appropriates \$1,997,112 General Fund to the Judicial Department for FY 2018-19, and states the assumption that the Department will require an additional 0.9 FTE.

S.B. 18-254 (CHILD WELFARE REFORMS): Makes numerous reforms to the funding structure for the State's child welfare system, including:

- Eliminating the option for county departments to maintain unspent General Fund money from the child welfare services block allocation if they participate in the Collaborative Management Program or the Integrated Care Management Program;
- Adding a statutory definition of and citation to the federal "Family First Prevention Services Act of 2018;"
- Creating a program in the child welfare system for residential out-of-home placements for children and youth with intellectual and developmental disabilities;
- Changing the number of and process for appointments to the child welfare allocations committee;
- Requiring the development of a child welfare system funding model;
- Increasing the percentage that counties are reimbursed by the State for adoption and relative guardianship subsidies from 80.0 percent to 90.0 percent;
- Allowing the Department to submit supplemental budget requests for increases in out-of-home placement provider rates and adoption and relative guardianship expenditures;
- Modifying language concerning negotiations between county departments and providers for out-of-home placement rates;
- Requiring capacity evaluations in counties or regions;
- Requiring the Department to perform an analysis and project costs to determine the fiscal impact on the State for changes in federal reimbursement rates for child welfare expenditures that result from the federal "Family First Prevention Services Act of 2018;"
- Modifying the close-out process for child welfare expenditures;
- Creating a child welfare prevention and intervention services cash fund into which unspent General Fund money allocated to county departments through block allocations are transferred for sustainability of state-approved prevention and intervention programs and services; and
- Creating and defining the responsibilities of the Delivery of Child Welfare Services Task Force.

Appropriates \$18,368,787 total funds, including an increase of \$14,546,680 General Fund and a decrease of \$1,208,177 cash funds from local sources, to the Division of Child Welfare for FY 2018-19, and states the assumption that the Department will receive \$5,030,284 federal funds and will require an additional 1.8 FTE.

S.B. 18-270 (BEHAVIORAL HEALTH CRISIS TRANSITION REFERRAL): Establishes the statewide Community Transition Specialist Program in the Department's Office of Behavioral Health (OBH) to coordinate referrals of high-risk individuals from hospitals and withdrawal management facilities to appropriate transition specialists. Requires OBH to collect information concerning current practices, criteria, procedures, and system capacity for providing follow-up care for high-risk individuals after release or discharge. Appropriates \$1,588,250 General Fund to OBH for FY 2018-19.

H.B. 18-1064 (TRAINING PROGRAM FOR PREVENTION OF CHILD SEXUAL ABUSE): Allows funds from the Colorado Children's Trust Fund to be used to develop, promote, maintain, and monitor a research-based child sexual abuse prevention training model. Expands current training to include all persons who interact with young children,

including parents, childcare providers, teachers, and any other mandatory reporter. Appropriates \$158,374 General Fund to the Department for FY 2018-19.

H.B. 18-1094 (CHILDREN AND YOUTH MENTAL HEALTH TREATMENT ACT): Indefinitely extends the Child Mental Health Treatment Act, which provides mental health treatment services for children and youth at risk of out-of-home placement. Renames and modifies the program, including expanding eligibility and the availability of services statewide. Appropriates \$1,286,611 General Fund to the Department's Office of Behavioral Health (OBH) for FY 2018-19, and states the assumption that OBH will require an additional 0.5 FTE.

H.B. 18-1136 (EXPAND MEDICAID BENEFIT FOR SUBSTANCE USE DISORDER): Adds residential and inpatient substance use disorder treatment and medical detoxification services as a benefit under the Colorado Medicaid Program, conditional upon federal approval. If the new benefit is enacted, requires Managed Service Organizations (MSOs) to determine to what extent money allocated from the Marijuana Tax Cash Fund (MTCF) may be used to assist in providing substance use disorder services if those services are not otherwise covered by private or public insurance. Appropriates a total of \$236,827 to the Department of Health Care Policy and Financing (HCPF) for FY 2018-19 (including \$155,193 General Fund and \$81,634 cash funds from the Healthcare Affordability and Sustainability Fee Cash Fund), and states the assumption that HCPF will receive \$236,828 federal funds for FY 2018-19.

H.B. 18-1172 (MONEY ALLOCATED TO MANAGED SERVICE ORGANIZATIONS): Clarifies that an MSO may use money allocated to it from the MTCF for substance use disorder services and for any start-up costs or other expenses necessary to increase capacity to provide such services. Permits an MSO to spend an allocation over two state fiscal years. Modifies related reporting requirements.

H.B. 18-1306 (IMPROVING EDUCATIONAL STABILITY FOR FOSTER YOUTH): Aligns state law with federal "Every Student Succeeds Act" (ESSA) provisions relating to students in foster care, referred to in state statutes as "students in out-of-home placement". ESSA permits students in out-of-home placement at any time during the school year to remain in their school of origin, as defined in the act, rather than move to a different school upon placement outside of the home or change in placement, unless the county department of human or social services or juvenile court determines that it is not in the child's best interest to remain in his or her school of origin. Appropriates \$2,817,327 total funds, including \$2,267,261 federal Temporary Assistance to Needy Families funds, to the Department of Human Services for FY 2018-19 and states the assumption that the Department will require an additional 0.9 FTE.

H.B. 18-1319 (SERVICES TO ENSURE A SUCCESSFUL ADULTHOOD FOR FORMER FOSTER CARE YOUTH): Allows county departments of human or social services to extend the provision of certain services for a successful adulthood to foster care youth between the ages of 18 and 21 who have exited the foster care system (former foster care youth), including assistance with employment, housing, education, financial management, mental health care, and substance abuse treatment (services for a successful adulthood). Tasks the state Department of Human Services with establishing a former foster care youth steering committee to develop recommendations for an implementation plan that supports the long-term provision of services for a successful adulthood for former foster care youth. Appropriates \$30,000 General Fund to the Department for FY 2018-19 for administration of the program.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

H.B. 18-1323 (PAY FOR SUCCESS CONTRACTS PILOT PROGRAM FUNDING): Transfers specified amounts from the General Fund and the Marijuana Tax Cash Fund (MTCF) to the Office of State Planning and Budgeting (OSPB) Youth Pay for Success Initiatives Account within the Pay for Success Contracts Fund for FY 2018-19 through FY 2021-22. Authorizes OSPB to spend this money for three specified Pay for Success contracts for pilot programs designed to reduce juvenile involvement in the justice system, reduce out-of-home placements of juveniles, and improve on-time high school graduation rates. Authorizes the Department of Human Services to spend any money

appropriated to it from the Account for expenses related to the administration of any pay for success contract, and appropriates \$52,511 reappropriated funds to the Department for FY 2018-19 and states the assumption that the Department will require an additional 0.5 FTE. Has a General Fund impact of \$401,314 for FY 2018-19 and a total General Fund impact of \$1.9 million between FY 2018-19 and FY 2021-22. Additionally, has a MTCF impact of \$989,470 for FY 2018-19 and a total MTCF impact of \$4.4 million between FY 2018-19 and FY 2021-22. For additional information, see the "Recent Legislation" section at the end of Part III for the Office of the Governor.

H.B. 18-1328 (REDESIGN RESIDENTIAL CHILD HEALTH CARE WAIVER): Directs the Department of Health Care Policy and Financing (HCPF) to initiate a stakeholder process for purposes of preparing and submitting a redesigned Children's Habilitation Residential Program (CHRP) waiver for federal approval that allows for home- and community-based services for children with intellectual and developmental disabilities who have complex behavioral support needs. HCPF may also request federal authorization to change the agency designated to administer and operate the program from the Department of Human Services to HCPF. Includes language creating the redesigned program, relocates the program in statute, and makes conforming changes in statute to reflect the new location of the program. The new program will become effective once federal approval has been granted for the redesigned CHRP waiver. Reduces the appropriation to the Department of Human Services by \$2,685,176 Medicaid reappropriated funds and 1.0 FTE in FY 2018-19.

H.B. 18-1333 (PART C CHILD FIND RESPONSIBILITIES OF CDE & DHS): Requires the Department of Education and the Department of Human Services to enter into an intergovernmental agreement concerning evaluations for services under the Child Find program. Appropriates \$15,000 General Fund to the Department for FY 2018-19.

H.B. 18-1334 (EXTEND TRANSITIONAL JOBS PROGRAM): Extends the Department's transitional jobs program, known as ReHire Colorado, for an additional five years through June 30, 2024. ReHire Colorado, created via H.B. 13-1004 (Colorado Careers Act of 2013) and reauthorized via H.B. 14-1015 (Extend Transitional Jobs Program) and H.B. 16-1290 (Extend Transitional Jobs Program), subsidizes the wages of unemployed and under-employed adults to provide opportunities to learn and practice successful workplace behaviors that help in securing long-term unsubsidized employment. The priority for program participation is given to individuals who are non-custodial parents, veterans, and/or displaced workers that are 50 years of age or older. Appropriates \$1,278,751 General Fund and 1.0 FTE to the Department for FY 2018-19.

H.B. 18-1339 (BACKGROUND CHECKS EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations to multiple departments for associated costs, including \$36,630 General Fund to the Department of Human Services. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 18-1357 (OMBUDSMAN FOR BEHAVIORAL HEALTH ACCESS TO CARE): Creates in the Department the independent Office of the Ombudsman for Behavioral Health Access to Care (Ombudsman) to serve as a neutral party to help consumers and health care providers navigate and resolve issues related to consumer access to behavioral health care. Requires the State Commissioner of Insurance to submit an annual report to the General Assembly concerning insurance carrier compliance with behavioral health coverage parity requirements. Appropriates \$85,695 General Fund to the Department of Human Services and \$8,355 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies for FY 2018-19, and states the assumption that the departments will require an additional 0.9 FTE and 0.1 FTE, respectively.

H.B. 18-1363 (RECOMMENDATIONS OF CHILD SUPPORT COMMISSION): Implements several recommendations from the Child Support Commission, including requiring insurance companies to participate in the Child Support Lien Network, and gives the Department the authority to recover fees attached to liens on insurance claims, payments, awards, and settlements and spend this revenue on costs related to participating in the Child Support Lien Network. Recovered costs are credited to the Child Support Insurance Lien Fund. Appropriates \$122,996 from the Fund to the Department for FY 2018-19 to pay for the State's participation in the Network.

H.B. 18-1364 (SUNSET COLORADO COUNCIL PERSONS WITH DISABILITIES): Continues the Colorado Advisory Council for Persons with Disabilities and transfers it from the Office of the Governor to the Department of Human Services, changes its membership, and redefines its duties. Appropriates \$250,000 General Fund to the Department for FY 2018-19 and states the assumption that the Department will require an additional 1.0 FTE.

2019 SESSION BILLS

S.B. 19-008 (SUBSTANCE USE DISORDER TREATMENT IN CRIMINAL JUSTICE SYSTEM): Makes several changes to state law concerning substance use disorders and the criminal justice system including the following:

- Requires county jails that accept state funding through the Department of Human Services' (DHS') Jail-based Behavioral Health Services Program to have a policy in place by January 1, 2020, that describes how medication-assisted treatment will be provided, when necessary, to individuals in jail. Requires the Department of Corrections (DOC) to allow medication-assisted treatment to continue in cases where an inmate was receiving treatment in a county jail prior to transfer into DOC custody. Allows county sheriffs and the DOC to enter into agreements with treatment organizations to assist in the development and administration of medication-assisted treatment in jails and prisons. Appropriates \$492,750 General Fund to DOC for FY 2019-20, and indicates that DOC will require 1.6 FTE to implement the act.
- Appropriates \$1,963,832 General Fund to DHS for FY 2019-20, and indicates that DHS will require 1.5 FTE to implement the act. This funding includes: \$1,165,052 to increase the number of local co-responder programs from eight to eleven; and \$798,780 for medication-assisted treatment in county jails.
- Requires the Department of Public Health and Environment (CDPHE) to develop and implement the Harm Reduction Grant Program to reduce health risks associated with drug use and improve coordination between law enforcement agencies, public health agencies, and community-based organizations. Creates the Harm Reduction Grant Program Cash Fund to support the grant program and appropriates \$1,800,000 cash funds from the Marijuana Tax Cash Fund to the new fund for FY 2019-20. Reappropriates this same amount to CDPHE for FY 2019-20 and indicates that CDPHE will require 1.8 FTE to implement the act.
- Requires the Commission on Criminal and Juvenile Justice in the Department of Public Safety to study and make recommendations to the General Assembly on various issues concerning the treatment of individuals with substance use disorders who come into contact with the criminal justice system. Appropriates \$40,300 General Fund to the Department of Public Safety for FY 2019-20.
- Creates a simplified process for sealing convictions for level 4 drug felonies, all drug misdemeanors, and any offense committed prior to October 1, 2013, that would have been a level 4 drug felony or drug misdemeanor if committed on or after October 1, 2013.
- Directs the Substance Abuse Trend and Response Task Force to formulate a response to substance use disorder problems that includes the use of drop-off treatment services, mobile and walk-in crisis centers, and withdrawal management programs for low-level drug offenders.

S.B. 19-063 (INFANT AND CHILD CARE ACTION PLAN): Requires the Department and the Early Childhood Leadership Commission to develop a strategic action plan related to infant and family child care. Assumes state expenditures will increase in FY 2019-20 only. The bill anticipates the Department will receive \$50,688 in federal funds to implement this act.

S.B. 19-108 (JUVENILE JUSTICE REFORM): Establishes the Juvenile Justice Reform Committee and makes other changes to the juvenile justice system. Appropriates the following:

- \$68,598 General Fund and 0.8 FTE to the Judicial Department for FY 2019-20 for a policy analyst to participate and advise the Juvenile Justice Reform Committee;
- \$500,000 General Fund to the Department of Human Services for FY 2019-20 to license a risk and needs assessment tool, contract with a consultant to adopt the tool for use in the state, and to implement the tool statewide; and
- \$6,315 General Fund to the Legislative Department for FY 2019-20 to reimburse legislators for per diem and expenses related to their service on the Juvenile Justice Reform Committee.

S.B. 19-114 (SUPPLEMENTAL BILL): Modifies FY 2017-18 and FY 2018-19 appropriations to the Department.

S.B. 19-136 (EXPAND DIVISION OF YOUTH SERVICES PILOT PROGRAM): Expands the therapeutic and rehabilitation culture pilot program in the Division of Youth Services to a second pilot program location and extends the existing pilot program at the Lookout Mountain Youth Services Center by one year. Appropriates \$259,562 General Fund and 0.5 FTE to the Department of Human Services for FY 2019-20 to:

- Renovate existing facility space to create a youth residence for the new pilot program that is home-like and therapeutic;
- Contract with a vendor to implement a second pilot program site and to continue the current vendor's contract by one year at the Lookout Mountain Youth Services Center; and
- Add a support position to liaison between the program and the vendor, coordinate assignments, and train existing facility staff.

S.B. 19-178 (PROGRAM TO SUBSIDIZE ADOPTIONS FOR CHILDREN AND YOUTH): Repeals and reenacts, with amendments, provisions of the state's adoption assistance program that provides cash subsidies and other noncash benefits to families who adopt eligible children and youth who might not otherwise be adopted. Appropriates \$42,143 General Fund to the Department for use by the Office of Information Technology Services for Colorado TRAILS and states the assumption that the Department will receive \$18,061 in federal funds. Reappropriates \$60,204 to the Governor's Office of Information Technology to provide information technology services to the Department of Human Services.

S.B. 19-195 (BEHAVIORAL HEALTH SERVICES FOR CHILDREN AND YOUTH): Requires the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to work collaboratively to provide Medicaid-covered wraparound services for children and youth at risk of out-of-home placement or who are currently in out-of-home placement. Requires HCPF to seek federal authorization to provide such services by July 1, 2020, and upon federal authorization, requires that managed care entities implement such services. Requires DHS to create three new tools to assess, screen, and provide a single referral and entry point for children with mental or behavioral health issues. Requires the Department of Public Health and Environment to provide free training for providers on these tools. Provides \$1,391,387 total funds, including \$619,484 General Fund and \$771,903 federal funds, and 3.9 FTE for HCPF for FY 2019-20. Provides \$442,449 total funds, including \$142,449 General Fund and \$300,000 reappropriated funds transferred from HCPF, and 1.5 FTE for the Department of Human Services for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20. Includes provision modifying FY 2018-19 appropriations to the Department.

S.B. 19-210 (JUVENILE DETENTION BEDS): Reduces the number of detention beds within the Division of Youth Services from 382 to 327 (decrease of 55 beds). Reduces the Department of Human Services' FY 2019-20 appropriation by \$1,886,812 General Fund and 31.5 FTE.

S.B. 19-222 (BEHAVIORAL HEALTH CARE FOR INDIVIDUALS AT RISK): Requires the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to improve access to behavioral health services for individuals at risk of institutionalization. Requires HCPF to:

- Develop measurable outcomes to monitor efforts to prevent Medicaid recipients from becoming involved in the criminal or juvenile justice system;
- Determine if a federal waiver or alternative plan is most appropriate to provide long-term behavioral health inpatient services to individuals with a high level of need; and
- Work with managed care entities to create a way to incentivize behavioral health providers to accept Medicaid recipients that need high levels of behavioral health services.

Requires DHS to develop and implement admission criteria that ensure individuals have been evaluated for the least restrictive level of care prior to admission to an inpatient civil bed at the Mental Health Institutes. States that geographic location, current health care provider, and payer type are not the primary determining factor in whether an individual has access to a civil inpatient bed. Also requires DHS to:

- Collaborate with HCPF to develop an implementation plan to increase the number of high-intensity behavioral health treatment programs statewide and submit a report to the Joint Budget Committee outlining the progress of the implementation plan; and
- Collaborate with an advisory body created by the bill to develop a comprehensive proposal to strengthen and expand the safety net system that provides behavioral health services for individuals with severe behavioral health disorders and implement the proposal along with an associated funding model.

Provides \$150,000 total funds for HCPF for FY 2019-20, including \$51,000 General Fund, \$24,000 cash funds, and \$75,000 federal funds. Indicates that DHS anticipates receiving \$220,707 in federal funds for FY 2019-20 and that DHS will require 1.0 FTE to implement the act.

S.B. 19-223 (ACTIONS RELATED TO COMPETENCY TO PROCEED): Makes various changes to the process when a defendant's competency to proceed is raised in a criminal proceeding. When a defendant's competency to proceed is raised, the act:

- Changes the timing of various matters;
- Clarifies where restoration services are to be provided;
- Expands the requirements for a competency evaluation report; and
- Clarifies when defendants are to be released following an evaluation or restoration services, including reducing the maximum time period that a defendant determined incompetent to proceed may be detained.

Requires the Department of Human Services (DHS) to:

- Require county jails, subject to available appropriations, to assist in the provision of interim mental health services for individuals who have been ordered to undergo inpatient competency restoration and are awaiting admission to an inpatient bed;
- Coordinate with other agencies to ensure the defendant who has been restored to competency and returned to county jail or the community receives ongoing services and medication;
- Work with the Judicial Department to develop an electronic system to track the status of defendants for whom competency to proceed has been raised;
- Convene a group of experts to create a placement guideline for use in determining where restoration services should be provided; and
- Partner with an institution of higher education to develop and provide training in competency evaluations.

On and after January 1, 2020, requires competency evaluators (with some exceptions) to have attended training. Requires the Judicial Department, the Office of the State Public Defender, the Alternate Defense Counsel, and district attorneys to train attorneys and other employees on juvenile and adult competency evaluation reports, restoration

services, and certification proceedings and to report annually to the General Assembly on this training. The following table summarizes the appropriations and appropriation changes that are included in the act.

S.B. 19-223 APPROPRIATIONS			
	GENERAL FUND	REAPPROPRIATED FUNDS	FTE
Department of Human Services			
Fines, liquidated damages, costs, or attorney fees for non-compliance with the consent decree	\$10,483,000	\$0	0.0
Compensation for the Special Master pursuant to the consent decree	500,000	0	0.0
Community transition services (anticipated reversion)	(2,150,000)	0	0.0
Rural co-occurring disorder services (anticipated reversion)	(1,375,000)	0	0.0
Jail-based behavioral health services (anticipated reversion)	(1,000,000)	0	0.0
TOTAL FY 2018-19	\$6,458,000	\$0	0.0
Department of Human Services	\$8,141,194	\$0	19.0
Judicial Department	750,570	0	5.4
Department of Law	50,000	139,901	0.8
Governor's Office of Information Technology Services	0	454,539	0.9
TOTAL FY 2019-20	\$8,941,764	\$594,440	26.1

S.B. 19-227 (HARM REDUCTION SUBSTANCE USE DISORDERS): Creates and expands certain substance use disorder treatment programs. With respect to this department, the act requires the Office of Behavioral Health to establish a policy on how a substance use disorder treatment program must verify the identity of individuals initiating detoxification, withdrawal, or maintenance treatment. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

S.B. 19-228 (SUBSTANCE USE DISORDERS PREVENTION MEASURES): Provides funding for the implementation of several programs for the prevention of opioid and other substance use disorders in the Departments of Human Services (DHS), Higher Education, and Public Health and Environment. With respect to this department, the act:

- Creates the Charlie Hughes and Nathan Gauna Opioid Prevention Grant Program to Improve Young Lives for preventing opioid use among the State’s youth population;
- Creates the Maternal and Child Health Pilot Program to provide grants to medication-assisted treatment facilities and to obstetric and gynecological health care clinics to facilitate the integration of behavioral health into obstetric and gynecological health care; and
- Authorizes DHS to conduct research as related to the definition of child abuse concerning prenatal substance exposure.

Appropriates \$1,192,367 cash funds from the Marijuana Tax Cash Fund to DHS for FY 2019-20, and states the assumption that DHS will require an additional 2.1 FTE. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Higher Education.

S.B. 19-235 (AUTOMATIC VOTER REGISTRATION): Requires the transfer of certain records to the Department of State for the purpose of automatically registering voters. Appropriates the following:

- \$67,840 cash funds to the Department of State for FY 2019-20 to create automated voter registration modules in the statewide voter registration system for the information received from the Department of Revenue, pursuant to this legislation;
- \$136,240 total funds, including \$61,301 General Fund, to the Department of Human Services for FY 2019-20 to make modifications to the Colorado Benefits Management System to enable the electronic monthly transfer of information from the Department of Human Services to the Department of State. Reappropriates this amount to the Office of the Governor to provide information technology services; and
- \$18,000 General Fund to the Department of Revenue for FY 2019-20 to allow for the automatic transfer of driver records from the Department’s Division of Motor Vehicles to the Department of State.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of State.

S.B. 19-258 (CHILD WELFARE FUNDING): Extends the repeal date of the Title IV-E Waiver Demonstration project to June 30, 2020. Creates the Title IV-E Administrative Costs Cash Fund into which Title IV-E reimbursement are deposited when they are received for administrative costs for independent legal representation by an attorney for: 1) a child who is a candidate for Title IV-E foster care or who is in foster care, and 2) the child’s parent to prepare for and participate in all stages of foster care legal proceedings. Clarifies provisions relating to the annual close-out process for small- and medium-sized counties and for all counties, including provisions relating to the allocation of unspent appropriations. Requires the Department to submit a Title IV-E Waiver interventions sustainability plan to the Joint Budget Committee on or before January 2, 2020. Refinances \$9.7 million General Fund appropriated to the Child Welfare Services line item with federal Temporary Assistance to Needy Families Funds. Appropriates \$9.7 million General Fund to the Child Welfare Prevention and Intervention Services Cash Fund and reappropriates these funds to the Division of Child Welfare for the delivery of child welfare prevention and intervention services.

H.B. 19-1009 (SUBSTANCE USE DISORDER RECOVERY): Effective January 1, 2020, establishes requirements for the operation of recovery residences, including certification by an entity approved by the Office of Behavioral Health (OBH) in the Department of Human Services. Establishes the Recovery Residence Certification Grant Program to be administered by OBH to provide grants to recovery residences for the purpose of gaining certification. Appropriates \$50,000 General Fund to OBH for FY 2019-20. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Local Affairs.

H.B. 19-1069 (SIGN LANGUAGE INTERPRETERS TITLE CERTIFICATION): Allows the Colorado Commission of the Deaf, Hard of Hearing, and Deafblind to approve certifications for sign language interpreters and adds additional titles that cannot be used without a certification. Appropriates \$19,440 cash funds to the Department of Regulatory Agencies for FY 2019-20 and reappropriates the money to the Department of Human Services to approve the certifications.

H.B. 19-1142 (SAFE FAMILY OPTION FOR PARENTS): Permits a parent or guardian to use the assistance of a temporary care assistance program operated by a qualified nonprofit organization to identify an appropriate and safe approved temporary caregiver to whom the parent or guardian can choose to delegate temporary care responsibility of a minor through a power of attorney. Appropriates \$14,093 General Fund to the Department and states the assumption that the Department will require an additional 0.3 FTE.

H.B. 19-1147 (REVISE TRAUMATIC BRAIN INJURY PROGRAM): Makes revisions to the Colorado traumatic brain injury program and clarifies that all persons served by the program receive service coordination and skills training and may receive other services as determined by the trust fund board. Removes a restriction on the use of General Fund for the program and makes changes to fees that are collected for the benefit of the trust fund. Appropriates \$450,000 General Fund to the Colorado Brain Injury Trust Fund (Fund) and reappropriates \$450,000 from the Fund to the Department for the Colorado Brain Injury Program.

H.B. 19-1193 (BEHAVIORAL HEALTH SUPPORTS FOR HIGH-RISK FAMILIES): Increases access to substance use disorder treatment and support for pregnant women and new mothers, including the following changes:

- Creates the Child Care Services and Substance Use Disorder Treatment Pilot Program, consisting of three different grants, to provide child care services to the children (up to the age of five) of women engaged in substance use disorder treatment.
- Expands eligibility for the existing High Risk Pregnant Women program to cover women with substance use disorders up to one year postpartum, and authorizes the Department of Human Services (DHS) to use State money to provide services through this program to women who are not eligible for Medicaid and to pay for services provided to Medicaid-eligible women that are not covered by the Medicaid program.

- Creates the High-risk Families Cash Fund, consisting of money that is appropriated for three existing programs that remains unexpended and unencumbered at the end of the fiscal year. Continuously appropriates money in the new fund to DHS for the purchase of services for high-risk families and for one-time allocations to increase treatment capacity.

For FY 2019-20, appropriates \$500,000 General Fund to DHS and states the assumption that DHS will require an additional 0.6 FTE to implement the act.

H.B. 19-1215 (CHILD SUPPORT COMMISSION RECOMMENDATIONS): Makes changes to income determination and payment guidelines for calculating child support payments; allows the Department to issue a notice of administrative lien and levy to any financial institution; and requires the Colorado Child Support Commission to meet every four years to update its policies. Increases the annual fee for child support payments from \$25 to \$35 and creates the Child Support Deficit Reduction Act (DRA) fee Cash Fund to retain the state share of the annual child support fee. For FY 2019-20, appropriates \$143,650 cash funds to the Department.

H.B. 19-1223 (SOCIAL SECURITY APPLICATION ASSISTANCE): Creates a program to help persons with disabilities apply for federal disability benefits. Also creates the Disability Benefits Application Assistance Fund. Requires the Department to allocate program funding to participating counties with the highest need for assistance based on the number of Aid to the Needy Disabled (AND) Program participants and homeless persons in the counties. For FY 2019-20, appropriates \$1,450,000 cash funds from the Marijuana Tax Cash Fund to the Department and states the assumption that the Department will require an additional 0.8 FTE.

H.B. 19-1262 (FULL-DAY KINDERGARTEN): For FY 2019-20, appropriates \$25,094 General Fund to the Department and states the assumption that the Department will require an additional 0.3 FTE for child care licensing and administration in the Office of Early Childhood. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Education.

H.B. 19-1287 (TREATMENT FOR SUBSTANCE USE DISORDERS): Requires the Department of Human Services (DHS) to establish a centralized, web-based behavioral health capacity tracking system to track bed space use and availability at crisis stabilization units, acute treatment units, community mental health centers, and hospitals. Requires DHS to establish a care navigation system to assist individuals in accessing substance use disorder treatment. Creates the Building Substance Use Disorder Treatment Capacity in Underserved Communities Grant Program to be administered by DHS to support substance use disorder treatment capacity-building in rural and frontier communities. Appropriates \$5,589,334 cash funds from the Marijuana Tax Cash Fund for FY 2019-20 to DHS and states the assumption that DHS will require an additional 2.5 FTE to implement the act. Appropriates \$21,733 General Fund and \$10,228 cash funds for the Department of Health Care Policy and Financing (HCPF) for FY 2019-20 to assist in care coordination for Medicaid clients, and states the assumptions that HCPF will receive \$31,961 federal funds and require 0.8 FTE to implement the act. Reappropriates \$160,206 to the Governor’s Office of Information Technology for the provision of services to DHS.

H.B. 19-1308 (FOSTER CARE PREVENTION SERVICES): Authorizes the Department to establish and implement a foster care prevention services program for families with children and youth who are candidates for foster care but who can safely remain at home with receipt of foster care prevention services and establishes requirements concerning the placement of children in a qualified residential treatment program in order to comply with the federal Family First Prevention Services Act. Requires the Department to implement the provisions of the bill when the federal government approves Colorado’s five-year Title IV-E prevention plan.

H.B. 19-1327 (LICENSING BEHAVIORAL HEALTH ENTITIES): Consolidates various licenses for behavioral health services into a single behavioral health entity (BHE) license to be administered by the Department of Public Health and Environment (CDPHE). The Department of Human Services (DHS) will use money from the federal Mental Health and Substance Abuse Prevention and Treatment block grant fund to support licensing function costs that are

not covered by licensing fee revenue through June 30, 2024, when the CDPHE program is anticipated to be self-sufficient. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

Details

JUDICIAL DEPARTMENT

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

JUDICIAL DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$768,858,254	\$560,930,830	\$166,229,388	\$37,273,036	\$4,425,000	4,744.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Supreme Court and Court of Appeals	26,536,360	14,906,929	11,556,534	72,897	0	216.5
Courts Administration	222,357,677	121,660,033	88,145,339	12,552,305	0	457.9
Trial Courts	173,343,411	138,902,574	30,565,837	2,250,000	1,625,000	1,872.1
Probation and Related Services	152,578,921	93,511,199	33,927,892	22,339,830	2,800,000	1,248.7
Office of the State Public Defender	97,453,793	97,248,793	205,000	0	0	871.8
Office of the Alternate Defense Counsel	43,683,415	43,603,415	80,000	0	0	13.8
Office of the Child's Representative	29,341,294	29,314,385	0	26,909	0	31.0
Office of the Respondent Parents' Counsel	20,510,173	20,449,078	30,000	31,095	0	10.0
Office of the Child Protection Ombudsman	994,028	994,028	0	0	0	8.0
Independent Ethics Commission	340,396	340,396	0	0	0	1.0
Office of Public Guardianship	1,718,786	0	1,718,786	0	0	14.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$754,037,172	\$550,203,048	\$162,436,088	\$36,973,036	\$4,425,000	4,742.7
SB 18-203	124,263	124,263	0	0	0	0.8
SB 18-249	750,000	750,000	0	0	0	0.9
SB 18-251	1,997,112	1,997,112	0	0	0	0.9
HB 18-1176	3,286,000	0	3,286,000	0	0	0.0
SB 19-036	203,612	203,612	0	0	0	0.0
SB 19-115	8,353,523	7,546,223	507,300	300,000	0	(0.5)
SB 19-207	106,572	106,572	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$840,523,801	\$616,134,492	\$170,265,416	\$49,698,893	\$4,425,000	4,869.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Supreme Court and Court of Appeals	27,053,858	15,608,944	11,372,017	72,897	0	219.5
Courts Administration	255,082,072	141,316,525	99,198,352	14,567,195	0	465.5
Trial Courts	184,667,789	150,114,617	30,678,172	2,250,000	1,625,000	1,921.5
Probation and Related Services	163,968,163	99,973,877	28,443,489	32,750,797	2,800,000	1,298.8
Office of the State Public Defender	107,392,415	107,337,415	55,000	0	0	889.1
Office of the Alternate Defense Counsel	48,159,361	48,079,361	80,000	0	0	15.9
Office of the Child's Representative	31,299,854	31,272,945	0	26,909	0	33.0
Office of the Respondent Parents' Counsel	20,869,276	20,808,181	30,000	31,095	0	13.0
Office of the Child Protection Ombudsman	990,918	990,918	0	0	0	8.0
Independent Ethics Commission	204,709	204,709	0	0	0	1.0
Office of Public Guardianship	835,386	427,000	408,386	0	0	4.5
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$828,444,020	\$605,480,938	\$168,839,189	\$49,698,893	\$4,425,000	4,799.4
SB 19-030	543,461	543,461	0	0	0	4.8

JUDICIAL DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-043	7,417,731	7,417,731	0	0	0	53.7
SB 19-108	68,598	68,598	0	0	0	0.8
SB 19-180	1,500,000	750,000	750,000	0	0	0.0
SB 19-211	442,543	442,543	0	0	0	0.0
SB 19-223	750,570	750,570	0	0	0	5.4
HB 19-1045	835,386	427,000	408,386	0	0	4.5
HB 19-1177	119,392	119,392	0	0	0	0.0
HB 19-1263	74,409	74,409	0	0	0	0.4
HB 19-1275	47,361	0	47,361	0	0	0.8
HB 19-1310	220,480	0	220,480	0	0	0.0
HB 19-1316	59,850	59,850	0	0	0	0.0
INCREASE/(DECREASE)	\$71,665,547	\$55,203,662	\$4,036,028	\$12,425,857	\$0	125.0
Percentage Change	9.3%	9.8%	2.4%	33.3%	0.0%	2.6%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Judicial Department are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$45,558,021	\$0	\$41,075,017	\$58,004	\$4,425,000

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

SUPREME COURT AND COURT OF APPEALS

This Long Bill section provides funding for the Colorado Supreme Court and the Colorado Court of Appeals. The *Supreme Court* is the State's court of last resort, and its decisions are binding on all other State courts. While requests to review decisions of the Colorado Court of Appeals constitute the majority of the Supreme Court's filings, the Court also has direct appellate jurisdiction over other types of cases, such as those cases in which a statute has been held to be unconstitutional. The Supreme Court also oversees the regulation of attorneys and the practice of law. The Supreme Court is composed of seven Justices who serve renewable ten-year terms. The Chief Justice, selected by the Justices of the Court, is the executive head of the Judicial Department. In FY 2017-18, 1,231 cases were filed with the Supreme Court.

Created by statute, the *Court of Appeals* is generally the first court to hear appeals of judgments and orders in criminal, juvenile, civil, domestic relations, and probate matters. The Court of Appeals also has initial jurisdiction to review actions and decisions of several state agencies, boards, and commissions. Its determination of an appeal is final unless the Colorado Supreme Court agrees to review the matter. The Court of Appeals is currently composed of 22 judges who serve renewable eight-year terms. In FY 2017-18, 2,482 cases were filed with the Court of Appeals.

Cash fund sources primarily include annual attorney registration fees and law examination application fees, appellate court filing fees, and court docket fees that are credited to the Judicial Stabilization Cash Fund. Reappropriated funds are transferred from the Department of Law.

SUPREME COURT AND COURT OF APPEALS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$26,536,360	\$14,906,929	\$11,556,534	\$72,897	\$0	216.5
TOTAL	\$26,536,360	\$14,906,929	\$11,556,534	\$72,897	\$0	216.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$26,536,360	\$14,906,929	\$11,556,534	\$72,897	\$0	216.5
Annualize prior year budget actions	448,465	448,465	0	0	0	0.0
Centralized legal research team	215,307	215,307	0	0	0	3.0
Annualize prior year legislation	38,243	38,243	0	0	0	0.0
Centrally appropriated line items	18,712	0	18,712	0	0	0.0
Indirect costs	(203,229)	0	(203,229)	0	0	0.0
SB 19-207	\$27,053,858	\$15,608,944	\$11,372,017	\$72,897	\$0	219.5
TOTAL	\$27,053,858	\$15,608,944	\$11,372,017	\$72,897	\$0	219.5
INCREASE/(DECREASE)	\$517,498	\$702,015	(\$184,517)	\$0	\$0	3.0
Percentage Change	2.0%	4.7%	(1.6%)	0.0%	0.0%	1.4%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for annualization of FY 2018-19 salary survey.

CENTRALIZED LEGAL RESEARCH TEAM: The appropriation includes \$215,307 General Fund, which is part of the net cost of establishing a specialized legal research team housed in the Supreme Court Library in Denver that will be available to trial courts in all judicial districts for death penalty and other research-intensive cases that involve complex legal questions. Currently, the Judicial Branch contracts with legal researchers to perform such research on an as-needed basis. The projected reduction in payments to the contractors will pay almost all of the cost of the new team.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$38,243 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes a health, life, and dental adjustment for the Office of Attorney Regulation Counsel.

INDIRECT COST ADJUSTMENT: The appropriation includes a decrease of \$203,229 cash funds in the Department's indirect cost assessments for this Long Bill section.

COURTS ADMINISTRATION

The Justices of the Supreme Court appoint a State Court Administrator to oversee the daily administration of the Department and provide technical and administrative support to the courts and probation. This Long Bill section is comprised of four subsections: Administration and Technology; Central Appropriations; Centrally Administered Programs; and Ralph L. Carr Colorado Judicial Center.

COURTS ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$216,124,821	\$115,934,477	\$87,638,039	\$12,552,305	\$0	456.1

COURTS ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-249	750,000	750,000	0	0	0	0.9
SB 18-251	1,997,112	1,997,112	0	0	0	0.9
SB 19-036	203,612	203,612	0	0	0	0.0
SB 19-115	977,152	469,852	507,300	0	0	0.0
SB 19-207	2,304,980	2,304,980	0	0	0	0.0
TOTAL	\$222,357,677	\$121,660,033	\$88,145,339	\$12,552,305	\$0	457.9
FY 2019-20 APPROPRIATION:						
SB 19-207	\$250,364,791	\$137,569,724	\$98,227,872	\$14,567,195	\$0	464.6
SB 19-043	2,373,622	2,373,622	0	0	0	0.9
SB 19-180	1,500,000	750,000	750,000	0	0	0.0
SB 19-211	442,543	442,543	0	0	0	0.0
SB 19-223	180,636	180,636	0	0	0	0.0
HB 19-1310	220,480	0	220,480	0	0	0.0
TOTAL	\$255,082,072	\$141,316,525	\$99,198,352	\$14,567,195	\$0	465.5
INCREASE/(DECREASE)	\$32,724,395	\$19,656,492	\$11,053,013	\$2,014,890	\$0	7.6
Percentage Change	14.7%	16.2%	12.5%	16.1%	n/a	1.7%

ADMINISTRATION AND TECHNOLOGY

This Long Bill subsection of the Courts Administration section provides funding and staff associated with central administration of the State's judicial system, including information technology systems and support. Cash funds are primarily from fees and cost recoveries that are credited to the Judicial Department Information Technology Cash Fund, and drug offender surcharges that are credited to the Correctional Treatment Cash Fund. Reappropriated funds are primarily from departmental indirect cost recoveries.

ADMINISTRATION AND TECHNOLOGY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$39,932,664	\$20,809,065	\$16,491,724	\$2,631,875	\$0	250.8
SB 19-036	203,612	203,612	0	0	0	0.0
SB 19-115	507,300	0	507,300	0	0	0.0
TOTAL	\$40,643,576	\$21,012,677	\$16,999,024	\$2,631,875	\$0	250.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$40,643,576	\$21,012,677	\$16,999,024	\$2,631,875	\$0	250.8
IT infrastructure	5,514,753	0	5,514,753	0	0	0.0
Indirect costs	573,455	104,270	517,607	(48,422)	0	0.0
E-filing	148,500	0	148,500	0	0	0.0
Audio visual technical staff and administrative support	135,253	135,253	0	0	0	2.0
Distance learning specialists	106,491	106,491	0	0	0	1.5
Annualize prior year legislation	62,444	62,444	0	0	0	0.0
Annualize prior year budget actions	(491,740)	5,426	(497,166)	0	0	0.0
Eliminate one-time funding for SB 19-036	(203,612)	(203,612)	0	0	0	0.0
Fleet vehicles	(9,513)	(9,513)	0	0	0	0.0
SB 19-207	\$46,479,607	\$21,213,436	\$22,682,718	\$2,583,453	\$0	254.3
SB 19-043	110,873	110,873	0	0	0	0.9
HB 19-1310	220,480	0	220,480	0	0	0.0
TOTAL	\$46,810,960	\$21,324,309	\$22,903,198	\$2,583,453	\$0	255.2
INCREASE/(DECREASE)	\$6,167,384	\$311,632	\$5,904,174	(\$48,422)	\$0	4.4
Percentage Change	15.2%	1.5%	34.7%	(1.8%)	n/a	1.8%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-036 provides \$203,612 General Fund to the Judicial Department to establish a reminder program in at least four judicial district courts beginning January 1, 2020 that will remind defendants to appear at their scheduled court appearances.

Senate Bill 19-115 modifies the FY 2017-18 appropriation to provide \$507,300 cash funds to the Department for e-filing of court documents and network access.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

IT INFRASTRUCTURE: The appropriation includes \$5,514,753 cash funds to pay for information technology (IT) projects.

INDIRECT COSTS: The appropriation reduces indirect cost assessments and increases General Fund appropriations to offset the lost revenue.

E-FILING: The appropriation includes \$148,005 cash funds that derive from e-filing fees paid by litigants who file documents using the Judicial Branch's e-filing system. The appropriation is used to pay the contractor who operates the e-filing system.

AUDIO VISUAL TECHNICAL STAFF AND ADMINISTRATIVE SUPPORT: The appropriation includes \$135,253 General Fund and 2.0 FTE for audio visual (AV) staff who will provide AV support to courts throughout the state.

DISTANCE LEARNING SPECIALISTS: The appropriation includes \$106,491 General Fund for 1.5 FTE who are distance learning specialists. These specialists, in collaboration with subject matter experts, develop online instructional content to meet the training needs of judicial officers, court employees, and probation employees who are located in every county in the state.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$62,444 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$683,537	\$680,703	\$2,834	\$0	\$0	0.0
FY 2018-19 IT Project management security	72,768	72,768	0	0	0	0.0
FY 2018-19 Access to justice	11,657	11,657	0	0	0	0.0
FY 2018-19 Interstate Compact FTE transfer	9,828	9,828	0	0	0	0.0
FY 2018-19 Courthouse Furnishings	(1,269,530)	(769,530)	(500,000)	0	0	0.0
TOTAL	(\$491,740)	\$5,426	(\$497,166)	\$0	\$0	0.0

ELIMINATE ONE-TIME FUNDING FOR SB 19-036: The appropriation eliminates the funding in S.B. 19-036.

FLEET VEHICLES: The appropriation includes a net decrease of \$9,513 General Fund for Judicial Department vehicle expenses.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

CENTRAL APPROPRIATIONS

This Long Bill subsection of the Courts Administration section includes funding related to employee benefits, leased space, and services purchased from other agencies such as legal and technology services. Significant sources of cash funds include the following: payments and fees that are credited to the Offender Services Fund and the Alcohol and Drug Driving Safety Program Fund; fees and cost recoveries that are credited to the Judicial Department Information Technology Cash Fund; and time payment and late penalty fees credited to the Judicial Collection Enhancement Fund.

CENTRAL APPROPRIATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$80,136,847	\$74,762,926	\$5,373,921	\$0	\$0	0.0
TOTAL	\$80,136,847	\$74,762,926	\$5,373,921	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$80,136,847	\$74,762,926	\$5,373,921	\$0	\$0	0.0
Centrally appropriated line items	25,216,434	23,794,502	1,421,932	0	0	0.0
Salary survey	1,142,148	1,116,382	25,766	0	0	0.0
Probation officers and supporting staff	675,777	675,777	0	0	0	0.0
Consolidate Legal Services	201,019	201,019	0	0	0	0.0
Distance learning specialists	130,548	130,548	0	0	0	0.0
Fleet vehicles	14,239	14,239	0	0	0	0.0
Centralized legal research team	14,154	14,154	0	0	0	0.0
Audio visual technical staff and administrative support	12,797	12,797	0	0	0	0.0
Annualize prior year budget actions	(10,832,231)	(10,249,198)	(583,033)	0	0	0.0
SB 19-207	\$96,711,732	\$90,473,146	\$6,238,586	\$0	\$0	0.0
SB 19-043	591,104	591,104	0	0	0	0.0
TOTAL	\$97,302,836	\$91,064,250	\$6,238,586	\$0	\$0	0.0
INCREASE/(DECREASE)	\$17,165,989	\$16,301,324	\$864,665	\$0	\$0	0.0
Percentage Change	21.4%	21.8%	16.1%	n/a	n/a	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA Direct Distribution	\$8,860,947	\$8,294,414	\$566,533	\$0	\$0	0.0
Merit pay	8,601,771	8,045,089	556,682	0	0	0.0
Health, life, and dental	2,199,673	2,030,695	168,978	0	0	0.0
Securing IT Operations	1,836,297	1,836,297	0	0	0	0.0
Health, life, and dental	1,135,187	1,049,133	86,054	0	0	0.0
Payments to OIT	986,417	986,417	0	0	0	0.0
SAED	724,258	701,421	22,837	0	0	0.0
AED	694,068	672,494	21,574	0	0	0.0
CORE	247,550	247,550	0	0	0	0.0
Payment to risk management / property funds	113,802	113,802	0	0	0	0.0
Legal services	101,355	101,355	0	0	0	0.0
Self Service Capabilities	51,636	51,636	0	0	0	0.0
Leased space	46,709	46,709	0	0	0	0.0
Vehicle lease payments	9,354	9,354	0	0	0	0.0
Workers' compensation	(365,663)	(365,663)	0	0	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Short-term disability	(26,927)	(26,201)	(726)	0	0	0.0
TOTAL	\$25,216,434	\$23,794,502	\$1,421,932	\$0	\$0	0.0

SALARY SURVEY : The appropriation includes an increase of \$1,142,148 total funds (\$1,116,382 General Fund) for a 2 percent pay increase for employees in six of the Judicial Department's job classifications who are at least 10 percent below the salary range for their job classification, according to a recent salary survey conducted for the Judicial Department.

PROBATION OFFICERS AND SUPPORTING STAFF: The appropriation includes an additional \$675,777 General Fund, which is part of the cost of adding 34.5 FTE for probation officers and support staff.

CONSOLIDATE LEGAL SERVICES: The appropriation consolidates into a single line item four appropriations for legal services that formerly appeared in the Judicial-branch Long Bill.

DISTANCE LEARNING SPECIALISTS: The appropriation includes \$130,548 General Fund for 1.5 FTE who are distance learning specialists. These specialists, in collaboration with subject matter experts, develop online instructional content to meet the training needs of judicial officers, court employees, and probation employees who are located in every county in the state.

FLEET VEHICLES: The appropriation includes an increase of \$14,239 General Fund for Judicial Department vehicle expenses.

CENTRALIZED LEGAL RESEARCH TEAM: The appropriation includes \$14,154 General Fund, which is part of the net cost of establishing a specialized legal research team housed in the Supreme Court Library in Denver that will be available to trial courts in all judicial districts for death penalty and other research-intensive cases that involve complex legal questions. Currently, the Judicial Branch contracts with legal researchers to perform such research on an as-needed basis. The projected reduction in payments to the contractors will pay almost all of the cost of the new team.

AUDIO VISUAL TECHNICAL STAFF: The appropriation includes \$12,797 General Fund for audio visual (AV) staff who will provide AV support to courts throughout the state.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a reduction of \$10,832,231 total funds, including \$10,249,198 General Fund, for annualization of FY 2018-19 salary survey.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

CENTRALLY ADMINISTERED PROGRAMS

This Long Bill subsection of the Courts Administration section includes various programs and distributions that are administered by the Office of the State Court Administrator for the benefit of the courts, probation, and administrative functions.

Significant sources of cash funds include the following: the Victims and Witnesses Assistance and Law Enforcement Fund; the Crime Victim Compensation Fund; time payment and late penalty fees credited to the Judicial Collection Enhancement Fund; fines credited to the Fines Collection Cash Fund; docket fees credited to the Judicial Stabilization Cash Fund and the State Commission on Judicial Performance Cash Fund; fees and cost recoveries that are credited to the Judicial Department Information Technology Cash Fund; various fees and cost

recovery charges paid by court system users; surcharges credited to the Court Security Cash Fund and the Family-Friendly Court Program Cash Fund; and fees for divorce proceedings credited to the Family Violence Justice Fund. Reappropriated funds include: General Fund that is appropriated to the Underfunded Courthouse Facility Cash Fund; local victim assistance funds transferred from the Trial Courts section; and federal child support enforcement funds that are transferred from the Department of Human Services.

CENTRALLY ADMINISTERED PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$66,819,005	\$15,763,803	\$47,081,947	\$3,973,255	\$0	203.3
SB 18-249	750,000	750,000	0	0	0	0.9
SB 18-251	1,997,112	1,997,112	0	0	0	0.9
SB 19-115	469,852	469,852	0	0	0	0.0
SB 19-207	2,304,980	2,304,980	0	0	0	0.0
TOTAL	\$72,340,949	\$21,285,747	\$47,081,947	\$3,973,255	\$0	205.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$72,340,949	\$21,285,747	\$47,081,947	\$3,973,255	\$0	205.1
Courthouse capital	4,135,390	4,135,390	0	0	0	0.0
Annualize prior year legislation	1,052,140	849,371	202,769	0	0	0.2
Increase spending from Courthouse Security Cash Fund	525,000	0	525,000	0	0	0.0
Language interpreters	300,000	300,000	0	0	0	0.0
Correctional Treatment Cash Fund	92,000	0	(77,000)	169,000	0	0.0
FTE Technical correction	0	0	0	0	0	17.0
Annualize prior year budget actions	(4,206,984)	(4,232,919)	25,935	0	0	0.0
Move appropriation for problem solving court probation officers	(942,689)	(942,689)	0	0	0	(14.0)
Fleet vehicles	(4,673)	(4,673)	0	0	0	0.0
SB 19-207	\$73,291,133	\$21,390,227	\$47,758,651	\$4,142,255	\$0	208.3
SB 19-043	1,671,645	1,671,645	0	0	0	0.0
SB 19-180	1,500,000	750,000	750,000	0	0	0.0
SB 19-211	442,543	442,543	0	0	0	0.0
SB 19-223	180,636	180,636	0	0	0	0.0
TOTAL	\$77,085,957	\$24,435,051	\$48,508,651	\$4,142,255	\$0	208.3
INCREASE/(DECREASE)	\$4,745,008	\$3,149,304	\$1,426,704	\$169,000	\$0	3.2
Percentage Change	6.6%	14.8%	3.0%	4.3%	n/a	1.6%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 modifies the FY 2017-18 appropriation to:

- Add \$221,538 General Fund for language interpreter services;
- Add \$35,314 General Fund for courthouse furnishings and infrastructure; and
- Add \$213,000 General Fund to correct a technical error that placed an appropriation for language interpreters in the wrong subdivision.

Senate Bill 19-207 adds \$2,304,980 General Fund for a one-time payment to an exonerated person.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COURTHOUSE CAPITAL: The appropriation includes \$4,135,390 General Fund to address required infrastructure and courthouse furnishing needs. Colorado counties provide and maintain courtrooms and other court facilities in their counties, while the State provides the furnishings, infrastructure, and court staffing.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-251 Statewide Behavioral health Court Liaison Program	\$639,875	\$639,875	\$0	\$0	\$0	0.1
SB 18-200 Eliminate Unfunded PERA Liability	382,265	209,496	172,769	0	0	0.0
SB 08-054 Judicial Performance Evaluations (Public awareness poll this year per that bill)	30,000	0	30,000	0	0	0.0
SB 18-249 Mental Health Criminal Justice Diversion Grant Program	0	0	0	0	0	0.1
TOTAL	\$1,052,140	\$849,371	\$202,769	\$0	\$0	0.2

INCREASE SPENDING FROM COURTHOUSE SECURITY CASH FUND: The appropriation includes \$525,000 cash funds for a one-time increase of expenditures for the Court Security Grant program in FY 2019-20 that will spend excess fund balance in the program's cash fund balance with expenditure subsequently returning to current levels.

LANGUAGE INTERPRETERS: The appropriation includes \$300,000 General Fund for the increased costs of providing language interpreter services.

CORRECTIONAL TREATMENT CASH FUND: The appropriation divides an existing single line item that provides services for probationers and also contains appropriations from the Correctional Treatment Cash fund into two line items to more clearly separate these two functions, in the process creating a new line item titled *Correctional Treatment Cash Fund Expenditures*. It then adjusts appropriations to keep the same net amount of funding flowing to programs.

FTE TECHNICAL CORRECTION: The appropriation includes 17.0 FTE who are supported with an appropriation of reappropriated funds that already appears in the Long Bill.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$55,172	\$29,237	\$25,935	\$0	\$0	0.0
FY 2018-19 Judicial Department request for Problem Solving Court Coordinators	41,919	41,919	0	0	0	0.0
FY 2018-19 Payment to Exonerated Person	(2,304,980)	(2,304,980)	0	0	0	0.0
FY 2018-19 Judicial Department Courthouse Furnishings	(1,999,095)	(1,999,095)	0	0	0	0.0
TOTAL	(\$4,206,984)	(\$4,232,919)	\$25,935	\$0	\$0	0.0

MOVE APPROPRIATION FOR PROBLEM SOLVING COURT PROBATION OFFICERS: The appropriation includes a net zero move from *Centrally Administered Programs* to *Probation and Related Services* of a \$942,689 General Fund appropriation that pays for 14.0 probation officers. The 14.0 FTE will also be moved. The move allows the Department to eliminate duplicative administrative work related to the FTE and will not alter the number of probation officers who work in problem solving courts.

FLEET VEHICLES: The appropriation includes a net decrease of \$4,673 General Fund for Judicial Department vehicle expenses.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RALPH L. CARR COLORADO JUDICIAL CENTER

This Long Bill subsection of the Courts Administration section includes appropriations related to the operations of the Ralph L. Carr Colorado Judicial Center. The source of funding is the Justice Center Cash Fund, which consists of docket fees, lease payments from Carr Center tenants, and parking fees paid by employees and members of the public who utilize the Carr Center parking garage. Reappropriated funds reflect transfers from the Department of Law and the State Court Administrator's Office (from an appropriation in the Central Appropriations subsection above) for leased space in the Carr Center. The remaining sources of revenue are reflected as cash fund appropriations, and they include: fee revenue that is used to pay for the Supreme Court and Court of Appeals areas of the Carr Center.

RALPH L. CARR COLORADO JUDICIAL CENTER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$29,236,305	\$4,598,683	\$18,690,447	\$5,947,175	\$0	2.0
TOTAL	\$29,236,305	\$4,598,683	\$18,690,447	\$5,947,175	\$0	2.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$29,236,305	\$4,598,683	\$18,690,447	\$5,947,175	\$0	2.0
Justice Center Maintenance Fund	4,363,538	0	2,575,000	1,788,538	0	0.0
Carr Center lease revenue	274,356	(105,768)	274,350	105,774	0	0.0
Annualize prior year budget actions	7,411	0	7,411	0	0	0.0
Annualize prior year legislation	709	0	709	0	0	0.0
SB 19-207	\$33,882,319	\$4,492,915	\$21,547,917	\$7,841,487	\$0	2.0
TOTAL	\$33,882,319	\$4,492,915	\$21,547,917	\$7,841,487	\$0	2.0
INCREASE/(DECREASE)	\$4,646,014	(\$105,768)	\$2,857,470	\$1,894,312	\$0	0.0
Percentage Change	15.9%	(2.3%)	15.3%	31.9%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

JUSTICE CENTER MAINTENANCE FUND: The appropriation includes a three-part adjustment involving a new cash fund that will pay for controlled maintenance at the Ralph L. Carr Justice Center. The appropriation:

- Provides \$4,600,000 cash funds to the new Justice Center Maintenance Fund;
- Reappropriates \$1,788,538 from the Justice Center Maintenance Fund for controlled maintenance of the Justice Center during FY 2019-20; and
- Eliminates an existing cash funds appropriation of \$2,025,000 for controlled maintenance.

CARR CENTER LEASE REVENUE: The appropriation reflects the effects of a \$105,768 (reappropriated funds) increase of the leased space payments made by tenants within the Ralph L. Carr Colorado Judicial Center and related adjustments.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for annualization of FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$709 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

TRIAL COURTS

This Long Bill section provides funding for operation of the State trial courts, which include district courts in 22 judicial districts, water courts, and county courts (excluding the Denver county court). This section also provides funding to reimburse district attorneys for “mandated costs” incurred for prosecution of state matters as well as the ACTION case management and the statewide discovery sharing systems, which are operated by the Colorado District Attorneys’ Council.

District courts hear civil cases involving any dollar amount, as well as domestic relations, felony criminal, juvenile, probate, and mental health cases. In addition, district courts handle appeals from municipal and county courts, and review decisions of administrative boards and agencies. Within the district court system, the General Assembly established seven water divisions in the State based on the drainage patterns of major rivers in Colorado. Each water division is staffed by a division engineer, a district court judge who is designated as the water judge by the Colorado Supreme Court, a water referee appointed by the water judge, and a water clerk assigned by the district court. Water judges have exclusive jurisdiction over cases involving the determination of water rights and the use and administration of water. The General Assembly establishes judicial districts and the number of judges for each district in statute; these judges serve renewable six-year terms. During FY 2017-18 a total of 188 judges served and 233,682 new cases were filed in district courts, including water courts.

County courts have limited jurisdiction, handling civil actions involving no more than \$25,000, misdemeanor cases, civil and criminal traffic infractions, and felony complaints. County courts also issue search warrants and protection orders in cases involving domestic violence. In addition, county courts handle appeals from municipal courts. The General Assembly establishes the number of judges for each county in statute, with each county having at least one; these judges serve renewable four-year terms. During FY 2017-18 a total of 111 judges served (a number of them part-time) and a total of 413,894 new cases were filed in county courts.

Significant cash fund sources include court docket fees that are credited to the Judicial Stabilization Cash Fund, various fees and cost recovery charges paid by court system users, and grants. Reappropriated funds include funds transferred from other state agencies.

TRIAL COURTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$174,263,177	\$139,822,340	\$30,565,837	\$2,250,000	\$1,625,000	1,872.6
SB 19-115	(919,766)	(919,766)	0	0	0	(0.5)
TOTAL	\$173,343,411	\$138,902,574	\$30,565,837	\$2,250,000	\$1,625,000	1,872.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$173,343,411	\$138,902,574	\$30,565,837	\$2,250,000	\$1,625,000	1,872.1
Annualize prior year budget actions	6,197,428	6,135,650	61,778	0	0	0.0
Annualize prior year legislation	383,563	380,367	3,196	0	0	0.0
District attorney mandated costs	102,373	102,373	0	0	0	0.0
Centralized legal research team	(215,307)	(215,307)	0	0	0	0.0
Fleet vehicles	(2,229)	(2,229)	0	0	0	0.0
SB 19-207	\$179,809,239	\$145,303,428	\$30,630,811	\$2,250,000	\$1,625,000	1,872.1
SB 19-030	543,461	543,461	0	0	0	4.8
SB 19-043	3,697,132	3,697,132	0	0	0	38.8
SB 19-223	499,934	499,934	0	0	0	5.4
HB 19-1177	119,392	119,392	0	0	0	0.0
HB 19-1263	(48,730)	(48,730)	0	0	0	(0.4)
HB 19-1275	47,361	0	47,361	0	0	0.8
TOTAL	\$184,667,789	\$150,114,617	\$30,678,172	\$2,250,000	\$1,625,000	1,921.5
INCREASE/(DECREASE)	\$11,324,378	\$11,212,043	\$112,335	\$0	\$0	49.4
Percentage Change	6.5%	8.1%	0.4%	0.0%	0.0%	2.6%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 modifies the FY 2018-19 appropriation to:

- Add \$52,720 General Fund to continue leasing temporary judicial space in Pagosa Springs.
- Reduce funding by \$726,723 General Fund to remove a duplicate appropriation.
- Reduce funding by \$213,000 General Fund to correct a technical error that placed an appropriation for language interpreters in the wrong subdivision.
- Reduce funding by \$32,763 General Fund and 0.5 FTE due to the conclusion of the conservation easement cases for which the Department previously received appropriations.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for annualization of FY 2018-19 salary survey and an annualization related to the temporary leased judicial facility in Archuleta County.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$383,563 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

DISTRICT ATTORNEY MANDATED COSTS: The appropriation includes \$102,373 General Fund for projected increases in mandated costs incurred by district attorneys.

CENTRALIZED LEGAL RESEARCH TEAM: The appropriation includes a reduction of \$215,307 General Fund, which is part of the net cost of establishing a specialized legal research team housed in the Supreme Court Library in Denver that will be available to trial courts in all judicial districts for death penalty and other research-intensive cases that involve complex legal questions. Currently, the Judicial Branch contracts with legal researchers to perform such research on an as-needed basis. The projected reduction in payments to the contractors will pay almost all of the cost of the new team.

FLEET VEHICLES: The appropriation includes a net decrease of \$2,229 General Fund for Judicial Department vehicle expenses.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

PROBATION AND RELATED SERVICES

This Long Bill section provides funding for probation officers and staff, as well as services that are provided to offenders on probation or related to the probation function. Persons convicted of certain offenses are eligible to apply to the court for probation. An offender on probation serves a sentence in the community under the supervision of a probation officer, subject to conditions imposed by the court. A breach of any imposed condition may result in revocation or modification of probation, or incarceration. As of June 30, 2018, a total of 76,929 individuals who were sentenced to probation were under supervision, including 73,435 adults and 3,494 juveniles. Managed by the Chief Probation Officer in each judicial district, approximately 1,300 employees prepare assessments and provide pre-sentence investigation services to the courts, supervise adult and juvenile offenders sentenced to community programs, and provide notification and support services to victims. The Chief Probation Officer is supervised by the Chief Judge in each district. Investigation and supervision services are provided based on priorities established by the Chief Justice and each offender's risk of re-offending.

Cash fund sources include: payments and fees that are credited to the Offender Services Fund, the Correctional Treatment Cash Fund, the Alcohol and Drug Driving Safety Program Fund, the Sex Offender Surcharge Fund, the Interstate Compact Probation Transfer Cash Fund, and the Offender Identification Fund; the Marijuana Tax Cash Fund; and various fees, cost recoveries, and grants. Sources of reappropriated funds include: General Fund that is appropriated to the Correctional Treatment Cash Fund; Victims and Witnesses Assistance and Law Enforcement Board grants that are transferred from the Courts Administration section; and transfers from other state agencies.

PROBATION AND RELATED SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$148,992,921	\$93,511,199	\$30,641,892	\$22,039,830	\$2,800,000	1,248.7
HB 18-1176	3,286,000	0	3,286,000	0	0	0.0
SB 19-115	300,000	0	0	300,000	0	0.0
TOTAL	\$152,578,921	\$93,511,199	\$33,927,892	\$22,339,830	\$2,800,000	1,248.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$152,578,921	\$93,511,199	\$33,927,892	\$22,339,830	\$2,800,000	1,248.7
Correctional Treatment Cash Fund	8,513,636	0	(2,197,331)	10,710,967	0	0.0
Annualize prior year budget actions	2,738,389	2,709,070	329,319	(300,000)	0	0.0
Probation officers and supporting staff	2,267,007	2,267,007	0	0	0	34.5
Move appropriation for problem solving court probation officers	942,689	942,689	0	0	0	14.0
Community Provider Rate	171,546	155,672	15,874	0	0	0.0
Annualize prior year legislation	(3,062,004)	196,503	(3,258,507)	0	0	0.0
Indirect costs	(373,758)	0	(373,758)	0	0	0.0
SB 19-207	\$163,776,426	\$99,782,140	\$28,443,489	\$32,750,797	\$2,800,000	1,297.2
SB 19-108	68,598	68,598	0	0	0	0.8
HB 19-1263	123,139	123,139	0	0	0	0.8
TOTAL	\$163,968,163	\$99,973,877	\$28,443,489	\$32,750,797	\$2,800,000	1,298.8
INCREASE/(DECREASE)	\$11,389,242	\$6,462,678	(\$5,484,403)	\$10,410,967	\$0	50.1
Percentage Change	7.5%	6.9%	(16.2%)	46.6%	0.0%	4.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 modifies the FY 2018-19 appropriation to add \$300,000 reappropriated funds from the Department of Human Services to the Judicial Department for increased treatment and intervention services for indigent probationers convicted of drunk driving.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CORRECTIONAL TREATMENT CASH FUND: The appropriation divides an existing single line item that provides services for probationers and also contains appropriations from the Correctional Treatment Cash fund into two line items to more clearly separate these two functions, in the process creating a new line item titled *Correctional Treatment Cash Fund Expenditures*. It then adjusts appropriations to keep the same net amount of funding flowing to programs.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$3,038,389	\$2,709,070	\$329,319	\$0	\$0	0.0
FY 2018-19 Drunk Driver Treatment and Intervention	(300,000)	0	0	(300,000)	0	0.0
TOTAL	\$2,738,389	\$2,709,070	\$329,319	(\$300,000)	\$0	0.0

PROBATION OFFICERS AND SUPPORTING STAFF: The appropriation includes an additional \$2,267,007 General Fund and 34.5 FTE for probation officers and support staff.

MOVE APPROPRIATION FOR PROBLEM SOLVING COURT PROBATION OFFICERS: The appropriation includes a net zero move from *Centrally Administered Programs* to *Probation and Related Services* of a \$942,689 General Fund appropriation that pays for 14.0 FTE probation officers. The 14.0 FTE will also be moved. The move allows the Department to eliminate duplicative administrative work related to the FTE and will not alter the number of probation officers who work in problem solving courts.

COMMUNITY PROVIDER RATE: The appropriation includes an increase of \$171,546 total funds (\$155,672 General Fund) for the one percent community provider rate increase that increases appropriations to the Correctional Treatment Cash Fund.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$223,996	\$196,503	\$27,493	\$0	\$0	0.0
SB 18-1176 Reauthorize offender re-entry grant program	(3,286,000)	0	(3,286,000)	0	0	0.0
TOTAL	(\$3,062,004)	\$196,503	(\$3,258,507)	\$0	\$0	0.0

INDIRECT COSTS: The appropriation reduces indirect cost assessments and increases General Fund appropriations to offset the lost revenue.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF THE STATE PUBLIC DEFENDER

The Office of the State Public Defender (OSPD) is an independent agency that provides legal representation for indigent defendants who are facing the possibility of incarceration. The OSPD provides representation through employees who are located around the state. The OSPD is comprised of a central administrative office, an appellate office, and 21 regional trial offices. The OSPD provided legal representation in 183,087 active cases in FY 2017-18. Cash fund sources include grants and training fees.

OFFICE OF THE STATE PUBLIC DEFENDER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$97,453,793	\$97,248,793	\$205,000	\$0	\$0	871.8
TOTAL	\$97,453,793	\$97,248,793	\$205,000	\$0	\$0	871.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$97,453,793	\$97,248,793	\$205,000	\$0	\$0	871.8
OSPD Attorney salary survey	5,089,605	5,089,605	0	0	0	0.0
Annualize prior year budget actions	1,872,027	1,872,027	0	0	0	0.0
Centrally appropriated line items	1,277,602	1,277,602	0	0	0	0.0
OSPD IT security	181,053	181,053	0	0	0	0.9
OSPD Courtroom Staffing	121,358	271,358	(150,000)	0	0	2.4
SB 19-207	\$105,995,438	\$105,940,438	\$55,000	\$0	\$0	875.1

OFFICE OF THE STATE PUBLIC DEFENDER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-043	1,346,977	1,346,977	0	0	0	14.0
SB 19-223	50,000	50,000	0	0	0	0.0
TOTAL	\$107,392,415	\$107,337,415	\$55,000	\$0	\$0	889.1
INCREASE/(DECREASE)	\$9,938,622	\$10,088,622	(\$150,000)	\$0	\$0	17.3
Percentage Change	10.2%	10.4%	(73.2%)	n/a	n/a	2.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OSPD ATTORNEY SALARY SURVEY: The appropriation includes \$5,089,605 General Fund for a 10 percent salary increase for attorneys at the Office of the State Public Defender.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$1,876,280	\$1,876,280	\$0	\$0	\$0	0.0
FY 2018-19 OSPD Workload and Caseload Increases	393,960	393,960	0	0	0	0.0
FY 2018-19 OSPD IT Support, Security, and Development	(398,213)	(398,213)	0	0	0	0.0
TOTAL	\$1,872,027	\$1,872,027	\$0	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; merit pay; and vehicle lease payments.

OSPD IT SECURITY: The appropriation includes an increase of \$181,053 General Fund and 0.9 FTE for information technology security.

OSPD COURTROOM STAFFING: The appropriation includes \$271,358 General Fund and 2.4 FTE for the Office of the State Public Defender to staff existing courts in Denver and Arapahoe county that have converted from civil to criminal matters and were formerly supported by cash funds.; one of the courtrooms was previously staffed by 2.0 FTE who were supported by a \$150,000 cash funds grant that is now ending. These FTE who were supported by those cash fund are transitioning to General Fund support.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF THE ALTERNATE DEFENSE COUNSEL

The Office of Alternate Defense Counsel (OADC) is an independent agency that provides legal representation for indigent defendants in criminal and juvenile delinquency cases in which the Office of the State Public Defender is precluded from doing so because of an ethical conflict of interest. The OADC provides legal representation by contracting with licensed attorneys and investigators. The OADC paid for legal representation in 22,238 cases in FY 2017-18. Cash funds are from training fees.

OFFICE OF THE ALTERNATE DEFENSE COUNSEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$41,896,458	\$41,816,458	\$80,000	\$0	\$0	13.0
SB 18-203	124,263	124,263	0	0	0	0.8
SB 19-115	3,861,102	3,861,102	0	0	0	0.0
SB 19-207	(2,198,408)	(2,198,408)	0	0	0	0.0
TOTAL	\$43,683,415	\$43,603,415	\$80,000	\$0	\$0	13.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$43,683,415	\$43,603,415	\$80,000	\$0	\$0	13.8
OADC Caseload increase	3,960,737	3,960,737	0	0	0	0.0
OADC Social worker outreach coordinator	116,809	116,809	0	0	0	1.0
OADC Operating expense increase	110,501	110,501	0	0	0	0.0
Compensation plan alignment	105,604	105,604	0	0	0	0.0
Centrally appropriated line items	87,438	87,438	0	0	0	0.0
Annualize prior year legislation	78,330	78,330	0	0	0	1.1
Annualize prior year budget actions	(3,473)	(3,473)	0	0	0	0.0
SB 19-207	\$48,139,361	\$48,059,361	\$80,000	\$0	\$0	15.9
SB 19-223	20,000	20,000	0	0	0	0.0
TOTAL	\$48,159,361	\$48,079,361	\$80,000	\$0	\$0	15.9
INCREASE/(DECREASE)	\$4,475,946	\$4,475,946	\$0	\$0	\$0	2.1
Percentage Change	10.2%	10.3%	0.0%	n/a	n/a	15.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 provide \$3,861,102 General Fund to the Office for increased caseload.

Senate Bill 19-207 reduces the appropriation to the Office by \$2,198,408 General Fund due to a reduced forecast for FY 2018-19 caseload.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OADC CASELOAD INCREASE: The appropriation includes \$4.0 million General Fund for the Office’s increased caseload.

OADC SOCIAL WORKER OUTREACH COORDINATOR: The appropriation includes an increase of \$116,809 General Fund and 1.0 FTE to add a Social Worker Outreach Coordinator to the Office of the Alternate Defense Counsel’s staff.

OADC OPERATING EXPENSE INCREASE: The appropriation includes \$110,501 General Fund to increase the operating appropriation in order to address various needs, many IT related, at the Office of the Alternate Defense Counsel.

COMPENSATION PLAN ALIGNMENT: The appropriation includes \$105,604 General Fund for salary adjustments to implement a common compensation plan that has been jointly developed by the Office of the Child’s Representative, the Office of Respondent Parents’ Counsel, and the Office of the Alternate Defense Counsel.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and merit pay.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes \$78,330 General Fund for annualization of S.B. 18-203 (Conflict Free Representation in Municipal Courts).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a \$3,473 General Fund reduction for annualization of an FY 2018-19 budget action relating to administrative support.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

OFFICE OF THE CHILD'S REPRESENTATIVE

The Office of the Child's Representative (OCR) is an independent agency that is responsible for ensuring the provision of uniform, high-quality legal representation and non-legal advocacy to children involved in judicial proceedings. Generally, this includes representing children involved in the court system due to abuse or neglect, delinquency, truancy, high conflict divorce, alcohol or drug abuse, mental health issues, and probate matters. In most judicial districts, OCR provides legal representation by contracting with private attorneys or multi-disciplinary law offices. However, in El Paso County, the OCR employs attorneys and other staff to provide legal representation through a centralized office rather than through contracted services. The OCR paid for legal representation associated with 16,169 court appointments in FY 2017-18. Reappropriated funds are from federal funds transferred from the Department of Human Services.

OFFICE OF THE CHILD'S REPRESENTATIVE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$28,253,633	\$28,226,724	\$0	\$26,909	\$0	31.0
SB 19-115	1,087,661	1,087,661	0	0	0	0.0
TOTAL	\$29,341,294	\$29,314,385	\$0	\$26,909	\$0	31.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$29,341,294	\$29,314,385	\$0	\$26,909	\$0	31.0
OCR Caseload and mandated costs	1,257,168	1,257,168	0	0	0	0.0
OCR Programs and compliance analysts	277,435	277,435	0	0	0	2.0
OCR Attorney parity with OSPD	90,491	90,491	0	0	0	0.0
OCR Increase operating appropriation	83,000	83,000	0	0	0	0.0
Annualize prior year budget actions	73,261	73,261	0	0	0	0.0
Compensation plan alignment	61,913	61,913	0	0	0	0.0
Centrally appropriated line items	35,442	35,442	0	0	0	0.0
OCR Increase training	20,000	20,000	0	0	0	0.0
SB 19-207	\$31,240,004	\$31,213,095	\$0	\$26,909	\$0	33.0
HB 19-1316	59,850	59,850	0	0	0	0.0
TOTAL	\$31,299,854	\$31,272,945	\$0	\$26,909	\$0	33.0
INCREASE/(DECREASE)	\$1,958,560	\$1,958,560	\$0	\$0	\$0	2.0
Percentage Change	6.7%	6.7%	n/a	0.0%	n/a	6.5%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 provides \$1,087,661 General Fund to the Office of the Child's Representative for increased caseload.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OCR CASELOAD AND MANDATED COSTS: The appropriation includes an increase of \$1,257,168 General Fund for a caseload increase at the Office of the Child's Representative.

OCR PROGRAMS AND COMPLIANCE ANALYSTS: The appropriation includes \$277,435 General Fund and 2.0 FTE for two new programs and compliance analyst positions to implement the recommendations of a 2018 Performance Audit by the State Auditor and support ongoing comprehensive oversight of attorney services for children.

OCR ATTORNEY PARITY WITH OSPD: The appropriation includes \$90,491 General Fund to provide attorneys in the El Paso office of the Office of the Child's Representative with the same 10 percent salary increase the appropriation provides for attorneys at the Office of the State Public Defender.

OCR INCREASE OPERATING APPROPRIATION: The appropriation includes \$83,000 General Fund to increase the Office of the Child's Representative operating appropriation, mostly for information technology needs.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a General Fund increase of \$74,854 to annualize FY 2018-19 salary survey, which is partially offset by a \$1,593 reduction relating to a one-time FY 2018-19 computer expense.

COMPENSATION PLAN ALIGNMENT: The appropriation includes \$61,913 General Fund for salary adjustments to implement a common compensation plan that has been jointly developed by the Office of the Child's Representative, the Office of Respondent Parents' Counsel, and the Office of the Alternate Defense Counsel.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; merit pay, and a leased space adjustment.

OCR INCREASE TRAINING: The appropriation includes \$20,000 General Fund to increase funding for the training program that the Office of the Child's Representative runs for its contract attorneys.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

OFFICE OF THE RESPONDENT PARENTS' COUNSEL

The Office of the Respondent Parents' Counsel (ORPC) is an independent agency charged with ensuring the provision and availability of high-quality legal representation for indigent respondent parents involved in dependency and neglect proceedings. The ORPC provides legal representation by contracting with licensed attorneys. Cash funds are from training fees, and reappropriated funds are from federal funds transferred from the Department of Human Services.

OFFICE OF THE RESPONDENT PARENTS' COUNSEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$17,431,929	\$17,370,834	\$30,000	\$31,095	\$0	10.0
SB 19-115	3,078,244	3,078,244	0	0	0	0.0
TOTAL	\$20,510,173	\$20,449,078	\$30,000	\$31,095	\$0	10.0

OFFICE OF THE RESPONDENT PARENTS' COUNSEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$20,510,173	\$20,449,078	\$30,000	\$31,095	\$0	10.0
ORPC Staff attorney	125,977	125,977	0	0	0	1.0
ORPC Programs analyst	95,381	95,381	0	0	0	1.0
Centrally appropriated line items	77,169	77,169	0	0	0	0.0
ORPC Administrative specialist	70,967	70,967	0	0	0	1.0
Compensation plan alignment	2,230	2,230	0	0	0	0.0
Annualize prior year budget actions	(6,900)	(6,900)	0	0	0	0.0
Consolidate Legal Services	(5,721)	(5,721)	0	0	0	0.0
SB 19-207	\$20,869,276	\$20,808,181	\$30,000	\$31,095	\$0	13.0
TOTAL	\$20,869,276	\$20,808,181	\$30,000	\$31,095	\$0	13.0
INCREASE/(DECREASE)	\$359,103	\$359,103	\$0	\$0	\$0	3.0
Percentage Change	1.8%	1.8%	0.0%	0.0%	n/a	30.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 provides \$3,078,244 General Fund to the Office of Respondent Parents' Counsel for increased caseload and cost per appointment.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ORPC STAFF ATTORNEY: The appropriation includes \$125,977 General Fund and 1.0 FTE for a staff attorney for the Office of Respondent Parents' Counsel.

ORPC PROGRAMS ANALYST: The appropriation includes an increase of \$95,381 General Fund and 1.0 FTE for a programs analyst who will strengthen controls in areas of the Office of the Respondent Parents' Counsel that are similar to areas in the Office of the Child's Representative where the State Auditor found weaknesses during a recent audit.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and merit pay.

ORPC ADMINISTRATIVE SPECIALIST: The appropriation includes \$70,967 General Fund and 1.0 FTE for an administrative specialist for the Office of the Respondent Parents' Counsel.

COMPENSATION PLAN ALIGNMENT: The appropriation includes \$2,230 General Fund for salary adjustments to implement a common compensation plan that has been jointly developed by the Office of the Child's Representative, the Office of Respondent Parents' Counsel, and the Office of the Alternate Defense Counsel.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a \$6,900 General Fund reduction for annualization of an FY 2018-19 budget action relating to Operating Expenses.

CONSOLIDATE LEGAL SERVICES: The appropriation consolidates into a single line item four appropriations for legal services that formerly appeared in the Judicial-branch Long Bill.

OFFICE OF THE CHILD PROTECTION OMBUDSMAN

The Office of the Child Protection Ombudsman (OCPO) is an independent agency that serves as a resource for persons involved in the child welfare system, reviews and investigates complaints concerning child protection services, makes recommendations about system improvements, and educates the public concerning child maltreatment.

OFFICE OF THE CHILD PROTECTION OMBUDSMAN						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,024,898	\$1,024,898	\$0	\$0	\$0	8.0
SB 19-115	(30,870)	(30,870)	0	0	0	0.0
TOTAL	\$994,028	\$994,028	\$0	\$0	\$0	8.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$994,028	\$994,028	\$0	\$0	\$0	8.0
Centrally appropriated line items	12,973	12,973	0	0	0	0.0
Annualize prior year legislation	1,886	1,886	0	0	0	0.0
Consolidate Legal Services	(16,739)	(16,739)	0	0	0	0.0
Annualize prior year budget actions	(1,230)	(1,230)	0	0	0	0.0
SB 19-207	\$990,918	\$990,918	\$0	\$0	\$0	8.0
TOTAL	\$990,918	\$990,918	\$0	\$0	\$0	8.0
INCREASE/(DECREASE)	(\$3,110)	(\$3,110)	\$0	\$0	\$0	0.0
Percentage Change	(0.3%)	(0.3%)	n/a	n/a	n/a	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-115 reduces the appropriation to the Office of the Child Protection Ombudsman by \$30,870 General Fund, an appropriation that was not needed to finish a room in the Office's suite.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$1,886 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CONSOLIDATE LEGAL SERVICES: The appropriation consolidates into a single line item four appropriations for legal services that formerly appeared in the Judicial-branch Long Bill.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a \$1,230 General Fund for annualization of a FY 2018-19 budget action relating to a Child Protection Systems Analyst.

INDEPENDENT ETHICS COMMISSION

The Independent Ethics Commission is an independent agency that is responsible for hearing complaints, issuing findings, assessing penalties, and issuing advisory opinions on ethics issues arising under Article XXIX of the State Constitution and other standards of conduct and reporting requirements as provided by law. The Commission has jurisdiction over all state legislative and executive branch elected officials and employees, as well as elected officials and employees of all Colorado counties and municipalities, unless the county or municipality is a home rule jurisdiction that has adopted charters, ordinances, or resolutions that address the matters covered by Article XXIX.

INDEPENDENT ETHICS COMMISSION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$340,396	\$340,396	\$0	\$0	\$0	1.0
TOTAL	\$340,396	\$340,396	\$0	\$0	\$0	1.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$340,396	\$340,396	\$0	\$0	\$0	1.0
Centrally appropriated line items	42,568	42,568	0	0	0	0.0
Annualize prior year legislation	304	304	0	0	0	0.0
Consolidate Legal Services	(178,559)	(178,559)	0	0	0	0.0
SB 19-207	\$204,709	\$204,709	\$0	\$0	\$0	1.0
TOTAL	\$204,709	\$204,709	\$0	\$0	\$0	1.0
INCREASE/(DECREASE)	(\$135,687)	(\$135,687)	\$0	\$0	\$0	0.0
Percentage Change	(39.9%)	(39.9%)	n/a	n/a	n/a	0.0

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and merit pay.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$304 General Fund for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CONSOLIDATE LEGAL SERVICES: The appropriation consolidates into a single line item four appropriations for legal services that formerly appeared in the Judicial-branch Long Bill.

OFFICE OF PUBLIC GUARDIANSHIP

The Office of Public Guardianship is an independent agency, established by H.B. 17-1087 and H.B. 19-1045, that will provide legal guardianship services for incapacitated and indigent adults who have no other guardianship prospects. A pilot program will begin in the Second Judicial District (Denver) in the spring of 2020. The Office will report to the General Assembly by January 1, 2023 and will be automatically repealed on December 31, 2023 if the program is not continued or expanded by the General Assembly during the 2023 session. The cash funds are from probate fees.

OFFICE OF PUBLIC GUARDIANSHIP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,718,786	\$0	\$1,718,786	\$0	\$0	14.0

OFFICE OF PUBLIC GUARDIANSHIP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$1,718,786	\$0	\$1,718,786	\$0	\$0	14.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,718,786	\$0	\$1,718,786	\$0	\$0	14.0
OPG Office of Public Guardianship	(1,718,786)	0	(1,718,786)	0	0	(14.0)
SB 19-207	\$0	\$0	\$0	\$0	\$0	0.0
HB 19-1045	835,386	427,000	408,386	0	0	4.5
TOTAL	\$835,386	\$427,000	\$408,386	\$0	\$0	4.5
INCREASE/(DECREASE)	(\$883,400)	\$427,000	(\$1,310,400)	\$0	\$0	(9.5)
Percentage Change	(51.4%)	n/a	(76.2%)	n/a	n/a	(67.9%)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OPG OFFICE OF PUBLIC GUARDIANSHIP: The appropriation eliminates the \$1.7 million cash funds spending authority and 14.0 FTE that were appropriated to the Office in FY 2018-19.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-056 (CIVIL JURISDICTION OF COUNTY COURTS AND FILING FEES): Increases the claim amount for when a case may be filed in county court from \$15,000 to \$25,000 and changes county and district court filing fees. Establishes six fees ranging from \$80 to \$135 for county court filings in place of the current uniform \$97 fee. Raises the district court filing fee from \$224 to \$235.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-203 (CONFLICT FREE REPRESENTATION IN MUNICIPAL COURTS): Requires municipal courts to provide legal defense that is independent of the court by January 1, 2020 for each indigent defendant charged with a crime that has a possible sentence of incarceration. This defense is to be overseen by the municipality, but must be provided by a nonpartisan entity. The Office of the Alternate Defense Counsel (OADC) or any Colorado law school legal aid clinic that is accredited by the American Bar Association (ABA) is authorized to provide or evaluate independent defense. Includes a FY 2018-19 appropriation of \$124,263 General Fund and 0.8 FTE to the Office of the Alternate Defense Counsel.

S.B. 18-249 (MENTAL HEALTH CRIMINAL JUSTICE DIVERSION GRANT PROGRAM): Establishes within the Office of the State Court Administrator the Mental Health Criminal Justice Diversion Grant Program to support up to four pre-plea local-level mental health pilot programs. These programs will divert individuals with mental health conditions who have been charged with low-level criminal offenses out of the criminal justice system into

community treatment programs. Appropriates \$750,000 General Fund to the Judicial Department for FY 2018-19, and states the assumption that the Department will require an additional 0.9 FTE.

S.B. 18-251 (STATEWIDE BEHAVIORAL HEALTH COURT LIAISON PROGRAM): Establishes within the Office of the State Court Administrator the Statewide Behavioral Health Court Liaison Program. The program will allocate funding to each judicial district to contract with local behavioral health professionals to facilitate communication and collaboration between judicial and behavioral health systems and promote positive outcomes for individuals living with mental health or co-occurring behavioral health conditions. Appropriates \$1,997,112 General Fund to the Department for FY 2018-19, and states the assumption that the Department will require an additional 0.9 FTE.

S.B. 18-267 (CREATE JUSTICE CENTER MAINTENANCE FUND): Creates a maintenance fund for controlled maintenance of the Carr Justice Center and specifies how moneys will be appropriated to and from the account.

H.B. 18-1156 (LIMIT PENALTIES FOR JUVENILE TRUANCY): Restricts courts from placing habitually truant children in a juvenile detention facility for truancy and generally changes the ways in which courts can respond to truancy. Explicitly allows S.B. 91-094 funding to be used to provide services to habitually truant youth.

H.B. 18-1176 (REAUTHORIZE OFFENDER REENTRY GRANT PROGRAM): Continues for 5 years the offender reentry grant program operated by the Department of Corrections. For FY 2018-19 makes a one-time appropriation of \$3,286,000 from the Correctional Treatment Cash Fund to the Department and a one-time reappropriation of this amount to the Department of Corrections. For more information, see the corresponding bill description in the "Recent Legislation" section of the Department of Corrections.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1353 (DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM): Creates the Defense Counsel on First Appearance Grant Program in DOLA's Division of Local Government to reimburse local governments for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. Allows the Division to spend the annual appropriation for this grant program over two fiscal years. Appropriates \$1,853,037 General Fund to DOLA for FY 2018-19, and states the assumption that DOLA will require an additional 0.5 FTE. Appropriates \$6,078 of this amount to other agencies for FY 2018-19 to provide services to DOLA, including \$4,480 to the Office of the Governor for information technology services and \$1,598 to the Department of Law to provide legal services.

2019 SESSION BILLS

S.B. 19-030 (REMEDYING IMPROPER GUILTY PLEAS): Allows a defendant who is an immigrant and who has successfully completed a deferred judgment and sentence to petition the court for an order vacating the defendant's guilty plea on the grounds that they were not properly advised of the adverse immigration consequences of their plea. The court must grant the motion unless the prosecution can prove by a preponderance of the evidence that the defendant will not suffer an immigration consequence or that the plea was constitutionally entered. For FY 2019-20 appropriates \$543,461 General Fund and 4.8 FTE to the Judicial Department and appropriates \$55,139 General Fund and 0.6 FTE to the Department of Law.

S.B. 19-036 (STATE COURT ADMINISTRATOR REMINDER PROGRAM): Establishes a reminder program in at least four judicial district courts, beginning January 1, 2020, which will remind defendants to appear at their scheduled court appearances. The program, which is to be operated by a vendor under contract with the Judicial Department, expands to all eligible courts by July 1, 2020. For FY 2018-19, appropriates \$203,612 General Fund to the Department.

S.B. 19-043 (INCREASING NUMBER OF DISTRICT COURT JUDGES): Increases the number of district court judges according to the following schedule.

JUDICIAL DISTRICT	NUMBER OF NEW JUDGESHIPS STARTING JULY 1, 2019	NUMBER OF NEW JUDGESHIPS STARTING JANUARY 1, 2020
1st	0	1
2nd	2	2
4th	1	1
8th	0	1
10th	1	0
13th	1	0
17th	0	1
18th	0	1
19th	1	1
21st	1	0
TOTAL	7	8

For FY 2019-20 appropriates \$7,417,731 General Fund and 53.7 FTE to the Department.

S.B. 19-108 (JUVENILE JUSTICE REFORM): Establishes the Juvenile Justice Reform Committee, which will develop screening and assessment tools for use in the juvenile justice system. Establishes a graduated system of responses and incentives for juvenile parolees and probationers. For FY 2019-20, appropriates \$68,598 General Fund and 0.8 FTE to the Department and appropriates a total of \$506,315 General Fund to the Department of Human Services and the Legislative Department.

S.B. 19-115 (JUDICIAL SUPPLEMENTAL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-180 (EVICTON LEGAL DEFENSE FUND): Creates the Eviction Legal Defense Fund, from which grants are to be awarded to nonprofit organizations that provide legal advice, counseling, and representation to indigent clients facing or at risk of eviction. For FY 2019-20, appropriates \$750,000 General Fund to the Eviction Legal Defense Fund and then reappropriates this amount to the Judicial Department.

S.B. 19-191 (PROMPT PRETRIAL LIBERTY AND FAIRNESS): Requires each judicial district to develop a plan to set bond for in-custody defendants within 48 hours of arrest. Requires the Judicial Department to determine the cost of implementing these plans and report to the General Assembly by November 1, 2019. Regardless of this report, requires sheriffs, within two hours of receiving bond information from the court, to allow bond to be posted by defendants, sureties, or others. Limits bond processing fees and other costs. Requires jails to release defendants within 4 hours after the defendant is present in the jail and bond has been posted. Extends the 4-hour release period to 24 hours if the defendant is fitted with an electronic monitor. Under prior law, if the defendant owed court costs, fees, fines, restitution, or surcharges at the time of discharge from all liability under the bond, the court could sometimes order that the bond be applied to pay these obligations. The bill reduces the circumstances under which a court can make such orders, which reduces revenue collected by the Department.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20. Reduces the FY 2018-19 net General Fund appropriation to the Judicial Department by \$106,572.

S.B. 19-211 (MENTAL HEALTH CRIMINAL DIVERSION PROGRAM): Extends the Mental Health Criminal Justice Diversion pilot program, which operates in four judicial districts, until 2022; eliminates the \$750,000 cap on total grant awards; and requires the Judicial Department to submit reports to the General Assembly on the pilot program. For FY 2019-20, appropriates \$442,543 General Fund to the Judicial Department.

S.B. 19-223 (ACTIONS RELATED TO COMPETENCY TO PROCEED): Changes the process that occurs when a defendant's competency to be tried in court is questioned. For FY 2019-20 appropriates \$750,570 and 5.4 FTE to

the Judicial Department. Also includes appropriations to the Departments of Human Services and Law. For more information, see the corresponding bill description at the end of Part III of the Department of Human Services.

H.B. 19-1045 (OFFICE OF PUBLIC GUARDIANSHIP): Requires the Office of Public Guardianship to begin operating a pilot program in the Second Judicial District (Denver) as soon as it receives sufficient appropriations to do so. Requires the Office to report to the General Assembly by January 1, 2023 and repeals the Office on December 31, 2023 if the program is not continued or expanded by the General Assembly during the 2023 session. Increases probate fees beginning July 1, 2019 and deposits the additional revenue in the Office of Public Guardianship Cash Fund, which is created by the bill. For FY 2019-20, appropriates \$835,386 and 4.5 FTE to the Office, comprised of \$427,000 General Fund and \$408,386 cash funds. Of this appropriation, \$50,000 is reappropriated to Department of Law for the provision of legal services.

H.B. 19-1177 (EXTREME RISK PROTECTION ORDERS): Creates procedures for courts to require an individual to surrender any firearms in his or her possession until the order expires or is terminated if the person is found to pose a significant risk of causing personal injury to themselves or others. When a petition for such an extreme risk protection order is filed, the court must appoint and pay for an attorney to represent the respondent unless the respondent elects to select and pay for their own attorney. For FY 2019-20, appropriates \$119,392 General Fund to the Judicial Department.

H.B. 19-1205 (REIMBURSE EXPENSES OF RESTORATIVE JUSTICE COUNCIL): Allows members of the Restorative Justice Coordinating Council to receive reimbursement for expenses incurred while serving on the council. Though expenditures from the Restorative Justice Cash Fund are expected to increase \$10,000 per year on a continuing basis, no appropriation is required because grants from the Fund will be reduced by an offsetting amount.

H.B. 19-1225 (NO MONETARY BAIL FOR CERTAIN LOW-LEVEL OFFENSES): Prohibits the use of monetary bonds for any defendant charged with a petty offense, traffic offense, or a comparable municipal offense. The use of monetary bond as part of a local pretrial release is allowed, if the defendant is informed that they are entitled to release on a non-monetary (personal recognizance) bond if he or she waits for the required bond hearing. Monetary bond conditions may be used for a defendant who fails to appear in court or violates a condition of their release on bond.

H.B. 19-1229 (ELECTRONIC PRESERVATION OF ABANDONED ESTATE DOCUMENTS): Requires the Judicial Department to electronically preserve abandoned estate planning documents. Establishes a procedure for determining that documents are abandoned. Allows the Department to set and collect fees once the system is operating. Because the act does not take effect until January 2021, it is expected to require a General Fund appropriation of \$153,376 in FY 2020-21 and a cash fund appropriation of \$67,653 in FY 2021-22.

H.B. 19-1263 (OFFENSE LEVEL FOR CONTROLLED SUBSTANCE POSSESSION): Reclassifies several existing drug felonies as drug misdemeanors, reduces the fine penalties and jail terms for drug misdemeanors, and makes several other changes to sentencing for drug offenses. Creates a grant program to fund drug courts and a substance use and mental-health treatment grant program. Increases the net General Fund appropriation to the Judicial Department by \$74,409 and increases net FTE by 0.4.

H.B. 19-1275 (INCREASED ELIGIBILITY FOR CRIMINAL RECORD SEALING): Repeals and reenacts with modifications statutes related to sealing criminal records, such as records of arrest and conviction. Makes it possible in most cases to seal records at less cost to the defendant than the cost under prior law. For FY 2019-20, appropriates \$47,361 cash funds and 0.8 FTE to the Department and appropriates \$443,847 cash funds and 6.6 FTE to the Department of Public Safety.

H.B. 19-1282 (COURT APPOINTED SPECIAL ADVOCATE PROGRAM OVERSIGHT): Requires the Office of the Child's Representative (OCR) to contract with a nonprofit state-court-appointed special advocate (CASA) entity and

provide funding to the entity for allocation to local CASA programs. The state CASA entity must annually provide the OCR with (1) the formula it will use to allocate money to local CASA programs, and (2) a report on all CASA activities.

H.B. 19-1310 (INTEREST ON ORDERS OF RESTITUTION): Specifies that interest on restitution orders does not accrue in juvenile cases where the defendant is under 21 and in criminal cases where the defendant is incarcerated in a correctional facility operated by or under contract with the Department of Corrections. Lowers the interest rate on restitution orders to 8 percent if the rate is currently 12 percent. For FY 2019-20, appropriates \$220,480 cash funds to the Judicial Department.

H.B. 19-1316 (MODERNIZING MARRIAGE LAWS FOR MINORS): Sets the minimum age for marriage at 16 and requires judicial approval of any marriage where a party is under 18. Appropriates \$59,850 General Fund to the Office of the Child's Representative in the Judicial Department.

Details

DEPARTMENT OF LABOR AND EMPLOYMENT

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF LABOR AND EMPLOYMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$259,549,084	\$19,475,174	\$80,841,770	\$7,521,018	\$151,711,122	1,280.6
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	56,004,714	4,706,324	23,002,498	612,065	27,683,827	110.2
Division of Unemployment Insurance	45,673,931	38,361	12,447,772	0	33,187,798	484.1
Division of Employment and Training	67,355,284	2,576,819	16,616,898	1,496,199	46,665,368	216.7
Division of Labor Standards and Statistics	4,094,954	607,823	1,303,544	0	2,183,587	56.1
Division of Oil and Public Safety	6,074,921	69,054	5,277,128	19,318	709,421	68.8
Division of Workers' Compensation	21,370,855	0	21,370,855	0	0	111.0
Division of Vocational Rehabilitation and Independent Living Services	58,974,425	11,476,793	823,075	5,393,436	41,281,121	233.7
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$256,457,687	\$18,391,202	\$79,834,345	\$6,521,018	\$151,711,122	1,279.3
SB 18-145	2,131	2,131	0	0	0	0.0
SB 18-167	81,841	81,841	0	0	0	0.8
HB 18-1316	2,000,000	1,000,000	0	1,000,000	0	0.0
HB 18-1339	7,425	0	7,425	0	0	0.0
HB 18-1343	1,000,000	0	1,000,000	0	0	0.5
FY 2019-20 TOTAL APPROPRIATION:	\$271,969,109	\$25,519,883	\$82,643,259	\$10,092,733	\$153,713,234	1,292.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	63,675,744	6,419,256	26,601,984	622,245	30,032,259	111.2
Division of Unemployment Insurance	46,171,415	38,361	15,278,940	0	30,854,114	484.1
Division of Employment and Training	66,526,217	5,819,196	10,812,925	4,057,734	45,836,362	218.9
Division of Labor Standards and Statistics	4,526,858	878,173	1,409,906	0	2,238,779	60.7
Division of Oil and Public Safety	6,312,307	103,011	5,480,557	19,318	709,421	69.5
Division of Workers' Compensation	22,253,377	0	22,253,377	0	0	111.0
Division of Vocational Rehabilitation and Independent Living Services	62,503,191	12,261,886	805,570	5,393,436	44,042,299	237.4
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$270,584,244	\$24,423,131	\$82,605,146	\$9,842,733	\$153,713,234	1,289.0
SB 19-171	25,507	25,507	0	0	0	0.4
SB 19-188	165,487	165,487	0	0	0	0.5
HB 19-1025	38,113	0	38,113	0	0	0.6
HB 19-1107	1,000,000	750,000	0	250,000	0	0.5
HB 19-1314	155,758	155,758	0	0	0	1.8
INCREASE/(DECREASE)	\$12,420,025	\$6,044,709	\$1,801,489	\$2,571,715	\$2,002,112	12.2
Percentage Change	4.8%	31.0%	2.2%	34.2%	1.3%	1.0%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Labor and Employment are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$140,072,582	\$0	\$8,210,619	\$5,393,436	\$126,468,527

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

The Office provides funding for common services to all divisions including legal services from the Department of Law and information technology services from the Governor's Office of Information Technology. Additionally, this office provides support services to all divisions including budgeting, accounting, and human resources services.

Funding for the Office is 10.1 percent General Fund, 41.8 percent cash funds, 1.0 percent reappropriated funds, and 47.2 percent federal funds. The Employment Support Fund and Workers' Compensation Cash Fund are the largest sources of cash funds.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$55,982,371	\$4,691,406	\$22,995,073	\$612,065	\$27,683,827	110.2
SB 18-145	2,131	2,131	0	0	0	0.0
SB 18-167	12,787	12,787	0	0	0	0.0
HB 18-1339	7,425	0	7,425	0	0	0.0
TOTAL	\$56,004,714	\$4,706,324	\$23,002,498	\$612,065	\$27,683,827	110.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$56,004,714	\$4,706,324	\$23,002,498	\$612,065	\$27,683,827	110.2
Centrally appropriated line items	9,258,979	1,652,459	3,940,284	25,597	3,640,639	0.0
Unemployment Insurance migrated system operations	601,509	0	601,509	0	0	0.0
Annualize prior year legislation	34,169	19,743	14,426	0	0	0.5
Annualize prior year budget actions	(2,389,114)	(124,757)	(956,733)	(15,417)	(1,292,207)	0.0
SB 19-207	\$63,510,257	\$6,253,769	\$26,601,984	\$622,245	\$30,032,259	110.7
SB 19-188	165,487	165,487	0	0	0	0.5
TOTAL	\$63,675,744	\$6,419,256	\$26,601,984	\$622,245	\$30,032,259	111.2
INCREASE/(DECREASE)	\$7,671,030	\$1,712,932	\$3,599,486	\$10,180	\$2,348,432	1.0
Percentage Change	13.7%	36.4%	15.6%	1.7%	8.5%	0.9%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as reflected in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$4,174,887	\$1,176,126	\$2,408,238	\$0	\$590,523	0.0
Salary survey	2,577,526	149,289	991,325	20,209	1,416,703	0.0
PERA Direct Distribution	2,186,326	126,840	842,254	13,568	1,203,664	0.0
Health Life Dental	615,215	138,148	(18,904)	4,249	491,722	0.0
Leased space	181,715	12,244	73,254	0	96,217	0.0
Legal services	118,046	0	118,046	0	0	0.0
DPA IDS increased input costs	10,933	0	10,933	0	0	0.0
Department EDO funding split	0	0	1	0	(1)	0.0
Workers' compensation	(271,825)	0	(75,474)	0	(196,351)	0.0
AED	(127,678)	21,940	(188,867)	(6,109)	45,358	0.0
SAED	(127,678)	21,940	(188,867)	(6,109)	45,358	0.0
CORE	(59,184)	0	(19,003)	0	(40,181)	0.0
Payment to risk management / property funds	(11,724)	0	(2,931)	0	(8,793)	0.0
Short-term disability	(3,889)	771	(6,221)	(211)	1,772	0.0
Statewide indirect cost common policy	(3,125)	0	(1,125)	0	(2,000)	0.0
Vehicle lease payments	(265)	5,161	(2,375)	0	(3,051)	0.0
Shift differential	(162)	0	0	0	(162)	0.0
Capitol Complex leased space	(139)	0	0	0	(139)	0.0
TOTAL	\$9,258,979	\$1,652,459	\$3,940,284	\$25,597	\$3,640,639	0.0

UNEMPLOYMENT INSURANCE (UI) MIGRATED SYSTEM OPERATIONS: The appropriation includes an increase of \$2.6 million cash funds from the Employment and Training Technology Fund to support production operations of the new UI claimants benefits processing system (CUBS) and UI employer premiums system (CATS). Of the total, \$601,509 is appropriated in this division in the Payments to OIT line item for additional OIT staffing costs.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$14,426	\$0	\$14,426	\$0	\$0	0.0
SB 18-167 Locate Underground Facilities	21,874	21,874	0	0	0	0.5
SB 18-145 Implement Employment First Recommendations	(2,131)	(2,131)	0	0	0	0.0
TOTAL	\$34,169	\$19,743	\$14,426	\$0	\$0	0.5

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation annualizes prior-year salary survey appropriations. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF UNEMPLOYMENT INSURANCE

Unemployment Insurance (UI) Programs provide weekly benefits to individuals who have lost their job through no fault of their own. Responsibilities include tax collection from employers, benefit payments, employer tax audits, call center operation, and claimant appeal application processing. Additionally, the UI Fraud Program identifies, investigates, and prosecutes unqualified individuals who receive UI benefits and employers who fail to pay UI premiums and taxes. The Division's funding consists of less than 0.1 percent General Fund, 66.8 percent federal funds, and 33.1 percent cash funds. The Employment Support Fund is the primary source of cash funds, with funds from the Employment and Training Technology Fund supporting the technology initiatives underway in the Division to modernize and consolidate UI front-end (UI claimants and employers) and back-end (UI staff) systems. These funds originate from a portion of UI premiums paid by employers.

DIVISION OF UNEMPLOYMENT INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$45,673,931	\$38,361	\$12,447,772	\$0	\$33,187,798	484.1
TOTAL	\$45,673,931	\$38,361	\$12,447,772	\$0	\$33,187,798	484.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$45,673,931	\$38,361	\$12,447,772	\$0	\$33,187,798	484.1
Unemployment Insurance migrated system operations	2,000,000	0	2,000,000	0	0	0.0
Annualize prior year budget actions	994,010	0	327,694	0	666,316	0.0
Replacement of the legacy field audit system	450,000	0	450,000	0	0	0.0
Annualize prior year legislation	31,277	0	31,277	0	0	0.0
Centrally appropriated line items	22,197	0	22,197	0	0	0.0
Informational funds adjustment	(3,000,000)	0	0	0	(3,000,000)	0.0
SB 19-207	\$46,171,415	\$38,361	\$15,278,940	\$0	\$30,854,114	484.1
TOTAL	\$46,171,415	\$38,361	\$15,278,940	\$0	\$30,854,114	484.1
INCREASE/(DECREASE)	\$497,484	\$0	\$2,831,168	\$0	(\$2,333,684)	0.0
Percentage Change	1.1%	0.0%	22.7%	n/a	(7.0%)	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

UNEMPLOYMENT INSURANCE (UI) MIGRATED SYSTEM OPERATIONS: The appropriation includes an increase of \$2.6 million cash funds from the Employment and Training Technology Fund to support operation of the new UI claimants benefits processing system (CUBS) and UI employer premiums system (CATS). The General Assembly appropriated \$57,876,960 in the IT capital budget to construct the new system between FY 2016-17 and FY 2018-19. The FY 2019-20 appropriation funds annual licenses for software products and 9.0 FTE in the Governor's Office of Information Technology (OIT) beginning in January 2020. The appropriation includes \$2,000,000 in the Unemployment Insurance Program Costs line item and \$601,509 in the Payments to OIT line item for additional OIT staffing costs. The annualized impact of this change is \$3,203,018 in FY 2020-21, including anticipated common policy adjustments in the Payments to OIT line item.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions. In this division, this includes a reduction of \$30,900 cash funds to annualize a FY 2018-19 request for a system to facilitate reemployment through on-line training programs. The appropriation also includes adjustments for the second-year impact of FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

REPLACEMENT OF THE LEGACY FIELD AUDIT SYSTEM: The appropriation includes \$450,000 cash funds from the Employment Support Fund to replace the information technology system that supports its Unemployment Insurance field audit staff. This staff of 32 is responsible for conducting approximately 2,500 field audits per year to ensure that employers are correctly calculating their unemployment insurance contributions, consistent with state and federal requirements. This amount will annualize to \$40,000 cash funds from the Employment Support Fund in FY 2020-21 and subsequent years for licensing and subscription costs.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. This includes an increase of \$31,277 cash funds in this division related to S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items. In this division, this includes an increase of \$22,197 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation includes adjustments to funds amounts shown for informational purposes. This includes a reduction of \$3,000,000 federal funds in the Unemployment Insurance Division to more closely align amounts in the Long Bill with anticipated federal receipts.

DIVISION OF EMPLOYMENT AND TRAINING

The Division of Employment and Training offers free assistance to job seekers, including: job search assistance, additional job training, and classes to improve interview and résumé skills. These services are offered through state and county one-stop centers. Additionally, workforce centers match employers with qualified candidates to fill job vacancies. Funding for these programs consists of cash funds, primarily from the Employment Support Fund, and various federal funds including the Workforce Innovation and Opportunity Act and Trade Adjustment Act. This division also includes funding for various state-created employment and training programs that are supported by state General Fund, as well as cash funds.

DIVISION OF EMPLOYMENT AND TRAINING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$64,355,284	\$1,576,819	\$15,616,898	\$496,199	\$46,665,368	216.2
HB 18-1316	2,000,000	1,000,000	0	1,000,000	0	0.0
HB 18-1343	1,000,000	0	1,000,000	0	0	0.5
TOTAL	\$67,355,284	\$2,576,819	\$16,616,898	\$1,496,199	\$46,665,368	216.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$67,355,284	\$2,576,819	\$16,616,898	\$1,496,199	\$46,665,368	216.7
Annualize prior year budget actions	425,236	11,112	177,995	10,135	225,994	0.0
Annualize prior year legislation	(1,380,568)	2,300,000	(5,981,968)	2,301,400	0	(0.5)
Informational funds adjustment	(1,055,000)	0	0	0	(1,055,000)	0.0
SB 19-207	\$65,344,952	\$4,887,931	\$10,812,925	\$3,807,734	\$45,836,362	216.2
SB 19-171	25,507	25,507	0	0	0	0.4
HB 19-1107	1,000,000	750,000	0	250,000	0	0.5
HB 19-1314	155,758	155,758	0	0	0	1.8
TOTAL	\$66,526,217	\$5,819,196	\$10,812,925	\$4,057,734	\$45,836,362	218.9
INCREASE/(DECREASE)	(\$829,067)	\$3,242,377	(\$5,803,973)	\$2,561,535	(\$829,006)	2.2
Percentage Change	(1.2%)	125.8%	(34.9%)	171.2%	(1.8%)	1.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes the following adjustments in this division for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$19,432	\$0	\$18,032	\$1,400	\$0	0.0
HB 18-1343 Veterans' Service-to-Career Program	(1,000,000)	0	(1,000,000)	0	0	(0.5)
HB 18-1316 Extend CDLE WORK grant program	(400,000)	2,300,000	(5,000,000)	2,300,000	0	0.0
TOTAL	(\$1,380,568)	\$2,300,000	(\$5,981,968)	\$2,301,400	\$0	(0.5)

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation includes adjustments to funds amounts shown for informational purposes. This includes a reduction of \$1,055,000 federal funds in the Employment and Training Division to more closely align amounts in the Long Bill with anticipated federal receipts.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF LABOR STANDARDS AND STATISTICS

The Division of Labor Standards and Statistics administers two subdivisions: Labor Standards and Labor Statistics. Labor Standards ensures compliance with Colorado's wage, youth, and labor laws, and facilitates labor dispute resolution and mediation. Labor Statistics provides data on labor force trends across the state, including monthly unemployment numbers and job growth information. It also collaborates with one-stop centers to identify fields that have potential long-term growth in Colorado and associated training needs.

The Labor Standards subdivision receives General Fund and cash funds appropriations. The cash funds are primarily from the Employment Support Fund, with some support provided by the Employment Verification Cash Fund. The Labor Statistics subdivision is supported entirely by federal funds.

DIVISION OF LABOR STANDARDS AND STATISTICS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,094,954	\$607,823	\$1,303,544	\$0	\$2,183,587	56.1
TOTAL	\$4,094,954	\$607,823	\$1,303,544	\$0	\$2,183,587	56.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,094,954	\$607,823	\$1,303,544	\$0	\$2,183,587	56.1
Labor Standards inspection staff	250,000	250,000	0	0	0	4.0
Annualize prior year budget actions	98,876	20,350	23,334	0	55,192	0.0
Division of Labor Standards and Statistics claims system	34,802	0	34,802	0	0	0.0
Annualize prior year legislation	10,113	0	10,113	0	0	0.0
SB 19-207	\$4,488,745	\$878,173	\$1,371,793	0	\$2,238,779	60.1
HB 19-1025	38,113	0	38,113	0	0	0.6
TOTAL	\$4,526,858	\$878,173	\$1,409,906	\$0	\$2,238,779	60.7

DIVISION OF LABOR STANDARDS AND STATISTICS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$431,904	\$270,350	\$106,362	\$0	\$55,192	4.6
Percentage Change	10.5%	44.5%	8.2%	n/a	2.5%	8.2%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

LABOR STANDARDS INSPECTION STAFF: The appropriation adds \$250,000 General Fund for 4.0 FTE to increase on-site auditing of construction sites and ensure compliance with existing statutory and regulatory requirements for labor standards at those sites.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

DIVISION OF LABOR STANDARDS AND STATISTICS CLAIMS SYSTEM: The appropriation includes an increase of \$34,802 cash funds from the Employment Support Fund for software licenses and subscription costs for the new Labor Standards Claims System. The Labor Standards section is responsible for assisting Colorado employees in recovering earned compensation from employers who violate labor laws. The staff of 28 is responsible for investigating approximately 3,500 complaints and responding to 2,000 emails and 40,000 calls per year. In FY 2017-18, the Division internally funded (through vacancy savings) a \$206,000 project to migrate its five older software systems to a centralized database. The software allows investigators to review and create needed documents and enables employees and employers to submit documentation on line, check the status of claims, and correspond with the Division by text message. The funding is anticipated to continue at this level in future years.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. This includes an increase of \$10,113 cash funds in this division to annualize S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF OIL AND PUBLIC SAFETY

This division is comprised of the Public Safety Unit (PSU) and the Office of the State Oil Inspector (Inspector). The PSU conducts inspections of boilers and pressure vessels in commercial and multi-unit residential buildings; regulates the distribution and storage of petroleum products; regulates the remediation of contamination caused by leaking underground storage tanks; enforces statutory requirements pertaining to carnival and amusement park rides; licenses conveyances, conveyance inspectors and mechanics; and regulates and monitors proper storage of explosives. Cash funds used to support the operations of this Division include the Petroleum Storage Tank Fund and the Boiler Inspection Fund. Reappropriated funds are from the Department of Public Health and Environment.

DIVISION OF OIL AND PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$6,005,867	\$0	\$5,277,128	\$19,318	\$709,421	68.0
SB 18-167	69,054	69,054	0	0	0	0.8
TOTAL	\$6,074,921	\$69,054	\$5,277,128	\$19,318	\$709,421	68.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$6,074,921	\$69,054	\$5,277,128	\$19,318	\$709,421	68.8
Annualize prior year budget actions	149,085	0	149,085	0	0	0.0
Division of Oil and Public Safety - Petroleum Program	50,000	0	50,000	0	0	0.0
Annualize prior year legislation	38,301	33,957	4,344	0	0	0.7
SB 19-207	\$6,312,307	\$103,011	\$5,480,557	\$19,318	\$709,421	69.5
TOTAL	\$6,312,307	\$103,011	\$5,480,557	\$19,318	\$709,421	69.5
INCREASE/(DECREASE)	\$237,386	\$33,957	\$203,429	\$0	\$0	0.7
Percentage Change	3.9%	49.2%	3.9%	0.0%	0.0%	1.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

DIVISION OF OIL AND PUBLIC SAFETY - PETROLEUM PROGRAM: The appropriation includes \$50,000 cash funds from the Petroleum Storage Tank Fund to replace equipment and supplies for testing fuels. The agency tests the quality of petroleum pumped at gas stations to ensure fuels comply with legal requirements and are accurately labeled. Through a joint agreement with the Department of Public Health and Environment, the Division also conducts vapor monitoring to ensure that petroleum delivery carriers are capturing vapors when delivering fuel. An average of 2,980 inspections are conducted each year. The Department's fuel testing equipment is aging and must be replaced, and supply costs have increased. The appropriation is for an ongoing \$50,000 increase for this program. In the first two years, the Department will replace the Sulphur analyzer and vapor pressure analyzer (each estimated at \$26,400) and will address higher costs for waste disposal, helium, heptane, and other supplies (estimated at \$23,600 per year).

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. In this division, this includes an increase of \$33,957 General Fund and 0.7 FTE to annualize S.B. 18-167 (Locate Underground Facilities) and an increase of \$4,344 cash funds to annualize S.B. 18-200 (Eliminate Unfunded PERA Liability).

DIVISION OF WORKERS' COMPENSATION

The Division of Workers' Compensation is comprised of five major units: customer service, dispute resolution, medical cost containment, employer services, and special funds.

- The customer service unit provides administrative oversight of injury claims to ensure compliance with all benefit and reporting requirements. This unit provides information and technical assistance and audits insurers' claims handling practices.

- The dispute resolution unit provides mediation, arbitration, pre-hearing, and settlement services to quickly resolve contested issues without administrative hearings and/or litigation.
- The medical cost containment unit oversees the programs intended to ensure that medical services for workers' compensation claims are provided in a cost-effective manner.
- The employer services section administers the self-insurance and premium cost-containment programs and ensures employer compliance with workers' compensation coverage requirements.
- The special funds section administers two large insurance programs, the Major Medical Insurance Fund (MMIF) and Subsequent Injury Fund (SIF). The MMIF covers the medical expenses in excess of \$20,000 of an injured worker who sustained catastrophic injuries between July 1971 and June 1981. The Subsequent Injury Fund covers an injured worker's medical expenses from a second workplace injury that occurred before 1994 and resulted in permanent disability or up to \$10,000 of a worker's medical expenses from a second or subsequent exposure to certain occupational materials.

The Division of Workers' Compensation is cash-funded primarily from the Workers' Compensation Cash Fund, the Subsequent Injury Fund, and the Major Medical Insurance Fund. These funds are derived from surcharges on workers' compensation insurance policies.

DIVISION OF WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$21,370,855	\$0	\$21,370,855	\$0	\$0	111.0
TOTAL	\$21,370,855	\$0	\$21,370,855	\$0	\$0	111.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$21,370,855	\$0	\$21,370,855	\$0	\$0	111.0
Centrally appropriated line items	562,727	0	562,727	0	0	0.0
Annualize prior year budget actions	234,290	0	234,290	0	0	0.0
Division of Workers Compensation Modernization Project	76,817	0	76,817	0	0	0.0
Annualize prior year legislation	8,688	0	8,688	0	0	0.0
SB 19-207	\$22,253,377	\$0	\$22,253,377	\$0	\$0	111.0
TOTAL	\$22,253,377	\$0	\$22,253,377	\$0	\$0	111.0
INCREASE/(DECREASE)	\$882,522	\$0	\$882,522	\$0	\$0	0.0
Percentage Change	4.1%	n/a	4.1%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$562,727 cash funds for administrative law judges in this division.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

DIVISION OF WORKERS COMPENSATION MODERNIZATION PROJECT: The appropriation includes an increase of \$76,817 cash funds from the Worker's Compensation Cash Fund to support ongoing operating costs for the Worker's Compensation Claims Management System. The General Assembly appropriated \$5,932,500 in FY 2014-15 in the information technology capital budget to construct the new system and provided an extension to complete the project through FY 2017-18. The Division of Workers' Compensation regulates benefits provided to injured

workers. This item funds annual software licenses and subscription costs required for the new system. This funding is anticipated to continue at this level in future years.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. This includes an increase of \$8,688 cash funds in this division to annualize S.B. 18-200 (Eliminate Unfunded PERA Liability).

DIVISION OF VOCATIONAL REHABILITATION AND INDEPENDENT LIVING SERVICES

This division consists of two subdivisions: Vocational Rehabilitation Programs and Office of Independent Living Services.

- Vocational Rehabilitation Programs assists individuals, whose disabilities result in barriers to employment or independent living, with attaining and maintaining employment and/or independent living. At any of the 43 field and satellite offices located throughout the state, rehabilitation counselors work with clients to assess their needs and identify appropriate vocational rehabilitation services. Federal rules establish a match rate for Vocational Rehabilitation Programs of 78.7 percent federal funds and 21.3 percent non-federal funds. State funds include General Fund and reappropriated funds primarily from school districts for the School to Work Alliance Program.
- The Office Independent Living Services allocates funding to the nine Independent Living Centers in Colorado that provide services to individuals with significant disabilities. The goal of independent living services is to provide individuals with the resources and skills to live independently in the community. Funding for independent living services is primarily General Fund, although some federal funds and matching local cash funds are also reflected in the budget.

DIVISION OF VOCATIONAL REHABILITATION AND INDEPENDENT LIVING SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$58,974,425	\$11,476,793	\$823,075	\$5,393,436	\$41,281,121	233.7
TOTAL	\$58,974,425	\$11,476,793	\$823,075	\$5,393,436	\$41,281,121	233.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$58,974,425	\$11,476,793	\$823,075	\$5,393,436	\$41,281,121	233.7
Employment First initiatives	2,865,644	610,382	0	0	2,255,262	3.7
Annualize prior year budget actions	451,146	93,233	13,435	0	344,478	0.0
Annualize prior year legislation	137,244	13,084	0	0	124,160	0.0
Community provider rate increase	67,335	67,335	0	0	0	0.0
Centrally appropriated line items	4,970	1,059	0	0	3,911	0.0
Informational funds adjustment	2,427	0	(30,940)	0	33,367	0.0
SB 19-207	\$62,503,191	\$12,261,886	\$805,570	\$5,393,436	\$44,042,299	237.4
TOTAL	\$62,503,191	\$12,261,886	\$805,570	\$5,393,436	\$44,042,299	237.4
INCREASE/(DECREASE)	\$3,528,766	\$785,093	(\$17,505)	\$0	\$2,761,178	3.7
Percentage Change	6.0%	6.8%	(2.1%)	0.0%	6.7%	1.6%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

EMPLOYMENT FIRST INITIATIVES: The appropriation includes \$2,865,644 total funds, including \$610,382 General Fund and \$2,255,262 federal funds and 3.7 FTE (annualizing to 4.0 FTE) for changes coordinated with the

Department of Health Care Policy and Financing (HCPF) on Employment First initiatives. Of the total, \$2,396,160 total funds, including \$510,382 General Fund, is for a new Employment First Initiatives line item in the Division of Vocational Rehabilitation. Appropriations in this line item are anticipated to be provided for a three-year period, through FY 2021-22, and are related to a refinance in HCPF that spends down funds in the Individuals with Developmental Disabilities Services Cash Fund. The appropriation also includes \$469,484 total funds, including \$100,000 General Fund, in the Vocational Rehabilitation Services line item. This funding is anticipated to be ongoing and unrelated to the refinance in HCPF. Employment First is a nationally recognized model for achieving increased, successful employment outcomes for people with disabilities. Funding for Employment First initiatives in the Department of Labor and Employment includes support for 4.0 FTE new vocational rehabilitation positions, vocational rehabilitation customized employment pilots, and a contract with a University Center of Excellence in Developmental Disabilities, which would assist with Employment First implementation statewide by conducting statewide training and outreach.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey. Salary survey is appropriated in the Executive Director's Office in the first year of the appropriation and is then included in other divisions in subsequent years.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation. This includes an increase of \$137,244 total funds in this division to annualize S.B. 18-200 (Eliminate Unfunded PERA Liability).

COMMUNITY PROVIDER RATE INCREASE: The appropriation includes an increase of \$67,335 General Fund for a 1.0 percent community provider rate increase for independent living centers.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$4,970 total funds for administrative law judges in this division.

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation includes adjustments to funds amounts shown for informational purposes. This includes a net increase of \$2,427 total funds, including a reduction of \$30,940 cash funds and an increase of \$33,367 federal funds.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-145 (IMPLEMENT EMPLOYMENT FIRST RECOMMENDATIONS): Requires the Department of Labor and Employment (CDLE) and the Medical Services Board in the Department of Health Care Policy and Financing (HCPF) to promulgate rules by July 1, 2019 requiring training or certification for certain providers of supported employment services for persons with disabilities. These requirements are contingent upon appropriations to HCPF to reimburse vendors of supported employment services for the cost of training and certification. Also expands HCPF reporting requirements. Provides the following appropriations for FY 2018-19:

- \$27,675 General Fund and 0.4 FTE to HCPF;
- \$2,131 General Fund to CDLE for legal services; and
- \$2,131 reappropriated funds to the Department of Law for legal services to CDLE.

Appropriations to HCPF are expected to increase to \$331,200 General Fund and 0.5 FTE in FY 2019-20. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Health Care Policy and Financing.

S.B. 18-167 (ENFORCE REQUIREMENTS 811 LOCATE UNDERGROUND FACILITIES): Makes changes to the state's utility notification system in order to support increased enforcement related to the excavation of underground facilities. Creates the Underground Damage Prevention Safety Commission in the Colorado Department of Labor and Employment (CDLE); creates two cash funds to support the work of the commission and increased safety education; and makes a variety of changes to the state's excavation laws for the purpose of improving enforcement. Includes an appropriation of \$81,841 General Fund and 0.8 FTE to CDLE in FY 2018-19, of which \$12,787 and 0.1 FTE is reappropriated to the Department of Law. Appropriations to CDLE are anticipated to increase to \$172,728 General Fund and 2.1 FTE in FY 2019-20. Also anticipated to increase costs in the Department of Transportation from the State Highway Fund (off budget) and may increase costs for other departments, as well as local governments, that perform excavations or are involved in adjudication processes outlined in the legislation.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1316 (EXTEND CDLE WORK GRANT PROGRAM): Extends the Skilled Worker Outreach, Recruitment, and Key Training (WORK) grant program in the Department through FY 2020-2021. The program provides grants to organizations that offer workplace training skills. Requires the General Assembly to appropriate \$7.6 million General Fund to the WORK program for the three years between January 1, 2018 and January 1, 2021. Includes an appropriation of \$1,000,000 General Fund to CDLE for the program for FY 2018-19. The bill annualizes to \$3,300,000 General Fund in FY 2019-20 and FY 2020-21.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations as follows:

- \$36,640 General Fund to the Department of Human Services;
- \$7,425 cash funds to the Department of Labor and Employment;
- \$6,683 General Fund to the Department of Local Affairs;
- \$11,633 General Fund to the Department of Personnel;
- \$41,580 General Fund to the Department of Revenue; and
- \$121,748 reappropriated funds to the Department of Public Safety from the appropriations made to other departments above.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

H.B. 18-1343 (VETERANS’ SERVICE-TO-CAREER PROGRAM): Continues the Veterans’ Service-to-Career Grant Program in the Colorado Department of Labor and Employment (CDLE).

- Extends the program’s repeal date from January 1, 2019 to January 1, 2024
- Expands eligibility to include veterans, veterans’ spouses, persons actively serving in the U.S. Armed Forces and within six months of discharge, or a member of the National Guard or military reserves who has completed initial entry training
- Increases the administrative overhead a workforce center may charge for the program from seven to eight percent
- Requires CDLE to develop an evaluation method to measure program outcomes and effectiveness.

Appropriates \$1,000,000 cash funds from the Marijuana Tax Cash Fund and 0.5 FTE to CDLE for FY 2018-19.

2019 SESSION BILLS

S.B. 19-171 (APPRENTICESHIPS AND VOCATIONAL TECHNICAL TRAINING): Requires the Department of Labor and Employment to create a guide to apprenticeships in Colorado. Appropriates \$25,507 General Fund to the Department for FY 2019-20, based on an assumption that it will require an additional 0.4 FTE. Anticipated to require appropriations of \$31,526 General Fund for 0.5 FTE for FY 2020-21 and subsequent years.

S.B. 19-188 (FAMILY MEDICAL LEAVE INSURANCE PROGRAM): Requires the Department of Labor and Employment (CDLE) to perform or contract for analyses concerning the implementation of a paid family and medical leave program for all employees in the state. Creates a task force in CDLE to make recommendations on program implementation. Requires the Department of Public Health and Environment (CDPHE) to develop a report on health benefits related to paid family leave. Appropriates \$165,487 General Fund to CDLE for FY 2019-20, based on an assumption that it will require an additional 0.5 FTE. Appropriates \$17,004 General Fund to CDPHE for FY 2019-20, based on an assumption that it will require an additional 0.1 FTE.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

H.B. 19-1025 (LIMITS ON JOB APPLICANT CRIMINAL HISTORY INQUIRIES): Prohibits an employer from preventing a person with a criminal history from applying for a job or from requiring disclosure of an applicant's criminal history on an initial application. Requires the Department of Labor and Employment to adopt related rules for handling complaints filed against employers. Appropriates \$38,113 cash funds from the Employment Support Fund to the Department for FY 2019-20, based on an assumption that the Department will require an additional 0.6 FTE. Anticipated to require appropriations of \$35,664 cash funds, assuming 0.5 FTE, for FY 2020-21 and subsequent years.

H.B. 19-1107 (EMPLOYMENT SUPPORT JOB RETENTION SERVICES PROGRAM): Creates an employment support services program in the Colorado Department of Labor and Employment. Provides an appropriation of \$750,000 General Fund to a newly-created cash fund in the Department for FY 2019-20 and reappropriates \$250,000 from the cash fund to the Department, reflecting the assumption that the Department will require an additional 0.5 FTE. Anticipated to require appropriations for FY 2020-21 and FY 2021-22 of \$250,000 reappropriated funds, supporting 0.5 FTE. No additional General Fund appropriations are anticipated.

H.B. 19-1314 (JUST TRANSITION FROM COAL-BASED ELECTRICITY ENERGY ECONOMY): Creates the Just Transition Office in the Department of Labor and Employment (CDLE) to provide worker benefits, award grants,

and receive utility reports related to coal plant retirement. Appropriates \$155,758 General Fund to CDLE for FY 2019-20, based on an assumption that the Department will require an additional 1.8 FTE. Also appropriates \$920 General Fund to the Legislative Department. Anticipated to require appropriations of \$189,290 General Fund for CDLE, assuming 2.0 FTE, and \$920 General Fund for the Legislative Department for FY 2020-21 and subsequent years.

Details

DEPARTMENT OF LAW

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF LAW						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$84,198,382	\$16,593,918	\$17,747,080	\$47,855,062	\$2,002,322	483.5
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	20,886,969	5,216,136	2,273,635	12,960,264	436,934	54.8
Legal Services to State Agencies	33,885,245	0	1,280,050	32,605,195	0	252.2
Criminal Justice and Appellate	17,486,911	6,105,751	8,243,233	1,572,539	1,565,388	109.8
Water and Natural Resources	1,982,949	612,122	813,639	557,188	0	12.5
Consumer Protection	5,514,111	1,467,712	3,886,523	159,876	0	53.2
Special Purpose	4,442,197	3,192,197	1,250,000	0	0	1.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$83,067,088	\$16,611,039	\$17,882,160	\$46,571,567	\$2,002,322	474.4
SB 18-027	93,773	0	0	93,773	0	0.5
SB 18-145	2,131	0	0	2,131	0	0.0
SB 18-167	12,787	0	0	12,787	0	0.1
SB 18-234	5,328	0	0	5,328	0	0.0
SB 18-243	10,656	0	0	10,656	0	0.1
SB 18-271	10,656	0	0	10,656	0	0.0
HB 18-1017	15,984	0	0	15,984	0	0.1
HB 18-1224	64,575	0	0	64,575	0	0.3
HB 18-1280	14,918	0	0	14,918	0	0.1
HB 18-1353	1,598	0	0	1,598	0	0.0
HB 18-1434	164,920	0	164,920	0	0	1.6
SB 19-116	702,879	(17,121)	(300,000)	1,020,000	0	6.1
HB 19-1090	31,089	0	0	31,089	0	0.2
FY 2019-20 TOTAL APPROPRIATION:	\$92,366,498	\$18,717,773	\$17,688,477	\$53,606,154	\$2,354,094	513.5
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	25,417,997	6,136,967	2,646,027	16,128,189	506,814	57.2
Legal Services to State Agencies	36,615,416	0	1,509,382	35,106,034	0	269.9
Criminal Justice and Appellate	17,943,798	6,610,905	7,864,676	1,620,937	1,847,280	117.6
Water and Natural Resources	2,209,747	800,845	827,877	581,025	0	13.4
Consumer Protection	5,978,672	1,918,188	3,890,515	169,969	0	54.4
Special Purpose	4,200,868	3,250,868	950,000	0	0	1.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$90,145,714	\$18,497,361	\$17,626,348	\$51,667,911	\$2,354,094	500.4
SB 19-002	115,273	115,273	0	0	0	1.4
SB 19-005	134,719	0	0	134,719	0	0.7
SB 19-030	55,139	55,139	0	0	0	0.6
SB 19-166	40,056	0	40,056	0	0	0.6
SB 19-181	186,534	0	0	186,534	0	1.0
SB 19-218	535,456	0	0	535,456	0	2.9
SB 19-223	189,901	50,000	0	139,901	0	0.8
SB 19-224	103,630	0	0	103,630	0	0.6

DEPARTMENT OF LAW						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-236	186,534	0	0	186,534	0	1.0
HB 19-1045	50,000	0	0	50,000	0	0.3
HB 19-1090	242,494	0	0	242,494	0	1.3
HB 19-1230	72,023	0	0	72,023	0	0.3
HB 19-1234	35,752	0	0	35,752	0	0.2
HB 19-1242	15,545	0	0	15,545	0	0.0
HB 19-1261	93,267	0	0	93,267	0	0.5
HB 19-1309	22,073	0	22,073	0	0	0.1
HB 19-1327	142,388	0	0	142,388	0	0.8
INCREASE/(DECREASE)	\$8,168,116	\$2,123,855	(\$58,603)	\$5,751,092	\$351,772	30.0
Percentage Change	9.7%	12.8%	(0.3%)	12.0%	17.6%	6.2%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Law are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$4,550,533	\$0	\$1,815,899	\$380,540	\$2,354,094

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

ADMINISTRATION

This section includes funding for the Attorney General, the Solicitor General, and other management staff, as well as the Office of Community Engagement and the Department's human resources, accounting/budgeting, information technology, and legal support services units. These units are primarily supported by General Fund and indirect cost recoveries. This section also includes central appropriations for the entire Department, including funding for employee benefits, facilities, vehicles, and information technology. Cash funds appropriations include money received by the Attorney General as an award of attorney fees or costs in legal cases, and other sources. Reappropriated funds derive from indirect cost recoveries and money transferred from a variety of other appropriations. Federal funds are from the Medicaid Fraud Control Program.

ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$20,739,170	\$5,233,257	\$2,108,715	\$12,960,264	\$436,934	53.2
HB 18-1434	164,920	0	164,920	0	0	1.6
SB 19-116	(17,121)	(17,121)	0	0	0	0.0
TOTAL	\$20,886,969	\$5,216,136	\$2,273,635	\$12,960,264	\$436,934	54.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$20,886,969	\$5,216,136	\$2,273,635	\$12,960,264	\$436,934	54.8
Centrally appropriated line items	2,884,711	646,869	366,269	1,805,325	66,248	0.0
Attorney salary increase	2,278,574	579,610	86,176	1,586,413	26,375	0.0
IT asset maintenance	541,807	155,982	76,729	294,794	14,302	0.0
FTE Transfer from Consumer Protection to Administration	142,449	0	0	142,449	0	2.0
Annualize prior year legislation	43,548	2,157	9,968	31,423	0	0.4
Technical adjustments	3,563	(165,019)	(2,139)	171,120	(399)	0.0
Annualize prior year budget actions	(1,293,376)	(228,520)	(164,611)	(863,599)	(36,646)	0.0

ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Safe2Tell	(70,248)	(70,248)	0	0	0	0.0
SB 19-207	\$25,417,997	\$6,136,967	\$2,646,027	\$16,128,189	\$506,814	57.2
TOTAL	\$25,417,997	\$6,136,967	\$2,646,027	\$16,128,189	\$506,814	57.2
INCREASE/(DECREASE)	\$4,531,028	\$920,831	\$372,392	\$3,167,925	\$69,880	2.4
Percentage Change	21.7%	17.7%	16.4%	24.4%	16.0%	4.4%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-116 modifies the FY 2018-19 appropriation to reduce \$17,121 General Fund in FY 2018-19 to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services to the Department of Public Safety.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; salary survey; merit pay; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; vehicle lease payments; workers' compensation; attorney registration and continuing legal education; legal services; administrative law judges; payment to risk management and property funds; Ralph L. Carr Colorado Judicial Center leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ATTORNEY SALARY INCREASE: The appropriation includes an appropriation of \$2,278,574 total funds, including \$579,610 General Fund, for salary increase for attorneys. The table below reflects the adjustments, by percentage.

PERCENTAGE INCREASES BY CLASS			
	TOTAL ADJUSTMENT	SALARY SURVEY	MERIT PAY
Deputy Assistant Attorney General	10.0	8.0	2.0
First Assistant. Attorney General	7.8	5.8	2.0
Senior Assistant. Attorney General	3.2	1.2	2.0
Assistant. Attorney General	7.9	5.9	2.0

IT ASSET MAINTENANCE: The appropriation includes \$541,807 totals funds in FY 2019-20, including \$155,982 General Fund, for additional funding for the Department's information technology infrastructure, including server upgrades and additional data storage.

FTE TRANSFER FROM CONSUMER PROTECTION TO ADMINISTRATION: The appropriation includes a refinance of \$142,449 and 2.0 FTE from Consumer Protection custodial funds in the Consumer Protection and Antitrust Division to reappropriated funds in the Administration Division.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes the following adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 15-288 Compensation Paid to Certain Public Officials	\$20,281	\$0	\$0	\$20,281	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	13,599	2,157	300	11,142	0	0.0
HB 18-1434 Safe2Tell	9,668	0	9,668	0	0	0.4

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$43,548	\$2,157	\$9,968	\$31,423	\$0	0.4

TECHNICAL ADJUSTMENTS: The appropriation includes four technical changes, as detailed in the table below:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Attorney registration and CLE adjustment	\$3,563	\$475	\$0	\$3,088	\$0	0.0
Fund source adjustment	0	(165,494)	(2,139)	168,032	(399)	0.0
TOTAL	\$3,563	(\$165,019)	(\$2,139)	\$171,120	(\$399)	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, driven by the annualization of FY 2018-19 salary survey appropriations (which are reflected as reductions in this division and increases in the Department's other divisions).

SAFE2TELL: The appropriation includes a decrease of \$70,248 General Fund to reallocate funding for Safe2Tell dispatching services to the Department of Public Safety.

LEGAL SERVICES TO STATE AGENCIES

The Department provides legal services on a fee-for-service basis to state agencies and enterprises. This section includes appropriations for the attorneys, legal assistants, and support personnel who provide these services. In most cases, the appropriations in this section are reflected as reappropriated funds because a corresponding appropriation for the purchase of legal services appears in the client agency's budget. Cash funds reflect payments the Department receives from state agencies that are not duplicated in appropriations elsewhere in the budget. The FY 2019-20 appropriation also includes \$200,000 cash funds from the Attorney Fees and Costs Account. In FY 2019-20, the Department expects to provide 400,860 hours of legal service at an average billing rate of \$106.60 per hour, an increase of \$2.97 per hour compared to the FY 2018-19 average billing rate.

LEGAL SERVICES TO STATE AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$32,901,750	\$0	\$1,580,050	\$31,321,700	\$0	244.7
SB 18-027	93,773	0	0	93,773	0	0.5
SB 18-145	2,131	0	0	2,131	0	0.0
SB 18-167	12,787	0	0	12,787	0	0.1
SB 18-234	5,328	0	0	5,328	0	0.0
SB 18-243	10,656	0	0	10,656	0	0.1
SB 18-271	10,656	0	0	10,656	0	0.0
HB 18-1017	15,984	0	0	15,984	0	0.1
HB 18-1224	64,575	0	0	64,575	0	0.3
HB 18-1280	14,918	0	0	14,918	0	0.1
HB 18-1353	1,598	0	0	1,598	0	0.0
SB 19-116	720,000	0	(300,000)	1,020,000	0	6.1
HB 19-1090	31,089	0	0	31,089	0	0.2
TOTAL	\$33,885,245	\$0	\$1,280,050	\$32,605,195	\$0	252.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$33,885,245	\$0	\$1,280,050	\$32,605,195	\$0	252.2
Indirect cost assessment	285,678	0	207,259	78,419	0	0.0
Annualize prior year budget actions	239,513	0	0	239,513	0	0.0
Experienced lawyers fellowship	125,833	0	0	125,833	0	2.0

LEGAL SERVICES TO STATE AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	118,831	0	0	118,831	0	0.2
Technical adjustments	0	0	0	0	0	5.0
SB 19-207	\$34,655,100	\$0	\$1,487,309	\$33,167,791	\$0	259.4
SB 19-005	134,719	0	0	134,719	0	0.7
SB 19-181	186,534	0	0	186,534	0	1.0
SB 19-218	535,456	0	0	535,456	0	2.9
SB 19-223	139,901	0	0	139,901	0	0.8
SB 19-224	103,630	0	0	103,630	0	0.6
SB 19-236	186,534	0	0	186,534	0	1.0
HB 19-1045	50,000	0	0	50,000	0	0.3
HB 19-1090	242,494	0	0	242,494	0	1.3
HB 19-1230	72,023	0	0	72,023	0	0.3
HB 19-1234	35,752	0	0	35,752	0	0.2
HB 19-1242	15,545	0	0	15,545	0	0.0
HB 19-1261	93,267	0	0	93,267	0	0.5
HB 19-1309	22,073	0	22,073	0	0	0.1
HB 19-1327	142,388	0	0	142,388	0	0.8
TOTAL	\$36,615,416	\$0	\$1,509,382	\$35,106,034	\$0	269.9
INCREASE/(DECREASE)	\$2,730,171	\$0	\$229,332	\$2,500,839	\$0	17.7
Percentage Change	8.1%	n/a	17.9%	7.7%	n/a	7.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-116 modifies the FY 2018-19 appropriation to add \$720,000 total funds, including a decrease of \$300,000 cash funds and an increase of \$1,020,000 reappropriated funds, and 6.1 FTE in FY 2018-19, to address both increased personal services needs due to higher than expected hours worked for client agencies, and an expedited court-ordered discovery request.

House Bill 19-1090 modifies the FY 2018-19 to add \$31,089 reappropriated funds and 0.2 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR).

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessments.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Prior year salary survey	\$814,513	\$0	\$0	\$814,513	\$0	0.0
LSSA personal services increase	(575,000)	0	0	(575,000)	0	0.0
TOTAL	\$239,513	\$0	\$0	\$239,513	\$0	0.0

EXPERIENCED LAWYERS FELLOWSHIP: The appropriation includes \$125,833 reappropriated funds and 2.0 FTE to create an Experience Lawyers Fellowship Program, which will hire attorneys who are later in their career and interested in public service to share experience and expertise with younger attorneys.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1017 Psychology Interjurisdictional Compact	\$90,576	\$0	\$0	\$90,576	\$0	0.5
SB 18-200 Eliminate Unfunded PERA Liability	71,597	0	0	71,597	0	0.0
SB 18-027 Enhanced Nurse Licensure Compact	8,525	0	0	8,525	0	0.0
HB 19-1090 Publicly Licensed Marijuana Companies	(31,089)	0	0	(31,089)	0	(0.2)
SB 18-271 Funding for Marijuana Research	(10,656)	0	0	(10,656)	0	(0.1)
SB 18-243 Retail Sales Alcohol Beverages	(4,262)	0	0	(4,262)	0	0.0
SB 18-145 Implement Employment First Recommendations	(2,131)	0	0	(2,131)	0	0.0
SB 18-167 Enforcement Requirements 811 Locate Underground	(2,131)	0	0	(2,131)	0	0.0
HB 18-1353 Defense Counsel in Municipal Courts	(1,598)	0	0	(1,598)	0	0.0
TOTAL	\$118,831	\$0	\$0	\$118,831	\$0	0.2

TECHNICAL ADJUSTMENTS: The appropriation includes a technical change to true up the number of FTE in the division.

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

CRIMINAL JUSTICE AND APPELLATE

This section provides funding for department staff who:

- Investigate and prosecute certain complex and multi-jurisdictional cases, environmental crimes, and foreign prosecutions;
- Investigate and prosecute Medicaid provider fraud and patient abuse;
- Investigate and prosecute securities, insurance, and workers' compensation fraud;
- Provide investigative and prosecutorial support to district attorneys for certain homicide cases;
- Represent the State in criminal appeal cases in state and federal courts;
- Ensure that the constitutional and statutory rights of victims are preserved in criminal cases being prosecuted or defended by the Department; and
- Support and provide funding for the Peace Officers Standards and Training (P.O.S.T.) Board.

Cash fund sources include money paid by insurance companies for the investigation and prosecution of insurance fraud, fees paid by peace officers for P.O.S.T. Board certification, and a statewide vehicle registration fee to support training for peace officers. Reappropriated fund sources include departmental indirect cost recoveries, money transferred from the Department of Public Safety from the Colorado Auto Theft Prevention Cash Fund and from the Victims Assistance and Law Enforcement (VALE) Fund, and money transferred from the Department of Regulatory Agencies from fees paid by regulated entities for the investigation and prosecution of securities fraud. Federal funds help support the Medicaid Fraud Control Unit.

CRIMINAL JUSTICE AND APPELLATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$17,486,911	\$6,105,751	\$8,243,233	\$1,572,539	\$1,565,388	109.8
TOTAL	\$17,486,911	\$6,105,751	\$8,243,233	\$1,572,539	\$1,565,388	109.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$17,486,911	\$6,105,751	\$8,243,233	\$1,572,539	\$1,565,388	109.8

CRIMINAL JUSTICE AND APPELLATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Medicaid fraud investigators	314,071	78,518	0	0	235,553	3.0
Appellate backlog	222,767	222,767	0	0	0	3.6
Indirect cost assessment	37,422	(19,947)	22,327	25,058	9,984	0.0
Annualize prior year legislation	27,369	17,147	5,351	1,635	3,236	0.0
Technical adjustments	1,539	0	0	1,539	0	0.0
Annualize prior year budget actions	(241,476)	151,530	(446,291)	20,166	33,119	0.0
SB 19-207	\$17,848,603	\$6,555,766	\$7,824,620	\$1,620,937	\$1,847,280	116.4
SB 19-030	55,139	55,139	0	0	0	0.6
SB 19-166	40,056	0	40,056	0	0	0.6
TOTAL	\$17,943,798	\$6,610,905	\$7,864,676	\$1,620,937	\$1,847,280	117.6
INCREASE/(DECREASE)	\$456,887	\$505,154	(\$378,557)	\$48,398	\$281,892	7.8
Percentage Change	2.6%	8.3%	(4.6%)	3.1%	18.0%	7.1%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MEDICAID FRAUD INVESTIGATORS: The appropriation includes \$314,071 total funds, including \$78,518 General Fund, for 3.0 FTE Medicaid fraud investigators.

APPELLATE BACKLOG: The appropriation includes \$222,767 General Fund and 3.6 FTE for four attorney fellowships to help address appellate workload needs.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$27,369 total funds for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$1,539 reappropriated funds to reflect an increase in expected grant funding.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Prior year salary survey	\$267,930	\$152,706	\$58,412	\$20,166	\$36,646	0.0
Two year peace officer training	(500,000)	0	(500,000)	0	0	0.0
Medicaid fraud investigator	(4,703)	(1,176)	0	0	(3,527)	0.0
POST compliance inspector	(4,703)	0	(4,703)	0	0	0.0
TOTAL	(\$241,476)	\$151,530	(\$446,291)	\$20,166	\$33,119	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

WATER AND NATURAL RESOURCES

This section provides funding for department staff who protect and defend the interests of the State and its citizens in all areas of natural resources law and environmental law, including: the use of surface and ground water, oil and gas development, mining and minerals, wildlife, the clean-up of contaminated sites (pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act or "CERCLA"), the proper storage or

disposal of hazardous waste, and protection of the state's air and water. Cash fund sources include the Colorado Water Conservation Board's Litigation Fund and money received by the Attorney General as an award of attorney fees or costs. Reappropriated funds are transferred from the Department of Public Health and Environment from the Hazardous Substance Response Fund.

WATER AND NATURAL RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,982,949	\$612,122	\$813,639	\$557,188	\$0	12.5
TOTAL	\$1,982,949	\$612,122	\$813,639	\$557,188	\$0	12.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,982,949	\$612,122	\$813,639	\$557,188	\$0	12.5
Assistant Deputy AG for Water	171,386	171,386	0	0	0	0.9
Annualize prior year budget actions	49,493	29,216	0	20,277	0	0.0
Annualize prior year legislation	3,168	1,356	1,003	809	0	0.0
Indirect cost assessment	2,751	0	0	2,751	0	0.0
Technical adjustments	0	(13,235)	13,235	0	0	0.0
SB 19-207	\$2,209,747	\$800,845	\$827,877	\$581,025	\$0	13.4
TOTAL	\$2,209,747	\$800,845	\$827,877	\$581,025	\$0	13.4
INCREASE/(DECREASE)						
	\$226,798	\$188,723	\$14,238	\$23,837	\$0	0.9
Percentage Change	11.4%	30.8%	1.7%	4.3%	n/a	7.2%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ASSISTANT DEPUTY AG FOR WATER: The appropriation includes \$171,386 General Fund and 0.9 FTE to create an Assistant Deputy Attorney General for Water Management position to coordinate among Department employees working on water-related issues.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions, including the annualization of FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$3,168 total funds for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessments.

TECHNICAL ADJUSTMENTS: The appropriation includes a technical fund source adjustment.

CONSUMER PROTECTION

This section provides funding for department staff who protect Colorado consumers against fraud and maintain a competitive business environment by enforcing state and federal laws regarding consumer protection, antitrust, consumer lending, mortgage fraud, predatory lending, debt collection, rent-to-own, and credit repair. This section also provides funding to support one attorney who is responsible for enforcing the Tobacco Master Settlement Agreement. Cash fund sources include fees paid by regulated entities, custodial money awarded to the Attorney General in consumer protection lawsuits, and tobacco settlement money. Reappropriated funds are transferred from the Department of Regulatory Agencies for consumer protection activities related to mortgage brokers.

CONSUMER PROTECTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$5,514,111	\$1,467,712	\$3,886,523	\$159,876	\$0	53.2
TOTAL	\$5,514,111	\$1,467,712	\$3,886,523	\$159,876	\$0	53.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$5,514,111	\$1,467,712	\$3,886,523	\$159,876	\$0	53.2
Additional staff for opioid litigation	287,156	287,156	0	0	0	1.8
Annualize prior year budget actions	158,489	43,647	106,199	8,643	0	0.0
Indirect cost assessment	32,627	0	31,447	1,180	0	0.0
Annualize prior year legislation	13,465	4,400	8,795	270	0	0.0
FTE Transfer from Consumer Protection to Administration	(142,449)	0	(142,449)	0	0	(2.0)
SB 19-207	\$5,863,399	\$1,802,915	\$3,890,515	\$169,969	\$0	53.0
SB 19-002	115,273	115,273	0	0	0	1.4
TOTAL	\$5,978,672	\$1,918,188	\$3,890,515	\$169,969	\$0	54.4
INCREASE/(DECREASE)	\$464,561	\$450,476	\$3,992	\$10,093	\$0	1.2
Percentage Change	8.4%	30.7%	0.1%	6.3%	n/a	2.3%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ADDITIONAL STAFF FOR OPIOID LITIGATION: The appropriation includes \$287,156 General Fund and 1.8 FTE to support the state’s opioid litigation efforts.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions, including the annualization of FY 2018-19 salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division’s indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$13,465 total funds for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

FTE TRANSFER FROM CONSUMER PROTECTION TO ADMINISTRATION: The appropriation includes a refinance of \$142,449 and 2.0 FTE from Consumer Protection custodial funds in the Consumer Protection and Antitrust Division to reappropriated funds in the Administration Division.

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

SPECIAL PURPOSE

The section includes funding to cover 80.0 percent of the statutory minimum salary for Colorado's twenty-two district attorneys, for unanticipated legal and technology expenses, and for litigation expenses associated with significant lawsuits. Cash fund sources include tobacco settlement money, money received from the State Board of Land Commissioners from its Investment and Development Fund, and money received by the Attorney General as an award of attorney fees or costs.

SPECIAL PURPOSE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,442,197	\$3,192,197	\$1,250,000	\$0	\$0	1.0
TOTAL	\$4,442,197	\$3,192,197	\$1,250,000	\$0	\$0	1.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,442,197	\$3,192,197	\$1,250,000	\$0	\$0	1.0
Annualize prior year budget actions	2,951	2,951	0	0	0	0.0
Technical adjustments	(294,280)	5,720	(300,000)	0	0	0.0
SB 19-207	\$4,150,868	\$3,200,868	\$950,000	\$0	\$0	1.0
SB 19-223	50,000	50,000	0	0	0	0.0
TOTAL	\$4,200,868	\$3,250,868	\$950,000	\$0	\$0	1.0
INCREASE/(DECREASE)	(\$241,329)	\$58,671	(\$300,000)	\$0	\$0	0.0
Percentage Change	(5.4%)	1.8%	(24.0%)	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions, including the annualization of FY 2018-19 salary survey.

TECHNICAL ADJUSTMENTS: The appropriation includes four technical changes, as detailed in the table below:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
PERA adjustment for DA salaries	\$5,720	\$5,720	\$0	\$0	\$0	0.0
Tobacco litigation reduction	(300,000)	0	(300,000)	0	0	0.0
TOTAL	(\$294,280)	\$5,720	(\$300,000)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-027 (ENHANCED NURSE LICENSURE COMPACT): Adopts the Enhanced Nurse Licensure Compact (enhanced compact) and repeals the existing Nurse Licensure Compact. Requires all registered and licensed practical nurses licensed after July 20, 2017, to complete a fingerprint-based criminal history check in order to participate in the compact. Grandfathers nurses holding a multi-state license prior to July 20, 2017, into the enhanced compact. For FY 2018-19, appropriates \$93,773 reappropriated funds and 0.5 FTE to the Department of Law for the provision of legal services to the Department of Regulatory Agencies (DORA). For additional information see the “Recent Legislation” section at the end of Part III for DORA.

S.B. 18-145 (IMPLEMENT EMPLOYMENT FIRST RECOMMENDATIONS): Implements recommendations from the 2017 Employment First Advisory Partnership. Contingent upon appropriations to the Department of Health Care Policy and Financing (HCPF), requires the Colorado Department of Labor and Employment (CDLE), in conjunction with the Medical Services Board in HCPF, to promulgate rules by July 1, 2019, requiring training or certification for certain supported employment services providers. For FY 2018-19, appropriates \$2,131 reappropriated funds to the Department of Law for the provision of legal services to the CDLE. For additional information see the “Recent Legislation” section at the end of Part III for CDLE.

S.B. 18-167 (ENFORCE REQUIREMENTS 811 LOCATE UNDERGROUND): Creates the Underground Damage Prevention Safety Commission (commission) in the Colorado Department of Labor and Employment (CDLE) to support increased enforcement related to the excavation of underground facilities. Requires Colorado 811 to enter into a memorandum of understanding with the newly created commission and to provide administrative support to the commission. For FY 2018-19, appropriates \$12,787 reappropriated funds and 0.1 FTE to the Department of Law for the provision of legal services to the CDLE. For additional information see the “Recent Legislation” section at the end of Part III for CDLE.

S.B. 18-234 (HUMAN REMAINS DISPOSITION SALE BUSINESSES): Makes it unlawful for a person owning an indirect or direct interest in a funeral establishment or a crematory to own an indirect or direct interest in a nontransplant tissue bank. Requires each nontransplant tissue bank to register with the Department of Regulatory Agencies (DORA) by July 1, 2019, and requires nontransplant tissue banks to pay registration and renewal fees set by DORA, comply with standards of practice as specified in the bill, have body part delivery records, and disclose donor information. Authorizes DORA to initiate disciplinary actions against nontransplant tissue banks. For FY 2018-19, appropriates \$5,328 reappropriated funds to the Department of Law for the provision of legal services to the DORA. For additional information see the “Recent Legislation” section at the end of Part III for DORA.

S.B. 18-243 (RETAIL SALES OF ALCOHOL BEVERAGES): Changes state law related to retail sales of alcohol. For FY 2018-19, appropriates \$10,656 reappropriated funds and 0.1 FTE to the Department of Law for the provision of legal services to the Department of Revenue. For additional information see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

S.B. 18-271 (IMPROVE FUNDING FOR MARIJUANA RESEARCH): Allows a marijuana research and development licensee or a marijuana research and development cultivation licensee to share premises with a commonly owned medical marijuana infused products manufacturer or a retail marijuana product manufacturers under a co-location permit. House Bill 18-1322 (Long Bill) transferred \$3.0 million from the Marijuana Tax Cash Fund to the health research subaccount of the Medical Marijuana Program Cash Fund. This bill continues the subaccount from its current repeal date of July 1, 2019, to July 1, 2023, and authorizes the Department of Public Health and Environment (CDPHE) to use up to \$100,000 from the subaccount for administration of the medical marijuana research grant program. For FY 2018-19, appropriates \$10,656 reappropriated funds to the Department of Law for the provision of legal services to the Department of Revenue. For additional information see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

H.B. 18-1017 (PSYCHOLOGY INTERJURISDICTIONAL COMPACT): Enters Colorado into the Psychology Interjurisdictional Compact (compact) to allow psychologists licensed by the Department of Regulatory Agencies (DORA) to practice in other compact states (member states) via telepsychology or short-term, in person practice. Specifies requirements for psychologists to participate in the compact. For FY 2018-19, appropriates \$15,984 reappropriated funds and 0.1 FTE to the Department of Law for the provision of legal services to DORA. For additional information see the “Recent Legislation” section at the end of Part III for DORA.

H.B. 18-1224 (LICENSEE DISCIPLINE MEDIATION STATE AGENCY): Adds a mediation component to the process related to professional disciplinary actions initiated by state agencies. For FY 2018-19, appropriates \$64,575 reappropriated funds and 0.3 FTE to the Department of Law for the provision of legal services to DORA. For additional information see the “Recent Legislation” section at the end of Part III for DORA.

H.B. 18-1280 (COURT APPOINTEES FOR MARIJUANA BUSINESSES): Addresses requirements for court-appointed receiverships or similar situations related to a person taking possession of, operating, managing, or controlling a licensed marijuana business. Requires the Marijuana Enforcement Division (MED) in the Department of Revenue to issue temporary registration to any appointee that has certified to the appointing court that he or she is not prohibited from holding a marijuana license and has notified the MED of the court appointment. For FY 2018-19, appropriates \$14,918 reappropriated funds and 0.1 FTE to the Department of Law for the provision of legal

services to the Department of Revenue. For additional information see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1353 (DEFENSE COUNSEL IN MUNICIPAL COURT GRANT): Creates the Defense Counsel on First Appearance Grant Program in the Division of Local Government in the Department of Local Affairs (DOLA) to reimburse local governments, in full or in part, for costs associated with providing counsel to defendants at their first appearance in municipal court. For FY 2018-19, appropriates \$1,598 reappropriated funds to the Department of Law for the provision of legal services to DOLA. For additional information see the “Recent Legislation” section at the end of Part III for DOLA.

H.B. 18-1434 (SAFE2TELL PROGRAM NEW DUTIES AND ANNUAL REPORT): Expands the Safe2Tell Program’s duties to include additional training responsibilities and reporting requirements. For FY 2018-19, appropriates \$164,920 cash funds from the Marijuana Tax Cash Fund and 1.6 FTE to the Department of Law.

2019 SESSION BILLS

S.B. 19-002 (REGULATE STUDENT LOAN EDUCATION LOAN SERVICERS): Requires entities that service student loans to be licensed by the Department of Law and creates the Student Loan Ombudsperson to assist student loan borrowers. For FY 2019-20, appropriates \$115,273 General Fund and 1.4 FTE to the Department.

S.B. 19-005 (IMPORT PRESCRIPTION DRUGS FROM CANADA): Requires the Department of Health Care Policy and Financing (HCPF) to submit a request for federal approval for a program to import prescription drugs from Canada. Establishes parameters for the importation program. For FY 2019-20, appropriates \$134,719 reappropriated funds and 0.7 FTE to the Department of Law for the provision of legal services to HCPF. For additional information, see the “Recent Legislation” section at the end of Part III for HCPF.

S.B. 19-030 (REMEDYING IMPROPER GUILTY PLEAS): Allows a defendant who is an immigrant and who has successfully completed a deferred judgment and sentence to petition the court for an order vacating the defendant’s guilty plea on the grounds that they were not properly advised of the adverse immigration consequences of their plea. The court must grant the motion unless the prosecution can prove by a preponderance of the evidence that the defendant will not suffer an immigration consequence or that the plea was constitutionally entered. For FY 2019-20, appropriates \$55,139 General Fund and 0.6 FTE to the Department of Law in anticipation of an increase in criminal appeals. For additional information, see the “Recent Legislation” section at the end of Part III for the Judicial Department.

S.B. 19-166 (POST BOARD REVOKE CERTIFICATION FOR UNTRUTHFUL STATEMENTS): Requires the revocation of a peace officer standards and training (POST) certification when the POST Board receives notice from a law enforcement agency that a peace officer made untruthful statements or omitted material facts. For FY 2019-20, appropriates \$40,056 cash funds and 0.6 FTE from the P.O.S.T. Board Cash Fund to the Department of Law.

S.B. 19-181 (PROTECT PUBLIC WELFARE OIL & GAS OPERATIONS): Expands the regulatory charge of the Department of Natural Resources (DNR) related to oil and gas production and allows local governments to also regulate oil and gas operations within their jurisdictions. For FY 2019-20, appropriates \$186,534 reappropriated funds and 1.0 FTE to the Department of Law for the provision of legal services to DNR. For additional information, see the “Recent Legislation” section at the end of Part III for DNR.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-218 (SUNSET MEDICAL MARIJUANA PROGRAM): Continues the Medical Marijuana Program in the Department of Public Health and Environment through September 1, 2028. Appropriates \$560,143 cash funds and 0.4 FTE to the Department of Regulatory Agencies (DORA) for FY 2019-20 to investigate and take enforcement action against providers violating the statutory requirements for recommending medical marijuana to a patient. Of this amount, \$535,456 and 2.9 FTE is reappropriated to the Department of Law for the provision of legal services to DORA. For additional information, see the “Recent Legislation” section at the end of Part III for DORA.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 19-223 (ACTIONS RELATED TO COMPETENCY TO PROCEED): Makes various changes to the process when a defendant's competency to proceed is raised in a criminal proceeding, including the following:

- Shortens the times frames for several actions related to competency evaluations, competency restoration services, and related court hearings. Reduces the maximum time period that a defendant determined incompetent to proceed may be detained.
- Expands the information that must be included in competency evaluation reports. Requires the Department of Human Services (DHS) to create a committee of clinical experts to create a guideline to be used by all competency evaluators when determining the correct clinical location for competency restoration services. Limits the circumstances under which the court may order an *inpatient* competency evaluation.
- Modifies the court's options when a defendant is determined to be incompetent to proceed to trial, including options to initiate civil commitment proceedings, order outpatient restoration services unless inpatient restoration is recommended, require outpatient pretrial management services and care management services, and dismiss the charges.
- If a defendant is determined to be incompetent to proceed and outpatient restoration services are available and clinically appropriate, requires DHS to notify the court and court liaison and develop a discharge plan. For defendants ordered to undergo inpatient restoration services, requires DHS to offer services based on their level of need. Allows DHS to move a defendant receiving inpatient restoration services to a less restrictive facility.
- When a defendant is restored to competency and returned to county jail or the community, requires DHS to coordinate with other agencies to ensure the defendant receives ongoing services and medication. Directs DHS, subject to available appropriations, to require county jails to assist in the provision of interim mental health services for individuals who have been ordered to undergo inpatient competency restoration and are awaiting admission to an inpatient bed.
- Requires DHS, with assistance from the Judicial Department, to develop an electronic system to track the status of defendants ordered to undergo competency evaluation or restoration and the cost of inpatient and outpatient services.
- Requires DHS to create a partnership with an accredited higher education institution to develop and provide rigorous evaluation training. Requires the Judicial Department, the Office of the State Public Defender, the Alternate Defense Counsel, and district attorneys to train attorneys and other employees on juvenile and adult competency evaluation reports, restoration services, and certification proceedings and to report annually to the General Assembly on this training.

The following table summarizes the appropriations and appropriation changes that are included in the act.

S.B. 19-223 APPROPRIATIONS			
	GENERAL FUND	REAPPROPRIATED FUNDS	FTE
Department of Human Services			
Fines, liquidated damages, costs, or attorney fees for non-compliance with the consent decree	\$10,483,000		
Compensation for the Special Master pursuant to the consent decree	500,000		
Community transition services (anticipated reversion)	(2,150,000)		
Rural co-occurring disorder services (anticipated reversion)	(1,375,000)		
Jail-based behavioral health services (anticipated reversion)	(1,000,000)		
TOTAL: FY 2018-19	\$6,458,000		
Department of Human Services	\$8,141,194		19.0
Judicial Department	750,570		5.4
Department of Law	50,000	139,901	0.8
Governor's Office of Information Technology Services		454,539	0.9
TOTAL: FY 2019-20	\$8,941,764	\$594,440	26.1

For additional information, see the “Recent Legislation” section at the end of Part III for the DHS.

S.B. 19-224 (SUNSET REGULATED MARIJUANA): Continues the regulation of medical and retail marijuana in the Department of Revenue (DOR), which is scheduled to repeal on September 1, 2019. For FY 2019-20, appropriates \$103,630 reappropriated funds and 0.6 FTE to the Department of Law for the provision of legal services to DOR. For additional information, see the “Recent Legislation” section at the end of Part III for DOR.

S.B. 19-236 (SUNSET PUBLIC UTILITIES COMMISSION): Continues the Public Utilities Commission in the Department of Regulatory Agencies (DORA) through September 1, 2026, adds various requirements on the Commission and electric utilities related to clean energy planning and creates a process for electric utilities to issue energy impact bonds. For FY 2019-20, appropriates \$186,534 reappropriated funds and 1.0 FTE to the Department of Law for the provision of legal services to DORA. For additional information, see the “Recent Legislation” section at the end of Part III for DORA.

H.B. 19-1009 (SUBSTANCE USE DISORDER RECOVERY): Expands a state housing voucher program in the Department of Local Affairs (DOLA) to include individuals with substance use disorders who are transitioning back into the community from a correctional or behavioral health institution, county jail, or residential treatment program. Creates a 26-member Opioid Crisis Recovery Funds Advisory Committee to advise and collaborate with the Department of Law on uses of any custodial funds received by the state as a result of opioid-addiction-related litigation for which the use of the funds is not predetermined by the court. For additional information, see the “Recent Legislation” section at the end of Part III for DOLA.

H.B. 19-1045 (OFFICE OF PUBLIC GUARDIANSHIP OPERATION): Requires the Office of Public Guardianship to begin operating a pilot program in the Second Judicial District (Denver) as soon as it receives sufficient appropriations to do so. For FY 2019-20, appropriates \$50,000 General Fund and 0.3 FTE to the Department of Law for the provision of legal services to the Office. For additional information, see the “Recent Legislation” section at the end of Part III for the Judicial Department.

H.B. 19-1090 (PUBLICLY LICENSED MARIJUANA COMPANIES): Modifies ownership and investment definitions and allows publicly traded corporations to own or invest in a marijuana business. For FY 2018-19, appropriates \$31,089 reappropriated funds and 0.2 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR). For FY 2019-20, appropriates \$242,494 reappropriated funds and 1.3 FTE to the Department of Law for the provision of legal services to the DOR. For additional information, see the “Recent Legislation” section at the end of Part III for DOR.

H.B. 19-1230 (MARIJUANA HOSPITALITY ESTABLISHMENTS): Allows for the operation of marijuana hospitality establishments and retail marijuana hospitality and sales establishments, with local government approval. For FY 2019-20, appropriates \$72,023 reappropriated funds and 0.3 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR). For additional information, see the “Recent Legislation” section at the end of Part III for DOR.

H.B. 19-1234 (REGULATED MARIJUANA DELIVERY): Creates a phased-in marijuana delivery permit for licensed medical and retail marijuana businesses and transporters to deliver marijuana products to consumers. For FY 2019-20, appropriates \$35,752 reappropriated funds and 0.2 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR). For additional information, see the “Recent Legislation” section at the end of Part III for DOR.

H.B. 19-1242 (BOARD OF PHARMACY REGULATE PHARMACY TECHNICIANS): Requires pharmacy technicians to become certified by the Colorado Board of Pharmacy. For FY 2019-20, appropriates \$15,545 reappropriated funds to the Department of Law for the provision of legal services to the Department of Regulatory Agencies (DORA). For additional information, see the “Recent Legislation” section at the end of Part III for DORA.

H.B. 19-1261 (CLIMATE ACTION PLAN TO REDUCE POLLUTION): Sets statewide greenhouse gas pollution reduction goals relative to 2005 statewide greenhouse gas pollution levels and requires the Air Quality Control Commission to adopt rules and regulations for statewide greenhouse gas pollution reduction. For FY 2019-20, appropriates \$93,267 reappropriated funds and 0.5 FTE to the Department of Law for the provision of legal services to the Department of Public Health and Environment (CDPHE). For additional information, see the “Recent Legislation” section at the end of Part III for CDPHE.

H.B. 19-1309 (MOBILE HOME PARK ACT OVERSIGHT): Increases the authority of counties and municipalities to enact certain ordinances for mobile home parks. Allows mobile home owners additional time between the notice of nonpayment of rent and eviction, and additional time to vacate a mobile home park after a court ordered eviction. Creates the Mobile Home Park Act Dispute Resolution and Enforcement Program to be administered by the Department of Local Affairs (DOLA). Creates the Mobile Home Park Act Dispute Resolution and Enforcement Program Fund, which consists of mobile home park registration fee revenue, and continuously appropriates money in the Fund to DOLA for administering the program. For FY 2019-20, appropriates \$22,073 cash funds to the Department of Law and \$130,065 cash funds to the Governor’s Office of Information Technology, and states that the Department of Law will require 0.1 FTE to implement the act. The source of cash funds is registration fee revenue collected by DOLA and transferred to these agencies.

H.B. 19-1327 (AUTHORIZE & TAX SPORTS BETTING REFER UNDER TABOR): Decriminalizes sports betting and, conditional upon voter approval, levies a tax on net sports betting revenue. For FY 2019-20, appropriates \$142,388 reappropriated funds and 0.8 FTE to the Department of Law for the provision of legal services to the Department of Revenue (DOR). For additional information, see the “Recent Legislation” section at the end of Part III for DOR.

Details

LEGISLATIVE BRANCH

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

LEGISLATIVE DEPARTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$51,845,841	\$50,287,893	\$470,869	\$1,087,079	\$0	290.0
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
General Assembly	19,055,467	18,965,467	90,000	0	0	66.0
State Auditor	10,697,974	9,736,675	0	961,299	0	75.2
Joint Budget Committee	2,015,188	2,015,188	0	0	0	16.0
Legislative Council	12,692,710	12,192,779	374,151	125,780	0	77.4
Committee on Legal Services	7,384,502	7,377,784	6,718	0	0	55.4
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1293 (Legislative Appropriation)	\$46,348,261	\$44,916,093	\$470,869	\$961,299	\$0	287.3
HB 18-1322 (Long Bill)	4,831,270	4,831,270	0	0	0	0.0
SB 18-031	54,257	54,257	0	0	0	1.0
SB 18-039	49,125	49,125	0	0	0	0.4
SB 18-163	31,155	31,155	0	0	0	0.4
SB 18-200	200,000	200,000	0	0	0	0.0
HB 18-1003	39,249	39,249	0	0	0	0.4
HB 18-1186	25,000	25,000	0	0	0	0.0
HB 18-1421	141,744	141,744	0	0	0	0.0
SB 19-203	125,780	0	0	125,780	0	0.5
FY 2019-20 TOTAL APPROPRIATION:	\$56,653,663	\$55,197,745	\$90,000	\$1,365,918	\$0	306.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
General Assembly	21,608,206	21,518,206	90,000	0	0	73.4
State Auditor	11,299,351	10,309,213	0	990,138	0	78.7
Joint Budget Committee	2,117,909	2,117,909	0	0	0	16.0
Legislative Council	13,657,758	13,281,978	0	375,780	0	82.2
Committee on Legal Services	7,970,439	7,970,439	0	0	0	56.6
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-203 (Legislative Appropriation)	\$51,333,908	\$50,127,990	\$90,000	\$1,115,918	\$0	302.3
SB 19-207 (Long Bill)	4,859,877	4,609,877	0	250,000	0	0.0
SB 19-015	16,062	16,062	0	0	0	0.1
SB 19-108	6,315	6,315	0	0	0	0.0
SB 19-244	221,925	221,925	0	0	0	1.8
SB 19-248	44,552	44,552	0	0	0	0.5
SB 19-252	(37,422)	(37,422)	0	0	0	0.0
HB 19-1024	28,790	28,790	0	0	0	0.4
HB 19-1176	7,351	7,351	0	0	0	0.0
HB 19-1184	89,474	89,474	0	0	0	0.9
HB 19-1188	81,911	81,911	0	0	0	0.9
HB 19-1314	920	920	0	0	0	0.0
INCREASE/(DECREASE)	\$4,807,822	\$4,909,852	(\$380,869)	\$278,839	\$0	16.9
Percentage Change	9.3%	9.8%	(80.9%)	25.7%	n/a	5.8%

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

GENERAL ASSEMBLY

Comprised of 35 members in the Senate and 65 members in the House of Representatives, the General Assembly meets annually beginning in early January and, per the Colorado Constitution, must adjourn within 120 days. The Colorado Constitution vests all legislative power in the General Assembly, except those powers specifically reserved by the people. Funding for the General Assembly is primarily General Fund with a small amount of funding from the sale of bill boxes, legislative directories, publications, and other services.

GENERAL ASSEMBLY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$16,156,843	\$16,066,843	\$90,000	\$0	\$0	66.0
HB 18-1322 (Long Bill)	2,855,270	2,855,270	0	0	0	0.0
SB 18-163	5,244	5,244	0	0	0	0.0
HB 18-1003	13,110	13,110	0	0	0	0.0
HB 18-1186	25,000	25,000	0	0	0	0.0
TOTAL	\$19,055,467	\$18,965,467	\$90,000	\$0	\$0	66.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$19,055,467	\$18,965,467	\$90,000	\$0	\$0	66.0
Salary/benefits/operating adjustments	2,478,292	2,478,292	0	0	0	7.4
Centrally appropriated line items	107,382	107,382	0	0	0	0.0
Annualize prior year budget actions	(20,000)	(20,000)	0	0	0	0.0
SB 19-203 (Legislative Appropriation)¹	\$19,087,264	\$18,997,264	\$90,000	\$0	\$0	73.4
SB 19-207 (Long Bill)¹	2,533,877	2,533,877	0	0	0	0.0
SB 19-015	6,455	6,455	0	0	0	0.0
SB 19-108	6,315	6,315	0	0	0	0.0
SB 19-252	(37,422)	(37,422)	0	0	0	0.0
HB 19-1024	3,446	3,446	0	0	0	0.0
HB 19-1176	7,351	7,351	0	0	0	0.0
HB 19-1314	920	920	0	0	0	0.0
TOTAL	\$21,608,206	\$21,518,206	\$90,000	\$0	\$0	73.4
INCREASE/(DECREASE)	\$2,552,739	\$2,552,739	\$0	\$0	\$0	7.4
Percentage Change	13.4%	13.5%	0.0%	n/a	n/a	11.2%

¹ The FY 2018-19 Appropriation plus the sum of the incremental changes described in the appropriation highlights equals the combined appropriation in S.B. 19-203 (Legislative Appropriation) and S.B. 19-207 (Long Bill).

FY 2019-20 APPROPRIATION – S.B. 19-203 (LEGISLATIVE APPROPRIATION) AND S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes an increase of \$2,478,292 General Fund that is primarily the result of changes in health, life, and dental insurance benefits; increases for a 3.0 percent base salary increase; an increase for personal services and operating; an increase for members' salaries whose terms began in the January 2019 Session as required by statute; an increase for the Capitol Building Advisory Committee; an increase for non-metro legislator per diem pursuant to statute; an increase for the Legislative Aides Program; and an increase for television equipment and Capitol Complex Security.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items as follows: increases for supplemental state contributions to the Public Employees' Retirement Association

(PERA) pension fund, workers compensation, payments to risk management and property funds, and CORE operations. These increases are offset by decreases in Capitol Complex maintenance costs and information technology common policy issues.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a decrease of \$20,000 General Fund to eliminate the one-time funding for the Colorado Channel Authority.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

STATE AUDITOR

The duties of the Office of the State Auditor are to conduct post audits of all financial transactions and accounts of all state departments, institutions, and agencies of the executive, legislative, and judicial branches; conduct performance post audits; and prepare summary audit reports and recommendations concerning each agency. Legislative oversight is provided by the Legislative Audit Committee, which is comprised of four senators, two from each major political party, and four representatives, two from each major political party. The Office of the State Auditor is primarily funded with General Fund and a small amount of reappropriated funds from billable audits of programs supported by federal or cash funds where permitted.

STATE AUDITOR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$10,556,230	\$9,594,931	\$0	\$961,299	\$0	75.2
HB 18-1421	141,744	141,744	0	0	0	0.0
TOTAL	\$10,697,974	\$9,736,675	\$0	\$961,299	\$0	75.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$10,697,974	\$9,736,675	\$0	\$961,299	\$0	75.2
Salary/benefits/operating adjustments	402,743	373,904	0	28,839	0	3.5
Centrally appropriated line items	198,634	198,634	0	0	0	0.0
SB 19-203 (Legislative Appropriation)	\$11,299,351	\$10,309,213	\$0	\$990,138	\$0	78.7
TOTAL	\$11,299,351	\$10,309,213	\$0	\$990,138	\$0	78.7
INCREASE/(DECREASE)	\$601,377	\$572,538	\$0	\$28,839	\$0	3.5
Percentage Change	5.6%	5.9%	n/a	3.0%	n/a	4.7%

FY 2019-20 APPROPRIATION – S.B. 19-203 (LEGISLATIVE APPROPRIATION) AND S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes an increase of \$402,743, including \$373,904 General Fund that is primarily the result of changes in health, life, and dental insurance benefits; increases for a 3.0 percent base salary increase; and increases to personal services and operating expenses for additional tax-expenditure staff.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund.

JOINT BUDGET COMMITTEE

The Joint Budget Committee is the permanent fiscal and budget review agency of the General Assembly. The six-member committee is comprised of three members from the House of Representatives, including two from the majority political party, and three members from the Senate, including two from the majority political party. The Committee, through its staff, is responsible for analyzing the programs, management, operations, and fiscal needs of state agencies. After holding budget hearings with all state departments and agencies, the Committee and its staff prepare the Long Bill. The staff is also responsible for providing support for both the House and Senate Appropriations Committees. The Joint Budget Committee is funded with General Fund.

JOINT BUDGET COMMITTEE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$2,015,188	\$2,015,188	\$0	\$0	\$0	16.0
TOTAL	\$2,015,188	\$2,015,188	\$0	\$0	\$0	16.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,015,188	\$2,015,188	\$0	\$0	\$0	16.0
Salary/benefits/operating adjustments	60,949	60,949	0	0	0	0.0
Centrally appropriated line items	41,772	41,772	0	0	0	0.0
SB 19-203 (Legislative Appropriation)	\$2,117,909	\$2,117,909	\$0	\$0	\$0	16.0
TOTAL	\$2,117,909	\$2,117,909	\$0	\$0	\$0	16.0
INCREASE/(DECREASE)	\$102,721	\$102,721	\$0	\$0	\$0	0.0
Percentage Change	5.1%	5.1%	n/a	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-203 (LEGISLATIVE APPROPRIATION) AND S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes an increase of \$60,949 General Fund that is primarily the result of changes in health, life, and dental insurance benefits and increases for a 3.0 percent base salary increase.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for state contributions to the Public Employees' Retirement Association (PERA) pension fund.

LEGISLATIVE COUNCIL

The Legislative Council is comprised of 18 legislators, nine from the House of Representatives and nine from the Senate. The staff of the Council provides fact-finding and information-collecting services for all members of the General Assembly. In addition, the staff provides support for all standing committees except Appropriations, and for most interim committees. The staff maintains a reference library for all legislators and staff, and the Council contracts for special studies as needed. The State Capitol Building tour guide coordinator is an employee of the Council. The Council staff is also responsible for preparing fiscal notes on new legislation, for providing revenue estimates, and providing support services for legislative agencies. The Council staff is primarily funded with General Fund and with reappropriated funds transferred from the Department of Education every other year.

LEGISLATIVE COUNCIL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$10,305,121	\$9,930,970	\$374,151	\$0	\$0	75.9
HB 18-1322 (Long Bill)	1,976,000	1,976,000	0	0	0	0.0
SB 18-039	41,484	41,484	0	0	0	0.3
SB 18-163	25,911	25,911	0	0	0	0.4
SB 18-200	200,000	200,000	0	0	0	0.0
HB 18-1003	18,414	18,414	0	0	0	0.3
SB 19-203	125,780	0	0	125,780	0	0.5
TOTAL	\$12,692,710	\$12,192,779	\$374,151	\$125,780	\$0	77.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$12,692,710	\$12,192,779	\$374,151	\$125,780	\$0	77.4
Cost of living analysis adjustment	250,000	0	0	250,000	0	0.0
Centrally appropriated line items	214,215	214,215	0	0	0	0.0
Salary/benefits/operating adjustments	164,389	538,540	(374,151)	0	0	2.2
Ballot analysis adjustment	100,000	100,000	0	0	0	0.0
SB 19-203 (Legislative Appropriation)¹	\$11,095,314	\$10,969,534	\$0	\$125,780	\$0	79.6
SB 19-207 (Long Bill)¹	2,326,000	2,076,000	0	250,000	0	0.0
SB 19-015	9,607	9,607	0	0	0	0.1
SB 19-248	36,997	36,997	0	0	0	0.4
HB 19-1024	18,455	18,455	0	0	0	0.3
HB 19-1184	89,474	89,474	0	0	0	0.9
HB 19-1188	81,911	81,911	0	0	0	0.9
TOTAL	\$13,657,758	\$13,281,978	\$0	\$375,780	\$0	82.2
INCREASE/(DECREASE)	\$965,048	\$1,089,199	(\$374,151)	\$250,000	\$0	4.8
Percentage Change	7.6%	8.9%	(100.0%)	198.8%	n/a	6.2%

¹ The FY 2018-19 Appropriation plus the sum of the incremental changes described in the appropriation highlights equals the combined appropriation in S.B. 19-203 (Legislative Appropriation) and S.B. 19-207 (Long Bill).

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-203 modifies FY 2018-19 appropriations to include additional spending authority for the Legislative Council Staff print shop.

FY 2019-20 APPROPRIATION – S.B. 19-203 (LEGISLATIVE APPROPRIATION) AND S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COST OF LIVING ANALYSIS ADJUSTMENT: The appropriation includes an increase of \$250,000 reappropriated funds transferred from the Department of Education for a cost of living study. Legislative Council staff, pursuant to Section 22-54-104 (5)(c)(III)(A), C.R.S., is required to certify the cost of living factor for each school district every two years based on a cost of living analysis that is typically conducted through a contract. The appropriation is included for FY 2019-20 as the Legislative Council staff is required to perform the analysis in FY 2019-20.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for state contributions to the Public Employees' Retirement Association (PERA) pension fund.

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes a net increase of \$164,389, including an increase of \$538,540 General Fund that is primarily the result of changes in health, life, and dental insurance benefits; increases for a 3.0 percent base salary increase; and increases to personal services, operating, and travel budgets. Included in the personal services increase is the funding for 1.0 FTE for the Legislative Council Staff print Shop and 2.0 FTE for information technology staff. The FTE are offset by a reduction of 0.8 FTE to prior year levels.

BALLOT ANALYSIS ADJUSTMENT: The appropriation includes an increase of \$100,000 General Fund for the costs associated with an analysis of measures on the ballot. Section 1 (7.5) of Article V of the State Constitution requires the nonpartisan research staff of the General Assembly to perform this function.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COMMITTEE ON LEGAL SERVICES

The Committee on Legal Services consists of ten members, five from the House of Representatives and five from the Senate. It provides legislative oversight to the Office of Legislative Legal Services and coordinates litigation involving the General Assembly.

The Office of Legislative Legal Services drafts and prepares bills, resolutions, amendments, conference committee reports, and digests of enacted bills. The Office also reviews rules promulgated by executive agencies to determine whether they are within the powers delegated to the agency; performs legal research; aids in legal representation of the General Assembly; participates in the review of and comments on the titles given to initiated measures; and assists in staffing interim committees.

The Office is also responsible for compiling, editing, arranging, and preparing for publication all of the laws of the State of Colorado, and for assisting in publication and distribution of portions of the statutes in accordance with Section 2-5-118, C.R.S. Annually, the Office prepares the session laws and supplements to the statutes as necessary and also prepares the index and case law annotations for the Colorado Revised Statutes.

The Colorado Commission of Uniform State Laws, comprised of seven members who are attorneys-at-law in Colorado (three of whom are state legislators), represents Colorado at the National Conference of Commissioners on Uniform State Laws. The purpose of the conference is to promote the uniformity of state laws on all subjects where uniformity is deemed desirable and practical. The Office of Legislative Legal Services is primarily funded with General Fund.

COMMITTEE ON LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1293 (Legislative Appropriation)	\$7,314,879	\$7,308,161	\$6,718	\$0	\$0	54.2
SB 18-031	54,257	54,257	0	0	0	1.0
SB 18-039	7,641	7,641	0	0	0	0.1
HB 18-1003	7,725	7,725	0	0	0	0.1
TOTAL	\$7,384,502	\$7,377,784	\$6,718	\$0	\$0	55.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$7,384,502	\$7,377,784	\$6,718	\$0	\$0	55.4
Salary/benefits/operating adjustments	209,296	216,014	(6,718)	0	0	(0.8)
Centrally appropriated line items	140,272	140,272	0	0	0	0.0
SB 19-203 (Legislative Appropriation)	\$7,734,070	\$7,734,070	\$0	\$0	\$0	54.6
SB 19-244	221,925	221,925	0	0	0	1.8
SB 19-248	7,555	7,555	0	0	0	0.1
HB 19-1024	6,889	6,889	0	0	0	0.1
TOTAL	\$7,970,439	\$7,970,439	\$0	\$0	\$0	56.6
INCREASE/(DECREASE)	\$585,937	\$592,655	(\$6,718)	\$0	\$0	1.2
Percentage Change	7.9%	8.0%	(100.0%)	n/a	n/a	2.2%

FY 2019-20 APPROPRIATION – S.B. 19-203 (LEGISLATIVE APPROPRIATION) AND S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

SALARY/BENEFITS/OPERATING ADJUSTMENTS: The appropriation includes a net increase of \$209,926, including an increase of \$216,014 General Fund that is primarily the result of changes in health, life, and dental insurance benefits; and increases to personal services, operating, and travel budgets.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for state contributions to the Public Employees' Retirement Association (PERA) pension fund.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-031 (TITLE 12 RECODIFICATION STUDY ONE-YEAR EXTENSION): Extends the study for the organizational recodification of Title 12 of the Colorado Revised Statutes (C.R.S.). The deadline for the Committee on Legal Services to direct the Office of Legislative Legal Services (OLLS) to draft proposed legislation for the recodification of Title 12 is extended from December 31, 2017, to December 31, 2018. This bill is repealed September 1, 2019. Appropriates \$54,257 General Fund and 1.0 FTE to the Office of Legislative Legal Services for FY 2018-19 for this purpose.

S.B. 18-039 (CONTINUE THE WILDFIRE MATTERS REVIEW COMMITTEE): Extends the repeal of the Wildfire Matters Review Committee to September 1, 2025 and repeals obsolete provisions related to the committee. Appropriates \$41,484 General Fund and 0.3 FTE to the Legislative Council, and, \$7,641 General Fund and 0.1 FTE to the Office of Legislative Legal Services for FY 2018-19 for this purpose.

S.B. 18-163 (EXTEND REPEAL EARLY CHILDHOOD LEGISLATIVE COMMISSION): Extends the repeal date of the Early Childhood Legislative Commission to July 1, 2023, and specifies that it will be staffed by Legislative Council Staff. Appropriates \$25,911 General Fund and 0.4 FTE to the Legislative Council, and, \$7,244 General Fund to the General Assembly for FY 2018-19 for this purpose.

S.B. 18-200 (MODIFICATIONS TO PERA TO ELIMINATE UNFUNDED LIABILITY): Modifies the Colorado Public Employees' Retirement Association (PERA). The bill creates ongoing state revenue reductions; ongoing state and local expenditure increases; and ongoing PERA revenue increases. The bill changes the number of years factored into the highest number of years calculation, modifies the definition of salary on which the PERA benefit is assessed, clarifies provisions related to a local government division employer that ceases operations or participation in PERA, and creates a direct distribution to PERA. Appropriates \$200,000 General Fund to the Legislative Council for FY 2018-19 for independent review of PERA assumptions. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1003 (OPIOID MISUSE PREVENTION): Implements several policies related to the prevention of opioid and substance misuse and allocates \$2,489,249 total funds in FY 2018-19, including the following:

- \$39,249 General Fund to the Legislative Department for the continuation of the Opioid and Other Substance Use Disorders Interim Study Committee for two years;

- \$925,000 Marijuana Tax Cash Fund to the Department of Health Care Policy and Financing for the Screening, Brief Intervention, and Referral to Treatment (SBIRT) training program for the development of a training module on substance-exposed pregnancies and additional funding for SBIRT grants;
- \$775,000 Marijuana Tax Cash Fund to the Department of Public Health and Environment for grants to school-based health centers to expand behavioral health services to include treatment for opioid and other substance use disorders; and
- \$750,000 Marijuana Tax Cash Fund to the University of Colorado for the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery to develop and implement continuing medical education activities for prescribers of pain medication.

H.B. 18-1186 (SUNSET REVIEW COLORADO YOUTH ADVISORY COUNCIL): Extends the repeal date of the Youth Advisory Council from July 1, 2018, to September 1, 2023, and requires another sunset review.

H.B. 18-1293 (LEGISLATIVE APPROPRIATION BILL): Legislative appropriation act for FY 2018-19.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1421 (PROCUREMENT PROCESS FOR MAJOR IT PROJECTS): Makes certain changes to the state information technology (IT) procurement process. First, it requires the State Controller in the Department of Personnel and Administration (DPA) to delegate the authority to sign IT procurement contracts to the Chief Information Officer in the Governor's Office of Information Technology (OIT) or his or her designee. It requires that a project plan for a major IT project undertaken by a state agency include a planning and analysis function by OIT that ensures that the desired project solution is in accordance with OIT standards and the scope and budget are vetted by OIT. OIT is required to establish policies and procedures regarding vendor selection standards to be used in selecting a vendor for any major IT project. Finally, the bill requires an audit of the procurement process for the human resources information system that was initially known as HRIS, but is now called HR Works. House Bill 17-1361 required the Office of the State Auditor to sign a contract with a third-party auditor to conduct a comprehensive audit of the state of IT in Colorado. This audit is currently ongoing. The audit required by the bill will be added to the scope of the ongoing audit. Appropriates \$141,744 General Fund to the Office of the State Auditor for FY 2018-19 for the required audit to HRIS.

2019 SESSION BILLS

S.B. 19-015 (CREATE STATEWIDE HEALTH CARE REVIEW COMMITTEE): Creates the Health Care Review Committee as a permanent interim committee of the General Assembly. Appropriates \$6,455 General Fund in FY 2019-20 to the General Assembly, and, \$9,607 General Fund and 0.1 FTE in FY 2019-20 to the Legislative Council Staff for this purpose.

S.B. 19-108 (JUVENILE JUSTICE REFORM): Establishes the Juvenile Justice Reform Committee and makes other changes to the juvenile justice system. Appropriates \$6,315 General Fund to the General Assembly in FY 2019-20 for this purpose.

S.B. 19-203 (LEGISLATIVE APPROPRIATION): Legislative appropriation act for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-244 (MANAGEMENT OF LEGISLATIVE WORKPLACE CONDUCT): Creates the office of legislative workplace relations within the Office of Legislative Legal Services. Appropriates \$221,295 General Fund and 1.8 FTE in FY 2019-20 to the Committee on Legal Services for this purpose.

S.B. 19-248 (STATE TAX SYSTEM WORKING GROUP): Creates a working group to evaluate the state tax administration system, GenTax, and make recommendations. Appropriates \$36,997 General Fund and 0.4 FTE to the Legislative Council Staff in FY 2019-20, and, \$7,555 General Fund and 0.1 FTE to the Committee on Legal Services in FY 2019-20 for this purpose.

S.B. 19-252 (SMART Committee Hearings): Reschedules SMART Act hearings to the first two weeks of each regular legislative session. Decreases appropriations to the General Assembly by \$37,422 General Fund in FY 2019-20.

H.B. 19-1024 (COLORADO YOUTH ADVISORY COUNCIL REVIEW COMMITTEE): Creates the Colorado Youth Advisory Council Review Committee as an ongoing legislative interim committee. Appropriates \$18,455 General Fund and 0.3 FTE for FY 2019-20 to the Legislative Council Staff, \$6,889 General Fund and 0.1 FTE in FY 2019-20 to the Committee on Legal Services, and, \$3,446 General Fund in FY 2019-20 to the General Assembly for this purpose.

H.B. 19-1176 (HEALTH CARE COST SAVINGS ACT OF 2019): Creates a task force to study and compare three methods of financing health care in Colorado. The task force must hire a contractor to conduct an analysis and report to the General Assembly by September 1, 2021. Appropriates \$7,351 General Fund in FY 2019-20 to the General Assembly for this purpose.

H.B. 19-1184 (DEMOGRAPHIC NOTES FOR CERTAIN LEGISLATIVE BILLS): Requires Legislative Council Staff to prepare demographic notes for legislation that outlines the potential disparate effects of a bill on various populations within the state. Appropriates \$89,474 General Fund and 0.9 FTE in FY 2019-20 to the Legislative Council Staff for this purpose.

H.B. 19-1188 (GREENHOUSE GAS POLLUTION IMPACT IN FISCAL NOTES): Requires Legislative Council Staff to assess whether legislation results in an increase or decrease in greenhouse gas emissions as part of every fiscal note. Appropriates \$81,911 General Fund and 0.9 FTE in FY 2019-20 to the Legislative Council Staff for this purpose.

H.B. 19-1314 (JUST TRANSITION FROM COAL-BASED ELECTRIC ENERGY ECONOMY): Creates the Just Transition Office to provide worker benefits, award grants, and receive utility reports related to coal plant retirement. Appropriates \$920 General Fund in FY 2019-20 to the General Assembly for this purpose.

Details

DEPARTMENT OF LOCAL AFFAIRS

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$317,858,832	\$37,800,724	\$186,097,459	\$12,147,248	\$81,813,401	181.1
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	8,841,830	1,765,651	1,524,761	4,152,696	1,398,722	14.2
Property Taxation	3,768,122	2,282,664	1,245,818	239,640	0	50.4
Division of Housing	109,521,083	18,592,277	21,319,609	1,113,183	68,496,014	57.8
Division of Local Government	195,727,797	15,160,132	162,007,271	6,641,729	11,918,665	58.7
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$313,735,639	\$34,788,319	\$186,047,459	\$12,086,460	\$80,813,401	178.6
SB 18-016	60,788	0	0	60,788	0	1.0
SB 18-191	50,000	0	50,000	0	0	0.0
HB 18-1267	132,328	132,328	0	0	0	1.0
HB 18-1326	306,000	306,000	0	0	0	0.0
HB 18-1339	6,683	6,683	0	0	0	0.0
HB 18-1353	1,853,037	1,853,037	0	0	0	0.5
SB 19-117	1,714,357	714,357	0	0	1,000,000	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$349,085,163	\$48,716,177	\$205,682,582	\$12,565,874	\$82,120,530	189.7
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	10,405,399	3,310,331	1,528,620	3,983,227	1,583,221	14.2
Property Taxation	3,820,174	2,336,849	1,226,840	256,485	0	50.4
Division of Housing	109,501,074	21,317,906	17,672,472	1,900,943	68,609,753	60.3
Division of Local Government	225,358,516	21,751,091	185,254,650	6,425,219	11,927,556	64.8
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$341,832,311	\$42,289,825	\$204,856,082	\$12,565,874	\$82,120,530	184.7
HB 19-1009	1,000,000	173,500	826,500	0	0	0.9
HB 19-1239	6,000,000	6,000,000	0	0	0	1.4
HB 19-1245	3,398	3,398	0	0	0	0.0
HB 19-1292	249,454	249,454	0	0	0	2.7
INCREASE/(DECREASE)	\$31,226,331	\$10,915,453	\$19,585,123	\$418,626	\$307,129	8.6
Percentage Change	9.8%	28.9%	10.5%	3.4%	0.4%	4.7%

¹ Includes General Fund Exempt.

² Includes \$4,300,000 in FY 2018-19 and \$4,375,000 in FY 2019-20 that is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1, C.R.S.

GENERAL FUND EXEMPT: Amounts in the General Fund column include appropriations from both the General Fund and General Fund Exempt Account. The General Fund Exempt Account was created by Referendum C, passed by Colorado voters in November 2005. Referendum C allowed the State to retain for FY 2005-06 through FY 2009-10 all revenue collected in excess of the TABOR limit and for FY 2010-11 and subsequent fiscal years all revenues in excess of the TABOR limit but less than the excess state revenues cap. The retained revenue must be placed in the General Fund Exempt Account. The table below shows the amounts appropriated from the General Fund Exempt

Account for FY 2018-19 and FY 2019-20 for volunteer firefighter retirement plans and death and disability insurance, pursuant to Section 24-77-103.6 (2)(c), C.R.S. For additional information on General Fund Exempt appropriations, see Appendix D.

GENERAL FUND SUMMARY	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$37,800,724	\$33,500,724	\$4,300,000
FY 2019-20	48,716,177	44,371,177	4,345,000

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Local Affairs are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$264,623,380	\$4,375,000	\$178,127,850	\$0	\$82,120,530

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

The Executive Director's Office is responsible for the management and administration of the Department, including accounting, budgeting, human resources, and other functions statutorily assigned to the Department such as administration of the Moffat Tunnel Improvement District. Cash fund sources include marijuana tax revenues, lease revenues generated from the operation of the Moffat Tunnel, and various other sources. Reappropriated funds include indirect cost recoveries and severance tax revenues and federal mineral lease revenues transferred from the Local Government Mineral and Energy Impact Grants and Disbursements line item.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$8,763,561	\$1,687,382	\$1,524,761	\$4,152,696	\$1,398,722	14.2
HB 18-1267	65,508	65,508	0	0	0	0.0
HB 18-1339	6,683	6,683	0	0	0	0.0
HB 18-1353	6,078	6,078	0	0	0	0.0
TOTAL	\$8,841,830	\$1,765,651	\$1,524,761	\$4,152,696	\$1,398,722	14.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$8,841,830	\$1,765,651	\$1,524,761	\$4,152,696	\$1,398,722	14.2
Centrally appropriated line items	1,952,816	1,184,621	51,812	439,340	277,043	0.0
Oversight of individual residential support services	533	0	0	533	0	0.0
Indirect cost assessment	0	470,490	0	(470,490)	0	0.0
Annualize prior year budget actions	(365,873)	(81,338)	(49,551)	(142,440)	(92,544)	0.0
Annualize prior year legislation	(67,662)	(72,848)	1,598	3,588	0	0.0
SB 19-207	\$10,361,644	\$3,266,576	\$1,528,620	\$3,983,227	\$1,583,221	14.2
HB 19-1009	2,620	2,620	0	0	0	0.0
HB 19-1292	41,135	41,135	0	0	0	0.0
TOTAL	\$10,405,399	\$3,310,331	\$1,528,620	\$3,983,227	\$1,583,221	14.2
INCREASE/(DECREASE)	\$1,563,569	\$1,544,680	\$3,859	(\$169,469)	\$184,499	0.0
Percentage Change	17.7%	87.5%	0.3%	(4.1%)	13.2%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; salary survey; workers' compensation; legal services; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

OVERSIGHT OF INDIVIDUAL RESIDENTIAL SUPPORT SERVICES: The appropriation includes \$533 reappropriated funds transferred from HCPF to allow DOLA to conduct housing quality inspections as part of an effort to increase oversight of individual residential support services for people with intellectual and developmental disabilities.

INDIRECT COST ASSESSMENT: The appropriation includes a decrease in the amount of indirect costs assessments and in the amount available in the Indirect Costs Excess Recovery Fund, which is reflected as a decreased appropriation from reappropriated funds and an increase in the General Fund appropriation.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a reduction of \$365,873 total funds to reflect the allocation of the centrally appropriated amount for salary increases awarded in FY 2018-19.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes a reduction of \$67,662 total funds for the out-year impact of prior legislation. The primary change is the elimination of a one-time appropriation of \$65,508 General Fund in H.B. 18-1267 (Income Tax Credit for Retrofitting a Residence).

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

PROPERTY TAXATION

This section provides funding for the Division of Property Taxation, which issues appraisal standards and provides training and technical assistance to county assessors; values multi-county companies; and grants taxation exemptions. This section also provides funding for the State Board of Equalization, which supervises the administration of property tax laws by local county assessors, as well as for the Board of Assessment Appeals, which hears petitions for appeal on valuation, abateements, exemptions, and valuation of state-assessed properties. Cash fund sources include property tax exemption fee revenue and property tax assessment appeal filing fee revenue. Reappropriated funds are from severance tax revenues and federal mineral lease revenues transferred from the Local Government Mineral and Energy Impact Grants and Disbursements line item within the Division of Local Government.

PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,768,122	\$2,282,664	\$1,245,818	\$239,640	\$0	50.4
TOTAL	\$3,768,122	\$2,282,664	\$1,245,818	\$239,640	\$0	50.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,768,122	\$2,282,664	\$1,245,818	\$239,640	\$0	50.4
Annualize prior year budget actions	79,183	47,099	20,393	11,691	0	0.0
Annualize prior year legislation	10,169	6,615	3,554	0	0	0.0
Centrally appropriated line items	471	471	0	0	0	0.0
Indirect cost assessment	(37,771)	0	(42,925)	5,154	0	0.0
SB 19-207	\$3,820,174	\$2,336,849	\$1,226,840	\$256,485	\$0	50.4
TOTAL	\$3,820,174	\$2,336,849	\$1,226,840	\$256,485	\$0	50.4

PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$52,052	\$54,185	(\$18,978)	\$16,845	\$0	0.0
Percentage Change	1.4%	2.4%	(1.5%)	7.0%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes \$79,183 total funds for salary increases awarded in FY 2018-19.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$10,169 total funds for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$471 General Fund to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in this division's indirect cost assessment.

DIVISION OF HOUSING

The Division of Housing provides financial and technical assistance designed to increase the availability of housing to individuals with a low income, individuals with disabilities, and elderly individuals. Financial assistance programs include state and federal grants, loans, loan guarantees, equity investments, and subordinated debt for construction or rehabilitation of affordable housing. The Division provides technical assistance to local communities, including helping communities identify housing needs and apply for and secure available private and public financing for housing projects. The Division develops and updates various studies on the availability and affordability of housing in Colorado. Finally, the Division works with local governments to reform local development and building regulations in ways that lower housing production costs.

Significant cash fund sources include: marijuana tax revenues; unspent General Fund appropriations to the Department of Public Safety for community corrections programs that are credited to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund; and fee revenue related to the regulation of manufactured housing. Reappropriated fund sources include: severance tax revenues and federal mineral lease revenues transferred from the Local Government Mineral and Energy Impact Grants and Disbursements line item within the Division of Local Government; money transferred from the Department of Health Care Policy and Financing for the Medicaid home modification benefit; and funds transferred within the Division to reflect amounts used for administration of affordable housing construction grants and loans. Federal funds are from the U.S. Department of Housing and Urban Development for rental vouchers and other housing-related grants and programs.

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$107,373,118	\$17,505,100	\$21,319,609	\$1,052,395	\$67,496,014	55.8
SB 18-016	60,788	0	0	60,788	0	1.0
HB 18-1267	66,820	66,820	0	0	0	1.0
HB 18-1326	306,000	306,000	0	0	0	0.0
SB 19-117	1,714,357	714,357	0	0	1,000,000	0.0
TOTAL	\$109,521,083	\$18,592,277	\$21,319,609	\$1,113,183	\$68,496,014	57.8

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$109,521,083	\$18,592,277	\$21,319,609	\$1,113,183	\$68,496,014	57.8
Colorado Choice Transitions Program funding deficit	1,946,853	1,946,853	0	0	0	0.0
Housing assistance for reentry population	908,052	0	408,052	500,000	0	0.0
Annualize prior year legislation	596,701	589,677	2,370	(1,818)	6,472	0.0
Oversight of individual residential support services	111,496	0	0	111,496	0	0.9
Transfer Home Modification Waiver Program	46,342	0	0	46,342	0	0.7
Centrally appropriated line items	743	743	0	0	0	0.0
Annualize prior year budget actions	(4,620,277)	14,078	(4,744,275)	37,225	72,695	0.0
Indirect cost assessment	(10,697)	0	(139,784)	94,515	34,572	0.0
SB 19-207	\$108,500,296	\$21,143,628	\$16,845,972	\$1,900,943	\$68,609,753	59.4
HB 19-1009	997,380	170,880	826,500	0	0	0.9
HB 19-1245	3,398	3,398	0	0	0	0.0
TOTAL	\$109,501,074	\$21,317,906	\$17,672,472	\$1,900,943	\$68,609,753	60.3
INCREASE/(DECREASE)	(\$20,009)	\$2,725,629	(\$3,647,137)	\$787,760	\$113,739	2.5
Percentage Change	(0.0%)	14.7%	(17.1%)	70.8%	0.2%	4.3%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-117 adds \$1,714,357 total funds, including \$714,357 General Fund and \$1,000,000 federal funds, to cover the increased cost of housing vouchers that enable Medicaid clients to live in a community-based setting.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COLORADO CHOICE TRANSITIONS PROGRAM FUNDING DEFICIT: The appropriation includes an increase of \$1,946,853 General Fund for housing vouchers that enable Medicaid clients to transition from an institutional setting to a community-based setting. The Department of Local Affairs (DOLA) partners with the Department of Health Care Policy and Financing (HCPF) to administer the Colorado Choice Transitions Program to identify clients who are living in a nursing or long-term care facility and who are able to and interested in moving to the community. Transitioning clients may receive home and community-based services and supports through HCPF and assistance in finding and paying for housing through DOLA.

HOUSING ASSISTANCE FOR REENTRY POPULATION: The appropriation includes a total of \$908,052 for housing assistance for people who are transitioning back to the community from the Department of Corrections (DOC), the Division of Youth Services in the Department of Human Services, or a county jail. This amount includes \$500,000 reappropriated funds transferred from DOC and \$408,052 cash funds from the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund. The source of funding for the latter fund is a transfer of unspent General Fund money that was appropriated for FY 2017-18 for community corrections programs and services.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$596,701 total funds for the out-year impact of prior legislation. The primary change is a \$593,640 General Fund increase for H.B. 18-1326 (Support for Transition from Institutional Settings).

OVERSIGHT OF INDIVIDUAL RESIDENTIAL SUPPORT SERVICES: The appropriation includes \$111,496 reappropriated funds transferred from HCPF (and 0.9 FTE) to allow DOLA to conduct housing quality inspections as part of an effort to increase oversight of individual residential support services for people with intellectual and developmental disabilities.

TRANSFER HOME MODIFICATION WAIVER PROGRAM: The appropriation includes \$46,342 reappropriated funds transferred from the HCPF (and 0.7 FTE) for DOLA to assume oversight of the Home Modification Program for all eligible populations. The Home Modification Program is a Medicaid benefit that allows for specific modifications, adaptations, or improvements to an eligible client's existing home setting to support greater independence and prevent the need for institutionalization. DOLA currently oversees modifications that exceed \$2,500 for four of the eligible populations; this funding would allow DOLA to add staff to oversee the program for the remaining two waiver program populations (Child Extensive Support and Supported Living Services).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$743 General Fund to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$138,323	\$14,078	\$14,325	\$37,225	\$72,695	0.0
FY 2018-19 Housing assistance for reentry population	(4,758,600)	0	(4,758,600)	0	0	0.0
TOTAL	(\$4,620,277)	\$14,078	(\$4,744,275)	\$37,225	\$72,695	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in this division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF LOCAL GOVERNMENT

This division provides information and training for local governments concerning budget development, purchasing, demographics, land use planning, and regulatory issues. This division also manages state- and federally-funded programs that support local government infrastructure and services. To provide this assistance to local governments, this division operates eight field offices. Significant cash fund sources include: (1) severance tax revenues; (2) federal mineral lease revenues; (3) net lottery proceeds; (4) limited gaming revenues; and (5) marijuana tax revenues. Reappropriated funds are primarily from severance tax revenues and federal mineral lease revenues transferred within this division from the Local Government Mineral and Energy Impact Grants and Disbursements line item. Federal funds in this section include the Community Services Block Grant and the Community Development Block Grant.

DIVISION OF LOCAL GOVERNMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$193,830,838	\$13,313,173	\$161,957,271	\$6,641,729	\$11,918,665	58.2
SB 18-191	50,000	0	50,000	0	0	0.0
HB 18-1353	1,846,959	1,846,959	0	0	0	0.5
SB 19-117	0	0	0	0	0	0.0
TOTAL	\$195,727,797	\$15,160,132	\$162,007,271	\$6,641,729	\$11,918,665	58.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$195,727,797	\$15,160,132	\$162,007,271	\$6,641,729	\$11,918,665	58.7
Informational funds adjustments	23,071,629	75,000	22,996,629	0	0	0.0

DIVISION OF LOCAL GOVERNMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	460,316	152,479	297,555	8,664	1,618	2.0
Census 2020 communications and outreach support	300,000	300,000	0	0	0	0.0
Strategic Planning Group on Coloradans Age 50 and Over	55,000	55,000	0	0	0	0.0
Rural Economic Development Initiative grants	30,000	30,000	0	0	0	0.0
Centrally appropriated line items	214	0	0	214	0	0.0
Technical changes	0	0	0	0	0	0.0
Indirect cost assessment	(393,126)	0	(61,638)	(318,912)	(12,576)	0.0
Annualize prior year budget actions	(101,633)	(229,839)	14,833	93,524	19,849	0.0
SB 19-207	\$219,150,197	\$15,542,772	\$185,254,650	\$6,425,219	\$11,927,556	60.7
HB 19-1239	6,000,000	6,000,000	0	0	0	1.4
HB 19-1292	208,319	208,319	0	0	0	2.7
TOTAL	\$225,358,516	\$21,751,091	\$185,254,650	\$6,425,219	\$11,927,556	64.8
INCREASE/(DECREASE)	\$29,630,719	\$6,590,959	\$23,247,379	(\$216,510)	\$8,891	6.1
Percentage Change	15.1%	43.5%	14.3%	(3.3%)	0.1%	10.4%

¹ Includes General Fund Exempt.

² Includes \$4,300,000 in FY 2018-19 and \$4,375,000 in FY 2019-20 that is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-117 includes a technical adjustment to move the \$55,000 General Fund line item appropriation for the Strategic Planning Group on Coloradans Age 50 and Over from the Division's Field Services subsection to its Administrative subsection.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INFORMATIONAL FUNDS ADJUSTMENTS: The appropriation makes three changes to amounts that are included for informational purposes to reflect estimated funding available for distribution to local governments in FY 2019-20.

INFORMATIONAL FUNDS ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Energy impact funds adjustment	\$23,000,000	\$0	\$23,000,000	\$0	\$0	0.0
Annual adjustment for volunteer firefighter retirement plans	75,000	75,000	0	0	0	0.0
Conservation Trust Fund adjustment	(3,371)	0	(3,371)	0	0	0.0
TOTAL	\$23,071,629	\$75,000	\$22,996,629	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-191 Local Government Limited Gaming Impact Fund	\$227,850	\$0	\$227,850	\$0	\$0	0.0
HB 18-1353 Defense Counsel on First Appearance Grant Program	148,561	148,561	0	0	0	0.0
HB 18-1020 Civil forfeiture reforms	69,705	0	69,705	0	0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	14,200	3,918	0	8,664	1,618	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 17-1215 Peace Officers Mental Health Support Grant Program	0	0	0	0	0	1.0
TOTAL	\$460,316	\$152,479	\$297,555	\$8,664	\$1,618	2.0

CENSUS 2020 COMMUNICATIONS AND OUTREACH SUPPORT: The appropriation provides a one-time appropriation of \$300,000 General Fund for FY 2019-20 to create and implement a communications and outreach program for Census 2020. The appropriation authorizes the Department to spend the appropriation over a two-year period.

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER: The appropriation includes \$55,000 General Fund to support the continued work of this planning group that was established through H.B. 15-1033.

RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS: The appropriation adds \$30,000 General Fund for rural economic development grants.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$214 reappropriated funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

TECHNICAL CHANGES: The appropriation includes a net zero adjustment to appropriate General Fund, rather than General Fund Exempt, for the State's contribution for local volunteer firefighter death and disability insurance.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in this division's indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$148,367	\$20,161	\$14,833	\$93,524	\$19,849	0.0
FY 2018-19 Cybersecurity training for local governments	(250,000)	(250,000)	0	0	0	0.0
TOTAL	(\$101,633)	(\$229,839)	\$14,833	\$93,524	\$19,849	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-005 (RURAL ECONOMIC ADVANCEMENT OF COLORADO TOWNS): Requires the Department of Local Affairs (DOLA) to act as the designated agency for coordinating the State's response to significant economic events in rural communities, including a plant closure or substantial layoff.

S.B. 18-007 (AFFORDABLE HOUSING TAX CREDIT): Changes the name of the existing Colorado Low-income Housing Tax Credit to the Colorado Affordable Housing Tax Credit, and authorizes an additional five years (2019 to 2024) in which the Colorado Housing and Finance Authority may allocate an additional \$150 million in tax credits.

S.B. 18-016 (CONTINUE TRANSFER OF COMMUNITY CORRECTIONS REVERSIONS): Continues indefinitely the annual transfer of any unspent General Fund appropriations for the Department of Public Safety's community corrections programs to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund. Authorizes DOLA to spend appropriations from this fund over a two-year period. Appropriates \$60,788 to DOLA for FY 2018-19 from reappropriated funds transferred from the associated housing assistance line item appropriation, and states the assumption that DOLA will require an additional 1.0 FTE.

S.B. 18-191 (LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND): Modifies the annual distribution of the State share of gaming tax revenues by increasing the distribution to the Local Government Limited Gaming Impact Fund (the Fund) to include \$5.0 million plus an annual increase equal to the growth of the State share of gaming tax revenue. Also requires a transfer to the Fund at the beginning of the fiscal year, starting in FY 2018-19, equal to DOLA's projected direct and indirect costs of administering the associated grant program; any unspent money from this transfer reverts to the Fund. For FY 2018-19 and 2019-20, requires that \$100,000 of the amount allocated to the Gambling Addiction Account within the Fund be appropriated for two purposes:

- \$50,000 to DOLA to study and establish policies and procedures concerning what constitutes documented gaming impacts for which local governments may receive state financial assistance; and
- \$50,000 to the Department of Human Services (DHS) to develop a plan for a successful gambling addiction program.

Eliminates the \$100,000 cash funds appropriation to DHS from the Gambling Addiction Account for FY 2018-19 for gambling addiction services and appropriates this money to DOLA and DHS as required for FY 2018-19.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1249 (ANVIL POINTS FEDERAL MINERAL LEASE DISTRIBUTION): Modifies the distribution of certain money the State may receive from the federal government from oil and gas production on naval oil shale reserve land. Specifically, in lieu of the existing statutory allocation for federal mineral lease revenues, requires the State Treasurer to distribute any such revenues received by the State to four counties (or to related federal mineral lease districts, if applicable) as follows: 40.0 percent each to Garfield and Rio Blanco counties, and 10.0 percent each to Mesa and Moffat counties.

H.B. 18-1267 (INCOME TAX CREDIT FOR RETROFITTING A RESIDENCE): For tax years 2019 through 2023, allows certain taxpayers to claim a state income tax credit for a portion of qualified costs incurred while retrofitting their residence for the purpose of improving accessibility, increasing visitability, or allowing qualified individuals to age in place. Requires DOLA's Division of Housing to certify that the taxpayer meets specified requirements, issue tax credits, and ensure that the total amount of credits issued does not exceed \$1.0 million each year. Appropriates \$132,328 General Fund to DOLA for FY 2018-19, and states the assumption that DOLA will require an additional 1.0 FTE. Appropriates \$65,508 of this amount to the Office of the Governor for FY 2018-19 to provide information technology services to DOLA.

H.B. 18-1315 (MANUFACTURED HOMES SALES TAX EXEMPTION): Beginning July 1, 2019, exempts manufactured homes from state sales and use tax.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1326 (SUPPORT FOR TRANSITION FROM INSTITUTIONAL SETTINGS): Requires the Department of Health Care Policy and Financing (HCPF) to provide support and services to Medicaid clients transitioning from an institutional setting to a home- or community-based setting. Appropriates \$306,000 General Fund to DOLA's Division of Housing for FY 2018-19 to provide housing vouchers for HCPF transition clients. For additional information, see the "Recent Legislation" section at the end of Part III for HCPF.

H.B. 18-1336 (REPEAL LOCAL GOVERNMENT RETAIL MARIJUANA IMPACT GRANT PROGRAM): Repeals the Local Government Retail Marijuana Impact Grant Program on July 1, 2019.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations to multiple departments for associated costs, including \$6,683 General Fund to DOLA. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

H.B. 18-1353 (DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM): Creates the Defense Counsel on First Appearance Grant Program in DOLA's Division of Local Government to reimburse local governments for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. Allows the Division to spend the annual appropriation for this grant program over two fiscal years. Appropriates \$1,853,037 General Fund to DOLA for FY 2018-19, and states the assumption that DOLA will require an additional 0.5 FTE. Appropriates \$6,078 of this amount to other agencies for FY 2018-19 to provide services to DOLA, including \$4,480 to the Office of the Governor for information technology services and \$1,598 to the Department of Law to provide legal services.

H.B. 18-1394 (UPDATE COLORADO DISASTER EMERGENCY ACT): Adds definitions and updates emergency management terminology, and authorizes the Governor to convene a disaster policy group to coordinate policy decisions and to advise the Governor in the emergency event. Subject to available grant funding, continues the Colorado Resiliency Office by codifying it in DOLA. Relocates existing provisions regarding the Expert Emergency Response Committee, makes changes to update emergency management terminology, and adds the Executive Director of DOLA or his or her designee to the Committee. By June 30, 2019, and regularly thereafter, requires the Department of Public Safety's Office of Emergency Management to update the centralized response computer database to include a listing of all-hazards recovery resources located in the state.

H.B. 18-1409 (CRIME VICTIMS GRANT PROGRAM): Creates the Community Crime Survivors Grant Program in the Department of Public Health and Environment (DPHE) to provide funding to entities that provide support services and other interventions to crime victims and their immediate family. Repeals the Parole Savings Fund created through H.B. 17-1326, and eliminates the associated \$1,761,140 General Fund appropriation to DOLA for FY 2017-18 that was that was included in H.B. 17-1326 to credit money to the Parole Savings Fund. For additional information, see the "Recent Legislation" section at the end of Part III for DPHE.

2019 SESSION BILLS

S.B. 19-064 (RETAIN CRIMINAL JUSTICE PROGRAMS FUNDING): Creates cash funds for use by four criminal justice programs and provides continuous appropriations from the new funds to allow expenditures of available funds over multiple fiscal years. With respect to DOLA, the act creates the Justice Reinvestment Crime Prevention Cash Fund and the Targeted Crime Reduction Grant Program Cash Fund to allow the Department to retain any General Fund

appropriations for two Justice Reinvestment Crime Prevention Initiative programs that remain unspent at the end of FY 2018-19 and FY 2019-20. Extends by three years to September 1, 2023, both the repeal date for the small business lending program and the sunset review date for the grant program. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Corrections.

S.B. 19-117 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

H.B. 19-1009 (SUBSTANCE USE DISORDER RECOVERY): Expands a state housing voucher program in DOLA to include individuals with substance use disorders who are transitioning back into the community from a correctional or behavioral health institution, county jail, or residential treatment program. Requires the General Assembly to annually appropriate \$1.0 million from the Marijuana Tax Cash Fund (MTCF) for the voucher program for fiscal years 2019-20 through 2023-24. Appropriates \$1,000,000 total funds to DOLA for FY 2019-20, including \$173,500 General Fund and \$826,500 cash funds from the MTCF, and states that DOLA will require 0.9 FTE to implement the act. Appropriates \$2,620 reappropriated funds (transferred from DOLA) to the Governor’s Office of Information Technology for FY 2019-20.

Effective January 1, 2020, establishes requirements for the operation of recovery residences, including certification by an entity approved by the Office of Behavioral Health in the Department of Human Services (DHS). Establishes the Recovery Residence Certification Grant Program to be administered by DHS to provide grants to recovery residences for the purpose of gaining certification. Appropriates \$50,000 General Fund to DHS for FY 2019-20.

Creates a 26-member Opioid Crisis Recovery Funds Advisory Committee to advise and collaborate with the Department of Law on uses of any custodial funds received by the state as a result of opioid-addiction-related litigation for which the use of the funds is not predetermined by the court.

H.B. 19-1217 (PERA LOCAL GOVERNMENT DIVISION MEMBER CONTRIBUTION RATES): Eliminates increases in the employee contribution for members of the Public Employees’ Retirement Association’s (PERA’s) local government division that were scheduled to occur on July 1 of 2019, 2020, and 2021. As a result, will increase State income tax revenue that is credited to the General Fund by an estimated \$233,000 in FY 2019-20 and by larger amounts in subsequent fiscal years.

H.B. 19-1228 (COLORADO AFFORDABLE HOUSING TAX CREDIT): For tax years 2020 through 2024, increases the annual amount of the Colorado Affordable Housing Tax Credit that the Colorado Housing and Finance Authority may allocate from \$5.0 million to \$10.0 million. As a result, will reduce General Fund revenue by a total of \$150.0 million over a 12-year period starting in FY 2020-21.

H.B. 19-1239 (2020 CENSUS OUTREACH GRANT PROGRAM): Creates the 2020 Census Outreach Grant Program within DOLA’s Division of Local Government to provide grants to eligible recipients in order to support an accurate census count in 2020. Eligible recipients may use the awarded grant money to conduct education, outreach, and promotion activities to target hard-to-reach communities and increase the census response rate. Creates a seven-member 2020 Census Outreach Grant Program Committee to review and make recommendations concerning grant applications. Requires DOLA and the Office of the Governor to develop a strategic action plan for outreach, education, and promotion of a successful decennial census count by May 1, 2026, and every 10 years thereafter. Appropriates \$6.0 million General Fund to DOLA for FY 2019-20 and authorizes the Department to spend the funds over a two-year period through June 30, 2020. States that the Department will require 1.4 FTE to implement the act.

H.B. 19-1245 (AFFORDABLE HOUSING FUNDING FROM VENDOR FEE CHANGES): Beginning January 1, 2020, increases the “vendor fee” (an amount that a retailer is permitted to retain for its expenses incurred in collecting and remitting the state sales tax) from 3.33 percent to 4.0 percent, subject to a \$1,000 monthly cap. This limit applies

regardless of the number of the retailer's locations, and a vendor with multiple locations is required to register all locations under one account with the Department of Revenue (DOR). Excludes the increase in sales taxes attributable to the vendor fee changes from the definition of "state sales tax increment revenue" for purposes of the "Colorado Regional Tourism Act" so that the increase is payable to the State and not an applicable financing entity. As a result, will increase State sales tax revenue that is credited to the General Fund by an estimated \$23.1 million in FY 2019-20, \$47.9 million in FY 2020-21, and \$49.4 million in FY 2021-22 and subsequent fiscal years.

The act is anticipated to increase State income tax revenue that is credited to the General Fund by \$233,000 in FY 2019-20 and by larger amounts in subsequent fiscal years.

Appropriates \$286,408 to DOR for FY 2019-20, and states that DOR will require 0.4 FTE to implement the act.

Requires the State Treasurer to credit to the existing Housing Development Grant Fund (HDGF) an amount equal to the increase in sales taxes attributable to the vendor fee changes, minus the following specified amounts that will instead be retained in the General Fund:

- \$15,335,781 for FY 2019-20 (resulting in an estimated \$7.8 million being credited to the HDGF);
- \$40,323,158 for FY 2020-21 (resulting in an estimated \$7.6 million being credited to the HDGF); and
- \$985,335 for FY 2021-22 and subsequent fiscal years (resulting in an estimated \$48.4 million being credited to the HDGF).

Requires DOLA's Division of Housing to annually award at least one-third of the amount that is credited to the HDGF for affordable housing projects for households whose annual income is less than or equal to 30 percent of the area median income. Appropriates \$3,398 General Fund to DOLA for FY 2019-20. As the HDGF is continuously appropriated to DOLA, the act does not include an appropriation from this fund.

H.B. 19-1292 (COLORADO RESILIENCY OFFICE REAUTHORIZATION FUNDING): Repeals the requirement that the Colorado Resiliency Office in DOLA be grant funded, and repeals the Office September 1, 2022, following a sunset review conducted by the Department of Regulatory Agencies. Appropriates \$249,454 General Fund to DOLA for FY 2019-20, and states that DOLA will require 2.7 FTE to implement the act.

H.B. 19-1309 (REGULATION OF MOBILE HOME PARKS): Increases the authority of counties and municipalities to enact certain ordinances for mobile home parks. Allows mobile home owners additional time between the notice of nonpayment of rent and eviction, and additional time to vacate a mobile home park after a court ordered eviction. Creates the Mobile Home Park Act Dispute Resolution and Enforcement Program to be administered by DOLA. Creates the Mobile Home Park Act Dispute Resolution and Enforcement Program Fund, which consists of mobile home park registration fee revenue, and continuously appropriates money in the Fund to DOLA for administering the program. For FY 2019-20, appropriates \$22,073 cash funds to the Department of Law and \$130,065 cash funds to the Governor's Office of Information Technology, and states that the Department of Law will require 0.1 FTE to implement the act. The source of cash funds is registration fee revenue transferred from DOLA.

H.B. 19-1322 (EXPAND SUPPLY OF AFFORDABLE HOUSING): Requires the State Treasurer to annually transfer \$30.0 million from the Unclaimed Property Trust Fund to the Housing Development Grant Fund (HDGF) for a total of three years starting in FY 2020-21. The amount transferred on June 30 each year is based on the balance in the Unclaimed Property Trust Fund as of June 1 each fiscal year, as well as the Legislative Council Staff's annual June economic and revenue forecast. Requires the transfer to be made if the June forecast indicates that state revenues for the current fiscal year are estimated to be at least \$30.0 million below the excess state revenues cap. Specifies that for each state fiscal year that a transfer is not made, the last year in which a transfer may be made is extended for an additional state fiscal year. Expands the specified purposes for which DOLA may use the funds that are transferred to the HDGF. Authorizes DOLA to expend money from the HDGF to hire and employ individuals to fulfill the purposes of the act, subject to the existing limitation on the percentage of money in the HDGF that may be expended for administrative expenses. As the HDGF is continuously appropriated to DOLA, the act does not include an appropriation from this fund.

Details

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$232,120,162	\$11,206,594	\$1,203,530	\$0	\$219,710,038	1,407.5
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director and Army National Guard	18,292,372	7,304,167	99,239	0	10,888,966	100.5
Division of Veterans Affairs	4,603,528	3,499,237	1,104,291	0	0	19.4
Air National Guard	3,577,893	403,190	0	0	3,174,703	48.6
Federal Funded Programs	205,646,369	0	0	0	205,646,369	1,239.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$231,900,218	\$10,986,650	\$1,203,530	\$0	\$219,710,038	1,406.1
HB 18-1337	123,465	123,465	0	0	0	1.1
SB 19-118	96,479	96,479	0	0	0	0.3
FY 2019-20 TOTAL APPROPRIATION:	\$131,630,851	\$11,615,507	\$1,470,429	\$4,143	\$118,540,772	2,579.1
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director and Army National Guard	21,450,665	7,512,741	118,093	4,143	13,815,688	109.4
Division of Veterans Affairs	5,050,545	3,698,209	1,352,336	0	0	22.1
Air National Guard	3,629,641	404,557	0	0	3,225,084	48.6
Federal Funded Programs	101,500,000	0	0	0	101,500,000	2,399.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$131,630,851	\$11,615,507	\$1,470,429	\$4,143	\$118,540,772	2,579.1
INCREASE/(DECREASE)	(\$100,489,311)	\$408,913	\$266,899	\$4,143	(\$101,169,266)	1,171.6
Percentage Change	(43.3%)	3.6%	22.2%	n/a	(46.0%)	83.2%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Military and Veterans Affairs are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$118,540,772	\$0	\$0	\$0	\$118,540,772

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

This division is responsible for the overall management and administration of the Department. The appropriation includes the operating budget for the Executive Director's Office, as well as all centrally appropriated line items for the Department. It also includes appropriations for tuition assistance for National Guard members attending college and the state's share of maintenance and operations costs for Army National Guard facilities.

The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities. Under cooperative agreements with the federal government, the Department is responsible for a portion of maintenance and operations costs for the military facilities in the State. The state's share varies by function and facility. Most of the Department's General Fund expenditures for personal services costs are for administrative and professional staff in the Executive Director/Army National Guard Office and for the labor trades and crafts employees who maintain and repair the armories and other military facilities. The Division also provides support for the Colorado Wing of the Civil Air Patrol and administers the Colorado National Guard Tuition Program.

The Division is funded by General Fund, cash funds, and federal funds. The cash funds sources include armory rental fees, real estate proceeds, and the Western Slope Military Veterans' Cemetery Fund. Federal funds are provided through cooperative agreements with the federal government for operations of the Colorado National Guard.

EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$18,291,072	\$7,302,867	\$99,239	\$0	\$10,888,966	100.5
SB 19-118	1,300	1,300	0	0	0	0.0
TOTAL	\$18,292,372	\$7,304,167	\$99,239	\$0	\$10,888,966	100.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$18,292,372	\$7,304,167	\$99,239	\$0	\$10,888,966	100.5
Informational funds adjustment	2,000,000	0	0	0	2,000,000	0.0
Facilities maintenance staff and vehicles	608,543	110,756	0	0	497,787	8.9
Centrally appropriated line items	555,670	108,623	23,342	4,143	419,562	0.0
Annualize prior year legislation	126,409	7,020	0	0	119,389	0.0
Staff development and education program	59,675	59,675	0	0	0	0.0
Centralized Personnel Plan adjustment	28,370	(16,061)	0	0	44,431	0.0
Western region director and OneSource utilities	1,819	1,819	0	0	0	0.0
EDO and Army National Guard funding reorganization	0	0	0	0	0	0.0
Annualize prior year budget actions	(222,193)	(63,258)	(4,488)	0	(154,447)	0.0
SB 19-207	\$21,450,665	\$7,512,741	\$118,093	\$4,143	\$13,815,688	109.4
TOTAL	\$21,450,665	\$7,512,741	\$118,093	\$4,143	\$13,815,688	109.4
INCREASE/(DECREASE)	\$3,158,293	\$208,574	\$18,854	\$4,143	\$2,926,722	8.9
Percentage Change	17.3%	2.9%	19.0%	n/a	26.9%	8.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-118 includes an increase for vehicle lease payments related to a new western region division director for the Division of Veterans Affairs.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INFORMATIONAL FUNDS ADJUSTMENTS: The appropriation includes adjustments to federal funds shown for informational purposes. The adjustment in this division is for an increase in funding anticipated to be received for the Army National Guard Cooperative Agreement.

FACILITIES MAINTENANCE STAFF AND VEHICLES: The appropriation includes an increase of \$608,543 total funds, including \$110,756 General Fund and 8.9 FTE, to enhance staffing and support vehicles for maintenance of National Guard armories (readiness centers) and other National Guard facilities throughout the state.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$311,446	\$116,756	\$4,280	\$0	\$190,410	0.0
PERA Direct Distribution	250,154	93,955	3,445	0	152,754	0.0
Health, life, and dental	151,342	100,580	15,496	0	35,266	0.0
Legal services	72,974	72,974	0	0	0	0.0
AED	51,483	22,950	(434)	0	28,967	0.0
SAED	51,483	22,950	(434)	0	28,967	0.0
Vehicle lease payments	5,614	1,964	0	0	3,650	0.0
Short-term disability	1,523	693	(17)	0	847	0.0
Shift differential	1,237	0	0	0	1,237	0.0
Indirect cost assessment	1,006	(4,143)	1,006	4,143	0	0.0
Leased space	893	893	0	0	0	0.0
Capitol Complex leased space	384	384	0	0	0	0.0
Merit pay	0	0	0	0	0	0.0
Payments to OIT	(237,335)	(237,335)	0	0	0	0.0
Payment to risk management / property funds	(53,247)	(53,247)	0	0	0	0.0
Workers' compensation	(45,073)	(22,537)	0	0	(22,536)	0.0
CORE	(8,214)	(8,214)	0	0	0	0.0
TOTAL	\$555,670	\$108,623	\$23,342	\$4,143	\$419,562	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

STAFF DEVELOPMENT AND EDUCATION PROGRAM: The appropriation includes \$59,675 General Fund in FY 2019-20, continuing in future years, for a staff development and education program. The goal is to provide additional career growth opportunities for Department staff and improve job satisfaction and retention. The request would enable 25 employees per year to participate in the Department of Personnel's Center for Organizational Effectiveness customer service and leadership certification programs.

CENTRALIZED PERSONNEL PLAN ADJUSTMENT: The appropriation includes a net increase of \$28,370 total funds, including a decrease of \$16,061 General Fund, to reflect adjustments to federal support for central administrative costs (8.0 FTE) that are federally supported as an alternative to indirect cost collections.

WESTERN REGION DIRECTOR AND ONESOURCE UTILITIES: The appropriation adds funds for the Western Region director for the Division of Veterans Affairs and for operations and maintenance costs for the new Veterans One-Stop (OneSource) Center in Grand Junction. This includes an increase for vehicle lease payments, which are appropriated in this division.

EDO AND ARMY NATIONAL GUARD FUNDING REORGANIZATION: The appropriation includes a funding reorganization in the Executive Director and Army National Guard division. The adjustment shifts all General Fund and federal funds associated with the Army National Guard Cooperative Agreement into a single line item and adds a footnote that provides transfer authority across affected line items. This change has no net fiscal impact.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including a reduction of \$191,693 total funds to annualize FY 2018-19 salary survey and a reduction of \$30,500 General Fund for FY 2018-19 safety training.

DIVISION OF VETERANS AFFAIRS

The Division of Veterans Affairs represents veterans in federal benefits claims and provides information, training, and direct funding to county veterans service officers. It operates the Western Slope Veterans' OneSource Center (a one-stop resource center for veterans in Grand Junction) and maintains the Western Slope Veterans' Cemetery in Grand Junction. This division also oversees state grant programs that award funds to programs for veterans. The State Board of Veterans Affairs makes grants to veterans' service organizations from the Veterans Trust Fund, which receives tobacco master settlement revenue. The Department also receives state General Fund appropriations for grants to nonprofit organizations and government agencies that serve veterans.

The cash funds sources are the Colorado State Veterans Trust Fund (tobacco master settlement revenue) and the Western Slope Military Veterans' Cemetery Fund.

DIVISION OF VETERANS AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,384,884	\$3,280,593	\$1,104,291	\$0	\$0	18.0
HB 18-1337	123,465	123,465	0	0	0	1.1
SB 19-118	95,179	95,179	0	0	0	0.3
TOTAL	\$4,603,528	\$3,499,237	\$1,104,291	\$0	\$0	19.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,603,528	\$3,499,237	\$1,104,291	\$0	\$0	19.4
Veterans Assistance Grant spending authority	157,886	0	157,886	0	0	0.0
Western region director and OneSource utilities	140,973	106,518	34,455	0	0	0.7
Annualize prior year legislation	62,518	62,138	380	0	0	2.0
Tobacco Master Settlement Agreement revenue adjustment	50,836	0	50,836	0	0	0.0
Annualize prior year budget actions	34,804	30,316	4,488	0	0	0.0
SB 19-207	\$5,050,545	\$3,698,209	\$1,352,336	\$0	\$0	22.1
TOTAL	\$5,050,545	\$3,698,209	\$1,352,336	\$0	\$0	22.1
INCREASE/(DECREASE)	\$447,017	\$198,972	\$248,045	\$0	\$0	2.7
Percentage Change	9.7%	5.7%	22.5%	n/a	n/a	13.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-118 includes an increase in this division of \$95,179 General Fund and 0.3 FTE for five months of maintenance and operations costs for the new Veterans' One-stop Center in Grand Junction (now called the Western Region OneSource) and for a new western region division director for the Division of Veterans Affairs and associated operating costs.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

VETERANS ASSISTANCE GRANT SPENDING AUTHORITY: The appropriation includes \$157,886 cash funds from the Veterans Assistance Grant Program Cash Fund. Money is available in this fund from unspent FY 2017-18 appropriations for the Senior Property Tax Exemption Program.

WESTERN REGION DIRECTOR AND ONESOURCE UTILITIES: The appropriation adds funds for the Western Region director for the Division of Veterans Affairs and for operations and maintenance costs for the new Veterans' OneSource Center in Grand Junction. Part-year funding was added through FY 2018-19 supplemental budget action. When added to the partial year funding provided in FY 2018-19, the FY 2019-20 appropriation for this department, including centrally-appropriated funds, includes a total of \$137,820 for OneSource operating and maintenance costs and \$101,451 for the Western Region director.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of H.B. 18-1337 (Veterans' One-stop Center in Grand Junction) and S.B. 18-200 (Eliminate Unfunded PERA Liability).

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The appropriation includes a cash funds increase based on the Legislative Council FY 2019-20 Tobacco Master Settlement Agreement revenue projection.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

AIR NATIONAL GUARD

This division provides funding for the operations of the Buckley and Greeley Air National Guard bases. The State's share of operating and maintenance costs varies under its agreements with the federal government, based on the type and use of each building and whether it is on state or federal land. The federal government also funds full-time security guards at the space command facility at Greeley. Federal funds are provided through cooperative agreements with the federal government for the operations of the Colorado National Guard.

AIR NATIONAL GUARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,577,893	\$403,190	\$0	\$0	\$3,174,703	48.6
TOTAL	\$3,577,893	\$403,190	\$0	\$0	\$3,174,703	48.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,577,893	\$403,190	\$0	\$0	\$3,174,703	48.6
Annualize prior year budget actions	47,271	1,242	0	0	46,029	0.0
Annualize prior year legislation	4,477	125	0	0	4,352	0.0
SB 19-207	\$3,629,641	\$404,557	\$0	\$0	\$3,225,084	48.6

AIR NATIONAL GUARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$3,629,641	\$404,557	\$0	\$0	\$3,225,084	48.6
INCREASE/(DECREASE)	\$51,748	\$1,367	\$0	\$0	\$50,381	0.0
Percentage Change	1.4%	0.3%	n/a	n/a	1.6%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

FEDERAL FUNDED PROGRAMS

This section provides an estimate of funding that is managed by the Department but is not subject to appropriation by the General Assembly and does not flow through the State accounting system. Beginning in FY 2019-20, the amount shown is an estimate of the federal salary outlays for uniformed personnel who are enlisted in the Colorado National Guard but for whom all salaries and related costs are paid directly by the federal government.

FEDERAL FUNDED PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
TOTAL	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
Informational funds adjustment	(104,146,369)	0	0	0	(104,146,369)	1,160.0
SB 19-207	\$101,500,000	\$0	\$0	\$0	\$101,500,000	2,399.0
TOTAL	\$101,500,000	\$0	\$0	\$0	\$101,500,000	2,399.0
INCREASE/(DECREASE)	(\$104,146,369)	\$0	\$0	\$0	(\$104,146,369)	1,160.0
Percentage Change	(50.6%)	n/a	n/a	n/a	(50.6%)	93.6%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INFORMATIONAL FUNDS ADJUSTMENT: The appropriation reduces federal funds shown in this section for informational purposes by \$101.5 million and increases federally funded positions shown for informational purposes by 1,160.0 FTE. This reflects changes to ensure that amounts shown in the budget are based on the number of National Guard members serving in Colorado. Funding for uniformed personnel does not flow through the state accounting system, and actual expenditure data is therefore unavailable. The FY 2019-20 budget includes \$101.5 million and 2,399.0 FTE for the estimated federal expenditures for National Guard soldiers, based on the number of federal positions and typical federal National Guard salaries. This results in a decrease of \$104.1 million federal funds and an increase of 1,160.0 FTE in the Department's Federal Funded Programs section.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1337 (VETERANS' ONE-STOP CENTER IN GRAND JUNCTION): Authorizes the Department of Military and Veterans Affairs to operate a veterans' one-stop center in Grand Junction. The Department may staff the center with department employees or contract with one or more private vendors for the management of the facility. The Department is required to establish an advisory board for the center and develop procedures for evaluating the center's effectiveness. The Department may also provide identification cards issued by the U.S. Department of Defense to eligible military members, retirees, and their family members. Creates the Veterans One-Stop Center Cash Fund, consisting of money generated from the public or private use of the veterans' one-stop center. Authorizes appropriations for the center from either the cash fund or the General Fund and provides a General Fund appropriation of \$123,465 and 1.1 FTE to the Department for FY 2018-19.

2019 SESSION BILLS

S.B. 19-118 (SUPPLEMENTAL BILL): Supplemental appropriations bill for the Department of Military and Veterans Affairs to amend FY 2018-19 appropriations.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

Details

DEPARTMENT OF NATURAL RESOURCES

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF NATURAL RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$305,365,244	\$32,005,418	\$238,857,665	\$7,933,687	\$26,568,474	1,464.5
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	74,069,656	10,600,896	54,483,404	7,708,687	1,276,669	52.2
Division of Reclamation, Mining, and Safety	7,894,082	0	4,502,244	0	3,391,838	65.8
Oil and Gas Conservation Commission	18,050,559	0	17,950,270	0	100,289	116.3
State Board of Land Commissioners	5,181,149	0	4,956,149	225,000	0	42.0
Division of Parks and Wildlife	142,762,153	150,000	121,241,275	0	21,370,878	887.5
Colorado Water Conservation Board	33,772,994	0	33,577,344	0	195,650	46.7
Division of Water Resources	23,634,651	21,254,522	2,146,979	0	233,150	254.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$277,648,350	\$32,005,418	\$211,140,771	\$7,933,687	\$26,568,474	1,464.5
SB 18-218	24,716,894	0	24,716,894	0	0	0.0
HB 18-1338	3,000,000	0	3,000,000	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$337,819,513	\$43,464,597	\$260,148,716	\$7,523,560	\$26,682,640	1,495.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	74,188,443	11,432,108	54,183,608	7,298,560	1,274,167	52.6
Division of Reclamation, Mining, and Safety	7,972,753	0	4,595,005	0	3,377,748	65.8
Oil and Gas Conservation Commission	20,613,071	0	20,516,512	0	96,559	140.3
State Board of Land Commissioners	5,264,461	0	5,039,461	225,000	0	42.0
Division of Parks and Wildlife	166,995,560	150,000	145,374,562	0	21,470,998	894.5
Colorado Water Conservation Board	38,473,034	10,000,000	28,248,660	0	224,374	46.7
Division of Water Resources	24,312,191	21,882,489	2,190,908	0	238,794	254.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$307,613,503	\$33,464,597	\$239,942,706	\$7,523,560	\$26,682,640	1,489.9
SB 19-181	851,010	0	851,010	0	0	6.0
SB 19-212	10,000,000	10,000,000	0	0	0	0.0
SB 19-221	19,355,000	0	19,355,000	0	0	0.0
INCREASE/(DECREASE)	\$32,454,269	\$11,459,179	\$21,291,051	(\$410,127)	\$114,166	31.4
Percentage Change	10.6%	35.8%	8.9%	(5.2%)	0.4%	2.1%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Natural Resources are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$51,907,116	\$0	\$25,224,476	\$0	\$26,682,640

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

The Executive Director's Office is responsible for the management and administration of the Department, including: departmental administration and policy development, human resources, accounting and purchasing, budgeting, and information technology services. The Colorado Avalanche Information Center is also included as a special program within this division. Funding consists of \$11.4 million from the General Fund, \$52.0 million from various cash funds, and \$2.1 million from the Severance Tax Operational Fund to pay for employee benefits and other central services. Reappropriated funds are from indirect cost recoveries.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$71,069,656	\$10,600,896	\$51,483,404	\$7,708,687	\$1,276,669	52.2
HB 18-1338	3,000,000	0	3,000,000	0	0	0.0
TOTAL	\$74,069,656	\$10,600,896	\$54,483,404	\$7,708,687	\$1,276,669	52.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$74,069,656	\$10,600,896	\$54,483,404	\$7,708,687	\$1,276,669	52.2
Centrally appropriated line items	6,034,428	1,131,658	4,994,277	(180,153)	88,646	0.0
Oil and gas inspectors and support staff	176,568	0	176,568	0	0	0.0
West Slope OGCC staff	61,167	0	61,167	0	0	0.0
OGCC staff to address oil and gas backlogs	59,374	0	59,374	0	0	0.0
CAIC equipment maintenance	36,992	0	0	36,992	0	0.4
Capital development resourcing	5,200	0	5,200	0	0	0.0
Cameo State Recreation Area resourcing	3,440	0	3,440	0	0	0.0
Annualize prior year budget actions	(3,494,318)	(576,986)	(2,826,185)	1	(91,148)	0.0
Annualize prior year legislation	(2,989,395)	0	(2,998,968)	9,573	0	0.0
Indirect cost assessment	(6,241)	276,540	(6,241)	(276,540)	0	0.0
SB 19-207	\$73,956,871	\$11,432,108	\$53,952,036	\$7,298,560	\$1,274,167	52.6
SB 19-181	231,572	0	231,572	0	0	0.0
TOTAL	\$74,188,443	\$11,432,108	\$54,183,608	\$7,298,560	\$1,274,167	52.6
INCREASE/(DECREASE)	\$118,787	\$831,212	(\$299,796)	(\$410,127)	(\$2,502)	0.4
Percentage Change	0.2%	7.8%	(0.6%)	(5.3%)	(0.2%)	0.8%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to the following centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; PERA direct distributions; salary survey; shift differential; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

OIL AND GAS INSPECTORS AND SUPPORT STAFF: The appropriation includes \$176,568 cash funds from the Oil and Gas Conservation and Environmental Response Fund for centrally appropriated costs associated with additional FTE to increase how often oil and gas wells and associated industrial sites are inspected for regulatory concerns under the purview of the Oil and Gas Conservation Commission.

WEST SLOPE OGCC STAFF: The appropriation includes \$61,167 cash funds from the Oil and Gas Conservation and Environmental Response Fund for centrally appropriated costs associated with additional FTE for the Oil and Gas Conservation Commission (OGCC) for staff dedicated to oil and gas activity occurring on the West Slope.

OGCC STAFF TO ADDRESS OIL AND GAS BACKLOGS: The appropriation includes \$59,374 cash funds from the Oil and Gas Conservation and Environmental Response Fund for centrally appropriated costs associated with additional FTE to reduce backlogs associated with higher than normal industry activity.

CAIC EQUIPMENT MAINTENANCE: The appropriation includes an increase of \$36,992 reappropriated funds from the Department of Transportation and 0.4 FTE for the Colorado Avalanche Information Center (CAIC) for the maintenance of state-owned avalanche control equipment.

CAPITAL DEVELOPMENT RESOURCING: The appropriation includes an increase of \$5,200 cash funds, from the Parks and Outdoor Recreation Cash Fund and the Wildlife Cash Fund, for centrally appropriated costs associated with additional FTE for the Division of Parks and Wildlife's Capital Development Program.

CAMEO STATE RECREATION AREA RESOURCING: The appropriation includes an increase of \$3,440 cash funds from the Parks and Outdoor Recreation Cash Fund for centrally appropriated costs associated with additional FTE for staffing and operations at the new Cameo State Recreation Area (SRA) in Mesa County.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes a decrease of \$3,494,318 total funds, including a decrease of \$576,986 General Fund, for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Additional FTE for PROW program	\$10,542	\$0	\$10,542	\$0	\$0	0.0
FY 2018-19 Additional staffing and equipment for flowline safety	4,296	0	4,296	0	0	0.0
FY 2018-19 SFSP additional resources	(3,509,156)	(576,986)	(2,841,023)	1	(91,148)	0.0
TOTAL	(\$3,494,318)	(\$576,986)	(\$2,826,185)	\$1	(\$91,148)	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes a decrease of \$2,989,395 cash funds for the second-year impacts of S.B. 18-200 (PERA) and H.B 18-1338 (Sev Tax OP Fund Transfers).

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$10,605	\$0	\$1,032	\$9,573	\$0	0.0
HB 18-1338 Sev Tax OP Fund Transfers	(3,000,000)	0	(3,000,000)	0	0	0.0
TOTAL	(\$2,989,395)	\$0	(\$2,998,968)	\$9,573	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a decrease of \$6,241 total funds, including a refinancing of \$276,540 from reappropriated funds to General Fund, to accommodate a net decrease in Department indirect cost recoveries.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF RECLAMATION, MINING, AND SAFETY

The Division of Reclamation, Mining, and Safety includes four main program areas, described below, which are primarily funded by the Severance Tax Operational Fund and federal grants.

- The **Coal Regulatory Program** issues and enforces mining and reclamation permits for coal mines in Colorado on state, federal, and private lands, including ensuring compliance with the requirements of the federal Surface Mining Control and Reclamation Act. The program is currently responsible for 37 permitted mines and 57 exploration units (permitted areas covering 174,500 acres).
- The **Minerals Regulatory Program** issues and enforces mining and reclamation permits for all non-coal mines in Colorado on state, federal, and private lands. The program permits and inspects the 1,710 non-coal mines in Colorado (190,019 permitted acres) and regulates 168 active prospecting operations.
- The **Inactive Mines Reclamation Program** safeguards mine openings, inspects and monitors inactive mine sites, and reclaims abandoned mines. A total of 9,472 hazardous mine openings have been reclaimed since the program started and approximately 13,528 hazardous mine openings remain in Colorado.
- The **Mine Safety Program** regulates active mines for safety, inspects tourist mines, performs safety audits, administers certification programs for mining employees, provides training in mine rescue and safety, and regulates underground diesel equipment and mining explosives.

DIVISION OF RECLAMATION, MINING, AND SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$7,894,082	\$0	\$4,502,244	\$0	\$3,391,838	65.8
TOTAL	\$7,894,082	\$0	\$4,502,244	\$0	\$3,391,838	65.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$7,894,082	\$0	\$4,502,244	\$0	\$3,391,838	65.8
Annualize prior year budget actions	167,837	0	82,520	0	85,317	0.0
Annualize prior year legislation	13,714	0	6,419	0	7,295	0.0
Centrally appropriated line items	502	0	146	0	356	0.0
Federal funds reduction	(100,000)	0	0	0	(100,000)	0.0
Indirect cost assessment	(3,382)	0	3,676	0	(7,058)	0.0
SB 19-207	\$7,972,753	\$0	\$4,595,005	\$0	\$3,377,748	65.8
TOTAL	\$7,972,753	\$0	\$4,595,005	\$0	\$3,377,748	65.8
INCREASE/(DECREASE)						
Percentage Change	1.0%	n/a	2.1%	n/a	(0.4%)	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$167,837 total funds for the second-year impact of the FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$13,714 total funds for the second-year impact of S.B. 18-200 (PERA).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$502 total funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

FEDERAL FUNDS REDUCTION: The appropriation includes a decrease of \$100,000 federal funds to reflect reversions by the Coal Program in FY 2016-17 and FY 2017-18.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessments.

OIL AND GAS CONSERVATION COMMISSION

The Oil and Gas Conservation Commission (OGCC) is responsible for regulating the exploration, development, and conservation of Colorado's oil and natural gas resources in a manner that protects public health and safety. In addition to enforcement, this responsibility involves: answering complaints and inquiries; responding to oil and gas spills and other environmental emergencies at production sites; managing reclamation work at abandoned well sites; and performing baseline water quality studies. Funding for the OGCC is from the Oil and Gas Conservation and Environmental Response Fund, supported by a mill levy on oil and gas production and penalty revenue, and from the Severance Tax Operational Fund as one of the "Core" severance tax programs.

OIL AND GAS CONSERVATION COMMISSION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$18,050,559	\$0	\$17,950,270	\$0	\$100,289	116.3
TOTAL	\$18,050,559	\$0	\$17,950,270	\$0	\$100,289	116.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$18,050,559	\$0	\$17,950,270	\$0	\$100,289	116.3
Oil and gas inspectors and support staff	1,007,408	0	1,007,408	0	0	11.0
OGCC staff to address oil and gas backlogs	570,564	0	570,564	0	0	5.0
West Slope OGCC staff	293,843	0	293,843	0	0	3.0
Annualize prior year budget actions	161,659	0	161,659	0	0	0.0
Annualize prior year legislation	24,506	0	24,506	0	0	0.0
Centrally appropriated line items	172	0	172	0	0	0.0
Indirect cost assessment	(31,148)	0	(27,418)	0	(3,730)	0.0
SB 19-207	\$20,077,563	\$0	\$19,981,004	\$0	\$96,559	135.3
SB 19-181	535,508	0	535,508	0	0	5.0
TOTAL	\$20,613,071	\$0	\$20,516,512	\$0	\$96,559	140.3
INCREASE/(DECREASE)	\$2,562,512	\$0	\$2,566,242	\$0	(\$3,730)	24.0
Percentage Change	14.2%	n/a	14.3%	n/a	(3.7%)	20.6%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OIL AND GAS INSPECTORS AND SUPPORT STAFF: The appropriation includes \$1,007,408 cash funds and 11.0 FTE to increase how often oil and gas wells and associated industrial sites are inspected for regulatory concerns under the purview of the Oil and Gas Conservation Commission. The new staff include four inspectors and staff required to support the work inspections are likely to drive, including two engineers, two environmental protection specialists, two enforcement officers, and a program assistant. The source of funds is the fee charged to industry based on production and determined through the OGCC mill levy, which is transferred to the Oil and Gas Conservation and Environmental Response Fund (Response Fund).

OGCC STAFF TO ADDRESS OIL AND GAS BACKLOGS: The appropriation includes \$570,564 cash funds from the Response Fund and 5.0 FTE to reduce backlogs associated with higher than normal industry activity. The backlogs include workflows for permitting, engineering, field inspections, and reclamation inspections. Due to the cyclical nature of oil and gas exploration and production, the bill also includes funding for two temporary staff persons to allow the Department to manage its workload without dedicating a full new state employee to the task.

WEST SLOPE OGCC STAFF: The appropriation includes \$293,843 cash funds and 3.0 FTE for the OGCC for staff dedicated to oil and gas activity occurring on the West Slope. The staff includes a permit technician, reclamation specialist, and orphaned well engineer and will address the backlog of permits for the West Slope and coordinate more impactful multi-site orphaned well cleanups on the West Slope, where 47 percent of nearly 300 of the known statewide orphan wells exist.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$278,722	\$0	\$278,722	\$0	\$0	0.0
FY 2018-19 Staffing & equipment for flowline safety	(105,105)	0	(105,105)	0	0	0.0
FY 2018-19 Additional FTE for PROW program	(11,958)	0	(11,958)	0	0	0.0
TOTAL	\$161,659	\$0	\$161,659	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$24,506 cash funds for the second-year impact of S.B. 18-200 (PERA).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$172 total funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

STATE BOARD OF LAND COMMISSIONERS

The State Board of Land Commissioners (State Land Board) manages eight public trusts of land including the Public School Trust, to raise money for the benefit of K-12 education and other trust beneficiaries as specified in the Colorado Constitution or in statute. Over 98.0 percent of State Land Board revenue is attributable to lands managed for the Public School Trust and the majority is from mineral assets including oil and gas leases and bonus payments. Funding for this division reflects the State Land Board's operating costs. Cash funds are from a portion of School Trust revenues, and the reappropriated funds are transferred from the Division of Parks and Wildlife (CPW) for improvements on Land Board land leased to CPW.

STATE BOARD OF LAND COMMISSIONERS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$5,181,149	\$0	\$4,956,149	\$225,000	\$0	42.0
TOTAL	\$5,181,149	\$0	\$4,956,149	\$225,000	\$0	42.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$5,181,149	\$0	\$4,956,149	\$225,000	\$0	42.0
Annualize prior year budget actions	92,913	0	92,913	0	0	0.0
Annualize prior year legislation	8,725	0	8,725	0	0	0.0
Centrally appropriated line items	159	0	159	0	0	0.0
Indirect cost assessment	(18,485)	0	(18,485)	0	0	0.0
SB 19-207	\$5,264,461	\$0	\$5,039,461	\$225,000	\$0	42.0
TOTAL	\$5,264,461	\$0	\$5,039,461	\$225,000	\$0	42.0
INCREASE/(DECREASE)	\$83,312	\$0	\$83,312	\$0	\$0	0.0
Percentage Change	1.6%	n/a	1.7%	0.0%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$92,913 cash funds for the second-year impact of the FY 2018-19 year salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$8,725 cash funds for the second-year impact of S.B. 18-200 (PERA).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$159 total funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

DIVISION OF PARKS AND WILDLIFE

The Division of Parks and Wildlife (CPW) manages 41 parks and several special purpose programs including the snowmobile program, the off-highway vehicle program, river outfitters regulation, federal grants, aquatic nuisance species control and prevention, and the distribution of trails grants. Funding for the State Parks' programs is a mixture of cash funds from license fees, lottery funds, off-highway vehicle recreation funds, severance tax dollars, and other state and federal funds.

The CPW also manages the state's 960 game and non-game wildlife species by issuing fishing and hunting licenses, enforcing wildlife regulations, protecting habitat and native wildlife populations, and managing more than 350 state wildlife areas. Funding for Wildlife operations and programs is a mixture of cash funds from license fees (primarily hunting and fishing licenses), federal funds, Great Outdoors Colorado funds, and various other sources.

DIVISION OF PARKS AND WILDLIFE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$142,762,153	\$150,000	\$121,241,275	\$0	\$21,370,878	887.5
TOTAL	\$142,762,153	\$150,000	\$121,241,275	\$0	\$21,370,878	887.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$142,762,153	\$150,000	\$121,241,275	\$0	\$21,370,878	887.5
Vendor commissions, fulfillment fees, and credit card fees	14,555,758	0	14,555,758	0	0	0.0
Increase State Parks spending authority	3,661,298	0	3,661,298	0	0	0.0
Annualize prior year budget actions	2,239,835	0	2,239,835	0	0	0.0
Wildlife small capital program	2,043,120	0	2,043,120	0	0	0.0
Increase Wildlife Council spending authority	1,100,000	0	1,100,000	0	0	0.0
Capital development resourcing	314,786	0	314,786	0	0	3.0
Cameo State Recreation Area resourcing	300,501	0	300,501	0	0	3.0
Annualize prior year legislation	199,981	0	199,981	0	0	0.0
Technical adjustments	15,315	0	15,315	0	0	0.0
Centrally appropriated line items	10,717	0	10,717	0	0	0.0
Indirect cost assessment	(291,834)	0	(391,954)	0	100,120	0.0
SB 19-207	\$166,911,630	\$150,000	\$145,290,632	\$0	\$21,470,998	893.5
SB 19-181	83,930	0	83,930	0	0	1.0
TOTAL	\$166,995,560	\$150,000	\$145,374,562	\$0	\$21,470,998	894.5

DIVISION OF PARKS AND WILDLIFE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$24,233,407	\$0	\$24,133,287	\$0	\$100,120	7.0
Percentage Change	17.0%	0.0%	19.9%	n/a	0.5%	0.8%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

VENDOR COMMISSIONS, FULFILLMENT FEES, AND CREDIT CARD FEES: The appropriation includes the creation of a new line item and an appropriation of \$14,555,758 cash funds from several funds within the Division of Parks and Wildlife. The line item covers the payment of vendor commissions, fulfillment fees, and credit card fees incurred by the Division from the sale of hunting and fishing licenses, parks passes, and the registration of outdoor recreational vehicles. In previous fiscal years, these commissions and fees were paid by the Division, but not accounted for in their annual appropriation, as they were considered technical accounting adjustments. This line item provides formal appropriated spending authority to the Division to pay for these commissions and fees.

INCREASE STATE PARKS SPENDING AUTHORITY: The appropriation includes an increase of \$3,661,298 cash funds from the Parks and Outdoor Recreation Cash Fund intended to cover increased operational costs associated with increased parks visitation and inflation that State Park Operations has experienced since FY 2009-10.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$2,244,538	\$0	\$2,244,538	\$0	\$0	0.0
FY 2018-19 SFSP additional resources	(4,703)	0	(4,703)	0	0	0.0
TOTAL	\$2,239,835	\$0	\$2,239,835	\$0	\$0	0.0

WILDLIFE SMALL CAPITAL PROGRAM: The appropriation includes an increase of \$2,043,120 cash funds from the Wildlife Cash Fund for the implementation of a Wildlife Small Capital Program to address health, fire, and safety issues and to enact minor repairs at the states 574 wildlife facilities.

INCREASE WILDLIFE COUNCIL SPENDING AUTHORITY: The appropriation includes an increase of \$1,100,000 cash funds from the Wildlife Management Public Education Fund for the Wildlife Council to expand its media-based education programs.

CAPITAL DEVELOPMENT RESOURCING: The appropriation includes an increase of \$314,786 cash funds, from the Parks and Outdoor Recreation Cash Fund and the Wildlife Cash Fund, and 3.0 FTE for the Division of Parks and Wildlife's Capital Development Program. The additional resources will be used to increase staffing levels in three areas: dam operations and maintenance, central design, and regional field staff.

CAMEO STATE RECREATION AREA RESOURCING: The appropriation includes an increase of \$300,501 cash funds and 3.0 FTE from the Parks and Outdoor Recreation Cash Fund for staffing and operations at the new Cameo State Recreation Area in Mesa County. The Division will hire a park manager, a technician, and an administrative assistant.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$199,981 cash funds for the second-year impact of S.B. 18-200 (PERA).

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$15,315 cash funds for the Annual Depreciation-lease Equivalent Payment and updating the line item titles for two line items.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$10,717 total funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COLORADO WATER CONSERVATION BOARD

Under the guidance of the Board, this division is responsible for protecting, conserving, and developing the state's water resources, and minimizing the risk of flood damage and associated economic loss. The Colorado Water Conservation Board is divided into two main functional areas: administration and special purpose programs. This division is primarily supported by cash funds from the Colorado Water Conservation Board Construction Fund. Special purpose programs are generally supported by specific cash funds or federal funds.

COLORADO WATER CONSERVATION BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$9,436,100	\$0	\$9,240,450	\$0	\$195,650	46.7
SB 18-218	24,336,894	0	24,336,894	0	0	0.0
TOTAL	\$33,772,994	\$0	\$33,577,344	\$0	\$195,650	46.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$33,772,994	\$0	\$33,577,344	\$0	\$195,650	46.7
Annualize prior year budget actions	129,143	0	123,707	0	5,436	0.0
Technical adjustments	60,000	0	60,000	0	0	0.0
Centrally appropriated line items	59	0	59	0	0	0.0
Annualize prior year legislation	(24,325,410)	0	(24,325,881)	0	471	0.0
Indirect cost assessment	(138,752)	0	(161,569)	0	22,817	0.0
SB 19-207	\$9,498,034	\$0	\$9,273,660	\$0	\$224,374	46.7
SB 19-212	10,000,000	10,000,000	0	0	0	0.0
SB 19-221	18,975,000	0	18,975,000	0	0	0.0
TOTAL	\$38,473,034	\$10,000,000	\$28,248,660	\$0	\$224,374	46.7
INCREASE/(DECREASE)	\$4,700,040	\$10,000,000	(\$5,328,684)	\$0	\$28,724	0.0
Percentage Change	13.9%	n/a	(15.9%)	n/a	14.7%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$129,143 total funds for the second-year impact of the FY 2018-19 salary survey.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$60,000 cash funds for technical adjustments to the Colorado Health Rivers Fund and an update to a line item title.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$59 cash funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$11,484	\$0	\$11,013	\$0	\$471	0.0
SB 18-218 CWCBC Projects Bill	(24,336,894)	0	(24,336,894)	0	0	0.0
TOTAL	(\$24,325,410)	\$0	(\$24,325,881)	\$0	\$471	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF WATER RESOURCES

This division, also called the Office of the State Engineer, is primarily responsible for administration of water resources. This includes daily oversight of water allocations within the state and downstream interstate compact compliance, monitoring of water supply through stream-flow measurements, and groundwater regulation. The Division administers and operates over 173,000 surface and ground water rights and is responsible for dam safety inspections and groundwater well construction regulation. The Water Resources Cash Fund, the Colorado Water Conservation Board Construction Fund, the Well Inspection Cash Fund, and the Satellite Monitoring System Cash Fund provide the bulk of cash fund revenue.

DIVISION OF WATER RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$23,254,651	\$21,254,522	\$1,766,979	\$0	\$233,150	254.0
SB 18-218	380,000	0	380,000	0	0	0.0
TOTAL	\$23,634,651	\$21,254,522	\$2,146,979	\$0	\$233,150	254.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$23,634,651	\$21,254,522	\$2,146,979	\$0	\$233,150	254.0
Annualize prior year budget actions	595,223	576,985	18,238	0	0	0.0
Indirect cost assessment	17,635	0	11,991	0	5,644	0.0
Technical adjustments	12,000	0	12,000	0	0	0.0
Centrally appropriated line items	240	240	0	0	0	0.0
Annualize prior year legislation	(327,558)	50,742	(378,300)	0	0	0.0
SB 19-207	\$23,932,191	\$21,882,489	\$1,810,908	\$0	\$238,794	254.0
SB 19-221	380,000	0	380,000	0	0	0.0
TOTAL	\$24,312,191	\$21,882,489	\$2,190,908	\$0	\$238,794	254.0
INCREASE/(DECREASE)	\$677,540	\$627,967	\$43,929	\$0	\$5,644	0.0
Percentage Change	2.9%	3.0%	2.0%	n/a	2.4%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$595,223 total funds, including \$576,985 General Fund, for the second-year impact of the FY 2018-19 salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessment.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$12,000 cash funds for technical adjustments for South Platte River alluvial aquifer monitoring.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$240 total funds for rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$52,442	\$50,742	\$1,700	\$0	\$0	0.0
SB 18-218 CWCB Projects Bill	(380,000)	0	(380,000)	0	0	0.0
TOTAL	(\$327,558)	\$50,742	(\$378,300)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-143 (PARKS AND WILDLIFE MEASURES TO INCREASE REVENUE): Increases fees for the Colorado Parks and Wildlife Division (CPW) for certain hunting and fishing licenses and park passes. In addition, the bill:

- Authorizes CPW to apply a consumer price index to hunting and fishing licenses;
- Creates a new annual resident youth fishing license;
- Authorizes CPW to create a license for young adult hunters and anglers;
- Requires CPW to prepare an annual report on the impact of the fee increases by March 1, 2022; and
- Requires CPW to require individuals entering state parks by means other than motor vehicles to purchase an entrance pass.

S.B. 18-170 (RESERVOIR RELEASES FOR FISH AND WILDLIFE MITIGATION): Establishes a water court process by which a storage water right owner may dedicate releases from new capacity in a reservoir to the CWCB in order to reasonably avoid, minimize, or mitigate impacts on fish and wildlife within a qualifying stream reach, if certain conditions are met.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-218 (CWCB CONSTRUCTION FUND PROJECTS): Appropriates \$24,716,894 cash funds from the CWCB Construction Fund in FY 2018-19 for various water-related projects. The bill also authorizes the following transfers:

- \$30,000,000 from the Loan Guarantee Fund to the Severance Tax Perpetual Base Fund;
- \$4,000,000 from the Severance Tax Perpetual Base Fund to the CWCB Construction Fund to support appropriations made in other sections of the bill;

- \$2,000,000 from the CWCB Construction Fund to the Water Supply Reserve Fund to support water basin roundtable approved projects;
- \$2,000,000 from the CWCB Construction Fund to replenish the continuously-appropriated Litigation Fund;
- \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Flood and Drought Response Fund; and
- \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Feasibility Study Small Grant Fund.

H.B. 18-1008 (MUSSEL-FREE COLORADO ACT): Creates new financing mechanisms for the Aquatic Nuisance Species (ANS) Program and increases cash fund revenue to the program beginning January 1, 2019, and thereafter from fees on boats. Combines the balances of two existing ANS cash funds.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1338 (MEASURES TO ADDRESS REDUCED REVENUE SEVERANCE TAX REVENUES): Makes a number of transfers to support programs historically funded with Tier 1 or Tier 2 severance tax revenue from the Severance Tax Operational Fund. General descriptions of each transfer are provided below. The fiscal impact of the bill is dependent upon revenue forecasts. The fiscal impact in this bill summary is based on the Governor's Office of Planning and Budgeting March Revenue Forecast, which estimated severance tax revenue in FY 2018-19 will total \$113.0 million. The bill contains the following provisions.

- Transfers a total of \$2,973,869 out of Tier 2 cash funds administered by the Department of Natural Resources back into the Severance Tax Operational Fund, effective upon enactment. This reverses or "claws back" the transfers made to the Department's Tier 2 programs in July 2017. These transfers were based on the June 2017 LCS Forecast which did not fully account for the state's outstanding refund liability associated with *BP America* Supreme Court of Colorado decision. The transfers would not have occurred without the favorable forecast and the revenue would have been allocated to Tier 1 agencies.
- Eliminates the statutory transfer of \$11.4 million required by S.B. 17-260 (Section 39-29-109.3 (1.7), C.R.S.). A transfer of this magnitude would guarantee the Operational Fund would go bankrupt at the end of FY 2017-18.
- Accounts for severance tax refunds attributable to the operational account by diverting income tax revenue to a reserve used to pay these refunds. Refunds count as a reduction in state revenue (thus not fiscal year spending).
- Transfers General Fund into the Operational Fund on July 1, 2018, in an amount equal to total Tier 1 appropriations in FY 2018-19 Long Bill.
- Transfers General Fund into the Operational Fund on January 1 and July 1, 2019, in an amount equal to total Tier 1 appropriations in FY 2019-20 to fulfill the Tier 1 reserve requirement. The transfer on July 1, 2019, is estimated to total \$14,214,854 but is dependent on funding decisions made for Tier 1 programs in the 2019 Long Bill. This estimated figure also serves as the maximum amount that may be transferred for this purpose.
- Transfers General Fund into specific cash funds continuously appropriated to Tier 2 severance tax programs:

TIER 2 PROGRAMS TARGETED WITH TRANSFERS	
TIER 2 PROGRAM	TRANSFER INCLUDED
Aquatic Nuisance Species	\$3,636,364
Species Conservation Trust Fund	3,000,000
Forestry and Wildfire Grants	2,272,727
Soil Conservation Districts Matching Grants	450,000
Forfeited Mine Site Reclamation	127,000
TOTAL TIER 2 TRANSFERS	\$9,486,091

- Diverts all severance tax revenue that would otherwise be distributed to the Operational Fund between February 1, 2018, and June 30, 2019, to the General Fund up to a cap of just under \$41.0 million. If revenue exceeds the cap during the period specified, the excess should be directed back to the Operational Fund. This

functions as a "repayment" mechanism to minimize the impact of the legislation on the General Fund. Some severance tax revenue will be realized but it is unclear how much or the timing of it.

- Includes authorizations for species conservation projects submitted by the Director of the Department of Natural Resources that are designed to conserve native species that have been listed as threatened or endangered under state or federal law, or are likely to become candidate species as determined by the United States Fish and Wildlife Service. The funds appropriated are available in FY 2018-19 and remain available for the designated purposes until they are fully expended.

2019 SESSION BILLS

S.B. 19-016 (SEVERANCE TAX OPERATIONAL FUND DISTRIBUTION METHODOLOGY): Changes the timing and budgeting of severance tax revenue to several grant programs administered by the Department of Natural Resources (DNR). Generally, the bill:

- consolidates three transfers made to grant programs based on a forecast to a single transfer made annually on August 15 after severance taxes have been collected;
- formally names programs in DNR funded with severance tax revenue as either Core Departmental Programs or Natural Resources and Energy Grant Programs;
- increases the statutory reserve for Energy Grant Programs from 15 percent to 100 percent of authorized distributions; and
- transfers any unspent revenue to the Severance Tax Perpetual Base Fund.

For additional information on the administration of severance tax, please see *Appendix H. Severance Tax Trust Fund Overview*.

S.B. 19-181 (PROTECT PUBLIC WELFARE OIL & GAS OPERATIONS): Modifies the composition and the regulatory charge of the Colorado Oil and Gas Conservation Commission (COGCC) in the Department of Natural Resources (DNR), expands the regulatory charge of the Colorado Department of Public Health and Environment (CDPHE), imposes new requirements on oil and gas operators, and provides additional regulatory authority over oil and gas operations to local governments. Requires the COGCC to promulgate rules that may result in future workload changes, which cannot be quantified with current data. Appropriates a total of \$851,010 total funds including:

- \$763,180 cash funds from the Oil and Gas Conservation and Environmental Response Fund to the Oil and Gas Conservation Commission in the Department of Natural Resources, which amount is based on the assumption it will need an additional 5.0 FTE;
- \$186,534 reappropriated funds from the previous appropriation to the Department of Law for the provision of legal services primarily for rulemaking guidance and is based on the assumption it will require 1.0 FTE; and
- \$87,830 cash funds from the Wildlife Cash Fund to the Colorado Parks and Wildlife, which is based on the assumption it will require 1.0 FTE

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-212 (APPROP GENERAL FUND IMPLEMENT STATE WATER PLAN): Appropriates \$8.3 million General Fund to the Colorado Water Conservation Board (CWCB) for FY 2019-20 to fund the Water Plan Implementation Grant Program. This appropriation comes with a three-year roll-forward spending authority provision to accommodate the Program's reimbursement schedules and project timelines. The bill also appropriates \$1.7 million General Fund to the CWCB for FY 2019-20 for stakeholder outreach and technical analysis to develop a water resources demand management program.

S.B. 19-221 (CWCB CONSTRUCTION FUND PROJECTS): Appropriates \$19,355,000 cash funds from the CWCB Construction Fund to the Department of Natural Resources for various water-related projects. Authorizes the CWCB to make a loan of up to \$15.2 million from the CWCB Construction Fund for the Walker Recharge Project. The bill also authorizes the following transfers:

- \$10,000,000 from the Severance Tax Perpetual Base Fund to the CWCB Construction Fund to support studies, programs, or projects that assist in implementing the Colorado Water Plan;
- \$2,500,000 from the CWCB Construction Fund to the Water Supply Reserve Fund to support water basin roundtable approved projects;
- up to \$2,000,000 from the CWCB Construction Fund to replenish the continuously-appropriated Litigation Fund;
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Flood and Drought Response Fund; and
- up to \$500,000 from the CWCB Construction Fund to replenish the continuously-appropriated Feasibility Study Small Grant Fund.

H.B. 19-1026 (PARKS & WILDLIFE VIOLATIONS OF LAW): Increases fines for violations of law in the Division of Parks and Wildlife and grants the Parks and Wildlife Commission the authority to allow exceptions to prohibitions on both the possession, import, export, and transport of an aquatic nuisance species and the transfer or sale of certain passes or registrations.

Details

DEPARTMENT OF PERSONNEL

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF PERSONNEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$205,401,435	\$14,074,381	\$14,336,747	\$176,990,307	\$0	425.6
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	24,666,041	7,245,207	3,144,322	14,276,512	0	37.3
Division of Human Resources	72,091,473	2,149,308	3,053,288	66,888,877	0	46.7
Constitutionally Independent Entities	567,323	567,323	0	0	0	4.8
Central Services	28,217,252	1,443,470	1,394,720	25,379,062	0	120.7
Division of Accounts and Control	19,914,469	2,669,073	5,961,094	11,284,302	0	97.3
Administrative Courts	4,176,778	0	109,633	4,067,145	0	44.7
Division of Capital Assets	55,768,099	0	673,690	55,094,409	0	74.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$206,417,946	\$14,062,748	\$14,016,747	\$178,338,451	\$0	425.4
HB 18-1224	19,917	0	0	19,917	0	0.2
HB 18-1339	11,633	11,633	0	0	0	0.0
SB 19-119	(1,048,061)	0	320,000	(1,368,061)	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$211,049,602	\$15,633,396	\$16,939,500	\$178,476,706	\$0	426.7
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	26,057,669	7,984,156	3,385,716	14,687,797	0	37.3
Division of Human Resources	69,714,300	2,110,808	3,181,425	64,422,067	0	46.7
Constitutionally Independent Entities	592,705	592,705	0	0	0	4.8
Central Services	32,184,219	1,474,057	1,368,861	29,341,301	0	121.8
Division of Accounts and Control	20,877,967	3,471,670	8,554,458	8,851,839	0	97.3
Administrative Courts	4,389,117	0	109,633	4,279,484	0	44.7
Division of Capital Assets	57,233,625	0	339,407	56,894,218	0	74.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$210,322,472	\$14,980,606	\$16,939,500	\$178,402,366	\$0	426.7
SB 19-135	650,000	650,000	0	0	0	0.0
SB 19-158	2,000	0	0	2,000	0	0.0
SB 19-186	1,000	0	0	1,000	0	0.0
SB 19-220	1,000	0	0	1,000	0	0.0
HB 19-1085	1,200	0	0	1,200	0	0.0
HB 19-1090	24,750	0	0	24,750	0	0.0
HB 19-1230	4,790	0	0	4,790	0	0.0
HB 19-1234	4,950	0	0	4,950	0	0.0
HB 19-1278	2,790	2,790	0	0	0	0.0
HB 19-1327	34,650	0	0	34,650	0	0.0
INCREASE/(DECREASE)	\$5,648,167	\$1,559,015	\$2,602,753	\$1,486,399	\$0	1.1
Percentage Change	2.7%	11.1%	18.2%	0.8%	n/a	0.3%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Personnel are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$58,964,373	\$0	\$1,972,469	\$56,991,904	\$0

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

This division provides centralized accounting, personnel, and budgeting services for the Department. It also includes the Colorado State Employees Assistance Program (C-SEAP) and the Office of the State Architect. The primary fund source is reappropriated funds, which originate as indirect cost recoveries from other divisions within the Department, as well as user fees from other state agencies.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$24,654,408	\$7,233,574	\$3,144,322	\$14,276,512	\$0	37.3
HB 18-1339	11,633	11,633	0	0	0	0.0
TOTAL	\$24,666,041	\$7,245,207	\$3,144,322	\$14,276,512	\$0	37.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$24,666,041	\$7,245,207	\$3,144,322	\$14,276,512	\$0	37.3
Centrally appropriated line items	2,155,062	1,444,620	219,505	490,937	0	0.0
Annualize prior year legislation	77,183	(6,308)	81,474	2,017	0	0.0
Fund source adjustments	0	(446,093)	0	446,093	0	0.0
Annualize prior year budget actions	(784,491)	(253,270)	(59,585)	(471,636)	0	0.0
Indirect cost assessment	(56,126)	0	0	(56,126)	0	0.0
SB 19-207	\$26,057,669	\$7,984,156	\$3,385,716	\$14,687,797	\$0	37.3
TOTAL	\$26,057,669	\$7,984,156	\$3,385,716	\$14,687,797	\$0	37.3
INCREASE/(DECREASE)						
Percentage Change	5.6%	10.2%	7.7%	2.9%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 13-276 Disability Investigational and Pilot Support Fund	\$82,000	\$0	\$82,000	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	428	(1,645)	56	2,017	0	0.0
HB 17-1144 Amend Capital Construction Automatic Funding	(5,245)	(4,663)	(582)	0	0	0.0
TOTAL	\$77,183	(\$6,308)	\$81,474	\$2,017	\$0	0.0

FUND SOURCE ADJUSTMENT: The appropriation includes an increase in reappropriated funds offset by a decrease in General Fund.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 OIT Operating system and Office productivity suite	\$3,303	\$882	\$314	\$2,107	\$0	0.0
FY 2018-19 Salary survey	(762,794)	(229,152)	(59,899)	(473,743)	0	0.0
FY 2018-19 Governor transition funding	(25,000)	(25,000)	0	0	0	0.0
TOTAL	(\$784,491)	(\$253,270)	(\$59,585)	(\$471,636)	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the Colorado State Employees Assistance Program's indirect cost assessment.

DIVISION OF HUMAN RESOURCES

This division administers the State's classified personnel system, administers the employee benefits programs, manages statewide systems for payroll and employee databases, and operates the statewide risk management program, including the provision of liability, property, and workers' compensation insurance.

DIVISION OF HUMAN RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$72,091,473	\$2,149,308	\$3,053,288	\$66,888,877	\$0	46.7
TOTAL	\$72,091,473	\$2,149,308	\$3,053,288	\$66,888,877	\$0	46.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$72,091,473	\$2,149,308	\$3,053,288	\$66,888,877	\$0	46.7
Tobacco MSA revenue adjustment	123,768	0	123,768	0	0	0.0
Annualize prior year legislation	9,959	5,119	2,776	2,064	0	0.0
Annualize prior year budget actions	7,366	(38,256)	23,814	21,808	0	0.0
Fund source adjustments	0	(5,363)	0	5,363	0	0.0
Risk management adjustments	(2,511,955)	0	0	(2,511,955)	0	0.0
Indirect cost assessment	(6,311)	0	(22,221)	15,910	0	0.0
SB 19-207	\$69,714,300	\$2,110,808	\$3,181,425	\$64,422,067	\$0	46.7
TOTAL	\$69,714,300	\$2,110,808	\$3,181,425	\$64,422,067	\$0	46.7
INCREASE/(DECREASE)	(\$2,377,173)	(\$38,500)	\$128,137	(\$2,466,810)	\$0	0.0
Percentage Change	(3.3%)	(1.8%)	4.2%	(3.7%)	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The appropriation includes an increase based on the Legislative Council FY 2019-20 Tobacco Master Settlement revenue projection.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of S.B. 19-200 (PERA).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2013-14 Total comp & employee engagement survey	\$215,000	\$215,000	\$0	\$0	\$0	0.0
FY 2018-19 Salary survey	92,366	46,744	23,814	21,808	0	0.0
FY 2014-15 Total comp & employee engagement survey	(300,000)	(300,000)	0	0	0	0.0
TOTAL	\$7,366	(\$38,256)	\$23,814	\$21,808	\$0	0.0

FUND SOURCE ADJUSTMENT: The appropriation includes an increase in reappropriated funds offset by a decrease in General Fund.

RISK MANAGEMENT ADJUSTMENTS: The appropriation includes a decrease of \$2,511,955 reappropriated funds for adjustments to the risk management program to align with recommendations from the state-contracted actuary.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in indirect cost assessments in this division.

CONSTITUTIONALLY INDEPENDENT ENTITIES

This division houses the State Personnel Board, which has the authority to adopt a uniform grievance procedure to be used by all state agencies for classified employees in the state personnel system. The Board adjudicates employment disputes within the state classified system and is responsible for promulgating rules to ensure that state employment is based on merit.

CONSTITUTIONALLY INDEPENDENT ENTITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$567,323	\$567,323	\$0	\$0	\$0	4.8
TOTAL	\$567,323	\$567,323	\$0	\$0	\$0	4.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$567,323	\$567,323	\$0	\$0	\$0	4.8
Annualize prior year budget actions	15,069	15,069	0	0	0	0.0
Centrally appropriated line items	9,079	9,079	0	0	0	0.0
Annualize prior year legislation	1,234	1,234	0	0	0	0.0
SB 19-207	\$592,705	\$592,705	\$0	\$0	\$0	4.8
TOTAL	\$592,705	\$592,705	\$0	\$0	\$0	4.8
INCREASE/(DECREASE)	\$25,382	\$25,382	\$0	\$0	\$0	0.0
Percentage Change	4.5%	4.5%	n/a	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions for salary survey.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$9,079 General Fund to fund the rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact of S.B. 19-200 (PERA).

CENTRAL SERVICES

This division is responsible for providing statewide support services such as print, document management, and mail services and the Office of State Archives. Central Services is almost entirely funded by reappropriated funds consisting of user fees from state agencies or other public entities. General Fund and cash funds from offender surcharges and grants provide funding for the Address Confidentiality Program within Integrated Document Solutions.

CENTRAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$28,217,252	\$1,443,470	\$1,394,720	\$25,379,062	\$0	120.7
TOTAL	\$28,217,252	\$1,443,470	\$1,394,720	\$25,379,062	\$0	120.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$28,217,252	\$1,443,470	\$1,394,720	\$25,379,062	\$0	120.7
Printing and mailing for counties participating in DRIVES	2,549,319	0	0	2,549,319	0	0.0
Annualize prior year budget actions	1,447,846	20,412	(26,000)	1,453,434	0	1.1
Integrated Document Solutions increased input costs	40,910	4,960	0	35,950	0	0.0
Annualize prior year legislation	17,842	2,425	141	15,276	0	0.0
Fund source adjustments	0	0	0	0	0	0.0
Indirect cost assessment	(92,940)	0	0	(92,940)	0	0.0
SB 19-207	\$32,180,229	\$1,471,267	\$1,368,861	\$29,340,101	\$0	121.8
HB 19-1085	1,200	0	0	1,200	0	0.0
HB 19-1278	2,790	2,790	0	0	0	0.0
TOTAL	\$32,184,219	\$1,474,057	\$1,368,861	\$29,341,301	\$0	121.8
INCREASE/(DECREASE)	\$3,966,967	\$30,587	(\$25,859)	\$3,962,239	\$0	1.1
Percentage Change	14.1%	2.1%	(1.9%)	15.6%	n/a	0.9%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

PRINTING AND MAILING FOR COUNTIES PARTICIPATING IN DRIVES: The bill includes an increase of \$2,549,319 reappropriated funds, for the Department of Personnel to provide centralized printing and mailing for vehicle registration notices and related required postage costs for counties. Centralization eliminates many redundant tasks manually carried out by county staff.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 DOR tax pipeline resources	\$1,306,463	\$0	\$0	\$1,306,463	\$0	0.0
FY 2018-19 Salary survey	170,466	23,495	0	146,971	0	0.0
FY 2018-19 Archives electronic records	60,350	60,350	0	0	0	0.0
FY 2018-19 Address Confidentiality Program resources	(89,433)	(63,433)	(26,000)	0	0	1.1
TOTAL	\$1,447,846	\$20,412	(\$26,000)	\$1,453,434	\$0	1.1

INTEGRATED DOCUMENT SOLUTIONS INCREASED INPUT COSTS: The appropriation includes an increase of \$40,910 total funds, including \$4,960 General Fund and \$35,950 reappropriated funds to account for increased costs for postage rates and raw materials.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact prior year legislation, including:

- An increase of \$16,486 total funds including \$2,425 General Fund, \$141 cash funds, and \$13,920 reappropriated funds for S.B. 19-200 (PERA); and
- An increase of \$1,356 reappropriated funds for H.B. 18-1267 (Tax Credit for Home Retrofit).

FUND SOURCE ADJUSTMENT: The appropriation includes an increase in cash fund appropriations to the operating line item offset by a decrease in the personal services line item for Colorado State Archives.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF ACCOUNTS AND CONTROL

This division includes the Office of the State Controller as part of the Financial Operations and Reporting budget group, which manages statewide fiscal rules, conducts statewide financial reporting, provides policy and procedural guidance, and develops the statewide indirect cost allocation plan. CORE Operations oversees the state's accounting system, the Colorado Operations Resource Engine (CORE). Procurement and Contracts administers a statewide procurement program and meets the product and service needs of state agencies by negotiating contracts for goods and services. Central Collections Services provides for the collection of debts due to the state. This division is funded with rebates received from the Procurement Card Program, statewide indirect cost recoveries, cash funds from the Supplier Database Cash Fund, user fees from state agencies for CORE Operations, collection fees assessed to individuals making payments in the collections process, and General Fund.

DIVISION OF ACCOUNTS AND CONTROL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$19,914,469	\$2,669,073	\$5,961,094	\$11,284,302	\$0	97.3
TOTAL	\$19,914,469	\$2,669,073	\$5,961,094	\$11,284,302	\$0	97.3
FY 2019-20 APPROPRIATION:						

DIVISION OF ACCOUNTS AND CONTROL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Appropriation	\$19,914,469	\$2,669,073	\$5,961,094	\$11,284,302	\$0	97.3
Annualize prior year budget actions	229,340	143,844	34,091	51,405	0	0.0
Fund source adjustments	45,177	(2,994)	40,171	8,000	0	0.0
Indirect cost assessment	43,576	0	0	43,576	0	0.0
Annualize prior year legislation	20,157	11,747	3,212	5,198	0	0.0
CORE operations adjustments	(24,752)	0	2,515,890	(2,540,642)	0	0.0
SB 19-207	\$20,227,967	\$2,821,670	\$8,554,458	\$8,851,839	\$0	97.3
SB 19-135	650,000	650,000	0	0	0	0.0
TOTAL	\$20,877,967	\$3,471,670	\$8,554,458	\$8,851,839	\$0	97.3
INCREASE/(DECREASE)	\$963,498	\$802,597	\$2,593,364	(\$2,432,463)	\$0	0.0
Percentage Change	4.8%	30.1%	43.5%	(21.6%)	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions for salary survey.

FUND SOURCE ADJUSTMENT: The appropriation includes a decrease in General Fund offset by an increase in cash funds. This includes an increase in the amount of total department indirect cost recoveries applied to offset the need for General Fund, which necessitates an increase in the cash funds appropriation.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CORE OPERATIONS ADJUSTMENTS: The bill eliminates \$24,752 total funds, including refinancing \$2,540,642 reappropriated funds with cash funds due to the increased availability of cash funds from the Supplier Database Cash Fund for CORE Operations from the prior fiscal year.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

ADMINISTRATIVE COURTS

This division provides an independent administrative law adjudication system for state agencies in order to resolve cases related to workers' compensation, human resources, and regulatory law. It offers a full range of alternative dispute resolution options, including evidentiary hearings, settlement conferences, and mediation. Approximately one-half of all hearings are related to workers' compensation cases. The division is primarily funded with reappropriated funds transferred from user agencies, and it receives a small amount of cash funds that originate as user fees from non-state agencies.

ADMINISTRATIVE COURTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,156,861	\$0	\$109,633	\$4,047,228	\$0	44.5
HB 18-1224	19,917	0	0	19,917	0	0.2
TOTAL	\$4,176,778	\$0	\$109,633	\$4,067,145	\$0	44.7

ADMINISTRATIVE COURTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,176,778	\$0	\$109,633	\$4,067,145	\$0	44.7
Annualize prior year budget actions	111,254	0	0	111,254	0	0.0
Indirect cost assessment	91,219	0	0	91,219	0	0.0
Annualize prior year legislation	9,866	0	0	9,866	0	0.0
SB 19-207	\$4,389,117	\$0	\$109,633	\$4,279,484	\$0	44.7
TOTAL	\$4,389,117	\$0	\$109,633	\$4,279,484	\$0	44.7
INCREASE/(DECREASE)	\$212,339	\$0	\$0	\$212,339	\$0	0.0
Percentage Change	5.1%	n/a	0.0%	5.2%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions for salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in indirect cost assessments in this division.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation, S.B. 18-200 (Eliminate Unfunded PERA Liability).

DIVISION OF CAPITAL ASSETS

This division is responsible for providing statewide support services such as fleet management and operation and maintenance of buildings in the capitol complex and other state-owned facilities. The Division of Capital Assets is almost entirely funded by reappropriated funds consisting of user fees from state agencies or cash funds that originated as user fees.

DIVISION OF CAPITAL ASSETS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$56,816,160	\$0	\$353,690	\$56,462,470	\$0	74.1
SB 19-119	(1,048,061)	0	320,000	(1,368,061)	0	0.0
TOTAL	\$55,768,099	\$0	\$673,690	\$55,094,409	\$0	74.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$55,768,099	\$0	\$673,690	\$55,094,409	\$0	74.1
Annualize prior year legislation	1,058,666	0	(320,000)	1,378,666	0	0.0
Fleet management adjustments	353,593	0	0	353,593	0	0.0
Annualize prior year budget actions	142,305	0	0	142,305	0	0.0
Fleet information management system ongoing costs	130,000	0	0	130,000	0	0.0
Capitol Complex adjustments	(147,807)	0	(14,283)	(133,524)	0	0.0
Indirect cost assessment	(144,371)	0	0	(144,371)	0	0.0
SB 19-207	\$57,160,485	\$0	\$339,407	\$56,821,078	\$0	74.1
SB 19-158	2,000	0	0	2,000	0	0.0
SB 19-186	1,000	0	0	1,000	0	0.0
SB 19-220	1,000	0	0	1,000	0	0.0
HB 19-1090	24,750	0	0	24,750	0	0.0
HB 19-1230	4,790	0	0	4,790	0	0.0

DIVISION OF CAPITAL ASSETS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1234	4,950	0	0	4,950	0	0.0
HB 19-1327	34,650	0	0	34,650	0	0.0
TOTAL	\$57,233,625	\$0	\$339,407	\$56,894,218	\$0	74.1
INCREASE/(DECREASE)	\$1,465,526	\$0	(\$334,283)	\$1,799,809	\$0	0.0
Percentage Change	2.6%	n/a	(49.6%)	3.3%	n/a	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-119 modifies the FY 2018-19 appropriation as follows:

- Increases the spending authority by \$320,000 cash funds from the Department of Personnel Revolving Fund for replacement of hardware components of the Capitol Complex security systems. The funding provided by this bill, as amended by S.B. 19-207 (Long Bill), grants the Department spending authority for the funds through June 30, 2020.
- Reduces by \$1.4 million reappropriated funds the spending authority for the lease or purchase of vehicles on behalf of state agencies. This annual true-up reflects the difference between the projection at the beginning of the annual fleet cycle, about 18 months prior to purchase, and the one 6 months prior to purchase.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impact prior year legislation, including:

- An increase of \$10,605 reappropriated funds for S.B. 19-200 (PERA); and
- A net increase of \$1,048,061 total funds for S.B. 19-119 (Supplemental Bill).

FLEET MANAGEMENT ADJUSTMENTS: The appropriation adds \$353,593 reappropriated funds for vehicle lease-purchase payments in the Fleet Management Program for approved replacement vehicles and new vehicles.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions for salary survey.

FLEET INFORMATION MANAGEMENT SYSTEM ONGOING COSTS: The appropriation includes an increase of \$130,000 reappropriated funds to fund the operating component of a new fleet information management system.

CAPITOL COMPLEX ADJUSTMENTS: The appropriation includes a decrease of \$147,807 total funds for Capitol Complex maintenance operations.

INDIRECT COST ASSESSMENT: The appropriation includes a decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Modifies the hybrid defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating the unfunded actuarial accrued liability of each of PERA's divisions within 30 years. Creates ongoing state revenue reductions; ongoing state and local expenditure increases; and ongoing PERA revenue increases. Changes to the defined benefit plan include the following items related to employee compensation:

- *INCREASE IN MEMBER CONTRIBUTIONS:* On July 1, 2019, and on July 1, 2020, the monthly member contribution to PERA will increase by 0.75 percent of salary. On July 1, 2021, the monthly member contribution to PERA will increase by 0.5 percent of salary. When all increases are fully implemented, the total contribution will be 10.0 percent of salary each month for PERA members who are not state troopers and 12.0 percent each month for PERA members who are state troopers.
- *INCREASE IN EMPLOYER CONTRIBUTIONS:* On July 1, 2019, the monthly employer contribution to PERA on behalf of members will increase by 0.25 percent of salary; except that the increase does not apply to employers in the Local Government Division. The total increased contribution will be equal to 10.4 percent of salary each month for most PERA employers, 13.1 percent each month for PERA employers who employ state troopers, and 13.91 percent for PERA employers in the Judicial Division.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Treasury.

H.B. 18-1224 (LICENSEE DISCIPLINE MEDIATION): Adds a mediation component to the process related to professional disciplinary actions. Under the bill, during an agency proceeding that concerns an individual who is licensed to practice a profession or occupation either the licensee or agency may request mediation after the licensee has received the notice of hearing, to be ordered by the hearing officer or administrative law judge involved in the proceeding. Appropriates \$19,917 reappropriated funds and 0.2 FTE to the Department of Personnel in FY 2018-19.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations to multiple departments for associated costs, including \$11,633 General Fund to the Department of Personnel. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

2019 SESSION BILLS

S.B. 19-135 (STATE PROCUREMENT DISPARITY STUDY): Requires the Department of Personnel to commission an independent study of the state procurement process to determine whether disparities exist between the participation of historically underutilized businesses, defined as those owned and controlled by members of an ethnic or racial minority; the lesbian, gay, bisexual, and transgender community; disabled persons; or women.

Requires the study be completed by December 1, 2020, and the department must include the findings of the study and any additional recommendations in the department's State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act hearing. Authorizes in statute appropriations made in one fiscal year to be expended until the end of the following fiscal year. For FY 2019-20, appropriates \$650,000 General Fund to the Department of Personnel.

S.B. 19-158 (SUNSET PET AND ANIMAL CARE & FACILITIES ACT): Continues the Pet and Animal Care & Facilities Act program until September 1, 2026, which regulates pet animal breeders, groomers, trainers, boarders, shelters, rescues, and sellers. Defines animals to include dogs, cats, rabbits, guinea pigs, hamsters, mice, rats, gerbils, ferrets, birds, fish, reptiles, amphibians, and invertebrates. Directs the Agriculture Commissioner to promulgate rules pertaining to minimum standards of physical facility, sanitation, ventilation, temperature, humidity, spatial and enclosure requirements, nutrition, humane care, and medical treatment. The Division of Animal Industry in the CDA conducts four types of inspections: pre-license, routine, complaint-based, and follow up. When violations are noted during an inspection, licensees are expected to correct them. If a licensee commits enough violations, disciplinary action can be taken. For FY 2019-20, provides \$2,000 reappropriated funds from the Department of Agriculture to the Department of Personnel for vehicle lease payments.

S.B. 19-186 (EXPAND AG CHEMICAL MANAGEMENT PROGRAM AND PROTECT SURFACE WATERS): Changes the term *groundwater* to *state waters* in statute, which expands the authority for the Agriculture Commissioner to regulate actions that prevent or remedy introduction of agricultural chemicals from subsurface water only to include both surface water and groundwater. For FY 2019-20, provides \$1,000 reappropriated funds from the Department of Agriculture to the Department of Personnel for vehicle lease payments.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-220 (HEMP REGULATION ALIGNMENT WITH 2018 FEDERAL FARM BILL): Authorizes the Agriculture Commissioner to draft and submit a hemp management plan in accordance with requirements set forth by the Secretary of the United States Department of Agriculture (USDA) pursuant to the Agricultural Improvement Act of 2018, also known as the 2018 Federal Farm Bill. The commissioner may consult with stakeholders in developing the plan. Modifies the definition of industrial hemp or hemp to conform to the federal definition, which prevents hemp from containing no more than 0.3 percent of the psychoactive content from Delta-9 Tetrahydrocannabinol (THC). For FY 2019-20, provides \$1,000 reappropriated funds from the Department of Agriculture to the Department of Personnel for vehicle lease payments.

H.B. 19-1085 (GRANTS FOR PROPERTY TAX RENT AND HEAT): Under current law, Colorado residents over the age of 65 are eligible for a property tax and rent assistance rebate grant and a heat and fuel expenses rebate grant, if they meet certain conditions. Increases the minimum and maximum rebate amounts and eligible income requirements and removes the requirement that the payment of rent only qualifies for a rent rebate if the rent is paid to a landlord that pays property taxes; under current law, the income amounts are adjusted annually for inflation. Adjusts the rebate amount and income levels for inflation starting in 2020. For FY 2019-20, provides \$1,200 reappropriated funds from the Department of Revenue to the Department of Personnel for document management services.

H.B. 19-1090 (PUBLICLY LICENSED MARIJUANA COMPANIES): Modifies the statutory ownership and investment definitions for medical and retail marijuana licensees, removes the limit of 15 out-of-state owners, changes the ownership residency requirement, and allows a publicly traded corporation to invest in a marijuana business or become a marijuana business. Repeals the definition of direct beneficial interest owner, indirect beneficial interest owner, and permitted economic interest; creates new ownership types; and changes disclosure and background requirements, including exemptions for passive beneficial owners and indirect financial interest holders. For FY 2019-20, provides \$24,750 reappropriated funds from the Department of Revenue for fleet vehicles. For more information, see the bill description at the end of Part III for the Department of Revenue.

H.B. 19-1230 (MARIJUANA HOSPITALITY ESTABLISHMENTS): Beginning January 1, 2020, allows for the operation of marijuana hospitality establishments and retail marijuana hospitality and sales establishments, as approved by a local government. Sets provisions for hospitality establishments, including definitions, licensing, rules, and exceptions to currently illegal acts. Beginning January 1, 2020, the MED may issue licenses for marijuana hospitality establishments and hospitality and sales establishments, conditional upon local government approval. Current law prohibits the public consumption and possession of small amounts of retail or medical marijuana, or evidence of marijuana consumption, on premises licensed by the MED. Creates an exception for display, consumption, and possession at a licensed marijuana hospitality or hospitality and sales establishment. Creates an exception to the Clean Indoor Air Act for marijuana smoking that occurs in the hospitality space within a licensed hospitality or hospitality and sales establishment, if authorized by a local government ordinance, license, or regulation. For FY 2019-20, provides \$4,790 reappropriated funds from the Department of Revenue for fleet vehicles. For more information, see the bill description at the end of Part III for the Department of Revenue.

H.B. 19-1234 (REGULATED MARIJUANA DELIVERY): Creates a marijuana delivery permit to allow licensed medical marijuana centers, licensed retail marijuana stores, and medical and retail marijuana transporters to deliver marijuana and marijuana products to customers. The MED in DOR has rulemaking authority over the permit and delivery system. For FY 2019-20, provides \$4,950 reappropriated funds from the Department of Revenue for fleet vehicles. For more information, see the bill description at the end of Part III for the Department of Revenue.

H.B. 19-1278 (MODIFICATIONS TO UNIFORM ELECTION CODE): Makes several changes to the "Uniform Election Code of 1992," including changes to voter registration procedures, party filing requirements, procedures for curing ballots, provisional ballots, and other technical changes. Allows preregistered 17 year olds to participate in primary elections and caucuses if they will be 18 by the date of the next general election and requires counties to locate some voter services and polling centers on higher education campuses. For FY 2019-20, provides \$2,790 reappropriated funds from the Department of State to the Department of Personnel to pay for costs expected to be incurred by the Address Confidentiality Program for changes to forms and documents.

H.B. 19-1327 (AUTHORIZE AND TAX SPORTS BETTING REFER UNDER TABOR): Conditional upon voter approval, decriminalizes sports betting and places it under the authority of the Division of Gaming in DOR and the Colorado Limited Gaming Control Commission (Commission). Both in-person and online bets must be placed in Colorado and are limited to people 21 years of age or older. For FY 2019-20, provides \$34,650 reappropriated funds from the Department of Revenue for fleet vehicles. For more information, see the bill description at the end of Part III for the Department of Revenue.

Details

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$591,246,445	\$52,128,667	\$192,656,016	\$47,439,428	\$299,022,334	1,346.1
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration and Support	76,953,961	14,415,853	12,832,575	38,281,851	11,423,682	91.1
Center for Health and Environmental Information	16,446,393	1,952,822	9,159,988	5,887	5,327,696	94.4
Laboratory Services	15,063,785	1,274,014	9,514,315	827,672	3,447,784	84.0
Air Pollution Control Division	25,315,241	0	20,616,670	0	4,698,571	181.8
Water Quality Control Division	27,359,011	4,785,725	8,465,409	39,673	14,068,204	180.9
Hazardous Materials and Waste Management Division	25,476,734	0	17,354,752	290,211	7,831,771	116.2
Division of Environmental Health and Sustainability	11,174,470	1,655,930	7,965,059	111,730	1,441,751	45.3
Disease Control and Environmental Epidemiology Division	101,976,277	6,783,139	13,876,917	0	81,316,221	144.9
Prevention Services Division	241,745,845	17,833,399	74,171,371	1,300,755	148,440,320	199.6
Health Facilities and Emergency Medical Services Division	33,477,587	1,838,586	18,698,960	6,581,649	6,358,392	172.8
Office of Emergency Preparedness and Response	16,257,141	1,589,199	0	0	14,667,942	35.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$584,378,174	\$50,659,444	\$187,607,491	\$47,088,905	\$299,022,334	1,341.3
SB 18-024	2,500,000	0	2,500,000	0	0	2.0
SB 18-033	14,323	0	14,323	0	0	0.0
SB 18-038	40,602	40,602	0	0	0	0.4
SB 18-146	34,725	0	34,725	0	0	0.5
SB 18-272	400,000	400,000	0	0	0	0.3
HB 18-1003	775,000	0	775,000	0	0	0.0
HB 18-1006	89,222	0	89,222	0	0	1.0
HB 18-1069	25,054	25,054	0	0	0	0.2
HB 18-1093	14,399	14,399	0	0	0	0.1
HB 18-1400	1,555,752	0	1,555,752	0	0	0.0
HB 18-1409	880,570	880,570	0	0	0	0.0
SB 19-120	538,624	108,598	79,503	350,523	0	0.3
FY 2019-20 TOTAL APPROPRIATION:	\$616,137,812	\$59,177,207	\$204,690,749	\$49,291,017	\$302,978,839	1,382.3
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration and Support	85,213,533	15,734,756	16,900,775	38,637,659	13,940,343	91.8
Center for Health and Environmental Information	14,945,475	2,636,793	6,811,935	5,887	5,490,860	99.6
Laboratory Services	16,440,215	1,421,062	10,886,762	367,055	3,765,336	87.3
Air Pollution Control Division	26,450,333	617,730	20,970,868	0	4,861,735	188.7
Water Quality Control Division	28,064,887	5,071,052	8,608,458	61,548	14,323,829	182.2
Hazardous Materials and Waste Management Division	29,719,334	0	21,010,663	292,960	8,415,711	116.2
Division of Environmental Health and Sustainability	11,291,571	1,724,569	8,013,521	111,730	1,441,751	45.7
Disease Control and Environmental Epidemiology Division	105,310,408	6,816,247	17,177,940	0	81,316,221	144.9

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND ^{1,2}	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Prevention Services Division	247,888,775	21,550,759	74,796,941	3,100,755	148,440,320	208.5
Health Facilities and Emergency Medical Services Division	34,556,140	2,015,040	19,512,886	6,713,423	6,314,791	182.3
Office of Emergency Preparedness and Response	16,257,141	1,589,199	0	0	14,667,942	35.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$599,298,241	\$54,757,339	\$194,092,921	\$47,469,142	\$302,978,839	1,361.6
SB 19-008	3,600,000	0	1,800,000	1,800,000	0	1.8
SB 19-065	57,242	0	57,242	0	0	0.8
SB 19-073	993,147	993,147	0	0	0	0.5
SB 19-096	265,589	265,589	0	0	0	3.1
SB 19-186	21,875	0	0	21,875	0	0.2
SB 19-188	17,004	17,004	0	0	0	0.1
SB 19-198	3,262,500	0	3,262,500	0	0	0.0
SB 19-218	114,007	0	114,007	0	0	0.2
SB 19-227	659,472	434,472	225,000	0	0	2.2
SB 19-228	2,000,000	0	2,000,000	0	0	0.9
SB 19-236	163,820	163,820	0	0	0	1.8
HB 19-1010	43,248	0	43,248	0	0	0.5
HB 19-1031	95,831	0	95,831	0	0	0.0
HB 19-1032	1,000,000	1,000,000	0	0	0	1.5
HB 19-1064	300,000	300,000	0	0	0	0.0
HB 19-1122	145,167	145,167	0	0	0	1.6
HB 19-1133	632,717	632,717	0	0	0	0.6
HB 19-1160	30,730	30,730	0	0	0	0.5
HB 19-1174	33,884	33,884	0	0	0	0.4
HB 19-1183	15,000	15,000	0	0	0	0.0
HB 19-1203	3,000,000	0	3,000,000	0	0	0.8
HB 19-1237	51,472	51,472	0	0	0	0.5
HB 19-1261	281,588	281,588	0	0	0	2.0
HB 19-1279	55,278	55,278	0	0	0	0.7
INCREASE/(DECREASE)	\$24,891,367	\$7,048,540	\$12,034,733	\$1,851,589	\$3,956,505	36.2
Percentage Change	4.2%	13.5%	6.2%	3.9%	1.3%	2.7%

¹ Includes General Fund Exempt.

² Includes \$429,909 in FY 2018-19 and \$407,703 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

GENERAL FUND EXEMPT: Amounts in the General Fund column include appropriations that are classified as General Fund Exempt. The General Fund Exempt amount for the Department of Public Health and Environment is from revenue received and appropriated pursuant to Amendment 35 to the State Constitution. Amendment 35, which was approved by voters in November 2004, imposed new cigarette and tobacco taxes through the addition of Section 21 in Article X of the State Constitution. The new tobacco tax revenues authorized by Amendment 35 are exempt from the TABOR state fiscal year spending limit and General Fund appropriations from these revenues are exempt from the statutory restriction on General Fund appropriations. Amendment 35 requires that a portion of the new tobacco tax revenues be appropriated to the General Fund and made available to this department for immunization services provided by local public health agencies. The table below reflects General Fund Exempt appropriations to the Department for FY 2018-19 and FY 2019-20. For additional information on General Fund Exempt appropriations, see Appendix D.

GENERAL FUND SUMMARY	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$52,128,667	\$51,698,758	\$429,909
FY 2019-20	\$59,177,207	\$58,769,504	\$407,703

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Public Health and Environment are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$297,073,539	\$0	\$600,000	\$0	\$296,473,539

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

ADMINISTRATION AND SUPPORT

This division is comprised of three subdivisions: Administration, Office of Health Equity, and Office of Planning and Partnerships.

(A) ADMINISTRATION

This subdivision provides department-wide administrative services including: accounting, budgeting, human resources, and purchasing. The appropriations for this subdivision include funds for the provision of department-wide services, and centrally appropriated personnel line items like salary survey and health, life, and dental. Funding for this subdivision is primarily from reappropriated funds from departmental indirect cost recoveries with a small amount from Medicaid reappropriated funds. This subdivision also receives appropriations from the General Fund, cash funds, including the AIR subaccount of the Highway Users Tax Fund, and federal funds.

(B) OFFICE OF HEALTH EQUITY

This subdivision provides grants for health initiatives aimed at reducing and eliminating disparities in the provision of health services across the state. Funding for this subdivision is primarily Amendment 35 tobacco tax revenue that is transferred into the Health Disparities Grant Fund and a small amount of General Fund for the Necessary Document Assistance Program.

(C) OFFICE OF PLANNING AND PARTNERSHIPS

This subdivision oversees the distribution of state funds to local public health agencies. Funding for this subdivision is a combination of General Fund, Marijuana Tax Cash Funds, and federal funds.

ADMINISTRATION AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$76,753,910	\$14,415,853	\$12,632,524	\$38,281,851	\$11,423,682	91.1
HB 18-1400	200,051	0	200,051	0	0	0.0
TOTAL	\$76,953,961	\$14,415,853	\$12,832,575	\$38,281,851	\$11,423,682	91.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$76,953,961	\$14,415,853	\$12,832,575	\$38,281,851	\$11,423,682	91.1
Centrally appropriated line items	4,459,762	963,659	1,757,806	93,401	1,644,896	0.0
Other technical adjustments	871,765	0	0	0	871,765	0.0
Tobacco adjustments	456,139	0	712,013	(255,874)	0	0.0
Annualize prior year budget actions	328,166	110,123	16,130	201,913	0	0.0
Indirect cost assessment	206,920	0	0	206,920	0	0.0
Provider rate increase	93,714	68,329	18,103	7,282	0	0.0
Tableau for data transparency	85,000	0	0	85,000	0	0.0
Tribal liaison	60,735	60,735	0	0	0	0.5
Annualize prior year legislation	27,551	10,385	0	17,166	0	0.0
SB 19-207	\$83,543,713	\$15,629,084	\$15,336,627	\$38,637,659	\$13,940,343	91.6
SB 19-228	1,564,148	0	1,564,148	0	0	0.0
HB 19-1032	12,405	12,405	0	0	0	0.2

ADMINISTRATION AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1261	93,267	93,267	0	0	0	0.0
TOTAL	\$85,213,533	\$15,734,756	\$16,900,775	\$38,637,659	\$13,940,343	91.8
INCREASE/(DECREASE)	\$8,259,572	\$1,318,903	\$4,068,200	\$355,808	\$2,516,661	0.7
Percentage Change	10.7%	9.1%	31.7%	0.9%	22.0%	0.8%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

OTHER TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$871,765 federal funds to update expected federal funding amounts.

TOBACCO ADJUSTMENTS: The appropriation includes a net increase of \$456,139 for adjustments related to Tobacco Master Settlement Agreement and Amendment 35 allocations.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$356,036	\$110,123	\$0	\$245,913	\$0	0.0
Lease escalator	66,130	0	16,130	50,000	0	0.0
Sharepoint upgrade	(94,000)	0	0	(94,000)	0	0.0
TOTAL	\$328,166	\$110,123	\$16,130	\$201,913	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes an increase in the division's indirect cost assessment.

PROVIDER RATE INCREASE: The appropriation includes an increase of \$93,714 total funds, including \$68,329 General Fund, for a 1.0 percent provider rate increase for Local Public Health Agencies.

TABLEAU FOR DATA TRANSPARENCY: The appropriation includes \$85,000 reappropriated funds to support annual server license fees for Tableau, a data visualization software, as well as training to support staff in utilizing the software. The appropriation shifts the existing \$70,000 licensing fees currently paid via direct division payments to reappropriated funds, and includes new funding for Department-wide training.

TRIBAL LIAISON: The appropriation includes \$60,735 General Fund and 0.5 FTE for a tribal liaison. The liaison will work with the two federally recognized American Indian tribes in Southwest Colorado, as well as urban tribal members from a variety of tribes. The position will work to strengthen relationships with tribal members and connect them with services and supports available through Department programs.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$27,551 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION

This division is comprised of four subdivisions including: Administration, Health Statistics and Vital Records, Medical Marijuana Registry, and Health Data Programs and Information.

(A) ADMINISTRATION

This subdivision provides division-wide services to the three programs within this division. Funding for this subdivision is from General Fund, cash funds from the Vital Statistics Records Cash Funds, and departmental indirect cost recoveries.

(B) HEALTH STATISTICS AND VITAL RECORDS

This subdivision is responsible for the maintenance of Colorado birth, death, marriage, divorce, and other vital records-related certificates. In Colorado in 2018 there were 63,463 recorded births, 43,205 recorded marriages, and 39,146 recorded deaths. The subdivision administers the Voluntary Adoption Registry, which facilitates voluntary contact between Colorado-born adoptees 18 years of age and older and their birth parents. Staff provide training on vital records rules, regulations and statutes to individuals and local public health agencies. Data users include the Center for Disease Control, local public health agencies, and epidemiologists. This subdivision is primarily funded with cash funds from the Vital Statistic Records Cash Fund and federal funds.

(C) MEDICAL MARIJUANA REGISTRY

This subdivision serves as the state database for all individuals who have satisfied the medical requirements to use medical marijuana and have paid the Medical Marijuana Registry fee. The Medical Marijuana Registry is entirely cash funded by the Medical Marijuana Program Cash Fund. In FY 2018-19, there are an estimated 83,879 registered medical marijuana card holders.

(D) HEALTH DATA PROGRAMS AND INFORMATION

This subdivision houses a number of the Department's health data programs that gather health data and survey information, including the Cancer Registry and the Birth Defects Monitoring Program. It also receives funding to connect a number of the health data systems with the statewide Health Information Exchange and for Local Public Health Agencies to build electronic health records that can communicate with the Health Information Exchange. Funding for this subdivision consists of General Fund, Vital Statistics Records Cash Fund, and federal funds.

CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$16,357,171	\$1,952,822	\$9,070,766	\$5,887	\$5,327,696	93.4
HB 18-1006	89,222	0	89,222	0	0	1.0
TOTAL	\$16,446,393	\$1,952,822	\$9,159,988	\$5,887	\$5,327,696	94.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$16,446,393	\$1,952,822	\$9,159,988	\$5,887	\$5,327,696	94.4
Local public health electronic medical records	837,774	837,774	0	0	0	3.5
Annualize prior year legislation	85,681	1,468	71,049	0	13,164	1.0
Annualize prior year budget actions	(3,991,358)	(1,148,418)	(2,992,940)	0	150,000	0.0
SB 19-207	\$13,378,490	\$1,643,646	\$6,238,097	\$5,887	\$5,490,860	98.9
SB 19-073	993,147	993,147	0	0	0	0.5
SB 19-218	114,007	0	114,007	0	0	0.2

CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-228	364,000	0	364,000	0	0	0.0
HB 19-1031	95,831	0	95,831	0	0	0.0
TOTAL	\$14,945,475	\$2,636,793	\$6,811,935	\$5,887	\$5,490,860	99.6
INCREASE/(DECREASE)	(\$1,500,918)	\$683,971	(\$2,348,053)	\$0	\$163,164	5.2
Percentage Change	(9.1%)	35.0%	(25.6%)	0.0%	3.1%	5.5%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

LOCAL PUBLIC HEALTH ELECTRONIC MEDICAL RECORDS: The appropriation includes \$837,774 General Fund and 3.5 term-limited FTE for FY 2019-20 to support and expand the newly launched electronic health record (EHR) system developed for local public health agencies.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1006 Newborn screening	\$70,409	\$0	\$70,409	\$0	\$0	1.0
SB 18-200 Eliminate Unfunded PERA Liability	15,272	1,468	640	0	13,164	0.0
TOTAL	\$85,681	\$1,468	\$71,049	\$0	\$13,164	1.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$172,620	\$15,560	\$7,060	\$0	\$150,000	0.0
Marijuana health research funding	(3,000,000)	0	(3,000,000)	0	0	0.0
Elec. Health Records for LPHAs	(1,163,978)	(1,163,978)	0	0	0	0.0
TOTAL	(\$3,991,358)	(\$1,148,418)	(\$2,992,940)	\$0	\$150,000	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

LABORATORY SERVICES

This division is comprised of the following three sections:

(A) THE DIRECTOR'S OFFICE

The Office provides managerial and administrative support for the Division. Funding for the Office is from the General Fund; cash funds including the Laboratory Cash Fund, Newborn Screening and Genetics Counseling Cash Funds, and the Law Enforcement Assistance Cash Fund; divisional reappropriated funds; and federal funds.

(B) THE CHEMISTRY AND MICROBIOLOGY SECTION

This section performs the following activities: analysis of blood and tissue specimens, testing for newborn genetic disorders, diagnostic testing for bacterial diseases, analysis for disease outbreaks, and water and environmental

testing. Funding for this section is from the General Fund, cash funds from the Laboratory Cash Fund, and the Newborn Screening and Genetics Counseling Cash Funds; and federal funds.

(C) THE CERTIFICATION SECTION

This section certifies private medical laboratories, environmental laboratories, including water testing laboratories, on-site dairy laboratories, and the state and local law enforcement breath-alcohol testing devices (intoxilyzers) throughout the state. This section is also responsible for surveying marijuana testing facilities and making certification recommendations to the Department of Revenue. As of June 2019, there were 12 licensed medical marijuana testing facilities and 11 retail marijuana testing facilities. The Department also operates a marijuana reference library to supplement the certification work in the Department of Revenue of private marijuana labs. Funding for this section is from General Fund, cash funds, and reappropriated funds from the Water Quality Control Division, and federal funds. Cash funds include the Law Enforcement Assistance Cash Fund, the Laboratory Cash Fund, and the Marijuana Tax Cash Fund.

LABORATORY SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$14,633,759	\$1,274,014	\$9,434,812	\$477,149	\$3,447,784	83.7
SB 19-120	430,026	0	79,503	350,523	0	0.3
TOTAL	\$15,063,785	\$1,274,014	\$9,514,315	\$827,672	\$3,447,784	84.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$15,063,785	\$1,274,014	\$9,514,315	\$827,672	\$3,447,784	84.0
Annualize prior year legislation	912,540	3,575	891,413	0	17,552	2.0
Marijuana reference laboratory	405,701	0	405,701	0	0	1.0
Laboratory operating expenses	59,628	88,270	81,452	(110,094)	0	0.0
Annualize prior year budget actions	(1,439)	55,203	(6,119)	(350,523)	300,000	0.3
SB 19-207	\$16,440,215	\$1,421,062	\$10,886,762	\$367,055	\$3,765,336	87.3
TOTAL	\$16,440,215	\$1,421,062	\$10,886,762	\$367,055	\$3,765,336	87.3
INCREASE/(DECREASE)	\$1,376,430	\$147,048	\$1,372,447	(\$460,617)	\$317,552	3.3
Percentage Change	9.1%	11.5%	14.4%	(55.7%)	9.2%	3.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-120 includes an increase of \$430,026 total funds, including \$350,523 reappropriated funds from the Marijuana Cash Fund and \$79,503 cash funds from the Marijuana Tax Cash Fund and 0.3 FTE for FY 2018-19, to implement new testing requirements adopted by the Department of Revenue's Marijuana Enforcement Division. The appropriation includes funding for new instrumentation, as well as personal services and operating costs.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1006 Newborn screening	\$884,245	\$0	\$884,245	\$0	\$0	2.0
SB 18-200 Eliminate Unfunded PERA Liability	28,295	3,575	7,168	0	17,552	0.0
TOTAL	\$912,540	\$3,575	\$891,413	\$0	\$17,552	2.0

MARIJUANA REFERENCE LABORATORY: The appropriation includes \$405,701 cash funds from the Marijuana Tax Cash Fund and 1.0 FTE to implement new testing requirements adopted by the Department of Revenue's Marijuana Enforcement Division.

LABORATORY OPERATING EXPENSES: The appropriation includes a net increase of \$59,628 total funds, including an increase of \$88,270 General Fund, to support operating expenses for a variety of laboratory testing, supplies, and equipment. General Fund supports testing deemed crucial to public health, such as rabies and tuberculosis, which are highly deadly and/or contagious. Tests such as sexually transmitted infections, Zika, and water testing are fee-based. For these tests, the Department has reevaluated their fees, and is requesting spending authority for the increased revenue.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$416,982	\$37,910	\$79,072	\$0	\$300,000	0.0
Public health threats	17,293	17,293	0	0	0	0.3
Marijuana reference lab	(435,714)	0	(85,191)	(350,523)	0	0.0
TOTAL	(\$1,439)	\$55,203	(\$6,119)	(\$350,523)	\$300,000	0.3

AIR POLLUTION CONTROL DIVISION

This division is comprised of four subdivisions: Administration, Technical Services, Mobile Sources, and Stationary Sources.

(A) ADMINISTRATION

This subdivision provides administrative support to the Air Quality Control Commission and manages the implementation of air programs by the other subdivisions. This division is funded by General Fund, cash funds including the Stationary Sources Control Fund, and federal funds.

(B) TECHNICAL SERVICES

This subdivision is responsible for measuring Colorado's air quality, compliance with the National Ambient Air Quality Standards, and issuing air quality forecasts and advisories. The subdivision houses three distinct programs: Air Quality Monitoring; Modeling and Analysis; and Visibility and Risk Assessment. Funding for this subdivision is from a variety of sources including the Department's subaccount of the Highway Users Tax Fund, the Stationary Sources Control Fund, and federal funds.

(C) MOBILE SOURCES

This subdivision is comprised of the Research and Support Program, which contains four subprograms: (1) the High Altitude Testing Program, (2) the Oxygenated Fuel Program, (3) the Clean Fuel Fleet Program, and (4) the Inspection and Maintenance Program. The Inspection and Maintenance Program works to reduce motor vehicle-related pollution through the inspection and emissions-related repair of motor vehicles. Emissions testing of gas and diesel powered vehicles are required when registering, renewing, or selling vehicles within the program areas along Colorado's Front Range. Funding for this subdivision is primarily from the Department's subaccount of the Highway Users Tax Fund, and a small amount is from federal funds.

(D) STATIONARY SOURCES

This subdivision is responsible for controlling and reducing air pollutants from stationary sources (i.e., factories, power plants, wood stoves, etc.) through permits, monitoring, and inspections of stationary sources that emit air pollutants. The subdivision houses the following three programs: the Inventory and Support Services Program, the Permits and Compliance Assurance Program, and the Hazardous and Toxic Control Program. Division staff permit, monitor, and inspect stationary source air pollution emitters. The majority of funding for this subdivision is from General Fund, the Stationary Sources Control Cash Fund, and a small amount of federal funds.

AIR POLLUTION CONTROL DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$23,971,237	\$0	\$19,272,666	\$0	\$4,698,571	181.8
HB 18-1400	1,344,004	0	1,344,004	0	0	0.0
SB 19-120	0	0	0	0	0	0.0
TOTAL	\$25,315,241	\$0	\$20,616,670	\$0	\$4,698,571	181.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$25,315,241	\$0	\$20,616,670	\$0	\$4,698,571	181.8
Annualize prior year budget actions	474,759	0	324,759	0	150,000	0.0
Annualize prior year legislation	42,603	0	29,439	0	13,164	0.0
SB 19-207	\$25,832,603	\$0	\$20,970,868	\$0	\$4,861,735	181.8
SB 19-096	265,589	265,589	0	0	0	3.1
SB 19-236	163,820	163,820	0	0	0	1.8
HB 19-1261	188,321	188,321	0	0	0	2.0
TOTAL	\$26,450,333	\$617,730	\$20,970,868	\$0	\$4,861,735	188.7
INCREASE/(DECREASE)	\$1,135,092	\$617,730	\$354,198	\$0	\$163,164	6.9
Percentage Change	4.5%	n/a	1.7%	n/a	3.5%	3.8%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-120 corrects a technical error in the appropriations clause of H.B. 18-1400 (Increase Fees for Stationary Sources Air Pollutants).

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$474,759 total funds for the second-year impact of the FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$42,603 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

WATER QUALITY CONTROL DIVISION

This division is comprised of four subdivisions: Administration, Clean Water Sectors, Clean Water Program, and Drinking Water Program.

(A) ADMINISTRATION

This subdivision provides management and support staff for the Water Quality Control Commission, clerical support for other subdivisions, and maintains a centralized records system for the Division. This subdivision is responsible for training and certifying the operators of all water and wastewater treatment facilities in the state. Funding for this subdivision is from General Fund, various division cash funds including the Water Quality Control Fund and the Drinking Water Fund, and federal funds.

(B) CLEAN WATER SECTORS

This subdivision is responsible for issuing discharge permits, monitoring compliance with permits, conducting inspections, providing technical assistance, and, as necessary, pursuing enforcement actions for the permitting and compliance assurance program for the six industry sectors. The Sectors are construction, commerce and industry, municipal separate storm sewer systems, pesticides, public and private utilities, and water quality certification. Funding for the Sectors is from General Fund, cash funds from the sector specific cash funds, and federal funds.

(C) CLEAN WATER PROGRAM

This subdivision funds grants and contracts primarily to local governments for the Non-Point Source Program and the Water Quality Improvement Program. Funding for this subdivision is from the General Fund, the Water Quality Improvement Fund, reappropriated funds from the Department of Agriculture, and federal funds.

(D) DRINKING WATER PROGRAM

This subdivision is established under the federal Safe Drinking Water Act and implements measures to ensure that public water systems throughout Colorado provide safe drinking water for Colorado citizens. Funding for this subdivision is from the General Fund, the Drinking Water Cash Fund, and federal funds.

WATER QUALITY CONTROL DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$27,278,956	\$4,705,670	\$8,465,409	\$39,673	\$14,068,204	180.2
SB 18-038	40,602	40,602	0	0	0	0.4
HB 18-1069	25,054	25,054	0	0	0	0.2
HB 18-1093	14,399	14,399	0	0	0	0.1
TOTAL	\$27,359,011	\$4,785,725	\$8,465,409	\$39,673	\$14,068,204	180.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$27,359,011	\$4,785,725	\$8,465,409	\$39,673	\$14,068,204	180.9
Annualize prior year budget actions	382,150	94,350	107,534	0	180,266	0.1
Annualize prior year legislation	162,573	51,699	35,515	0	75,359	0.3
Restore Pesticides Sector General Fund	84,000	84,000	0	0	0	0.0
SB 19-207	\$27,987,734	\$5,015,774	\$8,608,458	\$39,673	\$14,323,829	181.3
SB 19-186	21,875	0	0	21,875	0	0.2
HB 19-1279	55,278	55,278	0	0	0	0.7
TOTAL	\$28,064,887	\$5,071,052	\$8,608,458	\$61,548	\$14,323,829	182.2
INCREASE/(DECREASE)	\$705,876	\$285,327	\$143,049	\$21,875	\$255,625	1.3
Percentage Change	2.6%	6.0%	1.7%	55.1%	1.8%	0.7%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$381,157	\$93,357	\$107,534	\$0	\$180,266	0.0
FY 2018-19 Addressing harmful algal blooms	993	993	0	0	0	0.1
TOTAL	\$382,150	\$94,350	\$107,534	\$0	\$180,266	0.1

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$145,972	\$34,808	\$35,805	\$0	\$75,359	0.0
HB 18-1069 Reclaimed water toilet flush	7,018	7,018	0	0	0	0.1
SB 18-038 Reclaimed water use hemp	6,406	6,406	0	0	0	0.1
HB 18-1093 Reclaimed water use crops	3,467	3,467	0	0	0	0.1
HB 17-1306 Test lead in public schools	(290)	0	(290)	0	0	0.0
TOTAL	\$162,573	\$51,699	\$35,515	\$0	\$75,359	0.3

RESTORE PESTICIDES SECTOR GENERAL FUND: The appropriation includes an increase of \$84,000 General Fund for the Water Quality Control Division's Pesticides Sector line item. This appropriation will be used to pay for testing water samples for pesticides.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

This division is comprised of six subdivisions: Administration, Hazardous Waste Control Program, Solid Waste Control Program, Contaminated Site Cleanups and Remediation Programs, Radiation Management, and the Waste Tire Program.

(A) ADMINISTRATION

This subdivision provides division-wide administrative and management support services. Funding for this subdivision is from divisional cash funds including the Hazardous Substance Response Fund, reappropriated funds from the Department of Local Affairs, and federal funds.

(B) HAZARDOUS WASTE CONTROL PROGRAM

This subdivision has four primary responsibilities: permitting, compliance assurance, corrective action, and compliance assistance. This program monitors compliance and enforces hazardous waste regulations over 500 large-quantity hazardous waste generators, 3,000 small generators, hazardous waste transporters, and 50 hazardous waste treatment, storage and disposal facilities. Funding for this subdivision is from the Hazardous Waste Service Fee and Illegal Drug Laboratory Funds, and federal funds.

(C) SOLID WASTE CONTROL PROGRAM

This subdivision is responsible for the regulation of all solid waste management facilities in Colorado, including landfills, composting facilities, recycling facilities, transfer facilities, certain types of waste surface impoundments, asbestos waste facilities, solid waste incinerators, and medical waste facilities. There are 63 landfills regulated by the Solid Waste Control Program. Funding for this subdivision is from cash funds, including the Solid Waste Management Fund and the Radiation Control Fund.

(D) CONTAMINATED SITE CLEANUPS AND REMEDIATION PROGRAMS

This subdivision is comprised of the following programs and is funded primarily from the Hazardous Substance Response Fund and federal funds.

- The Superfund Program works with the U.S. Environmental Protection Agency as either the lead agency or support agency in the review and implementation of cleanup plans and oversight of the cleanup work at

superfund sites. Funding for cleanup of the Rocky Mountain Arsenal superfund site is included in this program. There are 26 Superfund Sites in Colorado.

- The subdivision provides the Department of Law with technical support relating to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).
- The Contaminated Site Cleanups Program works to facilitate the cleanup of contaminated sites that have not been designated as superfund sites.
- The Uranium Mill Tailings Remedial Action Program assists local governments in managing mill tailings that were not removed during cleanup and are disturbed during road work or other renewal or building activities.
- The Rocky Flats Program is responsible for monitoring long-term operations and maintenance of continuing remedy components (i.e., ground water cleanups and landfill caps), and closing out the administrative aspects of the regulatory process for site remediation.

(E) RADIATION MANAGEMENT

This subdivision provides regulatory services for radioactive materials through the review of license applications and inspections of facilities; administration of contract services with local public health agencies for indoor radon testing, prevention, and education; and monitoring low-level radioactive waste producers by ensuring proper and economically sound disposal. Funding for this subdivision is primarily from the Radiation Control Fund and federal funds.

(F) WASTE TIRE PROGRAM

This subdivision is responsible for regulating the reuse and disposal of waste tires including: regulation of waste tire haulers and facilities that generate, collect, store, process and/or use waste tires; awarding grants to local agencies for equipment, training and other activities related to prevention and response to waste tire fires; developing initiatives designed to encourage the disposal, recycling or reuse of illegally dumped tires and the recycling or reuse of waste tires; and payment of rebates to waste tire end users. Funding for this subdivision is from revenue from a \$0.55 fee on waste tires. This fee increases to \$2.00 per tire beginning January 1, 2020 through January 1, 2024, pursuant to S.B. 19-198 (Continued Management Of Waste Tires)

HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$25,476,734	\$0	\$17,354,752	\$290,211	\$7,831,771	116.2
TOTAL	\$25,476,734	\$0	\$17,354,752	\$290,211	\$7,831,771	116.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$25,476,734	\$0	\$17,354,752	\$290,211	\$7,831,771	116.2
Annualize prior year legislation	557,551	0	28,592	202	528,757	0.0
Annualize prior year budget actions	373,144	0	315,414	2,547	55,183	0.0
Other technical adjustments	49,405	0	49,405	0	0	0.0
SB 19-207	\$26,456,834	\$0	\$17,748,163	\$292,960	\$8,415,711	116.2
SB 19-198	3,262,500	0	3,262,500	0	0	0.0
TOTAL	\$29,719,334	\$0	\$21,010,663	\$292,960	\$8,415,711	116.2
INCREASE/(DECREASE)	\$4,242,600	\$0	\$3,655,911	\$2,749	\$583,940	0.0
Percentage Change	16.7%	n/a	21.1%	0.9%	7.5%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$557,551 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$373,144 total funds for the second-year impact of the FY 2018-19 salary survey.

OTHER TECHNICAL ADJUSTMENTS: The appropriation includes the following technical adjustments.

OTHER TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CERCLA O&M costs	\$77,959	\$0	\$77,959	\$0	\$0	0.0
Dept. of Law transfer reduction	(28,554)	0	(28,554)	0	0	0.0
TOTAL	\$49,405	\$0	\$49,405	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY

This division is comprised of multiple programs aimed to protect and improve Colorado’s environment and human health. These programs address food safety in restaurants, schools, child care facilities, and state correctional facilities, as well as the production and sale of safe food; protect land, water, and air quality resources affected by the agricultural animal feeding industry; and protect and improve Colorado’s environment through programs that conserve and reuse resources, prevent pollution, and advance the principles of sustainable development. The Division administers six programs, including:

- The Dairy Program inspects dairy operations from the farm to the production plant in accordance with state and federal standards to ensure safe milk products and allow for interstate shipment of these products.
- The Retail Food Program ensures safe food in restaurants, mobile food trucks, grocery stores, and school cafeterias by utilizing federal standards to develop state regulations for inspections and to provide compliance assistance to these operations.
- The Manufactured Food Program incorporates federal requirements into state regulations to inspect and ensure safe food products from food manufacturers, seafood and shellfish dealers, and food storage and warehouse facilities.
- The Environmental Institutions Program develops state requirements and inspects facilities to ensure safe environments in child care centers, summer camps, public and private schools, and correctional facilities.
- The Environmental Agriculture Program inspects concentrated animal feed operations and housed commercial swine feeding operations pursuant to state and federal requirements to ensure generated waste is managed to protect Colorado’s water, air, and land.
- Sustainability Programs implement the medication take back program, recycling grants, environmental leadership program, supplemental environmental projects, and pollution prevention initiatives.

This division is funded by General Fund, cash funds, reappropriated funds, and federal funds. The major sources of cash funds are from license fees for businesses, such as retail and wholesale food licenses. Reappropriated funds are from the Departments of Corrections and Human Services for the inspection of adult and youth correction facilities.

DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$11,148,450	\$1,655,930	\$7,939,039	\$111,730	\$1,441,751	45.3

DIVISION OF ENVIRONMENTAL HEALTH AND SUSTAINABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-033	14,323	0	14,323	0	0	0.0
HB 18-1400	11,697	0	11,697	0	0	0.0
TOTAL	\$11,174,470	\$1,655,930	\$7,965,059	\$111,730	\$1,441,751	45.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$11,174,470	\$1,655,930	\$7,965,059	\$111,730	\$1,441,751	45.3
Annualize prior year budget actions	72,065	27,631	44,434	0	0	0.0
Annualize prior year legislation	6,634	2,606	4,028	0	0	0.0
SB 19-207	\$11,253,169	\$1,686,167	\$8,013,521	\$111,730	\$1,441,751	45.3
SB 19-227	38,402	38,402	0	0	0	0.4
TOTAL	\$11,291,571	\$1,724,569	\$8,013,521	\$111,730	\$1,441,751	45.7
INCREASE/(DECREASE)	\$117,101	\$68,639	\$48,462	\$0	\$0	0.4
Percentage Change	1.0%	4.1%	0.6%	0.0%	0.0%	0.9%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$72,065 total funds, including \$27,631 General Fund, for the second-year impact of the FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$6,634 total funds, including \$2,606 General Fund, for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION

This division is comprised of three subdivisions: Administration, General Disease Control, and Surveillance; Special Purpose Disease Control Programs; and Environmental Epidemiology.

(A) ADMINISTRATION, GENERAL DISEASE CONTROL, AND SURVEILLANCE

This subdivision has three areas of responsibility: (1) provision of division-wide administration and support, (2) maintaining and monitoring the disease-monitoring network, and (3) operation of the Immunization Program. This subdivision is funded by General Fund, cash funds from the Tobacco Master Settlement Agreement, and federal funds. The Immunization Program consists of the following:

- The Immunization Outreach Program provides free immunization clinics around the state.
- The Colorado Immunization Information System houses immunization records, allowing health care providers to easily check a child's immunization status during a health care visit. This helps to ensure that a child is up-to-date on their immunizations and is not over-immunized. The system can also send reminders to parents of children who are not up-to-date on their immunizations.
- The Immunization Program also provides grants to local public health agencies for immunization clinics.

(B) SPECIAL PURPOSE DISEASE CONTROL PROGRAMS

This subdivision is responsible for disease control programs which are designed to control and prevent certain communicable diseases including: sexually transmitted infections; HIV and AIDS; and tuberculosis. This subdivision is funded by General Fund, cash funds from the Tobacco Master Settlement Agreement, and federal funds.

(C) ENVIRONMENTAL EPIDEMIOLOGY

This subdivision houses the Marijuana Health Effects Monitoring Program, which is responsible for researching the health impacts of marijuana use. This subdivision also includes funding for retail marijuana health research grants and data analysis of data relating to oil and gas operations. Funding for this subdivision is from the Oil and Gas Conservation and Environmental Response Fund, the Marijuana Tax Cash Fund, and federal funds.

DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION						
	TOTAL FUNDS	GENERAL ¹ FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$101,976,277	\$6,783,139	\$13,876,917	\$0	\$81,316,221	144.9
TOTAL	\$101,976,277	\$6,783,139	\$13,876,917	\$0	\$81,316,221	144.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$101,976,277	\$6,783,139	\$13,876,917	\$0	\$81,316,221	144.9
Tobacco adjustments	3,576,364	(22,206)	3,598,570	0	0	0.0
Annualize prior year legislation	6,047	4,767	1,280	0	0	0.0
Annualize prior year budget actions	(248,280)	50,547	(298,827)	0	0	0.0
SB 19-207	\$105,310,408	\$6,816,247	\$17,177,940	\$0	\$81,316,221	144.9
TOTAL	\$105,310,408	\$6,816,247	\$17,177,940	\$0	\$81,316,221	144.9
INCREASE/(DECREASE)	\$3,334,131	\$33,108	\$3,301,023	\$0	\$0	0.0
Percentage Change	3.3%	0.5%	23.8%	n/a	0.0%	0.0%

¹ Includes General Fund Exempt.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

TOBACCO ADJUSTMENTS: The appropriation includes a net increase of \$3,576,364 total funds, including a decrease of \$22,206 General Fund, for adjustments related to Tobacco Master Settlement Agreement and Amendment 35 allocations.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$6,047 total funds, including \$4,767 General Fund, for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$64,667	\$50,547	\$14,120	\$0	\$0	0.0
Marijuana research	(312,947)	0	(312,947)	0	0	0.0
TOTAL	(\$248,280)	\$50,547	(\$298,827)	\$0	\$0	0.0

PREVENTION SERVICES DIVISION

This division is comprised of the following five subdivisions: Administration, Chronic Disease Prevention Programs, Primary Care Office, Family and Community Health, and Nutrition Services.

(A) ADMINISTRATION

This subdivision provides administrative services to the other division programs. Funding for this subdivision is from the General Fund, various division cash funds, and federal funds.

(B) CHRONIC DISEASE PREVENTION PROGRAMS

This subdivision provides target prevention services for specific chronic diseases including: breast and cervical cancer, lung cancer, and cardiovascular and chronic pulmonary disease. This subdivision also includes oral health programs and tobacco cessation, education, and prevention programs. Funding for this subdivision includes the Prevention, Early Detection, and Treatment Fund and the Tobacco Education Programs Fund which receive revenue from the Amendment 35 tobacco tax, Medicaid reappropriated funds, and federal funds.

(C) PRIMARY CARE OFFICE

This subdivision assesses the need for primary health care professionals in various parts of the state and directs incentives to qualified professionals and clinics willing to serve in areas that are short of providers. Funding for this subdivision includes General Fund, cash funds from the Tobacco Master Settlement Agreement, and federal funds.

(D) FAMILY AND COMMUNITY HEALTH

This subdivision includes the following three program areas: (1) Women's Health Programs, (2) Children and Youth Programs, and (3) Injury, Suicide, and Violence Prevention Programs. Women's Health Programs include health and family planning services for low-income women, prenatal and postpartum services, and counseling and education to low-income pregnant women and their newborns. Children and Youth Programs include the children with special needs health care program, genetics counseling for children with possible genetic disorders, and school-based health centers. Injury, Suicide, and Prevention Programs include suicide and injury prevention programs. Funding for this subdivision includes General Fund, cash funds from the Newborn Screening and Genetic Counseling Cash Fund and the Marijuana Tax Cash Fund, and federal funds.

(E) NUTRITION SERVICES

This subdivision includes the Women, Infants and Children (WIC) Nutrition Program and the Child and Adult Food Care Program. WIC provides a monthly check to low-income (185.0 percent of federal poverty guidelines) women and children who are at-risk of poor nutritional outcomes. The Child and Adult Food Care Program provides reimbursement for nutritious foods to participating child care centers, Head Start programs, family day care homes, and adult day care centers. These programs are entirely federally funded.

PREVENTION SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$237,081,677	\$16,444,231	\$70,896,371	\$1,300,755	\$148,440,320	197.3
SB 18-024	2,500,000	0	2,500,000	0	0	2.0
SB 18-272	400,000	400,000	0	0	0	0.3
HB 18-1003	775,000	0	775,000	0	0	0.0
HB 18-1409	880,570	880,570	0	0	0	0.0
SB 19-120	108,598	108,598	0	0	0	0.0
TOTAL	\$241,745,845	\$17,833,399	\$74,171,371	\$1,300,755	\$148,440,320	199.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$241,745,845	\$17,833,399	\$74,171,371	\$1,300,755	\$148,440,320	199.6
Family planning purchase of service	1,025,000	1,025,000	0	0	0	0.0
Centrally appropriated line items	143,595	143,595	0	0	0	0.0
Suicide prevention	100,000	100,000	0	0	0	0.0
Annualize prior year budget actions	42,579	(36,579)	79,158	0	0	0.0
Tobacco adjustments	(3,944,616)	0	(3,944,616)	0	0	0.0
Annualize prior year legislation	(599,033)	6,791	(605,824)	0	0	0.0
SB 19-207	\$238,513,370	\$19,072,206	\$69,700,089	\$1,300,755	\$148,440,320	199.6
SB 19-008	3,600,000	0	1,800,000	1,800,000	0	1.8
SB 19-188	17,004	17,004	0	0	0	0.1
SB 19-227	621,070	396,070	225,000	0	0	1.8
SB 19-228	71,852	0	71,852	0	0	0.9
HB 19-1032	987,595	987,595	0	0	0	1.3

PREVENTION SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1064	300,000	300,000	0	0	0	0.0
HB 19-1122	145,167	145,167	0	0	0	1.6
HB 19-1133	632,717	632,717	0	0	0	0.6
HB 19-1203	3,000,000	0	3,000,000	0	0	0.8
TOTAL	\$247,888,775	\$21,550,759	\$74,796,941	\$3,100,755	\$148,440,320	208.5
INCREASE/(DECREASE)	\$6,142,930	\$3,717,360	\$625,570	\$1,800,000	\$0	8.9
Percentage Change	2.5%	20.8%	0.8%	138.4%	0.0%	4.5%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-120 includes an increase of \$108,598 General Fund to adjust appropriations supporting the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK).

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

FAMILY PLANNING PURCHASE OF SERVICE: The appropriation includes \$1,025,000 General Fund to expand the family planning program.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to payments to the Governor's Office of Information Technology (OIT) for the Colorado Benefits Management System (CBMS) and the Program Eligibility and Application Kit (PEAK).

SUICIDE PREVENTION: The appropriation includes \$100,000 General Fund for suicide prevention.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$151,177	\$72,019	\$79,158	\$0	\$0	0.0
CBMS PEAK supplemental	(108,598)	(108,598)	0	0	0	0.0
TOTAL	\$42,579	(\$36,579)	\$79,158	\$0	\$0	0.0

TOBACCO ADJUSTMENTS: The appropriation includes a net decrease of \$3,944,616 cash funds for adjustments related to Tobacco Master Settlement Agreement and Amendment 35 allocations.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1006 Newborn screening	\$162,000	\$0	\$162,000	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	13,967	6,791	7,176	0	0	0.0
SB 18-272 Crisis and suicide prevention	0	0	0	0	0	0.0
HB 18-1003 Opioid misuse prevention	(775,000)	0	(775,000)	0	0	0.0
TOTAL	(\$599,033)	\$6,791	(\$605,824)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION

This division is comprised of three subdivisions.

(A) OPERATIONS MANAGEMENT

This subdivision provides division-wide services to the Health Facilities Program. Funding for this subdivision is General Fund, divisional cash funds, and federal funds.

(B) HEALTH FACILITIES PROGRAMS

This subdivision is responsible for the licensing and regulation of 3,269 medical facilities. Licensing activities conducted by the division include performing fitness reviews, conducting fire safety inspections, investigating complaints, and conducting enforcement activities. General Fund is required pursuant to Section 25-3-103.1, C.R.S., so that fees paid by non-government owned facilities do not subsidize the regulation of government-owned facilities. Funding for this subdivision is from the General Fund, cash funds including the Assisted Living Residences Cash Fund and the Health Facilities General Licensure Cash Fund, Medicaid reappropriated funds, and federal funds.

(C) EMERGENCY MEDICAL SERVICES

This subdivision supports the emergency medical and trauma services system in Colorado, which provides transportation and immediate care to the ill and injured 24 hours a day, 365 days a year. Emergency medical and trauma care services are defined as the immediate health care services needed because of an injury or sudden illness, particularly when there is a threat to life or long-term functional abilities. Funding through this subdivision is provided to the Rocky Mountain Poison Control Center for operation of the poison center and call line. Funding for this subdivision includes General Fund, cash funds including the Emergency Medical Services Account within the Highway Users Tax Fund, and federal funds.

HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$33,442,862	\$1,838,586	\$18,664,235	\$6,581,649	\$6,358,392	172.3
SB 18-146	34,725	0	34,725	0	0	0.5
TOTAL	\$33,477,587	\$1,838,586	\$18,698,960	\$6,581,649	\$6,358,392	172.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$33,477,587	\$1,838,586	\$18,698,960	\$6,581,649	\$6,358,392	172.8
Assisted living residence inspectors	550,298	0	550,298	0	0	7.0
Annualize prior year budget actions	349,463	41,396	162,320	152,575	(6,828)	0.0
Annualize prior year legislation	19,457	3,972	818	14,667	0	(0.2)
Trauma system	0	0	0	0	0	0.0
Other technical adjustments	(72,241)	0	0	(35,468)	(36,773)	0.0
SB 19-207	\$34,324,564	\$1,883,954	\$19,412,396	\$6,713,423	\$6,314,791	179.6
SB 19-065	57,242	0	57,242	0	0	0.8
HB 19-1010	43,248	0	43,248	0	0	0.5
HB 19-1160	30,730	30,730	0	0	0	0.5
HB 19-1174	33,884	33,884	0	0	0	0.4
HB 19-1183	15,000	15,000	0	0	0	0.0
HB 19-1237	51,472	51,472	0	0	0	0.5
TOTAL	\$34,556,140	\$2,015,040	\$19,512,886	\$6,713,423	\$6,314,791	182.3

HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$1,078,553	\$176,454	\$813,926	\$131,774	(\$43,601)	9.5
Percentage Change	3.2%	9.6%	4.4%	2.0%	(0.7%)	5.5%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ASSISTED LIVING RESIDENCE INSPECTORS: The appropriation includes an increase of \$550,298 cash funds from the Assisted Living Residence Cash Fund and 7.0 FTE to increase inspections and off-site report reviews of assisted living facilities. The Board of Health worked with the Department and stakeholder groups to develop revised health and safety rules and an associated fee increase that went into effect in June 2018.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$363,572	\$42,104	\$165,387	\$156,081	\$0	0.0
Health survey FTE	(14,109)	(708)	(3,067)	(3,506)	(6,828)	0.0
TOTAL	\$349,463	\$41,396	\$162,320	\$152,575	(\$6,828)	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$33,632	\$3,972	\$14,993	\$14,667	\$0	0.0
SB 18-146 Freestanding Emergency Depts.	(14,175)	0	(14,175)	0	0	(0.2)
TOTAL	\$19,457	\$3,972	\$818	\$14,667	\$0	(0.2)

TRAUMA SYSTEM: The appropriation includes a net neutral cash funds transfer to pay annual maintenance costs for Colorado’s updated trauma registry system.

OTHER TECHNICAL ADJUSTMENTS: The appropriation includes a technical adjustment to the Medicare/Medicaid transfer.

OTHER TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Medicaid split true up	\$9	\$0	\$0	\$9	\$0	0.0
Medicaid adjustment	(72,250)	0	0	(35,477)	(36,773)	0.0
TOTAL	(\$72,241)	\$0	\$0	(\$35,468)	(\$36,773)	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

OFFICE OF EMERGENCY PREPAREDNESS AND RESPONSE

The Office develops and implements emergency response plans to enable the Department to ensure the protection of health and the medical response for victims when an emergency occurs in Colorado. The Office works to ensure

the Department, local public health, and medical agencies have plans for responding to emergency events and administering medication in mass quantities to all citizens in Colorado. Funding for this division includes General Fund and federal funds. Additional responsibilities of the Office include:

- Training of health and medical professionals on the latest and improved response protocols, including the National Incident Management System;
- Ensuring that public health and medical programs are integrated with law enforcement, the Division of Emergency Management and other state departments critical to the state's response;
- Providing emergency preparedness education and training to Department employees, as well as medical and public health partners;
- Ensuring the rapid receipt, storage, and distribution of the Strategic National Stockpile (SNS) supplies and medication during an emergency;
- Activation of the Department Emergency Operations Center (DOC) during emergency situations;
- Coordinating and enhancing the capacity of the Emergency System for Advance Registration of Volunteer Health Professionals, which enables the Colorado Hospital Preparedness Program to expand and integrate the Colorado Medical Reserve Corps to enable the preparation of volunteers for an all-hazards response; and
- Fulfilling responsibilities as the lead state agency for behavioral health during and after an emergency event to assist individuals and communities recovering from the challenging effects of natural and human-caused disasters through the provision of community-based outreach and psycho-educational services.

The amount of federal dollars this Division receives is driven by formulas that are based in part on state population, and if the state accepts the federal funds the state must provide the required match amount.

OFFICE OF EMERGENCY PREPAREDNESS AND RESPONSE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$16,257,141	\$1,589,199	\$0	\$0	\$14,667,942	35.1
TOTAL	\$16,257,141	\$1,589,199	\$0	\$0	\$14,667,942	35.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$16,257,141	\$1,589,199	\$0	\$0	\$14,667,942	35.1
No changes	0	0	0	0	0	0.0
SB 19-207	\$16,257,141	\$1,589,199	\$0	\$0	\$14,667,942	35.1
TOTAL	\$16,257,141	\$1,589,199	\$0	\$0	\$14,667,942	35.1
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	0.0%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

NO CHANGES: The appropriation does not contain changes from the FY 2019-20 appropriation.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-024 (EXPAND ACCESS BEHAVIORAL HEALTH CARE PROVIDERS): Modifies the Colorado Health Services Corps program to expand the availability of behavioral health care providers in designated shortage areas. In FY

2018-19, appropriates \$2,500,000 cash funds from the Marijuana Tax Cash Fund and 2.0 FTE to the Department of Public Health and Environment.

S.B. 18-033 (ANIMAL FEEDING OPERATION PERMITS CONTINUATION): Extends temporary higher fees for concentrated animal feeding operations and housed commercial swine feeding operations collected by the Water Quality Division from June 30, 2018, to June 30, 2025. Funds are used for permitting and oversight of these operations. Appropriates \$14,323 cash funds to the Department for FY 2018-19 to implement the act.

S.B. 18-038 (RECLAIMED WATER USE ON INDUSTRIAL HEMP): Codifies rules promulgated by the Water Quality Control Commission related to the allowable uses of reclaimed domestic wastewater. Expands allowable uses to include irrigation of industrial hemp, when it is not used as a food crop. Appropriates \$40,602 General Fund and 0.4 FTE to the Department for FY 2018-19 to implement the act.

S.B. 18-146 (FREESTANDING EMERGENCY DEPTS REQUIRED CONSUMER NOTICES): Requires freestanding emergency departments to provide certain notices about prices and services to patients seeking care. In FY 2018-19, appropriates \$34,725 cash funds from the Health Facilities General Licensure Cash Fund and 0.5 FTE to the Department of Public Health and Environment.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-271 (IMPROVE FUNDING FOR MARIJUANA RESEARCH): Extends the repeal of the Medical Marijuana Program Cash Fund until September 1, 2023. For additional information see the "Recent Legislation" section at the end of Part III for the Department of Revenue.

S.B. 18-272 (CRISIS AND SUICIDE PREVENTION TRAINING GRANT PROGRAM): Creates the Crisis and Suicide Prevention Training Grant Program in the Department of Public Health and Environment. The grant program will assist schools in providing crisis and suicide prevention training, with priority given to schools that have not previously received such training. In FY 2018-19, appropriates \$400,000 General Fund and 0.3 FTE to the Office of Suicide Prevention within the Department.

H.B. 18-1003 (OPIOID MISUSE PREVENTION): Implements several policies related to the prevention of opioid and substance misuse and allocates \$2,489,249 total funds in FY 2018-19, including the following:

- \$39,249 General Fund to the Legislative Department for the continuation of the Opioid and Other Substance Use Disorders Interim Study Committee for two years;
- \$925,000 Marijuana Tax Cash Fund to the Department of Health Care Policy and Financing for the Screening, Brief Intervention, and Referral to Treatment (SBIRT) training program for the development of a training module on substance-exposed pregnancies and additional funding for SBIRT grants;
- \$775,000 Marijuana Tax Cash Fund to the Department of Public Health and Environment for grants to school-based health centers to expand behavioral health services to include treatment for opioid and other substance use disorders; and
- \$750,000 Marijuana Tax Cash Fund to the Department of Higher Education for allocation to the University of Colorado for the Center for Research Into Substance Use Disorder Prevention, Treatment, and Recovery to develop and implement continuing medical education activities for prescribers of pain medication.

H.B. 18-1006 (INFANT NEWBORN SCREENING): Expands newborn screening for genetic and metabolic diseases, increases access to follow-up services, and creates a funding source for newborn hearing loss screening. In FY 2018-19, appropriates \$1,951,722 total funds to the Department for FY 2018-19, including:

- \$1,162,500 cash funds from the Newborn Screening and Genetic Counseling Cash Fund for capital construction related to laboratory space expansion and equipment purchase;
- \$700,000 Capital Construction Funds from the Information Technology Capital Account for capital construction related to an information technology system for hearing loss screening. The bill includes an associated transfer of \$700,000 General Fund to the Information Technology Capital Account; and
- \$89,222 cash funds from the Newborn Hearing Screening Cash Fund to the Department for the hearing loss screenings.

H.B. 18-1069 (RECLAIMED WATER USE FOR TOILET FLUSHING): Codifies rules promulgated by the Water Quality Control Commission related to the allowable uses of reclaimed domestic wastewater. Expands allowable uses to include toilet and urinal flushing in multifamily residential structures and in nonresidential structures, if the toilets and urinals are installed in accordance with rules promulgated by the State Plumbing Board in the Department of Regulatory Agencies. Appropriates \$25,054 General Fund and 0.2 FTE to the Department for FY 2018-19 to implement the act.

H.B. 18-1093 (RECLAIMED WATER USE FOR EDIBLE CROPS): Codifies rules promulgated by the Water Quality Control Commission related to the allowable uses of reclaimed domestic wastewater, and expands allowable uses to include irrigation of food crops. Appropriates \$14,399 General Fund and 0.1 FTE to the Department for FY 2018-19 to implement the act.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1400 (INCREASE FEES STATIONARY SOURCES AIR POLLUTANTS): Increases the statutory fee caps for stationary sources of air pollutants by approximately 25 percent, but actual fees will be set in rule at or below these caps by the Air Quality Control Commission. Beginning January 1, 2019, until January 1, 2028, the maximum fees automatically increase by the consumer price index for Denver-Aurora-Lakewood. Appropriates \$1,555,752 cash funds from the Stationary Sources Control Fund to the Department for FY 2018-19 to implement the act.

H.B. 18-1409 (CRIME VICTIMS GRANT PROGRAM): Creates the Community Crime Survivors Grant Program to provide funding to entities that provide support services and other interventions to crime victims and their immediate family. Repeals the Parole Savings Fund that was created through H.B. 17-1326, and eliminates the associated \$1,761,140 General Fund appropriation to the Department of Local Affairs for FY 2017-18 that was included in H.B. 17-1326 to credit money to the Parole Savings Fund. Appropriates \$880,570 General Fund to the Department of Public Health and Environment for FY 2018-19.

2019 SESSION BILLS

S.B. 19-008 (SUBSTANCE USE DISORDER TREATMENT IN CRIMINAL JUSTICE SYSTEM): Makes several changes to state law concerning substance use disorders and the criminal justice system. Requires the Department of Public Health and Environment (CDPHE) to develop and implement the Harm Reduction Grant Program to reduce health risks associated with drug use and improve coordination between law enforcement agencies, public health agencies, and community-based organizations. Creates the Harm Reduction Grant Program Cash Fund to support the grant program and appropriates \$1,800,000 cash funds from the Marijuana Tax Cash Fund to the new fund for FY 2019-20. Reappropriates this same amount to CDPHE for FY 2019-20 and indicates that CDPHE will require 1.8 FTE to implement the act. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Human Services.

S.B. 19-065 (PEER ASSISTANCE EMERGENCY MEDICAL SERVICE PROVIDER): Creates a peer health assistance program for emergency medical service providers, funded through fees collected from applicants for EMS certification. Selected programs must meet specific requirements addressing physical, emotional, and psychological problems among emergency medical service providers. For FY 2019-20, appropriates \$57,242 cash funds and 0.8 FTE from the Emergency Medical Services Account in the Highway Users Tax Fund to the Department of Public Health and Environment.

S.B. 19-073 (STATEWIDE SYSTEM OF ADVANCE MEDICAL DIRECTIVES): Requires the Department of Public Health and Environment to create and administer a statewide electronic system that allows qualified providers to upload and access advance health care directives. For FY 2019-20, appropriates \$993,147 General Fund and 0.5 FTE to the Department.

S.B. 19-096 (COLLECT LONG-TERM CLIMATE CHANGE DATA): Requires the Air Quality Control Commission to promulgate rules requiring greenhouse gas-emitting entities to monitor and publicly report their emissions. The Air Quality Control Division is required to update the statewide inventory of greenhouse gas emissions by sector, no less than every two years and forecast Colorado's greenhouse gas emissions for 2025. Appropriates \$265,589 General Fund to the Department for FY 2019-20, based on the assumption that it will require an additional 3.1 FTE.

S.B. 19-120 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-186 (EXPAND AG CHEMICAL MANAGEMENT PROGRAM PROTECT SURFACE WATER): Expands the Commissioner of Agriculture's responsibility to prevent or remedy the introduction of agricultural chemicals into groundwater to include protection of all state waters. The Department of Public Health and Environment (CDPHE) will assist the Department of Agriculture (CDA) in developing an agricultural surface water sampling plan and evaluating the effectiveness of best management practices. Appropriates \$21,875 reappropriated funds to CDPHE for FY 2019-20, based on the assumption that it will require an additional 0.2 FTE. For additional information, see the "Recent Legislation" section at the end of Part III for the CDA.

S.B. 19-188 (FAMILY MEDICAL LEAVE INSURANCE PROGRAM): Requires the Department of Labor and Employment (CDLE) to perform or contract for analyses concerning the implementation of a paid family and medical leave program for all employees in the state. Creates a task force in CDLE to make recommendations on program implementation. Requires the Department of Public Health and Environment (CDPHE) to develop a report on health benefits related to paid family leave. Appropriates \$165,487 General Fund to CDLE for FY 2019-20, based on an assumption that it will require an additional 0.5 FTE. Appropriates \$17,004 General Fund to CDPHE for FY 2019-20, based on an assumption that it will require an additional 0.1 FTE.

S.B. 19-195 (BEHAVIORAL HEALTH SERVICES FOR CHILDREN AND YOUTH): Requires the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) to work collaboratively to provide Medicaid-covered wraparound services for children and youth at risk of out-of-home placement or who are currently in out-of-home placement. Requires the Department of Public Health and Environment to provide free training for providers on these tools. For additional information, see the "Recent Legislation" section at the end of Part III for the DHS.

S.B. 19-198 (CONTINUED MANAGEMENT OF WASTE TIRES): Recreates the End User Fund and rebate program that repealed January 1, 2018, and specifies that 75.0 percent of the waste tire fee be deposited into the fund. The remaining 25.0 percent will be deposited into the renamed Waste Tire Administration, Enforcement, Market Development, and Cleanup Fund (Waste Tire Fund). Increases the waste tire fee to \$2.00 per tire beginning January 1, 2020, and returns the fee to \$0.55 per tire on January 1, 2024. Appropriates \$3,262,500 cash funds to the Department for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-218 (SUNSET MEDICAL MARIJUANA PROGRAM): Continues the Medical Marijuana Program in the Department of Public Health and Environment through September 1, 2028. Appropriates \$114,007 cash funds from the Medical Marijuana Program Cash Fund and 0.2 FTE to the Department of Public Health and Environment for FY 2019-20 to promulgate rules regarding the length of time that a registry identification card is valid for patients with a disabling medical condition. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Regulatory Agencies.

S.B. 19-227 (HARM REDUCTION SUBSTANCE USE DISORDERS): Creates and expands certain substance use disorder treatment programs. Among other provisions, the bill creates an opiate antagonist bulk purchase program; requires opioid antagonists to be made available alongside publicly funded defibrillators; allows opiate antagonists to be administered by school staff; and expands the medication take-back program to include syringes. For FY 2019-20, appropriates \$659,472 total funds to the Department of Public Health and Environment, including \$434,472 General Fund, \$225,000 cash funds from the Opiate Antagonist Bulk Purchase Fund, and 2.2 FTE.

S.B. 19-228 (SUBSTANCE USE DISORDERS PREVENTION MEASURES): Provides funding for the implementation of several programs for the prevention of opioid and other substance use disorders in the Departments of Human Services, Higher Education, and Public Health and Environment. The table below summarizes the fiscal impact in FY 2019-20 and FY 2020-21. All funding is from the Marijuana Tax Cash Fund.

FISCAL IMPACT OF S.B. 19-228					
	FUND SOURCE	FY 2019-20 APPROPRIATION	FTE	FY 2020-21 APPROPRIATION	FTE
Human Services (Maternal and Child Health Pilot Program - \$692,367 in FY 20 and \$662,961 in FY 21; Youth Opioid Prevention Grant Program \$500,000 FY 20 only)	Marijuana Tax Cash Fund	\$1,192,367	2.1	\$662,961	1.6
Higher Education (public awareness campaign on safe storage, use disposal of antagonist drugs - \$750,000 in FY 20 and ongoing; one-time local community grant application assistance - \$250,000 in FY 20 only; 2-year perinatal substance use data linkage project - \$100,000 in FY 20 and \$50,000 in FY 21)	MTCF	1,100,000	0.0	800,000	0.0
Public Health and Environment (public health interventions to address opioid and substance use disorder - FY 20 only)	MTCF	2,000,000	0.9	0	0.0
Total*	MTCF	\$4,292,367	3.0	\$1,462,961	1.6

*Excludes centrally-appropriated funds

S.B. 19-236 (SUNSET PUBLIC UTILITIES COMMISSION): Requires the Air Pollution Control Division to develop a carbon dioxide emission measurement methodology, to assist the Public Utilities Commission in their energy resource planning process, and to verify compliance with emissions targets set by this bill. Appropriates \$163,820 General Fund to the Department of Public Health and Environment for FY 2019-20, based on the assumption it will require an additional 1.8 FTE. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Regulatory Agencies.

H.B. 19-1010 (FREESTANDING EMERGENCY DEPARTMENTS LICENSURE): Creates a new facility license for freestanding emergency departments and requires such facilities to be licensed by the Department of Public Health and Environment by July 1, 2022. For FY 2019-20, appropriates \$43,248 cash funds and 0.5 FTE from the Health Facilities General Licensure Cash Fund to the Department.

H.B. 19-1031 (CHILD PATIENT MORE THAN ONE PRIMARY CAREGIVER): Allows each parent or guardian to serve as a primary caregiver for a medical marijuana patient who is under the age of 18. For FY 2019-20,

appropriates \$95,831 cash funds from the Medical Marijuana Program Cash Fund to the Department of Public Health and Environment.

H.B. 19-1032 (COMPREHENSIVE HUMAN SEXUALITY EDUCATION): Modifies the comprehensive human sexuality education grant program and the content requirements for school districts that offer a comprehensive human sexuality education curriculum. For FY 2019-20, appropriates \$1.0 million General Fund and 1.5 FTE to the Department of Public Health and Environment for the grant program.

H.B. 19-1064 (VICTIM NOTIFICATION CRIMINAL PROCEEDINGS): Removes opt-in requirements for a victim to receive notifications of criminal proceedings involving their alleged offender or offender and instead automatically enrolls them. For FY 2019-20, appropriates \$300,000 General Fund to the Department of Public Health and Environment. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Corrections.

H.B. 19-1122 (CDPHE MATERNAL MORTALITY REVIEW COMMITTEE): Creates the Colorado Maternal Mortality Review Committee, which is required to review maternal deaths, identify the causes of maternal mortality, and develop recommendations to address preventable maternal deaths, including legislation, policies, rules, and best practices that will support the health and safety of the pregnant and postpartum population in Colorado and prevent maternal deaths. For FY 2019-20, appropriates \$145,167 General Fund and 1.6 FTE to the Department of Public Health and Environment.

H.B. 19-1133 (COLORADO CHILD ABUSE RESPONSE AND EVALUATION NETWORK): Creates the Colorado Child Abuse Response and Evaluation Network to develop and maintain standardized, coordinated responses to suspected cases of abuse or neglect of children ages 12 and under. For FY 2019-20, appropriates \$632,717 General Fund and 0.6 FTE to the Department of Public Health and Environment.

H.B. 19-1160 (MENTAL HEALTH FACILITY PILOT PROGRAM): Creates a three-year mental health facility pilot program in the Department of Public Health and Environment to provide residential care, treatment, and services to persons with either a mental health diagnosis or a physical health diagnosis. For FY 2019-20, appropriates \$30,730 General Fund and 0.3 FTE to the Department.

H.B. 19-1174 (OUT-OF-NETWORK HEALTH CARE SERVICES): Requires health care providers, facilities, and health insurance carriers to provide disclosures to consumers about the potential effects of receiving services from an out-of-network provider or at an out-of-network facility. Appropriates \$33,884 General Fund and 0.4 FTE to the Department of Public Health and Environment for FY 2019-20 to conduct a stakeholder process to develop rules for disclosures at health care facilities. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Regulatory Agencies.

H.B. 19-1183 (AUTOMATED EXTERNAL DEFIBRILLATORS IN PUBLIC PLACES): Encourages public schools and public places to have sufficient quantities of functional automated external defibrillators (AEDs) and requires the Department of Public Health and Environment to award a \$15,000 contract to a nonprofit organization for the purpose of acquiring and distributing AEDs to public places. For FY 2019-20, appropriates \$15,000 General Fund to the Department.

H.B. 19-1203 (SCHOOL NURSE GRANT PROGRAM): Creates the School Nurse Grant Program in the Department of Public Health and Environment to award grants to local education providers to hire school nurses to serve in public schools. Appropriates \$3,000,000 cash funds and 0.8 FTE from the Marijuana Tax Cash Fund to the Department of Public Health for FY 2019-20. Includes a one-time appropriation of \$2,944,809 for grants, and allows the Department to expend these funds through FY 2021-22. The remainder of the appropriation is for personal services and operating expenses for 0.7 FTE, which will be appropriated annually through FY 2021-22.

H.B. 19-1237 (LICENSING BEHAVIORAL HEALTH ENTITIES): Consolidates various licenses for behavioral health services into a single behavioral health entity (BHE) license to be administered by the Department of Public Health and Environment (CDPHE) and authorizes the state board of health to promulgate rules for the new license. The Department of Human Services (DHS) will fund the costs of licensing activities related to behavioral health entity licensing for DHS and CDPHE, less money collected from the Behavioral Health Entity Cash Fund, through June 30, 2024. This funding will come from the federal Mental Health and Substance Abuse Prevention and Treatment block grant and will cover the licensing function costs that are transferred to CDPHE under this bill until the CDPHE program is self-sufficient through its own fee revenue. For FY 2019-20, appropriates \$51,472 General Fund and 0.5 FTE to the Department of Public Health and Environment.

H.B. 19-1261 (CLIMATE ACTION PLAN TO REDUCE POLLUTION): Sets statewide greenhouse gas pollution reduction goals relative to 2005 statewide greenhouse gas pollution levels and requires the Air Quality Control Commission to adopt rules and regulations for statewide greenhouse gas pollution reduction. Appropriates \$281,588 General Fund to the Department for FY 2019-20, based on the assumption it will require an additional 2.0 FTE.

H.B. 19-1279 (PROTECT PUBLIC HEALTH FIREFIGHTER SAFETY REGULATE PFAS): Prohibits the use of class B firefighting foam that contains intentionally added perfluoroalkyl and polyfluoroalkyl (PFAS) substances for training purposes and includes civil penalties. It requires the Department to survey fire departments about issues related to PFAS foam. Appropriates \$55,278 General Fund to the Department for FY 2019-20, based on the assumption that it will require an additional 0.7 FTE.

Details

DEPARTMENT OF PUBLIC SAFETY

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$515,389,457	\$184,815,705	\$217,279,782	\$43,455,354	\$69,838,616	1,854.3
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	107,735,642	51,299,084	36,444,678	18,581,457	1,410,423	124.2
Colorado State Patrol	163,882,167	6,596,287	141,307,866	9,996,431	5,981,583	1,138.2
Division of Fire Prevention and Control	28,994,596	14,592,487	9,202,915	4,827,285	371,909	110.4
Division of Criminal Justice	121,964,885	76,769,169	4,803,108	5,781,085	34,611,523	82.1
Colorado Bureau of Investigation	40,359,363	19,233,678	15,970,501	4,203,255	951,929	304.6
Division of Homeland Security and Emergency Management	52,452,804	16,325,000	9,550,714	65,841	26,511,249	94.8
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$504,900,184	\$182,586,685	\$209,166,181	\$43,308,702	\$69,838,616	1,845.1
SB 18-027	336,009	0	336,009	0	0	2.0
SB 18-071	3,000	0	3,000	0	0	0.0
SB 18-158	5,000,000	0	5,000,000	0	0	2.3
SB 18-229	34,065	0	34,065	0	0	0.2
HB 18-1020	1,487,821	0	1,487,821	0	0	0.8
HB 18-1251	264,070	264,070	0	0	0	0.8
HB 18-1287	255,443	255,443	0	0	0	2.5
HB 18-1339	121,748	0	0	121,748	0	0.6
HB 18-1413	500,000	0	500,000	0	0	0.0
SB 19-121	2,487,117	1,709,507	752,706	24,904	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$527,389,957	\$166,108,148	\$238,609,816	\$52,591,767	\$70,080,226	1,904.1
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	82,131,928	18,154,315	35,898,422	26,528,682	1,550,509	124.2
Colorado State Patrol	175,765,398	6,835,695	152,173,667	10,630,670	6,125,366	1,163.3
Division of Fire Prevention and Control	30,728,388	19,648,098	5,839,508	4,889,741	351,041	117.7
Division of Criminal Justice	130,924,598	85,630,993	4,858,563	5,796,833	34,638,209	85.0
Colorado Bureau of Investigation	43,007,929	19,509,524	18,123,954	4,200,053	1,174,398	315.5
Division of Homeland Security and Emergency Management	64,831,716	16,329,523	21,715,702	545,788	26,240,703	98.4
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$524,032,030	\$165,477,267	\$236,387,781	\$52,086,756	\$70,080,226	1,894.5
HB 19-1242	128,188	0	128,188	0	0	0.7
HB 19-1275	443,847	0	443,847	0	0	6.6
SB 19-008	40,300	40,300	0	0	0	0.0
SB 19-020	350,000	350,000	0	0	0	0.0
SB 19-040	174,183	174,183	0	0	0	0.8
SB 19-061	40,291	40,291	0	0	0	0.5
SB 19-179	1,150,000	0	1,150,000	0	0	0.0
HB 19-1073	979,947	0	500,000	479,947	0	0.7
HB 19-1090	18,772	0	0	18,772	0	0.0

DEPARTMENT OF PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1230	4,576	0	0	4,576	0	0.0
HB 19-1297	26,107	26,107	0	0	0	0.3
HB 19-1327	1,716	0	0	1,716	0	0.0
INCREASE/(DECREASE)	\$12,000,500	(\$18,707,557)	\$21,330,034	\$9,136,413	\$241,610	49.8
Percentage Change	2.3%	(10.1%)	9.8%	21.0%	0.3%	2.7%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Public Safety are annotated with the "(I)". For additional information, see Appendix J.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	
FY 2019-20 Appropriations containing an (I) notation	\$95,344,008	\$0	\$21,289,163	\$3,974,619	\$70,080,226	

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

This office manages the administrative and fiscal affairs of the Department, oversees the Witness Protection Program, and houses the Colorado Integrated Criminal Justice Information System. The primary cash funds and reappropriated funds sources include the Highway Users Tax Fund and indirect cost recoveries.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$107,176,375	\$51,133,724	\$36,089,040	\$18,543,188	\$1,410,423	124.2
HB 18-1287	35,367	35,367	0	0	0	0.0
SB 19-121	523,900	129,993	355,638	38,269	0	0.0
TOTAL	\$107,735,642	\$51,299,084	\$36,444,678	\$18,581,457	\$1,410,423	124.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$107,735,642	\$51,299,084	\$36,444,678	\$18,581,457	\$1,410,423	124.2
Centrally appropriated line items	12,759,749	4,316,790	7,984,381	197,810	260,768	0.0
Wildfire funding adjustment	390,164	390,164	0	0	0	0.0
CSP civilian and uniform staff	352,118	0	352,118	0	0	0.0
DOR Marijuana enforcement division operations	118,546	0	118,546	0	0	0.0
Fire and life safety resources	47,100	0	47,100	0	0	0.0
Annualize prior year legislation	31,530	15,036	0	16,494	0	0.0
Safe2Tell	0	15,180	0	(15,180)	0	0.0
Annualize prior year budget actions	(39,284,022)	(35,929,438)	(3,058,351)	(175,551)	(120,682)	0.0
Indirect cost assessment	(18,899)	(1,952,501)	(5,990,050)	7,923,652	0	0.0
SB 19-207	\$82,131,928	\$18,154,315	\$35,898,422	\$26,528,682	\$1,550,509	124.2
TOTAL	\$82,131,928	\$18,154,315	\$35,898,422	\$26,528,682	\$1,550,509	124.2
INCREASE/(DECREASE)	(\$25,603,714)	(\$33,144,769)	(\$546,256)	\$7,947,225	\$140,086	0.0
Percentage Change	(23.8%)	(64.6%)	(1.5%)	42.8%	9.9%	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies the FY 2018-19 appropriation, including two primary adjustments to:

- Add \$523,900 total funds, including \$126,237 General Fund to correct an error in the calculation of the FY 2018-19 salary survey appropriation; and
- Add \$3,756 General Fund to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; payment to risk management and property funds; vehicle lease payments; leased space; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

WILDFIRE FUNDING ADJUSTMENT: The appropriation includes two net-neutral adjustments to funding for wildfire-related programs: a direct General Fund appropriation of \$4.15 million to the Wildfire Preparedness Fund line item, in place of the existing cash funds appropriation; and a continuation of a \$3.0 million appropriation for wildfire preparedness.

CSP CIVILIAN AND UNIFORM STAFF: The appropriation includes \$352,118 cash funds from the Highway Users Tax Fund for centrally appropriated items for 20.0 FTE new Colorado State Troopers and civilian staff.

DOR MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$118,546 cash funds from the Marijuana Tax Cash Fund to support the operations of the Department of Revenue's Marijuana Enforcement Division. For more information, see Part II for the Department of Revenue.

FIRE AND LIFE SAFETY RESOURCES: The appropriation includes \$47,100 cash funds to create a Professional Standards Unit and increase staffing to manage the permitting processes within the Fire and Life Safety Section in the Division of Fire Prevention and Control. In the Executive Director's Office, the appropriation includes leased space and vehicle lease payments.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$31,530 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

SAFE2TELL: The appropriation includes an increase of \$15,180 General Fund and a decrease of \$15,180 reappropriated funds to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Safe2Tell communications officer transfer	\$0	(\$3,756)	\$0	\$3,756	\$0	0.0
School safety funding	(35,000,000)	(35,000,000)	0	0	0	0.0
FY 2018-19 Salary survey	(4,279,319)	(925,682)	(3,058,351)	(174,604)	(120,682)	0.0
Trooper increase	(4,703)	0	0	(4,703)	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	(\$39,284,022)	(\$35,929,438)	(\$3,058,351)	(\$175,551)	(\$120,682)	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a decrease of \$18,899 total funds, including a decrease of \$1,952,501 General Fund, in the Department's indirect cost assessment.

COLORADO STATE PATROL

This division is responsible for the safe and efficient movement of motor vehicle traffic on federal, state, and county roads in Colorado. The State Patrol enforces motor vehicle laws, assists motorists in need, conducts automotive and motor carrier safety checks, investigates traffic accidents, and oversees the transportation of hazardous materials. The primary cash fund and reappropriated fund sources include: the Highway Users Tax Fund, limited gaming funds transferred from the Department of Revenue, funds transferred from the Department of Transportation, the Vehicle Identification Number Inspection Fund, the Auto Theft Prevention Fund, and user fees from state and non-state agencies.

COLORADO STATE PATROL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$163,895,532	\$6,596,287	\$141,307,866	\$10,009,796	\$5,981,583	1,138.3
SB 19-121	(13,365)	0	0	(13,365)	0	(0.1)
TOTAL	\$163,882,167	\$6,596,287	\$141,307,866	\$9,996,431	\$5,981,583	1,138.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$163,882,167	\$6,596,287	\$141,307,866	\$9,996,431	\$5,981,583	1,138.2
Indirect cost assessment	5,886,148	0	5,330,614	555,534	0	0.0
Annualize prior year budget actions	2,306,410	167,412	1,927,296	133,790	77,912	3.6
CSP civilian and uniform staff	1,985,136	0	1,985,136	0	0	20.0
CSP overtime	832,456	0	832,456	0	0	0.0
Annualize prior year legislation	288,230	16,161	259,449	10,301	2,319	0.0
Centrally appropriated line items	283,557	55,835	141,598	22,071	64,053	0.0
E-470 troopers	245,933	0	245,933	0	0	2.0
VIN inspections	110,429	0	110,429	0	0	0.0
Technical adjustment	0	0	8,213	(7,712)	(501)	0.0
Safe2Tell	(55,068)	0	24,677	(79,745)	0	(0.5)
SB 19-207	\$175,765,398	\$6,835,695	\$152,173,667	\$10,630,670	\$6,125,366	1,163.3
TOTAL	\$175,765,398	\$6,835,695	\$152,173,667	\$10,630,670	\$6,125,366	1,163.3
INCREASE/(DECREASE)						
	\$11,883,231	\$239,408	\$10,865,801	\$634,239	\$143,783	25.1
Percentage Change	7.3%	3.6%	7.7%	6.3%	2.4%	2.2%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies the appropriation for FY 2018-19 by reducing \$13,365 reappropriated funds and 0.1 FTE for the Safe2Tell communications officer transfer.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

INDIRECT COST ASSESSMENT: The appropriation includes a \$5.9 million total funds increase in the division's indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$3,140,647	\$167,412	\$2,774,898	\$120,425	\$77,912	0.0
Trooper increase	69,138	0	69,138	0	0	3.5
Safe2Tell communications officer transfer	13,365	0	0	13,365	0	0.1
Officer equipment package	(916,740)	0	(916,740)	0	0	0.0
TOTAL	\$2,306,410	\$167,412	\$1,927,296	\$133,790	\$77,912	3.6

CSP CIVILIAN AND UNIFORM STAFF: The appropriation includes \$2.0 million cash funds from the Highway Users Tax Fund and 20.0 FTE in FY 2019-20 to increase the number of Colorado State Troopers and civilian staff.

CSP OVERTIME: The appropriation includes \$832,456 cash funds from the Highway Users Tax Fund (HUTF) and no change in FTE in FY 2019-20 to fund the CSP overtime budget.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$288,230 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to vehicle lease payments for the division.

E-470 TROOPERS: The appropriation includes \$245,933 cash funds from the E-470 Public Highway Authority and 2.0 FTE to increase patrol hours on the E-470 toll road.

VIN INSPECTIONS: The appropriation includes \$110,429 cash fund spending authority from the Vehicle Identification Number (VIN) Inspection Fund to align spending authority with VIN inspection fee revenues. This will allow the Department to expend these available funds to support the cost of the activities that generate the fee revenue and to meet the growing demand for services.

TECHNICAL ADJUSTMENT: The appropriation includes a net \$0 total funds technical adjustment.

SAFE2TELL: The appropriation includes a decrease of \$55,068 total funds and 0.5 FTE for FY 2019-20 to transfer resources from the CSP Communications Program to the Division of Homeland Security and Emergency management (DHSEM) to fully integrate the Safe2Tell Unit in the DHSEM Watch Center.

DIVISION OF FIRE PREVENTION AND CONTROL

The Division of Fire Prevention and Control is tasked with fire code enforcement, training, certification, and wildfire preparedness, response, suppression, coordination, and management. The primary sources of cash funds for this division include: proceeds of insurance premium taxes into the Wildfire Preparedness Fund; the Public School Construction and Inspection Cash Fund; the Emergency Fire Fund; the Wildland Fire Equipment Repair Cash Fund; the Firefighter, First Responder, and Hazardous Materials Responder Certification Fund; the Fire Suppression Cash Fund; and the Wildfire Emergency Response Fund.

DIVISION OF FIRE PREVENTION AND CONTROL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$28,994,596	\$14,592,487	\$9,202,915	\$4,827,285	\$371,909	110.4
TOTAL	\$28,994,596	\$14,592,487	\$9,202,915	\$4,827,285	\$371,909	110.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$28,994,596	\$14,592,487	\$9,202,915	\$4,827,285	\$371,909	110.4
Local firefighter safety and disease prevention	500,000	500,000	0	0	0	0.0
Fire and life safety resources	498,213	0	498,213	0	0	5.0
Indirect cost assessment	233,567	0	210,163	44,272	(20,868)	0.0
Annualize prior year budget actions	195,531	103,269	75,874	16,388	0	0.0
Fire investigations transfer	115,256	115,256	0	0	0	1.0
Annualize prior year legislation	16,915	12,776	2,343	1,796	0	0.0
Wildfire funding adjustment	(390,164)	3,759,836	(4,150,000)	0	0	0.0
SB 19-207	\$30,163,914	\$19,083,624	\$5,839,508	\$4,889,741	\$351,041	116.4
SB 19-020	350,000	350,000	0	0	0	0.0
SB 19-040	174,183	174,183	0	0	0	0.8
SB 19-061	40,291	40,291	0	0	0	0.5
TOTAL	\$30,728,388	\$19,648,098	\$5,839,508	\$4,889,741	\$351,041	117.7
INCREASE/(DECREASE)	\$1,733,792	\$5,055,611	(\$3,363,407)	\$62,456	(\$20,868)	7.3
Percentage Change	6.0%	34.6%	(36.5%)	1.3%	(5.6%)	6.6%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

LOCAL FIREFIGHTER SAFETY AND DISEASE PREVENTION: The appropriation includes \$500,000 General Fund for the local firefighter safety and disease prevention grant program.

FIRE AND LIFE SAFETY RESOURCES: The appropriation includes \$498,213 cash funds and 5.0 FTE to create a Professional Standards Unit and increase staffing to manage the permitting processes within the Fire and Life Safety Section in the Division of Fire Prevention and Control.

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$233,567 total funds in the division's indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$195,531 total funds, including \$103,269 General Fund, to reflect the FY 2019-20 impact of the prior year salary survey increase.

FIRE INVESTIGATIONS TRANSFER: The appropriation includes an increase of \$115,256 General Fund and 1.0 FTE Fire Arson Investigator to transfer 1.0 FTE from the Colorado Bureau of Investigation (CBI) to the Division of Fire Prevention and Control (DFPC). Currently, both CBI and DFPC have the authority to assist local governments with the investigation of fire, including when there is the suspicion of arson. This will consolidate the fire and arson investigations under the DFPC.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$16,915 total funds for the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

WILDFIRE FUNDING ADJUSTMENT: The appropriation includes two net-neutral adjustments to funding for wildfire-related programs: a direct General Fund appropriation of \$4.15 million to the Wildfire Preparedness Fund line item, in place of the existing cash funds appropriation; and a continuation of a \$3.0 million appropriation for wildfire preparedness.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF CRIMINAL JUSTICE

This division:

- Provides funding for the State's community corrections programs and for local oversight boards;
- Administers state and federally funded grant programs targeting juvenile delinquency and federally funded grant programs that help local and state law enforcement agencies improve the services they deliver;
- Administers state and federally funded grant programs that help state and local agencies assist crime victims, operates the Victim's Rights Act Compliance Program, and provides assistance in implementing Colorado's Victim's Rights Amendment;
- Assists the Domestic Violence Offender Management Board and the Sex Offender Management Board in developing and implementing standards and policies for the evaluation, treatment, monitoring, and management of adults convicted of domestic violence and sex offenses;
- Analyzes and distributes criminal justice data and information, evaluates criminal justice programs, provides research support to the Colorado Commission on Criminal and Juvenile Justice; and
- Helps strengthen the performance and professionalism of Colorado law enforcement agencies through training, education, grants, and technical assistance programs.

The primary sources of cash funds are the Victims Assistance and Law Enforcement Fund (the State VALE Fund), the Child Abuse Investigation Surcharge Fund, the Sex Offender Surcharge Fund, and the Marijuana Tax Cash Fund. The primary sources of reappropriated funds are transfers of money appropriated to the Correctional Treatment Cash Fund in the Judicial Department and departmental indirect cost recoveries. Sources of federal funds include Federal Victims Assistance and Compensation Grants and State and Local Crime Control and System Improvement Grants.

DIVISION OF CRIMINAL JUSTICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$118,737,222	\$75,032,327	\$3,312,287	\$5,781,085	\$34,611,523	78.0
SB 18-071	3,000	0	3,000	0	0	0.0
HB 18-1020	1,487,821	0	1,487,821	0	0	0.8
HB 18-1251	264,070	264,070	0	0	0	0.8
HB 18-1287	220,076	220,076	0	0	0	2.5
SB 19-121	1,252,696	1,252,696	0	0	0	0.0
TOTAL	\$121,964,885	\$76,769,169	\$4,803,108	\$5,781,085	\$34,611,523	82.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$121,964,885	\$76,769,169	\$4,803,108	\$5,781,085	\$34,611,523	82.1
Community corrections adjustment	9,907,304	9,950,026	0	(42,722)	0	0.0
Expand juvenile diversion and risk screening	1,920,538	1,920,538	0	0	0	1.8
Child abuse investigations	200,000	200,000	0	0	0	0.0
Technical adjustment	194,130	175,344	0	18,786	0	0.0
Community provider rate	96,594	70,176	0	26,418	0	0.0
Performance-based contracting preparation	75,000	75,000	0	0	0	0.0
Indirect cost assessment	12,554	0	36,007	0	(23,453)	0.0
Community corrections information and billing system	(2,200,000)	(2,200,000)	0	0	0	0.0
Annualize prior year legislation	(1,222,780)	(1,229,465)	(2,381)	2,560	6,506	0.4

DIVISION OF CRIMINAL JUSTICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions	(90,034)	(166,202)	21,829	10,706	43,633	0.4
SB 19-207	\$130,858,191	\$85,564,586	\$4,858,563	\$5,796,833	\$34,638,209	84.7
SB 19-008	40,300	40,300	0	0	0	0.0
HB 19-1297	26,107	26,107	0	0	0	0.3
TOTAL	\$130,924,598	\$85,630,993	\$4,858,563	\$5,796,833	\$34,638,209	85.0
INCREASE/(DECREASE)	\$8,959,713	\$8,861,824	\$55,455	\$15,748	\$26,686	2.9
Percentage Change	7.3%	11.5%	1.2%	0.3%	0.1%	3.5%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies FY 2018-19 appropriations by adding \$1,252,696 General Fund to adjust the appropriation for community corrections beds based on utilization through the end of February 2018.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

COMMUNITY CORRECTIONS ADJUSTMENT: The appropriation includes an increase of \$9,907,304 General Fund for adjustments to community corrections programs based on increased utilization and rate changes.

EXPAND JUVENILE DIVERSION AND RISK SCREENING: The appropriation includes an increase of \$1.9 million General Fund and 1.8 FTE to expand the use and locations of juvenile diversion programs.

CHILD ABUSE INVESTIGATION: The appropriation includes an increase of \$200,000 General Fund to increase the funding for child abuse investigations.

TECHNICAL ADJUSTMENT: The appropriation includes an increase of \$194,130 total funds, including \$175,344 General Fund and \$18,786 reappropriated funds, to adjust for the additional leap year day for line items that pay a daily rate.

COMMUNITY PROVIDER RATE: The appropriation includes an increase of \$96,594 total funds, including \$70,176 General Fund and \$26,418 reappropriated funds for a 1.0 percent provider rate increase.

PERFORMANCE-BASED CONTRACTING PREPARATION: The appropriation includes an increase of \$75,000 General Fund for technical assistance to the Department for establishment of performance based contracting.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessment.

COMMUNITY CORRECTIONS INFORMATION AND BILLING SYSTEM: The appropriation includes a decrease of \$2.2 million General Fund from community corrections placements for use by the Department to improve the community corrections information and billing system.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$18,104	\$8,634	\$404	\$2,560	\$6,506	0.0
HB 18-1251 OCC transition payments	14,597	14,597	0	0	0	0.2
SB 19-121 Public Safety supplemental	(1,252,696)	(1,252,696)	0	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 1020 Civil forfeiture reforms	(2,785)	0	(2,785)	0	0	0.2
TOTAL	(\$1,222,780)	(\$1,229,465)	(\$2,381)	\$2,560	\$6,506	0.4

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$169,926	\$93,758	\$21,829	\$10,706	\$43,633	0.0
OCC Pace	15,040	15,040	0	0	0	0.4
Subsistence payment	(275,000)	(275,000)	0	0	0	0.0
TOTAL	(\$90,034)	(\$166,202)	\$21,829	\$10,706	\$43,633	0.4

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

COLORADO BUREAU OF INVESTIGATION

The Colorado Bureau of Investigation (CBI) provides information technology, laboratory, and investigative services to local, state, and federal law enforcement agencies upon request. The Colorado Crime Information Center (CCIC) provides information to law enforcement agencies on warrants, case status, stolen property, vehicle registration, known offenders, and driver's licenses. The CBI also operates the State's InstaCheck criminal background check program for firearms. The laboratory analyzes DNA, fingerprint, firearms and tool marks, physiological fluids, toxicology, chemical, document, and digital evidence, as well as trace evidence and shoe and tire track evidence. Major cash fund sources include the CBI Identification Unit Fund, the Instant Criminal Background Check Cash Fund, the Marijuana Tax Cash Fund, the Offender Identification Fund, the State Toxicology Laboratory Fund, and the Colorado Identity Theft and Financial Fraud Cash Fund.

COLORADO BUREAU OF INVESTIGATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$39,470,473	\$19,233,678	\$15,203,359	\$4,081,507	\$951,929	301.8
SB 18-027	336,009	0	336,009	0	0	2.0
SB 18-229	34,065	0	34,065	0	0	0.2
HB 18-1339	121,748	0	0	121,748	0	0.6
SB 19-121	397,068	0	397,068	0	0	0.0
TOTAL	\$40,359,363	\$19,233,678	\$15,970,501	\$4,203,255	\$951,929	304.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$40,359,363	\$19,233,678	\$15,970,501	\$4,203,255	\$951,929	304.6
DOR Marijuana enforcement division operations	795,870	0	795,870	0	0	5.0
Indirect cost assessment	676,746	0	417,085	57,565	202,096	0.0
MTCF for toxicology laboratory	520,000	0	520,000	0	0	0.0
Annualize prior year budget actions	158,749	368,201	(251,190)	26,637	15,101	0.0
Criminal history record backlog and updates	58,942	0	58,942	0	0	0.0
Black market marijuana interdiction	14,508	0	14,508	0	0	0.0
Fire investigations transfer	(115,256)	(115,256)	0	0	0	(1.0)
Annualize prior year legislation	(39,423)	31,106	31,545	(102,074)	0	(0.4)
Centrally appropriated line items	(18,669)	(8,205)	(5,342)	(10,394)	5,272	0.0

COLORADO BUREAU OF INVESTIGATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-207	\$42,410,830	\$19,509,524	\$17,551,919	\$4,174,989	\$1,174,398	308.2
HB 19-1090	18,772	0	0	18,772	0	0.0
HB 19-1230	4,576	0	0	4,576	0	0.0
HB 19-1242	128,188	0	128,188	0	0	0.7
HB 19-1275	443,847	0	443,847	0	0	6.6
HB 19-1327	1,716	0	0	1,716	0	0.0
TOTAL	\$43,007,929	\$19,509,524	\$18,123,954	\$4,200,053	\$1,174,398	315.5
INCREASE/(DECREASE)	\$2,648,566	\$275,846	\$2,153,453	(\$3,202)	\$222,469	10.9
Percentage Change	6.6%	1.4%	13.5%	(0.1%)	23.4%	3.6%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies the appropriation for FY 2018-19 by adding \$397,068 cash funds from the Marijuana Tax Cash Fund for black market marijuana interdiction.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

DOR MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$795,870 cash funds from the Marijuana Tax Cash Fund and 5.0 FTE to support the operations of the Department of Revenue's Marijuana Enforcement Division. For more information, see Part II for the Department of Revenue.

INDIRECT COST ASSESSMENT: The appropriation includes a \$676,746 total funds increase in the division's indirect cost assessment.

MTCF FOR TOXICOLOGY LABORATORY: The appropriation includes an increase of \$520,000 cash funds to support the operations of the CBI Toxicology Laboratory. The appropriation includes a \$1,696,626 increase in Marijuana Tax Cash Fund and a \$1,176,626 decrease in Toxicology Cash Fund, resulting in a \$520,000 net increase for one-time capital equipment expenditures.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$593,441	\$368,201	\$183,502	\$26,637	\$15,101	0.0
FY 2018-19 Black market marijuana interdiction supplemental	(397,068)	0	(397,068)	0	0	0.0
FY 2018-19 Black market marijuana	(37,624)	0	(37,624)	0	0	0.0
TOTAL	\$158,749	\$368,201	(\$251,190)	\$26,637	\$15,101	0.0

CRIMINAL HISTORY RECORD BACKLOG AND UPDATES: The appropriation includes a one-time \$58,942 cash fund increase in the CBI indirect cost assessment line and a net \$0 cash fund transfer of \$577,861 from the CBI Biometric Identification and Records Unit operating expenses line item to the Unit's personal services line item. This transfer will allow the Department to replace, train, and extend 19.0 FTE temporary personnel for nine months to complete the required updating of criminal records received from the FBI and Arapahoe County.

BLACK MARKET MARIJUANA INTERDICTION: The appropriation includes \$14,508 cash funds from the Marijuana Tax Cash Fund to support vehicle lease and mileage expenses for the Colorado Bureau of Investigation Black Market Marijuana Unit that was created in FY 2018-19.

FIRE INVESTIGATIONS TRANSFER: The appropriation includes a decrease of \$115,256 General Fund and 1.0 FTE Fire Arson Investigator from CBI to the Division of Fire Prevention and Control, resulting in a net \$0 impact on the Department.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-027 Nurse licensure compact	\$39,378	\$0	\$39,378	\$0	\$0	0.2
SB 18-200 Eliminate Unfunded PERA Liability	37,289	31,106	4,708	1,475	0	0.0
HB 18-1339 Federal tax information	(103,549)	0	0	(103,549)	0	(0.5)
SB 18-229 CDE student teacher CHRCs	(12,541)	0	(12,541)	0	0	(0.1)
TOTAL	(\$39,423)	\$31,106	\$31,545	(\$102,074)	\$0	(0.4)

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments for vehicle lease payments for the division.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT

The Division of Homeland Security and Emergency Management consists of three offices: the Office of Emergency Management, the Office of Prevention and Security, and the Office of Preparedness. The Division is tasked with consolidating and restructuring the State's homeland security and disaster preparedness and response functions by better coordination of emergency management, homeland security, and public health entities in the state. This division is primarily federally funded. The primary cash fund source is the Disaster Emergency Fund.

DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$46,625,986	\$15,998,182	\$4,050,714	\$65,841	\$26,511,249	92.4
SB 18-158	5,000,000	0	5,000,000	0	0	2.3
HB 18-1413	500,000	0	500,000	0	0	0.0
SB 19-121	326,818	326,818	0	0	0	0.1
TOTAL	\$52,452,804	\$16,325,000	\$9,550,714	\$65,841	\$26,511,249	94.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$52,452,804	\$16,325,000	\$9,550,714	\$65,841	\$26,511,249	94.8
Flood recovery adjustment	9,500,000	(1,500,000)	11,000,000	0	0	0.0
State emergency management program	1,384,773	1,384,773	0	0	0	0.0
Safe2tell	164,280	164,280	0	0	0	0.5
Annualize prior year legislation	(487,247)	12,712	(499,959)	0	0	0.2
Indirect cost assessment	(256,600)	0	13,946	0	(270,546)	0.0
Annualize prior year budget actions	(56,241)	(57,242)	1,001	0	0	2.2
SB 19-207	\$62,701,769	\$16,329,523	\$20,065,702	\$65,841	\$26,240,703	97.7
SB 19-179	1,150,000	0	1,150,000	0	0	0.0
HB 19-1073	979,947	0	500,000	479,947	0	0.7
TOTAL	\$64,831,716	\$16,329,523	\$21,715,702	\$545,788	\$26,240,703	98.4
INCREASE/(DECREASE)	\$12,378,912	\$4,523	\$12,164,988	\$479,947	(\$270,546)	3.6
Percentage Change	23.6%	0.0%	127.4%	728.9%	(1.0%)	3.8%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-121 modifies the FY 2018-19 appropriation, including two primary adjustments to:

- Add \$286,150 General Fund to pay for relocations costs to new office space; and
- Add \$40,668 General Fund to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services, as well as funding for technology resources, including an upgraded phone system and data mining software.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

FLOOD RECOVERY ADJUSTMENT: The appropriation includes a General Fund reduction of \$1.5 million to the 2013 Flood Recovery subaccount of the Disaster Emergency Fund, bringing the total appropriation to \$9.5 million in FY 2019-20 from \$11.0 million General Fund in FY 2018-19. The appropriation also included an associated cash fund appropriation to ensure spending authority for dedicated flood recovery funds.

STATE EMERGENCY MANAGEMENT PROGRAM: The appropriation includes \$1.4 million General Fund to support the state's emergency management capabilities, in response to an expected decline in federal funds and overall increases to the program's personnel costs. Functions of the emergency management office include the State Emergency Operations Center, field services, mitigation, recovery, and trainings and exercises.

SAFE2TELL: The appropriation includes an increase of \$164,280 General Fund to reallocate funding historically received from the Department of Law for Safe2Tell dispatching services, as well as funding for technology resources, including an upgraded phone system and data mining software.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$12,753	\$12,712	\$41	\$0	\$0	0.0
SB 18-158 School Access to ICT	0	0	0	0	0	0.2
HB 18-1413 School Safety Incident Response Grant	(500,000)	0	(500,000)	0	0	0.0
TOTAL	(\$487,247)	\$12,712	(\$499,959)	\$0	\$0	0.2

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$256,600 total funds in the Division's indirect cost assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 salary survey	\$194,513	\$193,512	\$1,001	\$0	\$0	0.0
Safe2Tell funding	76,064	76,064	0	0	0	2.3
One-time relocation costs	(286,150)	(286,150)	0	0	0	0.0
Safe2Tell communications officer transfer	(40,668)	(40,668)	0	0	0	(0.1)
TOTAL	(\$56,241)	(\$57,242)	\$1,001	\$0	\$0	2.2

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-016 (CONTINUE TRANSFER OF COMMUNITY CORRECTIONS REVERSIONS): Continues indefinitely the annual transfer of any unspent General Fund appropriations for the Department of Public Safety's Division of Criminal Justice community corrections programs to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund in the Department of Local Affairs. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Local Affairs

S.B. 18-027 (ENHANCED NURSE LICENSURE COMPACT): Adopts the Enhanced Nurse Licensure Compact and repeals the existing Nurse Licensure Compact. Requires that all registered and licensed practical nurses licensed after July 20, 2017, complete a fingerprint-based criminal history check in order to participate in the compact. Grandfathers nurses holding a multi-state license prior to July 20, 2017 into the enhanced compact. For FY 2017-18 and FY 2018-19, appropriates \$233,702 and \$336,009 cash funds, respectively, to the Colorado Bureau of Investigation for the completion of criminal history record checks.

S.B. 18-071 (REAUTHORIZE SUBSTANCE ABUSE AND TREND RESPONSE TASK FORCE): Reauthorizes until 2028 the Substance Abuse and Trend Response Task Force, which helps local communities implement effective substance abuse prevention, intervention, and treatment practices and effective criminal-justice-system responses. For FY 2018-19, appropriates \$3,000 cash funds to the Department from the Substance Abuse, Prevention, Intervention, and Treatment Cash Fund, which is funded with gifts, grants, and donations.

S.B. 18-158 (SCHOOL ACCESS TO INTEROPERABLE COMMUNICATION TECH): Creates a grant program to provide funding to schools or public safety network owners for costs related to improving interoperable communications between schools and first responders. Sets a six-year annual transfer of \$5.0 million for the program, with a corresponding annual cash funds expenditure increase in the Department of Public Safety through FY 2023-24.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-202 (CO FIREFIGHTING AIR CORPS FUND RESERVE EXEMPTION): Exempts the Colorado Firefighting Air Corps (CFAC) Cash Fund from the statutory limit on uncommitted reserves.

S.B. 18-229 (CDE STUDENT TEACHER CRIMINAL HISTORY RECORD CHECKS): Permits a student in an educator preparation program to obtain a fingerprint-based criminal history record check from the Colorado Bureau of Investigation (CBI). Requires the CBI to provide the results of the background checks to the educator preparation program in which the student is enrolled and make the results available to schools and school districts. Appropriates \$34,065 cash funds from the CBI Identification Unit Fund and 0.2 FTE in FY 2018-19.

S.B. 18-269 (SCHOOL SECURITY DISBURSEMENT PROGRAM): Creates a program in the Department of Public Safety to disburse funds to local education providers to make school security-related improvements. Increases state expenditures from the School Safety Resource Center Cash Fund by \$30.0 million between FY 2018-19 and FY 2020-21.

H.B. 18-1020 (CIVIL FORFEITURE REFORMS): Makes changes to civil asset forfeiture reporting requirements and establishes two law enforcement grant programs. For FY 2018-19, appropriates \$1,487,821 from the Marijuana Tax Cash Fund and 0.8 FTE to the Department.

H.B. 18-1251 (COMMUNITY CORRECTIONS TRANSITION PLACEMENTS): Modifies the procedures for community corrections transition placement referrals involving the State Board of Parole, the Department of Corrections, community corrections boards, and community corrections programs. For FY 2018-19, appropriates \$264,070 General Fund and 0.8 FTE to the Department.

H.B. 18-1287 (REAUTHORIZE COMMISSION ON CRIMINAL AND JUVENILE JUSTICE): Reauthorizes until 2023 the Commission on Criminal and Juvenile Justice, which engages in evidence-based analysis of the Colorado criminal justice system and annually reports to the Governor, the General Assembly, and the Chief Justice of the Colorado Supreme Court. For FY 2018-19, appropriates \$255,443 General Fund and 2.5 FTE to the Department, which continues the Commission's current funding level.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations to multiple departments for associated costs, including \$121,748 reappropriated funds and 0.6 FTE to the Department of Public Safety. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Personnel Revenue.

H.B. 18-1413 (SCHOOL SAFETY GRANT PROGRAM): Creates the Enhance School Safety Incident Response Grant Program to provide funding for research, program development, and training to improve school safety incident response. For FY 2018-19, appropriates \$500,000 cash funds from the School Safety Resource Center Cash Fund to the Department of Public Safety.

2019 SESSION BILLS

S.B. 19-008 (SUBSTANCE USE DISORDER TREATMENT IN CRIMINAL JUSTICE SYSTEM): Makes several changes to state law concerning substance use disorders and the criminal justice system, with respect to this department, the act:

- Requires the Commission on Criminal and Juvenile Justice (CCJJ) to study and make recommendations on various issues concerning the treatment of individuals with substance use disorders who come into contact with the criminal justice system, and to report to the General Assembly by July 1, 2020. Appropriates \$40,300 General Fund to the Department of Public Safety for FY 2019-20.
- Establishes a new process for sealing convictions for certain drug-related offenses, including: level 4 drug felonies and any drug misdemeanor involving the possession of a controlled substance; a felony or misdemeanor conviction prior to October 1, 2013, where the offense would be classified as a level 4 drug felony

or drug misdemeanor if it had been committed on or after that date; and any municipal violation involving a controlled substance.

- Directs the Substance Abuse Trend and Response Task Force to formulate a response to substance use disorder problems, including the use of drop-off treatment services, mobile and walk-in crisis centers, and withdrawal management programs for low-level drug offenders.

For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Human Services.

S.B. 19-020 (WILDLAND FIRE AIRSPACE PATROL SYSTEM): Requires the Center of Excellence for Advanced Technology Aerial Firefighting to study and, if feasible, implement a system to patrol the airspace above a wildland fire. For FY 2019-20, appropriates \$350,000 General Fund to the Department of Public Safety.

S.B. 19-040 (ESTABLISH COLORADO FIRE COMMISSION): Creates the Colorado Fire Commission to develop an integrated statewide process focused on the fire service's capacity to conduct fire management, preparedness, prevention, and response activities to safeguard lives, property, and natural resources, as well as increase the resiliency of local and regional communities. For FY 2019-20, appropriates \$174,183 General Fund and 0.8 FTE to the Department of Public Safety.

S.B. 19-061 (SELF-CONTAINED BREATHING APPARATUS TESTING AND CERTIFICATION): Authorizes the Department of Public Safety to promulgate rules that incorporate current federal standards for certification and recertification of self-contained breathing apparatus (SCBA) pressure vessels. For FY 2019-20, appropriates \$40,291 General Fund and 0.5 FTE to the Department of Public Safety.

S.B. 19-121 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-179 (ENHANCE SCHOOL SAFETY INCIDENT RESPONSE GRANT PROGRAM): Modifies and provides funding for the Enhance School Safety Incident Response Program created in H.B. 18-1413 (School Safety Grant Program). For FY 2019-20, appropriates \$1,150,000 cash funds from the School Safety Resource Center Cash Fund to the Department of Public Safety.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

H.B. 19-1073 (LAW ENFORCEMENT INFORMATION SHARING GRANT PROGRAM): Creates the Law Enforcement, Public Safety, and Criminal Justice Information Sharing Grant Program to provide funding to assist local law enforcement agencies in gaining access to the information-sharing system created by the Colorado information sharing consortium (CISC). Allows grant recipients to use the money to pay for computer hardware, software, and programming costs necessary to connect to CISC's information-sharing systems. As a condition of each grant, requires the grant recipient and CISC to ensure that the information systems comply with federal data security requirements, and that the law enforcement data and intelligence information that is shared complies with federal regulations governing the use of criminal justice information systems. For FY 2019-20, appropriates \$500,000 cash funds from the Marijuana Tax Cash Fund to the Law Enforcement, Public Safety, and Criminal Justice Information Sharing Grant Program Fund. Also appropriates \$479,947 reappropriated funds and 0.7 FTE from the Law Enforcement, Public Safety, and Criminal Justice Information Sharing Grant Program Fund to the Department of Public Safety.

H.B. 19-1090 (PUBLICLY LICENSED MARIJUANA COMPANIES): Repeals the provision that prohibits publicly traded corporations from holding a marijuana license. For FY 2019-20, appropriates \$18,772 reappropriated funds to the Colorado Bureau of Investigation to conduct fingerprint-based criminal history background checks. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Revenue.

H.B. 19-1230 (MARIJUANA HOSPITALITY ESTABLISHMENTS): Allows for the operation of marijuana hospitality establishments with local government approval and requires operator license applicants to undergo a thorough background investigation. For FY 2019-20, appropriates \$4,576 reappropriated funds to the Colorado Bureau of Investigation to conduct fingerprint-based criminal history background checks. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Revenue.

H.B. 19-1242 (BOARD OF PHARMACY REGULATE PHARMACY TECHNICIANS): Requires pharmacy technicians to become certified by the Colorado Board of Pharmacy. For FY 2019-20, appropriates \$128,188 cash funds from the Colorado Bureau of Investigation Identification Unit Fund for fingerprint-based criminal history background checks and states the assumption that the Department will require an additional 0.7 FTE. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Regulatory Agencies.

H.B. 19-1275 (INCREASED ELIGIBILITY FOR CRIMINAL RECORD SEALING): Creates a simplified record sealing process by allowing a defendant to request to seal criminal record as part of a criminal case when there is a criminal conviction and without requiring the defendant to file a separate civil action. For FY 2019-20, appropriates \$443,847 cash funds from the Colorado Bureau of Investigation Identification Unit Fund and states the assumption that the Department will require an additional 6.6 FTE. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Judicial Department.

H.B. 19-1297 (JAIL CAPACITY DATA COLLECTION): Requires jail facilities to keep and maintain daily records regarding inmate population, capacity, inmate holds, inmates awaiting competency evaluation, inmates with substance addiction, and average lengths of stay. By January 17, 2020, and each quarter thereafter through January 31, 2023. Requires each jail facility to submit a report containing this data to the Division of Criminal Justice in the Department of Public Safety (DPS). Requires DPS to collect, publish this data, and issue a letter to any non-compliant jail. Appropriates \$26,107 General Fund and 0.3 FTE to the department for FY 2019-20.

H.B. 19-1300 (VEHICLE IDENTIFICATION NUMBER INSPECTION FEE): Increases the fee for performing a certified vehicle identification number (VIN) inspection from \$20 to \$50 and limits inspector certification to three years. Beginning in FY 2019-20, increases state and local revenues and expenditures on an ongoing basis. State expenditures may increase for the Department's Colorado State Patrol; any increase in expenditures will be requested through the annual budget process.

H.B. 19-1327 (AUTHORIZE AND TAX SPORTS BETTING): Decriminalizes sports betting, conditional on voter approval, and places it under the authority of the Division of Gaming in the Department of Revenue and the Colorado Limited Gaming Control Commission. Requires sports betting operator license applicants to undergo a thorough background investigation. For FY 2019-20, appropriates \$1,716 reappropriated funds to the Colorado Bureau of Investigation to conduct fingerprint-based criminal history background checks. For more information, see the corresponding bill description in the "Recent Legislation" section at the end of Part III of the Department of Revenue.

Details

DEPARTMENT OF REGULATORY AGENCIES

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF REGULATORY AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$99,733,783	\$2,066,931	\$91,205,734	\$5,211,298	\$1,249,820	574.7
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office and Administrative Services	32,589,350	868,909	27,456,022	4,057,526	206,893	29.5
Division of Banking	4,714,313	0	4,714,313	0	0	40.0
Civil Rights Division	2,139,332	1,082,522	0	560,321	496,489	27.2
Office of Consumer Counsel	989,645	0	989,645	0	0	7.0
Division of Financial Services	1,716,149	0	1,716,149	0	0	15.6
Division of Insurance	8,256,985	115,500	7,595,047	0	546,438	85.3
Public Utilities Commission	21,574,961	0	21,574,961	0	0	91.3
Division of Real Estate	4,664,161	0	4,664,161	0	0	48.9
Division of Professions and Occupations	18,988,612	0	18,395,161	593,451	0	201.9
Division of Securities	3,716,541	0	3,716,541	0	0	24.0
Division of Conservation	383,734	0	383,734	0	0	4.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$99,162,135	\$1,941,431	\$90,759,586	\$5,211,298	\$1,249,820	572.9
SB 18-027	134,746	0	134,746	0	0	0.6
SB 18-132	9,200	0	9,200	0	0	0.0
SB 18-234	17,159	0	17,159	0	0	0.3
HB 18-1017	151,332	0	151,332	0	0	0.5
HB 18-1224	125,356	0	125,356	0	0	0.3
HB 18-1256	10,000	10,000	0	0	0	0.0
HB 18-1357	8,355	0	8,355	0	0	0.1
SB 19-122	0	0	0	0	0	0.0
HB 19-1004	115,500	115,500	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$118,827,932	\$2,324,519	\$109,697,995	\$5,482,149	\$1,323,269	591.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office and Administrative Services	54,095,105	923,759	48,593,165	4,361,868	216,313	31.5
Division of Banking	4,828,635	0	4,828,635	0	0	40.0
Civil Rights Division	2,214,823	1,169,760	0	526,830	518,233	27.2
Office of Consumer Counsel	1,014,752	0	1,014,752	0	0	7.0
Division of Financial Services	1,753,533	0	1,753,533	0	0	15.6
Division of Insurance	9,654,653	231,000	8,868,385	0	555,268	91.2
Public Utilities Commission	16,378,769	0	16,345,314	0	33,455	98.8
Division of Real Estate	4,781,126	0	4,781,126	0	0	48.9
Division of Professions and Occupations	19,746,171	0	19,152,720	593,451	0	203.8
Division of Securities	3,860,365	0	3,860,365	0	0	24.0
Division of Conservation	500,000	0	500,000	0	0	3.8
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$115,085,662	\$2,093,519	\$106,186,725	\$5,482,149	\$1,323,269	572.9

DEPARTMENT OF REGULATORY AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-218	560,143	0	560,143	0	0	0.4
SB 19-236	907,566	0	907,566	0	0	7.5
HB 19-1004	231,000	231,000	0	0	0	0.0
HB 19-1069	19,440	0	19,440	0	0	0.0
HB 19-1095	4,650	0	4,650	0	0	0.0
HB 19-1168	785,904	0	785,904	0	0	3.0
HB 19-1174	63,924	0	63,924	0	0	0.9
HB 19-1216	26,054	0	26,054	0	0	0.4
HB 19-1233	109,679	0	109,679	0	0	0.4
HB 19-1242	183,063	0	183,063	0	0	1.2
HB 19-1264	500,000	0	500,000	0	0	3.8
HB 19-1269	88,248	0	88,248	0	0	1.1
HB 19-1283	12,599	0	12,599	0	0	0.2
HB 19-1332	250,000	0	250,000	0	0	0.0
INCREASE/(DECREASE)	\$19,094,649	\$258,088	\$18,492,261	\$270,851	\$73,449	17.1
Percentage Change	19.1%	12.5%	20.3%	5.2%	5.9%	3.0%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Regulatory Agencies are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$21,411,567	\$0	\$20,088,298	\$0	\$1,323,269

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE AND ADMINISTRATIVE SERVICES

The Executive Director's Office provides administrative and technical support for the Department's divisions and programs, including functions associated with accounting, purchasing, budgeting, communications, legislative services, and human resources. It also includes the Colorado Office of Policy, Research, and Regulatory Reform and administrative support for the Broadband Deployment Board.

EXECUTIVE DIRECTOR'S OFFICE AND ADMINISTRATIVE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$32,299,773	\$858,909	\$27,176,445	\$4,057,526	\$206,893	29.5
SB 18-027	93,773	0	93,773	0	0	0.0
SB 18-234	5,328	0	5,328	0	0	0.0
HB 18-1017	95,984	0	95,984	0	0	0.0
HB 18-1224	84,492	0	84,492	0	0	0.0
HB 18-1256	10,000	10,000	0	0	0	0.0
TOTAL	\$32,589,350	\$868,909	\$27,456,022	\$4,057,526	\$206,893	29.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$32,589,350	\$868,909	\$27,456,022	\$4,057,526	\$206,893	29.5
Broadband Deployment Board grants update	18,737,756	0	18,737,756	0	0	2.0
Centrally appropriated line items	3,127,715	108,221	2,730,524	261,092	27,878	0.0
Annualize prior year legislation	99,101	0	99,101	0	0	0.0
Technical changes	0	(9,250)	(34,000)	43,250	0	0.0

EXECUTIVE DIRECTOR'S OFFICE AND ADMINISTRATIVE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions	(1,196,352)	(44,121)	(1,133,773)	0	(18,458)	0.0
SB 19-207	\$53,357,570	\$923,759	\$47,855,630	\$4,361,868	\$216,313	31.5
SB 19-218	535,456	0	535,456	0	0	0.0
SB 19-236	186,534	0	186,534	0	0	0.0
HB 19-1242	15,545	0	15,545	0	0	0.0
TOTAL	\$54,095,105	\$923,759	\$48,593,165	\$4,361,868	\$216,313	31.5
INCREASE/(DECREASE)	\$21,505,755	\$54,850	\$21,137,143	\$304,342	\$9,420	2.0
Percentage Change	66.0%	6.3%	77.0%	7.5%	4.6%	6.8%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

BROADBAND DEPLOYMENT BOARD GRANTS UPDATE: The appropriation includes an increase of \$18,737,756 cash funds and 2.0 FTE for the following:

- Increases the informational funds appropriation for the Broadband Deployment Board Grants line item from \$6,500,000 cash funds to \$18,737,756 cash funds to reflect the estimated amount of money that the Broadband Deployment Board is slated to grant out in FY 2019-20, pursuant to S.B. 18-002 (Financing Rural Broadband Deployment);
- Increases the FTE amount in the Broadband Deployment Board Administration line item from 0.0 FTE to 2.0 FTE to align appropriations with current staffing patterns; and
- Relocates the Broadband Deployment Board Grants line item from the Public Utilities Commission to the Executive Director's Office and Administrative Services to mirror the initiative's programmatic delivery.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,351,199	\$47,933	\$1,198,090	\$91,962	\$13,214	0.0
PERA Direct Distribution	1,068,890	37,914	947,774	72,749	10,453	0.0
Health, life, and dental	590,585	19,973	518,054	73,903	(21,345)	0.0
Leased space	158,700	39,060	97,902	(19,613)	41,351	0.0
AED	116,803	5,689	94,820	24,408	(8,114)	0.0
SAED	116,803	5,689	94,820	24,408	(8,114)	0.0
Workers' compensation	21,685	(430)	24,122	(2,810)	803	0.0
Fleet vehicle	16,648	0	16,648	0	0	0.0
CORE	6,896	261	6,209	345	81	0.0
Short-term disability	4,023	194	3,273	828	(272)	0.0
Integrated Document Solutions	35	0	0	35	0	0.0
Legal services	(195,133)	(49,983)	(142,675)	(1,883)	(592)	0.0
Payments to OIT	(69,883)	4,698	(74,581)	0	0	0.0
Administrative law judges	(57,457)	(1,696)	(55,761)	0	0	0.0
Payment to risk management / property funds	(2,079)	(1,081)	1,829	(3,240)	413	0.0
TOTAL	\$3,127,715	\$108,221	\$2,730,524	\$261,092	\$27,878	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1017 Psychology Interjurisdictional Compact	\$90,576	\$0	\$90,576	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-027 Enhanced Nurse Licensure Compact	8,525	0	8,525	0	0	0.0
TOTAL	\$99,101	\$0	\$99,101	\$0	\$0	0.0

TECHNICAL CHANGES: The appropriation includes minor changes to align appropriations with available revenue sources.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

DIVISION OF BANKING

The Division of Banking regulates state-chartered commercial banks, trust companies, money transmitters, and national banks and interstate banks that maintain public deposit accounts in Colorado. The Division is slated for repeal on September 1, 2024.

DIVISION OF BANKING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,714,313	\$0	\$4,714,313	\$0	\$0	40.0
TOTAL	\$4,714,313	\$0	\$4,714,313	\$0	\$0	40.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,714,313	\$0	\$4,714,313	\$0	\$0	40.0
Annualize prior year budget actions	97,158	0	97,158	0	0	0.0
Indirect cost assessment	17,134	0	17,134	0	0	0.0
Centrally appropriated line items	30	0	30	0	0	0.0
SB 19-207	\$4,828,635	\$0	\$4,828,635	\$0	\$0	40.0
TOTAL	\$4,828,635	\$0	\$4,828,635	\$0	\$0	40.0
INCREASE/(DECREASE)	\$114,322	\$0	\$114,322	\$0	\$0	0.0
Percentage Change	2.4%	n/a	2.4%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division’s indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$30 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

CIVIL RIGHTS DIVISION

The Division of Civil Rights enforces Colorado's anti-discrimination laws in the areas of employment, housing, and public accommodations. The Division is slated for repeal on September 1, 2027.

CIVIL RIGHTS DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,139,332	\$1,082,522	\$0	\$560,321	\$496,489	27.2
TOTAL	\$2,139,332	\$1,082,522	\$0	\$560,321	\$496,489	27.2
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,139,332	\$1,082,522	\$0	\$560,321	\$496,489	27.2
Annualize prior year budget actions	53,651	53,651	0	0	0	0.0
Technical changes	13,763	0	0	0	13,763	0.0
Indirect cost assessment	7,981	33,491	0	(33,491)	7,981	0.0
Centrally appropriated line items	96	96	0	0	0	0.0
SB 19-207	\$2,214,823	\$1,169,760	\$0	\$526,830	\$518,233	27.2
TOTAL	\$2,214,823	\$1,169,760	\$0	\$526,830	\$518,233	27.2
INCREASE/(DECREASE)	\$75,491	\$87,238	\$0	(\$33,491)	\$21,744	0.0
Percentage Change	3.5%	8.1%	n/a	(6.0%)	4.4%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

TECHNICAL CHANGES: The appropriation includes minor changes to align appropriations with available revenue sources.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division's indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$96 General Fund to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

OFFICE OF CONSUMER COUNSEL

The Office of Consumer Counsel represents the public interest and the specific interests of residential, small business, and agricultural consumers in rate and rulemaking cases before the Public Utilities Commission, federal agencies, and the courts. The Division is slated for repeal on September 1, 2021.

OFFICE OF CONSUMER COUNSEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$989,645	\$0	\$989,645	\$0	\$0	7.0
TOTAL	\$989,645	\$0	\$989,645	\$0	\$0	7.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$989,645	\$0	\$989,645	\$0	\$0	7.0
Annualize prior year budget actions	22,082	0	22,082	0	0	0.0

OFFICE OF CONSUMER COUNSEL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Indirect cost assessment	2,998	0	2,998	0	0	0.0
Centrally appropriated line items	27	0	27	0	0	0.0
SB 19-207	\$1,014,752	\$0	\$1,014,752	\$0	\$0	7.0
TOTAL	\$1,014,752	\$0	\$1,014,752	\$0	\$0	7.0
INCREASE/(DECREASE)	\$25,107	\$0	\$25,107	\$0	\$0	0.0
Percentage Change	2.5%	n/a	2.5%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division’s indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$27 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

DIVISION OF FINANCIAL SERVICES

The Division of Financial Services examines and supervises state-chartered credit unions and state-chartered savings and loan associations, enforces the Savings and Loan Public Deposit Protection Act, and regulates certain financial activities of life care institutions. The Division is slated for repeal on September 1, 2024.

DIVISION OF FINANCIAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,716,149	\$0	\$1,716,149	\$0	\$0	15.6
TOTAL	\$1,716,149	\$0	\$1,716,149	\$0	\$0	15.6
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,716,149	\$0	\$1,716,149	\$0	\$0	15.6
Annualize prior year budget actions	30,662	0	30,662	0	0	0.0
Indirect cost assessment	6,682	0	6,682	0	0	0.0
Centrally appropriated line items	40	0	40	0	0	0.0
SB 19-207	\$1,753,533	\$0	\$1,753,533	\$0	\$0	15.6
TOTAL	\$1,753,533	\$0	\$1,753,533	\$0	\$0	15.6
INCREASE/(DECREASE)	\$37,384	\$0	\$37,384	\$0	\$0	0.0
Percentage Change	2.2%	n/a	2.2%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division’s indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$40 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

DIVISION OF INSURANCE

The Division of Insurance regulates companies and agents providing health insurance, property and liability insurance (homeowners and automobile), life insurance, and title insurance. The Division is slated for repeal on September 1, 2030.

DIVISION OF INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$8,123,930	\$0	\$7,577,492	\$0	\$546,438	85.2
SB 18-132	9,200	0	9,200	0	0	0.0
HB 18-1357	8,355	0	8,355	0	0	0.1
HB 19-1004	115,500	115,500	0	0	0	0.0
TOTAL	\$8,256,985	\$115,500	\$7,595,047	\$0	\$546,438	85.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$8,256,985	\$115,500	\$7,595,047	\$0	\$546,438	85.3
Annualize prior year budget actions	177,399	0	168,471	0	8,928	0.0
Indirect cost assessment	35,540	0	35,586	0	(46)	0.0
Centrally appropriated line items	376	0	376	0	0	0.0
Technical changes	0	0	52	0	(52)	0.0
Annualize prior year legislation	(133,055)	(115,500)	(17,555)	0	0	(0.1)
SB 19-207	\$8,337,245	\$0	\$7,781,977	\$0	\$555,268	85.2
HB 19-1004	231,000	231,000	0	0	0	0.0
HB 19-1168	785,904	0	785,904	0	0	3.0
HB 19-1174	63,924	0	63,924	0	0	0.9
HB 19-1216	26,054	0	26,054	0	0	0.4
HB 19-1233	109,679	0	109,679	0	0	0.4
HB 19-1269	88,248	0	88,248	0	0	1.1
HB 19-1283	12,599	0	12,599	0	0	0.2
TOTAL	\$9,654,653	\$231,000	\$8,868,385	\$0	\$555,268	91.2
INCREASE/(DECREASE)	\$1,398,168	\$116,000	\$1,273,338	\$0	\$8,830	5.9
Percentage Change	16.9%	100.9%	16.8%	n/a	1.6%	6.9%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

House Bill 19-1004 modifies FY 2018-19 appropriations to add \$115,500 General Fund to develop a proposal for a state option for health care coverage.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division's indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$376 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

TECHNICAL CHANGES: The appropriation includes minor changes to align appropriations with available revenue sources.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1004 Proposal For Affordable Health Coverage Option	(\$115,500)	(\$115,500)	\$0	\$0	\$0	0.0
SB 18-132 1332 State Waiver Catastrophic Health Plans	(9,200)	0	(9,200)	0	0	0.0
HB 18-1357 Behavioral Health Care Ombudsperson Parity Reports	(8,355)	0	(8,355)	0	0	(0.1)
TOTAL	(\$133,055)	(\$115,500)	(\$17,555)	\$0	\$0	(0.1)

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

PUBLIC UTILITIES COMMISSION

The Public Utilities Commission regulates investor-owned electric, natural gas, telecommunications, private water utilities, and motor vehicle carriers for hire. The Division is slated for repeal on September 1, 2026.

PUBLIC UTILITIES COMMISSION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$21,574,961	\$0	\$21,574,961	\$0	\$0	91.3
TOTAL	\$21,574,961	\$0	\$21,574,961	\$0	\$0	91.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$21,574,961	\$0	\$21,574,961	\$0	\$0	91.3
Annualize prior year budget actions	240,423	0	240,423	0	0	0.0
Indirect cost assessment	72,563	0	62,443	0	10,120	0.0
Centrally appropriated line items	350	0	350	0	0	0.0
Technical changes	0	0	(23,335)	0	23,335	0.0
Broadband Deployment Board grants update	(6,500,000)	0	(6,500,000)	0	0	0.0
SB 19-207	\$15,388,297	\$0	\$15,354,842	\$0	\$33,455	91.3
SB 19-236	721,032	0	721,032	0	0	7.5
HB 19-1069	19,440	0	19,440	0	0	0.0
HB 19-1332	250,000	0	250,000	0	0	0.0
TOTAL	\$16,378,769	\$0	\$16,345,314	\$0	\$33,455	98.8
INCREASE/(DECREASE)	(\$5,196,192)	\$0	(\$5,229,647)	\$0	\$33,455	7.5
Percentage Change	(24.1%)	0.0%	(24.2%)	0.0%	0.0%	8.2%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division’s indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$350 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

TECHNICAL CHANGES: The appropriation includes minor changes to align appropriations with available revenue sources.

BROADBAND DEPLOYMENT BOARD GRANTS UPDATE: The appropriation includes a decrease of \$6,500,000 cash funds to relocate the Broadband Deployment Board Grants line item from the Public Utilities Commission to the Executive Director's Office and Administrative Services to mirror the initiative's programmatic delivery.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF REAL ESTATE

The Division of Real Estate licenses real estate agents, appraisers, and mortgage loan originators and registers mortgage companies and homeowners associations. The Division is slated for repeal on September 1, 2026.

DIVISION OF REAL ESTATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$5,047,895	\$0	\$5,047,895	\$0	\$0	52.9
SB 19-122	(383,734)	0	(383,734)	0	0	(4.0)
TOTAL	\$4,664,161	\$0	\$4,664,161	\$0	\$0	48.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,664,161	\$0	\$4,664,161	\$0	\$0	48.9
Annualize prior year budget actions	116,827	0	116,827	0	0	0.0
Indirect cost assessment	18,870	0	18,870	0	0	0.0
Centrally appropriated line items	(18,732)	0	(18,732)	0	0	0.0
SB 19-207	\$4,781,126	\$0	\$4,781,126	\$0	\$0	48.9
TOTAL	\$4,781,126	\$0	\$4,781,126	\$0	\$0	48.9
INCREASE/(DECREASE)	\$116,965	\$0	\$116,965	\$0	\$0	0.0
Percentage Change	2.5%	n/a	2.5%	n/a	n/a	0.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-122 modifies FY 2018-19 appropriations to correct a technical error of omission in H.B. 18-1291 (Sunset Conservation Easement Oversight Commission) that resulted in the Division of Conservation not receiving spending authority to administer the conservation easement tax credit program consistent with the provisions of the legislation. Specifically, the bill provides \$383,734 cash funds from the Conservation Cash Fund and 4.0 FTE for the Division of Conservation to administer the program and removes a matching appropriation of cash funds from the Division of Real Estate Cash Fund and 4.0 FTE from the Division of Real Estate.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division's indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Integrated Document Solutions	\$148	\$0	\$148	\$0	\$0	0.0
Legal services	(18,880)	0	(18,880)	0	0	0.0
TOTAL	(\$18,732)	\$0	(\$18,732)	\$0	\$0	0.0

DIVISION OF PROFESSIONS AND OCCUPATIONS

The Division of Professions and Occupations regulates licensees in over 30 professions and occupations to ensure a basic level of competence to protect the public welfare. The professions and occupations regulated by this Division vary in repeal dates.

DIVISION OF PROFESSIONS AND OCCUPATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$18,839,596	\$0	\$18,246,145	\$593,451	\$0	200.2
SB 18-027	40,973	0	40,973	0	0	0.6
SB 18-234	11,831	0	11,831	0	0	0.3
HB 18-1017	55,348	0	55,348	0	0	0.5
HB 18-1224	40,864	0	40,864	0	0	0.3
TOTAL	\$18,988,612	\$0	\$18,395,161	\$593,451	\$0	201.9
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$18,988,612	\$0	\$18,395,161	\$593,451	\$0	201.9
Annualize prior year budget actions	458,150	0	458,150	0	0	0.0
Indirect cost assessment	104,462	0	104,462	0	0	0.0
Centrally appropriated line items	543	0	543	0	0	0.0
Annualize prior year legislation	(2,451)	0	(2,451)	0	0	0.3
SB 19-207	\$19,549,316	\$0	\$18,955,865	\$593,451	\$0	202.2
SB 19-218	24,687	0	24,687	0	0	0.4
HB 19-1095	4,650	0	4,650	0	0	0.0
HB 19-1242	167,518	0	167,518	0	0	1.2
TOTAL	\$19,746,171	\$0	\$19,152,720	\$593,451	\$0	203.8
INCREASE/(DECREASE)	\$757,559	\$0	\$757,559	\$0	\$0	1.9
Percentage Change	4.0%	n/a	4.1%	0.0%	n/a	0.9%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions, including salary survey.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division's indirect cost assessment.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an increase of \$543 cash funds to fund rising costs of paper and postage for services performed by Integrated Document Solutions in the Department of Personnel.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation, as detailed in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-234 Human Remains Disposition Sale Businesses	\$17,317	\$0	\$17,317	\$0	\$0	0.3
HB 18-1017 Psychology Interjurisdictional Compact	(17,768)	0	(17,768)	0	0	0.0
SB 18-027 Enhanced Nurse Licensure Compact	(2,000)	0	(2,000)	0	0	0.0
TOTAL	(\$2,451)	\$0	(\$2,451)	\$0	\$0	0.3

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

DIVISION OF SECURITIES

The Division of Securities monitors the conduct of broker-dealers and sales representatives, investigates citizen complaints, and investigates indicators of investment fraud. The Division is slated for repeal on September 1, 2026.

DIVISION OF SECURITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,716,541	\$0	\$3,716,541	\$0	\$0	24.0
TOTAL	\$3,716,541	\$0	\$3,716,541	\$0	\$0	24.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,716,541	\$0	\$3,716,541	\$0	\$0	24.0
Centrally appropriated line items	93,543	0	93,543	0	0	0.0
Division of Securities operating expenses adjustment	40,000	0	40,000	0	0	0.0
Indirect cost assessment	10,281	0	10,281	0	0	0.0
SB 19-207	\$3,860,365	\$0	\$3,860,365	\$0	\$0	24.0
TOTAL	\$3,860,365	\$0	\$3,860,365	\$0	\$0	24.0
INCREASE/(DECREASE)	\$143,824	\$0	\$143,824	\$0	\$0	0.0
Percentage Change	3.9%	n/a	3.9%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Legal services	\$93,478	\$0	\$93,478	\$0	\$0	0.0
Integrated Document Solutions	65	0	65	0	0	0.0
TOTAL	\$93,543	\$0	\$93,543	\$0	\$0	0.0

DIVISION OF SECURITIES OPERATING EXPENSES ADJUSTMENT: The appropriation includes an increase of \$40,000 cash funds spending authority from the Division of Securities Cash Fund to allow for additional expenditures for staff operating expenses in the Division of Securities. This action does not drive a fee increase, as the Department is able to cover this extra amount with the existing fund balance in the Division of Securities Cash Fund.

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the Division's indirect cost assessment.

DIVISION OF CONSERVATION

The Division of Conservation, in conjunction with the Conservation Easement Oversight Commission, certifies conservation easement holders and conservation easement tax credit certificates. The Division is slated for repeal on July 1, 2026.

DIVISION OF CONSERVATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
SB 19-122	\$383,734	\$0	\$383,734	\$0	\$0	4.0
TOTAL	\$383,734	\$0	\$383,734	\$0	\$0	4.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$383,734	\$0	\$383,734	\$0	\$0	4.0
Annualize prior year legislation	(383,734)	0	(383,734)	0	0	(4.0)
SB 19-207	\$0	\$0	\$0	\$0	\$0	0.0
HB 19-1264	500,000	0	500,000	0	0	3.8
TOTAL	\$500,000	\$0	\$500,000	\$0	\$0	3.8
INCREASE/(DECREASE)	\$116,266	\$0	\$116,266	\$0	\$0	(0.2)
Percentage Change	30.3%	n/a	30.3%	n/a	n/a	(5.0%)

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-122 modifies FY 2018-19 appropriations to correct a technical error of omission in H.B. 18-1291 (Sunset Conservation Easement Oversight Commission) that resulted in the Division of Conservation not receiving spending authority to administer the conservation easement tax credit program consistent with the provisions of the legislation. Specifically, the bill provides \$383,734 cash funds from the Conservation Cash Fund and 4.0 FTE for the Division of Conservation to administer the program and removes a matching appropriation of cash funds from the Division of Real Estate Cash Fund and 4.0 FTE from the Division of Real Estate.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to S.B. 19-122 (Suppl Approp Dept Regulatory Agencies).

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-027 (ENHANCED NURSE LICENSURE COMPACT): Adopts the Enhanced Nurse Licensure Compact and repeals the existing Nurse Licensure Compact. The enhanced compact requires that all registered and licensed practical nurses licensed after July 20, 2017, complete a fingerprint-based criminal history check in order to participate in the compact. Nurses holding a multi-state license prior to July 20, 2017, will be grandfathered into the enhanced compact.

S.B. 18-132 (STATE WAIVER CATASTROPHIC HEALTH PLANS): Requires the Commissioner of Insurance to pursue a federal waiver to allow all Coloradans to purchase catastrophic health plans through the state health insurance exchange.

S.B. 18-234 (HUMAN REMAINS DISPOSITION AND BUSINESSES OWNERSHIP): Requires nontransplant tissue banks to register with the Department of Regulatory Agencies and creates a misdemeanor crime for law violations by nontransplant tissue banks. Makes it unlawful to own an interest in a funeral establishment or a crematory and also own an interest in a nontransplant tissue bank.

H.B. 18-1017 (PSYCHOLOGY INTERJURISDICTIONAL COMPACT): Enters Colorado into the Psychology Interjurisdictional Compact to allow psychologists to practice in other compact states (member states) via telepsychology or short-term, in-person practice. To participate in the compact, a psychologist must have a full and unrestricted psychologist license in a member state and possess appropriate certifications from the Association of State and Provincial Psychology Boards.

H.B. 18-1166 (SUPPLEMENTAL APPROP - DEPT OF REG AGENCIES): Adds \$350,000 cash funds for reading services for the blind and makes a fund split adjust for legal services.

H.B. 18-1224 (LICENSEE DISCIPLINE MEDIATION): Adds a mediation component to the process related to professional disciplinary actions. Under the bill, during an agency proceeding that concerns an individual who is licensed to practice a profession or occupation either the licensee or agency may request mediation after the licensee has received the notice of hearing, to be ordered by the hearing officer or administrative law judge involved in the proceeding.

H.B. 18-1256 (SUNSET CIVIL RIGHTS DIVISION & COMMISSION): Continues the state's Civil Rights Division and Civil Rights Commission in the Department of Regulatory Agencies, which are scheduled to repeal on July 1, 2018.

H.B. 18-1291 (SUNSET CONSERVATION EASEMENT OVERSIGHT COMMISSION): Continues the Conservation Easement Oversight Commission in the Division of Real Estate in the Department of Regulatory Agencies, which is scheduled to repeal on July 1, 2018.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1357 (OMBUDSMAN FOR BEHAVIORAL HEALTH ACCESS TO CARE): Creates in the Department of Human Service the independent Office of the Ombudsperson for Behavioral Health Access to Care. Requires the Commissioner of Insurance to submit an annual report to the General Assembly concerning insurance carrier compliance with behavioral health coverage parity requirements. Appropriates \$8,355 cash funds from the Division of Insurance Cash Fund to the Division of Insurance for FY 2018-19, and states the assumption that the Division will require an additional 0.1 FTE. For additional information, see the "Recent Legislation" section at the end of the Department of Human Services.

2019 SESSION BILLS

S.B. 19-122 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-218 (SUNSET MEDICAL MARIJUANA PROGRAM): Continues the Medical Marijuana Program in the Department of Public Health and Environment through September 1, 2028. Appropriates \$560,143 cash funds and 0.4 FTE to the Department of Regulatory Agencies for FY 2019-20 to investigate and take enforcement action against providers violating the statutory requirements for recommending medical marijuana to a patient. Of this amount, \$535,456 and 2.9 FTE is reappropriated to the Department of Law for the provision of legal services to the Department of Regulatory Agencies. Additionally, appropriates \$114,007 cash funds and 0.2 FTE to the Department of Public Health and Environment for FY 2019-20 to promulgate rules regarding the length of time that a registry identification card is valid for patients with a disabling medical condition. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Public Health and Environment.

S.B. 19-236 (SUNSET PUBLIC UTILITIES COMMISSION): Continues the Public Utilities Commission in the Department of Regulatory Agencies through September 1, 2026, adds various requirements on the Commission and electric utilities related to clean energy planning and creates a process for electric utilities to issue energy impact bonds. Appropriates \$907,566 cash funds and 7.5 FTE to the Department of Regulatory Agencies for FY 2019-20 for rulemaking for distribution planning, managing energy grid cost-benefit analyses, and rulemaking and implementation oversight for wholesale electric cooperative planning. Of this amount, \$186,534 and 1.0 FTE is reappropriated to the Department of Law for the provision of legal services to the Department of Regulatory Agencies. Additionally, appropriates \$163,820 General Fund and 1.8 FTE to the Department of Public Health and Environment for FY 2019-20 to develop carbon dioxide emission measurement methodology.

H.B. 19-1004 (PROPOSAL FOR AFFORDABLE HEALTH COVERAGE OPTION): Requires the Departments of Health Care Policy and Financing and Regulatory Agencies to develop a proposal for a state option for health care coverage. Appropriates \$115,500 General Fund for FY 2018-19 and \$231,000 General Fund to the Department of Regulatory Agencies for FY 2019-20 to conduct stakeholder involvement, interface with federal partners, and draft a waiver application seeking federal approval to fund and implement the state option described in the proposal. Additionally, appropriates \$75,000 General Fund for FY 2018-19 and \$150,000 for FY 2019-20 to the Department of Health Care Policy and Financing to perform an analysis of how the proposed state option may interact with existing public health care options, including Medicaid and the Children's Basic Health Plan, as well as private insurance. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Health Care Policy and Financing.

H.B. 19-1069 (SIGN LANGUAGE INTERPRETERS TITLE CERTIFICATION): Allows the Colorado Commission of the Deaf, Hard of Hearing, and Deafblind to approve certifications for sign language interpreters and adds additional titles that cannot be used without a certification. Appropriates \$19,440 cash funds to the Department of Regulatory Agencies for FY 2019-20 and reappropriates the money to the Department of Human Services to approve the certifications.

H.B. 19-1095 (PHYSICIAN ASSISTANTS SUPERVISION AND LIABILITY): Modifies supervisory requirements and liability for physician assistants and increases the number of physician assistants on the Colorado Medical Board. Appropriates \$4,650 cash funds to the Department of Regulatory Agencies for FY 2019-20 for per diem and travel reimbursement for the new member on the Board.

H.B. 19-1168 (STATE INNOVATION WAIVER REINSURANCE PROGRAM): Requires the Commissioner of Insurance to seek federal approval to establish a reinsurance program, known as the Colorado Reinsurance

Program, as a state enterprise to lower health insurance premiums using a combination of state and federal money. The state share of the Program is financed with General Fund transfers of \$15.0 million on June 30, 2020 and \$40.0 million on June 30, 2021 to the Reinsurance Cash Fund and revenue from special fee assessments on hospitals established by the bill. Hospital fee assessments may be up to \$40.0 million per calendar year, but combined with other fees on hospitals, may not exceed 6.0 percent of total patient revenue. Appropriates \$785,904 cash funds and 3.0 FTE to the Department of Regulatory Agencies for FY 2019-20 to apply for the federal waiver and to obtain contractor support for claims processing, insurance carrier audits, and in the ongoing evaluation of payment parameters.

H.B. 19-1174 (OUT-OF-NETWORK HEALTH CARE SERVICES): Requires health care providers, facilities, and health insurance carriers to provide disclosures to consumers about the potential effects of receiving services from an out-of-network provider or at an out-of-network facility. Appropriates \$63,924 cash funds and 0.9 FTE to the Department of Regulatory Agencies for FY 2019-20 to track utilization of out-of-network providers, to promulgate rules, and to facilitate the arbitration process and respond to provider or facility inquiries verifying that they have been paid the highest of the rates specified by the bill. Additionally, appropriates \$33,884 General Fund and 0.4 FTE to the Department of Public Health and Environment for FY 2019-20 to conduct a stakeholder process to develop rules for disclosures at health care facilities.

H.B. 19-1216 (REDUCE INSULIN PRICES): Requires an insurance carrier to cap the copayment or coinsurance amount imposed on a covered person for prescription insulin drugs. Appropriates \$26,054 cash funds and 0.4 FTE to the Department of Regulatory Agencies for FY 2019-20 to manage inquiries and complaints and to perform an additional rate and form review of all health coverage filings to ensure compliance with this legislation.

H.B. 19-1233 (INVESTMENTS IN PRIMARY CARE TO REDUCE HEALTH COSTS): Creates a primary care payment reform collaborative in the Department of Regulatory Agencies to make recommendations on primary care payment reform, and requires health insurance carriers to establish targets for investments in primary care. Appropriates \$109,679 cash funds and 0.4 FTE to the Department of Regulatory Agencies for FY 2019-20 to provide ongoing staff support to the collaborative and to contract with an actuary to assist in developing affordability standards and preparing the first annual report.

H.B. 19-1242 (BOARD OF PHARMACY REGULATE PHARMACY TECHNICIANS): Requires pharmacy technicians to become certified by the Colorado Board of Pharmacy. Appropriates \$183,063 cash funds and 1.2 FTE to the Department of Regulatory Agencies for FY 2019-20 to regulate pharmacy technicians. Of this amount, \$15,545 is reappropriated to the Department of Law for the provision of legal services to the Department of Regulatory Agencies. Additionally, appropriates \$128,188 cash funds and 0.7 FTE to the Department of Public Safety for FY 2019-20 to process fingerprint background applications of pharmacy technicians.

H.B. 19-1264 (CONSERVATION EASEMENT TAX CREDIT MODIFICATIONS): Continues the Conservation Easement Oversight Commission and the conservation easement certification program in the Department of Regulatory Agencies until July 1, 2026. Appropriates \$500,000 cash funds and 3.8 FTE to the Department of Regulatory Agencies for FY 2019-20 to support the program to certify conservation easement holders. Additionally, appropriates \$250,000 General Fund to the Department of Higher Education to enter into a fee-for-service contract with Colorado State University to provide public access to the Colorado Ownership, Management, and Protection (COMaP) service.

H.B. 19-1269 (MENTAL HEALTH PARITY INSURANCE MEDICAID): Requires coverage of behavioral, mental health, and substance use disorder services in parity with physical health services provided through private health insurance and Medicaid. Appropriates \$88,248 cash funds and 1.1 FTE to the Department of Regulatory Agencies for FY 2019-20 to compile and review parity reporting from approximately 500 health insurers, conduct an analysis of the reporting, and formulate an annual report, as well as to respond to mental health coverage complaints. Additionally, appropriates \$334,001 total funds, including \$113,560 General Fund, and 3.0 FTE to the Department

of Health Care Policy and Financing for FY 2019-20 to manage a stakeholder process and create new reimbursement and utilization procedures, compile and review parity reporting from manage care entities, conduct an analysis and formulate an annual report, and respond to mental health coverage complaints. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Health Care Policy and Financing.

H.B. 19-1283 (DISCLOSURE OF INSURANCE LIABILITY COVERAGE): Requires insurers that provide automobile liability insurance to disclose to claimants the limits of the insured party's liability coverage and to provide a copy of the insurance policy upon request. Appropriates \$12,599 cash funds and 0.2 FTE to the Department of Regulatory Agencies for FY 2019-20 to respond to requests for policy information.

H.B. 19-1332 (TELEPHONE USERS DISABILITIES FUND TALKING BOOK LIBRARY): Appropriates \$250,000 from the Colorado Telephone Users Disabilities Fund to the Department of Regulatory Agencies for FY 2019-20. This amount is reappropriated to the Department of Education to provide library support services for persons who are blind or physically disabled.

Details

DEPARTMENT OF REVENUE

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$370,972,654	\$113,271,850	\$250,494,506	\$6,381,910	\$824,388	1,472.2
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	72,085,220	34,230,971	32,365,745	5,488,504	0	155.7
Information Technology Division	4,842,255	1,209,976	3,632,279	0	0	0.0
Taxation Business Group	77,687,538	73,109,785	3,435,997	317,368	824,388	402.8
Division of Motor Vehicles	56,769,630	4,535,028	51,993,131	241,471	0	520.8
Enforcement Business Group	57,098,598	186,090	56,577,941	334,567	0	275.8
State Lottery Division	102,489,413	0	102,489,413	0	0	117.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$369,581,396	\$113,169,403	\$249,268,695	\$6,318,910	\$824,388	1,469.8
SB 18-036	6,730	0	6,730	0	0	0.0
SB 18-108	108,992	0	108,992	0	0	1.2
SB 18-233	63,000	0	0	63,000	0	0.0
SB 18-243	91,092	0	91,092	0	0	1.0
SB 18-259	15,840	15,840	0	0	0	0.0
SB 18-271	10,656	0	10,656	0	0	0.0
HB 18-1025	3,091	0	3,091	0	0	0.0
HB 18-1042	20,865	20,865	0	0	0	(0.3)
HB 18-1244	2,960	0	2,960	0	0	0.0
HB 18-1255	8,288	0	8,288	0	0	0.0
HB 18-1280	28,950	0	28,950	0	0	0.0
HB 18-1285	9,870	9,870	0	0	0	0.0
HB 18-1339	41,580	41,580	0	0	0	0.0
HB 18-1350	14,292	14,292	0	0	0	0.3
SB 19-123	910,286	0	910,286	0	0	0.0
HB 19-1090	54,766	0	54,766	0	0	0.2
FY 2019-20 TOTAL APPROPRIATION:	\$404,621,889	\$124,688,584	\$272,747,155	\$6,149,821	\$1,036,329	1,564.4
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Executive Director's Office	80,262,851	37,234,303	37,500,616	5,315,991	211,941	164.3
Information Technology Division	4,842,255	1,209,976	3,632,279	0	0	0.0
Taxation Business Group	84,905,716	80,081,886	3,682,074	317,368	824,388	420.5
Division of Motor Vehicles	65,787,634	4,853,648	60,752,091	181,895	0	557.2
Enforcement Business Group	64,944,185	1,308,771	63,300,847	334,567	0	320.3
State Lottery Division	103,879,248	0	103,879,248	0	0	102.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$393,996,502	\$121,117,814	\$265,692,538	\$6,149,821	\$1,036,329	1,503.6
SB 19-006	817,000	817,000	0	0	0	0.0
SB 19-035	6,750	0	6,750	0	0	0.0
SB 19-054	45,000	0	45,000	0	0	0.0
SB 19-139	1,737,800	0	1,737,800	0	0	21.6
SB 19-142	2,000	2,000	0	0	0	0.0

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-167	56,364	0	56,364	0	0	0.0
SB 19-175	1,575	0	1,575	0	0	0.0
SB 19-205	14,771	0	14,771	0	0	0.0
SB 19-224	396,604	0	396,604	0	0	1.8
SB 19-235	18,000	18,000	0	0	0	0.0
SB 19-248	30,000	30,000	0	0	0	0.0
SB 19-249	14,000	0	14,000	0	0	0.0
SB 19-256	1,187,502	0	1,187,502	0	0	3.1
HB 19-1023	6,750	0	6,750	0	0	0.0
HB 19-1039	58,500	0	58,500	0	0	0.0
HB 19-1085	678,347	678,347	0	0	0	0.0
HB 19-1090	2,728,795	0	2,728,795	0	0	15.5
HB 19-1138	7,200	0	7,200	0	0	0.0
HB 19-1230	399,479	0	399,479	0	0	3.2
HB 19-1234	390,152	0	390,152	0	0	3.6
HB 19-1245	286,408	286,408	0	0	0	0.4
HB 19-1265	3,375	0	3,375	0	0	0.0
HB 19-1327	1,739,015	1,739,015	0	0	0	11.6
INCREASE/(DECREASE)	\$33,649,235	\$11,416,734	\$22,252,649	(\$232,089)	\$211,941	92.2
Percentage Change	9.1%	10.1%	8.9%	(3.6%)	25.7%	6.3%

¹ Includes \$34,112,656 in FY 2018-19 and \$37,272,466 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Revenue are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2018-19 Appropriations containing an (I) notation	\$78,178,882	\$37,272,466	\$39,870,087	\$0	\$1,036,329

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

EXECUTIVE DIRECTOR'S OFFICE

The Executive Director's Office includes a citizens' advocate, a public information officer, and the following units: Central Budget Office, Accounting and Financial Services, Internal Audit, Office of Human Resources, and Office of Research and Analysis. The Executive Director's Office section of the Long Bill includes centrally appropriated direct and indirect costs. Cash funds sources include various other division cash funds. The sources of reappropriated funds are primarily from indirect costs.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$71,873,749	\$34,173,375	\$32,211,870	\$5,488,504	\$0	155.7
SB 18-036	4,630	0	4,630	0	0	0.0
SB 18-243	10,656	0	10,656	0	0	0.0
SB 18-271	10,656	0	10,656	0	0	0.0
HB 18-1042	16,016	16,016	0	0	0	0.0
HB 18-1280	14,918	0	14,918	0	0	0.0
HB 18-1299	0	0	0	0	0	0.0
HB 18-1339	41,580	41,580	0	0	0	0.0

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-123	81,926	0	81,926	0	0	0.0
HB 19-1090	31,089	0	31,089	0	0	0.0
TOTAL	\$72,085,220	\$34,230,971	\$32,365,745	\$5,488,504	\$0	155.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$72,085,220	\$34,230,971	\$32,365,745	\$5,488,504	\$0	155.7
Centrally appropriated line items	4,323,675	982,958	3,098,040	30,736	211,941	0.0
Division of Motor Vehicles leased space	2,351,109	0	2,351,109	0	0	0.0
GenTax support enhancements	1,413,723	1,413,723	0	0	0	7.0
Sales and use tax collection	257,275	257,275	0	0	0	0.0
Marijuana Enforcement Division operations	188,855	0	188,855	0	0	0.0
Driver's license documents	105,000	0	105,000	0	0	0.0
CRCSA expansion	44,418	0	44,418	0	0	0.0
Technical adjustments	26,995	0	26,995	0	0	0.0
Indirect cost assessment	13,817	200,062	13,817	(200,062)	0	0.0
Annualize prior year budget actions	(2,311,784)	(852,875)	(1,455,722)	(3,187)	0	0.0
Annualize prior year legislation	(98,369)	8,151	(106,520)	0	0	0.2
Lottery back office restructure	(26,900)	0	(26,900)	0	0	0.0
SB 19-207	\$78,373,034	\$36,240,265	\$36,604,837	\$5,315,991	\$211,941	162.9
SB 19-006	817,000	817,000	0	0	0	0.0
SB 19-139	310,340	0	310,340	0	0	0.0
SB 19-224	103,630	0	103,630	0	0	0.0
SB 19-256	97,050	0	97,050	0	0	1.4
HB 19-1090	267,244	0	267,244	0	0	0.0
HB 19-1230	76,813	0	76,813	0	0	0.0
HB 19-1234	40,702	0	40,702	0	0	0.0
HB 19-1327	177,038	177,038	0	0	0	0.0
TOTAL	\$80,262,851	\$37,234,303	\$37,500,616	\$5,315,991	\$211,941	164.3
INCREASE/(DECREASE)	\$8,177,631	\$3,003,332	\$5,134,871	(\$172,513)	\$211,941	8.6
Percentage Change	11.3%	8.8%	15.9%	(3.1%)	n/a	5.5%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-123 (Supplemental Bill) modifies the FY 2018-19 appropriation to add \$81,926 cash funds from the License Services Cash Fund to pay for additional postage related to an increased volume of drivers' license documents for FY 2018-19.

House Bill 19-1090 (Publicly Licenses Marijuana Companies) modifies the FY 2018-19 appropriation to add \$31,089 cash funds from the Marijuana Cash Fund for legal services.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey adjustment	\$2,798,869	\$1,067,127	\$1,703,284	\$4,972	\$23,486	0.0
PERA Direct Distribution	2,218,686	849,711	1,346,314	3,959	18,702	0.0
Legal services adjustment	1,165,193	712,390	452,803	0	0	0.0
Health, life, and dental adjustment	369,626	35,591	221,366	16,225	96,444	0.0
AED adjustment	233,811	(28,415)	223,436	2,744	36,046	0.0
SAED adjustment	233,811	(28,415)	223,436	2,744	36,046	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Leased space adjustment	224,063	20,044	204,019	0	0	0.0
Risk management and property adjust	17,199	4,434	12,765	0	0	0.0
Short-term disability adjustment	6,660	(1,360)	6,711	92	1,217	0.0
Payments to OIT adjustment	(2,462,749)	(1,364,789)	(1,097,960)	0	0	0.0
Capitol Complex leased space adjustment	(174,038)	(152,121)	(21,917)	0	0	0.0
Workers' compensation adjustment	(145,754)	(65,448)	(80,306)	0	0	0.0
CORE adjustment	(119,363)	(58,714)	(60,649)	0	0	0.0
DPA Annual fleet vehicle request	(28,309)	(7,077)	(21,232)	0	0	0.0
Shift differential adjustment	(11,971)	0	(11,971)	0	0	0.0
ALJ adjustment	(2,059)	0	(2,059)	0	0	0.0
TOTAL	\$4,323,675	\$982,958	\$3,098,040	\$30,736	\$211,941	0.0

DIVISION OF MOTOR VEHICLES LEASED SPACE: The appropriation includes an increase of \$2.4 million cash funds from the Licensing Services Cash Fund. This item addresses the first-year move and build-out costs for expiring leases for driver's license offices in Littleton, Parker, Boulder, and Longmont.

GEN TAX SUPPORT ENHANCEMENTS: The appropriation includes an increase of \$1.4 million General Fund and 7.0 FTE. Additional staff resources are intended to enhance the Department's management of its tax administration IT system known as GenTax.

SALES AND USE TAX COLLECTION: The appropriation includes an increase of \$257,275 General Fund for benefits and other centrally appropriated costs related to staff resources to enable the Department to better support the administration and collection of sales taxes from out-of-state retailers as a result of the Supreme Court's *South Dakota v. Wayfair* decision of June 21, 2018.

MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$188,855 cash funds from the Marijuana Cash Fund for benefits and other centrally appropriated costs related to additional staff resources related to a statewide enforcement initiative to address illegal and unregulated residential (black and grey market) cultivation of marijuana.

DRIVER'S LICENSE DOCUMENTS: The appropriation includes an increase of \$105,000 cash funds from the Licensing Services Cash Fund for additional postage related to the ongoing increase in projected volume for driver's license documents.

CRCSA EXPANSION: The appropriation includes an increase of \$44,418 cash funds from the Licensing Services Cash Fund for benefits and other centrally appropriated costs related to additional staff resources related to the expansion of Colorado Road and Community Safety Act (CRCSA) services to the Durango driver's license office.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$26,995 cash funds for additional postage related to the Department of Personnel's tax pipeline document services.

INDIRECT COST ASSESSMENT: The appropriation includes an increase of \$13,817 cash funds for the indirect cost assessment in the Hearings Division in the Executive Director's Office and a refinancing of \$200,062 from reappropriated funds to General Fund for Administration and Support costs to accommodate a net decrease in Department indirect cost recoveries.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 DRIVES production support	\$30,125	\$0	\$30,125	\$0	\$0	0.0
FY 2018-19 Salary survey	(2,341,909)	(852,875)	(1,485,847)	(3,187)	0	0.0
TOTAL	(\$2,311,784)	(\$852,875)	(\$1,455,722)	(\$3,187)	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$25,946	\$19,826	\$6,120	\$0	\$0	0.0
HB 18-1185 Market Sourcing for Business Income Tax Apportion	16,200	16,200	0	0	0	0.0
SB 18-141 Income Tax Check-off Nonprofit Donation	15,293	0	15,293	0	0	0.2
SB 17-267 Sustainability Rural Colorado	7,715	7,715	0	0	0	0.0
SB 19-123 Supplemental	(81,926)	0	(81,926)	0	0	0.0
HB 18-1339 Background Checks for Employee Access to Federal Tax	(35,590)	(35,590)	0	0	0	0.0
HB 19-1090 Public License Marijuana Co	(31,089)	0	(31,089)	0	0	0.0
SB 18-271 Improve Funding Marijuana Research	(10,656)	0	(10,656)	0	0	0.0
SB 18-243 Retail Sales Alcohol Beverages	(4,262)	0	(4,262)	0	0	0.0
TOTAL	(\$98,369)	\$8,151	(\$106,520)	\$0	\$0	0.2

LOTTERY BACK OFFICE RESTRUCTURE: The appropriation includes a decrease of \$26,900 cash funds from the Lottery Fund related to reduced benefits and other centrally appropriated costs from a decrease in staff resources. This funding allows the Lottery to purchase a "back office system" to replace the current legacy IT system serviced by OIT that requires replacement.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

INFORMATION TECHNOLOGY DIVISION

The appropriations in this Division provide funding for contract services and maintenance for information technology systems not maintained by the Governor's Office of Information Technology and the Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES) System, formerly known as the Colorado State Titling and Registration System (CSTARS). All FTE in the Division were transferred to OIT as part of the Statewide consolidation in FY 2010-11. The services of those personnel are included in the Executive Director's Office centrally appropriated line items.

Major sources of cash funds include the Racing Cash Fund, the Liquor Enforcement Division and State Licensing Authority Cash Fund, the Auto Dealers License Fund, the Aviation Fund, the Highway Users Tax Fund, the Colorado State Titling and Registration Account, the Limited Gaming Fund, the Driver's License Administrative Revocation Account, the AIR Account, and the Outstanding Judgments and Warrants Account. Sources of reappropriated funds are the State Lottery Fund and the Limited Gaming Fund.

INFORMATION TECHNOLOGY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$4,842,255	\$1,209,976	\$3,632,279	\$0	\$0	0.0
TOTAL	\$4,842,255	\$1,209,976	\$3,632,279	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$4,842,255	\$1,209,976	\$3,632,279	\$0	\$0	0.0
SB 19-207	\$4,842,255	\$1,209,976	\$3,632,279	\$0	\$0	0.0
TOTAL	\$4,842,255	\$1,209,976	\$3,632,279	\$0	\$0	0.0
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

NO CHANGES: The appropriation does not contain changes from the FY 2018-19 appropriation.

TAXATION BUSINESS GROUP

The Taxation Business Group administers, collects, and enforces business taxes, income taxes, severance taxes, estate and transfer taxes, special taxes, including gasoline, special fuel, aviation fuel, cigarette, tobacco, and liquor excise taxes, public utility assessments, and food service licensing fees. Sources of cash funds include the Private Letter Ruling Fund, the Aviation Fund, the Tobacco Tax Cash Fund, the Alternative Fuels Rebate Fund, the Highway Users Tax Fund (for the Fuel Tracking System), the Mineral Audit Program, and the State Board of Land Commissioners. Sources of reappropriated funds include the Mineral Audit Program (federal funds), the State Board of Land Commissioners, and the Oil and Gas Conservation Commission.

The Mineral Audit Division audits oil, gas, and mineral rents and royalties; the mill levy from oil and gas production; and severance taxes from federal, state, and private lands. It receives funding from the U.S. Department of the Interior's Minerals Management Service under a cooperative agreement for delegated authority to audit federal minerals production in Colorado.

The Taxation Business Group manages the State's subsystem of the International Fuel Tracking System, which licenses fuel distributors, suppliers, importers, exporters and transporters, and collects fuel taxes for the Highway Users Tax Fund. This group also administers the old age heat and fuel and property tax assistance grants, the cigarette tax rebate to local governments, and the Amendment 35 tobacco tax distribution to local governments of proceeds from the tobacco tax fund.

TAXATION BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$77,643,374	\$73,079,653	\$3,421,965	\$317,368	\$824,388	402.5
SB 18-259	15,840	15,840	0	0	0	0.0
HB 18-1280	14,032	0	14,032	0	0	0.0
HB 18-1350	14,292	14,292	0	0	0	0.3
TOTAL	\$77,687,538	\$73,109,785	\$3,435,997	\$317,368	\$824,388	402.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$77,687,538	\$73,109,785	\$3,435,997	\$317,368	\$824,388	402.8
Technical adjustments	3,565,891	3,632,509	(66,618)	0	0	0.0

TAXATION BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Sales and use tax collection	774,133	774,133	0	0	0	14.6
Annualize prior year budget actions	759,199	712,232	46,967	0	0	0.0
Annualize prior year legislation	674,813	412,862	261,951	0	0	2.7
Indirect cost assessment	(113)	110	(223)	0	0	0.0
SB 19-207	\$83,461,461	\$78,641,631	\$3,678,074	\$317,368	\$824,388	420.1
SB 19-142	2,000	2,000	0	0	0	0.0
SB 19-248	30,000	30,000	0	0	0	0.0
HB 19-1085	678,347	678,347	0	0	0	0.0
HB 19-1090	2,000	0	2,000	0	0	0.0
HB 19-1230	2,000	0	2,000	0	0	0.0
HB 19-1245	286,408	286,408	0	0	0	0.4
HB 19-1327	443,500	443,500	0	0	0	0.0
TOTAL	\$84,905,716	\$80,081,886	\$3,682,074	\$317,368	\$824,388	420.5
INCREASE/(DECREASE)	\$7,218,178	\$6,972,101	\$246,077	\$0	\$0	17.7
Percentage Change	9.3%	9.5%	7.2%	0.0%	0.0%	4.4%

¹ Includes \$34,112,656 in FY 2018-19 and \$37,272,466 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$3.6 million total funds, including an increase of \$3.6 million General Fund, for revenue forecast and contract adjustments as follow:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Adjustment for revenue forecast	\$2,439,692	\$2,506,310	(\$66,618)	\$0	\$0	0.0
DPA-IDS Tax Pipeline adjustment	959,759	959,759	0	0	0	0.0
FAST Enterprises contract escalator	166,440	166,440	0	0	0	0.0
TOTAL	\$3,565,891	\$3,632,509	(\$66,618)	\$0	\$0	0.0

SALES AND USE TAX COLLECTION: The appropriation includes an increase of \$774,133 General Fund and 14.6 FTE. Additional staff resources are intended to enable the Department to better support the administration and collection of sales taxes from out-of-state retailers as a result of the Supreme Court's *South Dakota v. Wayfair* decision of June 21, 2018.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1185 Market Sourcing for Business Income Tax Apportion	\$244,462	\$244,462	\$0	\$0	\$0	0.0
SB 18-141 Income Tax Check-off Nonprofit Donation	224,217	0	224,217	0	0	1.6
SB 18-200 Eliminate Unfunded PERA Liability	58,089	56,323	1,766	0	0	0.0
HB 18-1217 Income Tax Credit for Employer 529 Contributions	50,000	0	50,000	0	0	0.0
SB 17-267 Sustainability Rural Colorado	45,349	45,349	0	0	0	0.6
HB 18-1060 Inc Tax Deduct Mil Retire	35,038	35,038	0	0	0	0.0
HB 18-1350 Machine Tool Sales Tax Exemption	24,328	24,328	0	0	0	0.4

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1267 Income Tax Credit Retrofit	12,162	12,162	0	0	0	0.1
HB 18-1208 Expand Child Care Expenses Income Tax Credit	11,040	11,040	0	0	0	0.0
SB 18-259 Local Retail Marijuana Tax	(15,840)	(15,840)	0	0	0	0.0
HB 18-1280 Court Appoint Marijuana	(14,032)	0	(14,032)	0	0	0.0
TOTAL	\$674,813	\$412,862	\$261,951	\$0	\$0	2.7

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessment.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

DIVISION OF MOTOR VEHICLES

This division is responsible for licensing drivers and issuing driver's licenses and state identification cards; maintaining driver records and administering driver sanctions; titling and registering motor vehicles; regulating commercial driving schools; enforcing the State's emissions program; administering the Motorist Insurance Identification Database Program; and assisting first time drunk driving offenders in obtaining ignition interlock devices required for those offenders to drive motor vehicles.

Major sources of cash funds are the Licensing Services Cash Fund and the License Plate Cash Fund. Other cash funds sources include the Highway Users Tax Fund, and subaccounts of the Highway Users Tax Fund including: the Colorado DRIVES Vehicle Services Account, the Automotive Inspections and Readjustment (AIR) Account, and the Driver's License Administrative Revocation Account.

DIVISION OF MOTOR VEHICLES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$55,743,311	\$4,520,309	\$51,044,531	\$178,471	\$0	519.9
SB 18-108	108,992	0	108,992	0	0	1.2
SB 18-233	63,000	0	0	63,000	0	0.0
HB 18-1042	4,849	4,849	0	0	0	(0.3)
HB 18-1244	2,960	0	2,960	0	0	0.0
HB 18-1255	8,288	0	8,288	0	0	0.0
HB 18-1285	9,870	9,870	0	0	0	0.0
HB 18-1299	0	0	0	0	0	0.0
SB 19-123	828,360	0	828,360	0	0	0.0
TOTAL	\$56,769,630	\$4,535,028	\$51,993,131	\$241,471	\$0	520.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$56,769,630	\$4,535,028	\$51,993,131	\$241,471	\$0	520.8
Annualize prior year budget actions	4,518,579	136,784	4,378,608	3,187	0	0.0
Driver's license documents	1,207,872	0	1,207,872	0	0	0.0
Division of Motor Vehicles leased space	821,427	0	821,427	0	0	8.0
CRCSA expansion	218,560	0	218,560	0	0	3.6
Technical adjustments	176,628	0	176,628	0	0	0.0
Indirect cost assessment	176,494	184,313	(7,819)	0	0	0.0
Annualize prior year legislation	(837,753)	(20,477)	(754,513)	(62,763)	0	1.5
SB 19-207	\$63,051,437	\$4,835,648	\$58,033,894	\$181,895	\$0	533.9
SB 19-035	6,750	0	6,750	0	0	0.0
SB 19-054	45,000	0	45,000	0	0	0.0
SB 19-139	1,427,460	0	1,427,460	0	0	21.6
SB 19-167	56,364	0	56,364	0	0	0.0

DIVISION OF MOTOR VEHICLES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-175	1,575	0	1,575	0	0	0.0
SB 19-205	14,771	0	14,771	0	0	0.0
SB 19-235	18,000	18,000	0	0	0	0.0
SB 19-256	1,090,452	0	1,090,452	0	0	1.7
HB 19-1023	6,750	0	6,750	0	0	0.0
HB 19-1039	58,500	0	58,500	0	0	0.0
HB 19-1138	7,200	0	7,200	0	0	0.0
HB 19-1265	3,375	0	3,375	0	0	0.0
TOTAL	\$65,787,634	\$4,853,648	\$60,752,091	\$181,895	\$0	557.2
INCREASE/(DECREASE)	\$9,018,004	\$318,620	\$8,758,960	(\$59,576)	\$0	36.4
Percentage Change	15.9%	7.0%	16.8%	(24.7%)	n/a	7.0%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-123 (Supplemental Bill) modifies the FY 2018-19 appropriation to add \$828,360 cash funds from the License Services Cash Fund to pay for the ongoing increase in projected volume for driver's license documents.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY18-19 DRIVES maintenance support	\$3,802,240	\$0	\$3,802,240	\$0	\$0	0.0
Prior year salary survey	886,045	136,784	746,074	3,187	0	0.0
FY18-19 DMV Staffing	(128,971)	0	(128,971)	0	0	0.0
FY18-19 DRIVES production support	(40,735)	0	(40,735)	0	0	0.0
TOTAL	\$4,518,579	\$136,784	\$4,378,608	\$3,187	\$0	0.0

DRIVER'S LICENSE DOCUMENTS: The appropriation includes an increase of \$1.2 million cash funds from the Licensing Services Cash Fund to handle the ongoing increase in projected volume for driver's license documents. The Department pays a per-card cost to a vendor to provide the document materials as well as all verification processing related to the document. This cost is driven generally by population growth and specifically by actual customer demand for documents.

DIVISION OF MOTOR VEHICLES LEASED SPACE: The appropriation includes an increase of \$821,427 cash funds from the Licensing Services Cash Fund and 8.0 FTE. This item addresses additional staff resources for service expansion for driver's license offices in Littleton, Parker, Boulder, and Longmont.

CRCSA EXPANSION: The appropriation includes an increase of \$218,560 cash funds from the Licensing Services Cash Fund and 3.6 FTE. This item provides for expansion of Colorado Road and Community Safety Act (CRCSA) services to the Durango driver's license office.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$176,628 cash funds for contract adjustments as follow:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FAST Enterprises contract escalator	\$174,720	\$0	\$174,720	\$0	\$0	0.0

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA-IDS increased input costs	1,908	0	1,908	0	0	0.0
TOTAL	\$176,628	\$0	\$176,628	\$0	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessment and includes a refinancing of \$184,313 from cash funds to General Fund for administration costs to accommodate a net decrease in Department funding from indirect cost recoveries.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$66,116	\$0	\$65,879	\$237	\$0	0.0
HB 13-1110 Alternative Fuels	10,196	0	10,196	0	0	0.0
SB 18-108 CRCSA Eligibility	6,879	0	6,879	0	0	1.5
HB 17-1012 Pueblo Chile License Plate	183	0	183	0	0	0.0
HB 17-1212 Aviation License Plate	182	0	182	0	0	0.0
SB 19-123 Supplemental	(828,360)	0	(828,360)	0	0	0.0
SB 18-233 Elections Clean-up	(63,000)	0	0	(63,000)	0	0.0
HB 18-1042 Private Interstate Commercial Vehicle Registration	(10,607)	(10,607)	0	0	0	0.0
HB 18-1285 Remuneration-exempt Disability Parking	(9,870)	(9,870)	0	0	0	0.0
HB 18-1255 Childhood Cancer Lic Plate	(7,252)	0	(7,252)	0	0	0.0
HB 18-1244 Submarine Veterans Lic Plate	(2,220)	0	(2,220)	0	0	0.0
TOTAL	(\$837,753)	(\$20,477)	(\$754,513)	(\$62,763)	\$0	1.5

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

ENFORCEMENT BUSINESS GROUP

This Division regulates the limited gaming industry; regulates horse and dog racing events; enforces the State's liquor, tobacco, and marijuana regulations; licenses liquor retailers, wholesalers, and manufacturers, and medical marijuana retailers and manufacturing and cultivation facilities; regulates the motor vehicles sales industry; and manages adjudication hearings related to drivers' licenses, certain racing licenses, and some tax disputes. Major sources of cash funds include the Limited Gaming Fund, the Auto Dealers License Fund, the Liquor Enforcement Division and State Licensing Authority Cash Fund, the Medical Marijuana License Cash Fund, the Racing Cash Fund, the Horse Breeders' and Owners' Awards and Supplemental Purse Fund, the Driver's License Administrative Revocation Account, and the Tobacco Education Programs Fund. The source of reappropriated funds is the Limited Gaming Fund.

ENFORCEMENT BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$56,989,294	\$186,090	\$56,468,637	\$334,567	\$0	274.6
SB 18-036	2,100	0	2,100	0	0	0.0
SB 18-243	80,436	0	80,436	0	0	1.0
HB 18-1025	3,091	0	3,091	0	0	0.0
HB 19-1090	23,677	0	23,677	0	0	0.2

ENFORCEMENT BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$57,098,598	\$186,090	\$56,577,941	\$334,567	\$0	275.8
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$57,098,598	\$186,090	\$56,577,941	\$334,567	\$0	275.8
Marijuana Enforcement Division operations	1,949,563	0	1,949,563	0	0	8.0
Technical adjustments	868,667	0	868,667	0	0	1.0
Annualize prior year budget actions	487,636	3,859	483,777	0	0	0.0
Annualize prior year legislation	1,889	345	1,544	0	0	(0.2)
Indirect cost assessment	(17,286)	0	(17,286)	0	0	0.0
SB 19-207	\$60,389,067	\$190,294	\$59,864,206	\$334,567	\$0	284.6
SB 19-224	292,974	0	292,974	0	0	1.8
SB 19-249	14,000	0	14,000	0	0	0.0
HB 19-1090	2,459,551	0	2,459,551	0	0	15.5
HB 19-1230	320,666	0	320,666	0	0	3.2
HB 19-1234	349,450	0	349,450	0	0	3.6
HB 19-1327	1,118,477	1,118,477	0	0	0	11.6
TOTAL	\$64,944,185	\$1,308,771	\$63,300,847	\$334,567	\$0	320.3
INCREASE/(DECREASE)	\$7,845,587	\$1,122,681	\$6,722,906	\$0	\$0	44.5
Percentage Change	13.7%	603.3%	11.9%	0.0%	n/a	16.1%

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

House Bill 19-1090 (Publicly Licenses Marijuana Companies) modifies the FY 2018-19 appropriation to add \$23,677 cash funds from the Marijuana Cash Fund and 0.2 FTE.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MARIJUANA ENFORCEMENT DIVISION OPERATIONS: The appropriation includes an increase of \$1.9 million cash funds from the Marijuana Cash Fund and 8.0 FTE. Of the \$1.9 million, \$914,416 is transferred to the Marijuana Tax Cash Fund (MTCF) to fund 5.0 FTE in the Colorado Bureau of Investigation (CBI) to combat black market activity. This is a statewide enforcement initiative to address illegal and unregulated residential (black and grey market) cultivation of marijuana.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$868,677 cash funds from the Limited Gaming Fund and 1.0 FTE for Limited Gaming continuous appropriation adjustments.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of the prior year's salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$44,291	\$345	\$43,946	\$0	\$0	0.0
HB 19-1090 Public License Marijuana Co	(23,677)	0	(23,677)	0	0	(0.2)
SB 18-243 Retail Sales Alcohol Beverages	(13,534)	0	(13,534)	0	0	0.0
HB 18-1025 Title 12 Liquor to Title 44	(3,091)	0	(3,091)	0	0	0.0
SB 18-036 Title 24 Tobacco to Title 44	(2,100)	0	(2,100)	0	0	0.0
TOTAL	\$1,889	\$345	\$1,544	\$0	\$0	(0.2)

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessments.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of this department.

STATE LOTTERY DIVISION

The State Lottery Division regulates and administers the State Lottery. It is an enterprise under the provisions of Section 20 of Article X of the Colorado Constitution (the Taxpayer's Bill of Rights). Expenditures are paid from the State Lottery Fund and appropriated as cash funds. The Lottery's direct costs for centrally appropriated items are shown in consolidated budget lines within the Executive Director's Office. Proceeds from the Lottery are distributed to: the Conservation Trust Fund for parks, recreation, and open space purposes; the Division of Parks and Wildlife in the Department of Natural Resources for the acquisition, development and improvement of state parks, recreation areas and recreational trails; Great Outdoors Colorado; and public school capital improvements.

STATE LOTTERY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$102,489,413	\$0	\$102,489,413	\$0	\$0	117.1
TOTAL	\$102,489,413	\$0	\$102,489,413	\$0	\$0	117.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$102,489,413	\$0	\$102,489,413	\$0	\$0	117.1
Lottery back office restructure	2,225,893	0	2,225,893	0	0	(2.0)
Annualize prior year budget actions	209,029	0	209,029	0	0	0.0
Annualize prior year legislation	18,499	0	18,499	0	0	0.0
Centrally appropriated line items	(1,055,020)	0	(1,055,020)	0	0	(13.0)
Indirect cost assessment	(8,566)	0	(8,566)	0	0	0.0
SB 19-207	\$103,879,248	\$0	\$103,879,248	\$0	\$0	102.1
TOTAL	\$103,879,248	\$0	\$103,879,248	\$0	\$0	102.1
INCREASE/(DECREASE)	\$1,389,835	\$0	\$1,389,835	\$0	\$0	(15.0)
Percentage Change	1.4%	n/a	1.4%	n/a	n/a	(12.8%)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

LOTTERY BACK OFFICE RESTRUCTURE: The appropriation includes an increase of \$2.2 million cash funds from the Lottery Fund and a decrease of 2.0 FTE. This funding allows the Lottery to purchase a "back office system" to replace the current legacy IT system, serviced by OIT, that requires replacement.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the second-year impact of the prior year's salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments related to S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for Payments to OIT for Lottery staffing.

INDIRECT COST ASSESSMENT: The appropriation includes a net decrease in the division's indirect cost assessments.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-036 (RELOCATE TITLE 24 TOBACCO SALES MINORS TO TITLE 44): Relocates statutes concerning regulation of tobacco sales to minors from Title 24 to the newly created Title 44 of the Colorado Revised Statutes and makes minor technical changes. In FY 2018-19, appropriates \$6,730 cash funds, including \$5,402 from the Liquor Enforcement Division and State Licensing Authority Cash Fund and \$1,328 from the Tobacco Education Programs Fund, to the Department of Revenue, of which \$4,630 is reappropriated to the Governor's Office of Information Technology.

S.B. 18-108 (ELIGIBILITY COLORADO ROAD AND COMMUNITY SAFETY ACT): The Colorado Road and Community Safety Act (S.B. 13-251) authorizes issuance of a driver license, identification card, or instruction permit, valid for three years, to an individual who is either temporarily lawfully present in the U.S. or a Colorado resident who is not a U.S. citizen and does not have permanent residency status. The bill clarifies that S.B. 13-251 documents may be renewed or reissued in accordance with the process used for standard documents without the individual having to resubmit the initial requisite documentation if the individual provides a previously issued S.B. 13-251 document and proof of current Colorado residency. The bill also allows an applicant to provide his or her social security number in lieu of an individual taxpayer identification number. In FY 2018-19, appropriates \$108,992 cash funds from the Licensing Services Cash Fund and 1.2 FTE to the Department of Revenue.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-233 (ELECTIONS CLEAN-UP): Makes technical modifications to various provisions of the Uniform Election Code of 1992. In FY 2018-19, appropriates \$63,000 reappropriated funds received from the Department of State to the Department of Revenue. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of State.

S.B. 18-243 (RETAIL SALES ALCOHOL BEVERAGES): Effective January 1, 2019, the limitation on the maximum alcohol content of fermented malt beverages, also referred to as "3.2% beer", is eliminated, thereby allowing grocery stores, convenience stores, and others licensed to sell fermented malt beverages containing more than 3.2 percent alcohol. Modifies laws governing the retail sale of fermented malt beverages. In FY 2018-19, appropriates \$91,092 cash funds from the Liquor Enforcement Division and State Licensing Authority Cash Fund and 1.0 FTE to the Department of Revenue, of which \$10,656 is reappropriated to the Department of Law.

S.B. 18-253 (CSTARS ACCOUNT TRANSFER TO DRIVES ACCOUNT EFFECTIVE): Establishes a uniform date of July 1, 2019, to transition the Department of Revenue's CSTARS account to the new DRIVES Vehicle Services account. The bill also delays corresponding statutory repeal dates for one year.

S.B. 18-259 (LOCAL GOVERNMENT RETAIL MARIJUANA TAXES): Makes the following changes to marijuana taxation in Colorado:

- allows a county to continue collecting excise taxes for three years if a marijuana cultivation facility is annexed into a municipality. If this occurs, the municipality is unable to levy its own excise tax until the county's authority to levy an excise tax expires;
- allows counties to use either the wholesale price or the calculated wholesale price to determine excise taxes;

- removes the authority for metropolitan districts to collect a sales tax on retail marijuana; and
- clarifies that the state excise tax is collected when unprocessed marijuana is transferred between marijuana cultivation facilities.

In FY 2018-19, appropriates \$15,840 General Fund to the Department of Revenue.

S.B. 18-271 (IMPROVE FUNDING FOR MARIJUANA RESEARCH): Allows a marijuana research and development licensee or a marijuana research and development cultivation licensee to share premises with a commonly owned medical marijuana infused products manufacturer or a retail marijuana product manufacturers under a co-location permit. House Bill 18-1322 (Long Bill) transferred \$3.0 million from the Marijuana Tax Cash Fund to the health research subaccount of the Medical Marijuana Program Cash Fund. This bill continues the subaccount from its current repeal date of July 1, 2019, to July 1, 2023, and authorizes the Department of Public Health and Environment (CDPHE) to use up to \$100,000 from the subaccount for administration of the medical marijuana research grant program. In FY 2018-19, appropriates \$10,656 cash funds from the Marijuana Cash Fund to the Department of Revenue.

H.B. 18-1025 (RELOCATE TITLE 12 LIQUOR LAWS TO TITLE 44): Relocates the statutes regulating alcohol beverages from Title 12 to a newly created Title 44 of the Colorado Revised Statutes and makes minor technical changes. In FY 2018-19, appropriates \$3,091 cash funds from the Liquor Enforcement Division and State Licensing Authority Cash Fund to the Department of Revenue.

H.B. 18-1042 (PRIVATE INTERSTATE COMMERCIAL VEHICLES): Allows private parties to perform expedited vehicle registrations for commercial trucks. Requires the Department of Revenue (DOR) to promulgate rules in order to allow a private provider to perform expedited vehicle registration for Class A commercial vehicles. The provider may retain a service fee, but will collect and remit the registration taxes and fees to the department.

Private providers of expedited Class A vehicle registrations must:

- be approved by DOR;
- utilize a department-approved software that will calculate taxes and fees and be updated regularly to account for any rate changes;
- file evidence of a surety bond or an alternative to a surety bond; and
- provide for reimbursement of any damages caused to the state, local governments, or owners of Class A vehicles through its acts or omissions.

DOR is required to ensure that the expedited registration program:

- operates efficiently;
- provides additional services or increases the speed or quality of services at an overall cost savings to the state; and
- complies with state law.

DOR may deny, suspend, or revoke approval of a private provider who violates a contract, makes a material misstatement, fails to comply with state law or rules, or fails to provide expedited service. DOR may also accept financial assistance from a private party to implement the expedited registration program to the extent permitted, credited to the Colorado Driver License, Record, Identification and Vehicle Enterprise Solution (DRIVES) Vehicle Services Account.

In FY 2018-19, includes a net appropriation of \$20,865 General Fund and includes a net decrease of 0.3 FTE to the Department of Revenue, of which \$16,016 is reappropriated to the Governor's Office of Information Technology.

H.B. 18-1060 (INCOME TAX DEDUCTION FOR MILITARY RETIREMENT BENEFITS): Allows an income tax deduction for military retirement benefits received by individuals under age 55 for tax years 2019 through 2023, including up to \$4,500 in 2019, \$7,500 in 2020, \$10,000 in 2021, and \$15,000 in 2022 and 2023.

H.B. 18-1185 (MARKET SOURCING FOR BUSINESS INCOME TAX APPORTIONMENT): Changes the apportionment method for corporations that do business in multiple states. Prior to the bill, income from the sale of services and intangible property was apportioned based on where the income-producing activity was performed. The bill changes the sourcing rules so that the income is apportioned based on where the income-producing activity is used or delivered.

H.B. 18-1208 (EXPAND CHILD CARE EXPENSES INCOME TAX CREDIT): Beginning in tax year 2019, expands the state income tax credit for child care expenses for taxpayers with adjusted gross income (AGI) of \$60,000 or less who claim a child care expenses credit on their federal income tax return, equal to 50.0 percent of the federal credit. Prior to the bill, taxpayers with AGI of \$25,000 or less were eligible for 50.0 percent of the federal credit, taxpayers with AGI of \$25,001 to \$35,000 were eligible for 30.0 percent of the federal credit, and taxpayers with AGI of \$35,001 to \$60,000 were eligible for 10.0 percent of the federal credit.

H.B. 18-1244 (HONOR THE SERVICE OF SUBMARINE VETERANS): Creates the submarine service military license plate. The license plate is available to honorably discharged, retired, reserve, or active members of the submarine service of the U.S. Navy who submit the required forms and pay a one-time special plate fee of \$50. In FY 2018-19, appropriates \$2,960 cash funds from the License Plate Cash Fund to the Department of Revenue.

H.B. 18-1255 (CHILDHOOD CANCER AWARENESS SPECIAL LICENSE): Creates the childhood cancer awareness special license plate. This license plate is available to anyone who donates to an organization chosen by the Department of Revenue and pays a one-time special plate fee of \$50. At least once every five years, the DOR will choose an organization to which applicants must donate to qualify for this license plate. In FY 2018-19, appropriates \$8,288 cash funds from the License Plate Cash Fund to the DOR. This organization must:

- have an office in Colorado;
- have been in existence for at least one year; and
- provide financial assistance to families with a minor being treated for cancer or research foundations that provide money for pediatric cancer research.

H.B. 18-1280 (COURT APPOINTEES FOR MARIJUANA BUSINESSES): Provides specifications for court-appointed receiverships or similar situations related to a person taking possession of, operating, managing, or controlling a licensed marijuana business. Requires an individual to certify to the appointing court that he or she is not prohibited from holding a marijuana license before being appointed a receiver of a marijuana business. Once appointed, the receiver must notify the Marijuana Enforcement Division (MED) of the appointment. The MED is required to issue a temporary registration to the appointee, which may be subject to administrative action if the appointee fails to comply with state marijuana laws or regulations. In FY 2018-19, appropriates \$28,950 cash funds from the Marijuana Cash Fund to the Department of Revenue, of which \$14,918 is reappropriated to the Department of Law.

H.B. 18-1285 (REMUNERATION-EXEMPT DISABILITY PARKING PLACARD): Creates a remuneration-exempt placard that exempts individuals with qualifying disabilities from paying for meter parking. In FY 2018-19, appropriates \$9,870 General Fund to the Department of Revenue.

H.B. 18-1299 (ELECTRONIC FILING TITLE REGISTRATION MOTOR VEHICLE): Under current law, the Department of Revenue (DOR) may establish a system to allow the electronic transmission of registration, lien, and titling information for motor vehicles. To implement this system, the bill allows the DOR to adopt rules to: maintain titling information electronically; accept electronic signatures on any documents; eliminate any notarization requirements for document signatures; allow all parties to electronically file and release lien information; and

authorize third-party providers to process registration, lien, and titling information on behalf of a business entity. The bill includes an appropriation clause for FY 2018-19; however, the effective date clause in the bill establishes an effective date for the entire bill of July 1, 2019, nullifying the appropriation in FY 2018-19.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1339 (BACKGROUND CHECKS FOR EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations as follows:

- \$6,188 General Fund to the Governor's Office of Information Technology;
- \$36,630 General Fund to the Department of Human Services;
- \$7,425 cash funds to the Department of Labor and Employment;
- \$6,683 General Fund to the Department of Local Affairs;
- \$11,633 General Fund to the Department of Personnel;
- \$41,580 General Fund to the Department of Revenue;
- \$121,748 reappropriated funds and 0.6 FTE to the Department of Public Safety from the appropriations made to other departments above.

H.B. 18-1350 (MACHINE TOOL SALES TAX EXEMPTION FOR SCRAP METAL): Expands the definition of recovered materials under the machinery and machine tools sales and use tax exemption beginning January 1, 2019. In FY 2018-19, appropriates \$14,292 General Fund and 0.3 FTE to the Department of Revenue.

2019 SESSION BILLS

S.B. 19-006 (ELECTRONIC SALES AND USE TAX SIMPLIFICATION SYSTEM): Directs the Governor's Office of Information Technology (OIT) to procure an electronic sales and use tax simplification system. Requires OIT and the Department of Revenue (DOR) to work with stakeholders to determine the scope of work for the system. Requires DOR to use the system to accept sales tax returns and payments for state and state-collected local jurisdictions; home rule jurisdictions may choose to use the system. Appropriates \$9,183,000 General Fund to OIT; \$817,000 General Fund to DOR for a global information system (GIS) database; and reappropriates \$817,000 to OIT for FY 2019-20.

S.B. 19-035 (DOR ENFORCEMENT MEASURES COLLECTION OF TAX OWED): Clarifies the enforcement mechanisms available to DOR in circumstances of tax delinquency. Extends the one year statute of limitations on the assessment of any tax, penalty, or interest for any period during which the taxpayer's assets are under the control or custody of a court, and for six months thereafter or in a case under federal bankruptcy law during which the DOR is prohibited from seizing assets, and for six months thereafter. Specifies that for seizure and sales of vehicles, a government certificate of sale or court order is required to be accepted in lieu of a certificate of title for the purpose of transferring ownership and issuance of such a certificate voids previously issued titles to that motor vehicle. Specifies that any Colorado district court has jurisdiction to issue orders as necessary to collect delinquent taxes, penalty, or interest, including warrants to search premises to seize and sell a taxpayer's personal property. Clarifies that a person must surrender a delinquent taxpayer's property upon demand of the DOR with an exception if the person, at the time of the demand, has a valid right of setoff or an interest superior to the DOR's. Financial institutions must surrender any deposits within 21 days after service of the levy. Employers must surrender salary or wages within 21 days after the end of the taxpayer's pay period. A levy on salary or wages is continuous from the

date when the levy is made until its release by the DOR, and may not exceed 25 percent of the taxpayer's disposable earnings. Persons who fail to surrender a delinquent taxpayer's property upon demand are liable for an amount equal to the value of the levied property, not to exceed the amount of the tax liability. Persons complying with orders to surrender property are discharged from any obligation to the delinquent taxpayer arising from the surrender. Appropriates \$6,750 cash funds from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-054 (MILITARY VEHICLE MOTOR VEHICLE REGISTRATION): Defines a demilitarized motor vehicle as a motor vehicle that was built for the U.S. Armed Forces, commonly used by the U.S. Armed Forces to transport persons or property over the highway, and purchased for a nonmilitary use. Exempts demilitarized motor vehicles from emissions requirements and allows persons to sell, register, or reregister a demilitarized motor vehicle with an emissions waiver certification. Allows demilitarized motor vehicles to be deemed roadworthy without a physical vehicle identification number (VIN) inspection and allows certificates of title to include information about a vehicle's status as a demilitarized motor vehicle. Appropriates \$45,000 cash funds from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-123 (SUPPLEMENTAL BILL): Modifies the FY 2018-19 appropriations to the Department.

S.B. 19-139 (MORE CRCSA OFFICES): Requires, by January 1, 2020, that the DMV issue SB 13-251 documents at eight offices, including the DMV offices already issuing documents, and at ten offices by July 1, 2020, in varying geographic areas around the state. The Colorado Road and Community Safety Act (S.B. 13-251) authorizes the Division of Motor Vehicles (DMV) within DOR to issue a driver's license, identification card, or instruction permit (SB 13-251 documents) to an individual who is either temporarily lawfully present in the U.S. or a Colorado resident who is not a U.S. citizen and does not have permanent residency status. CRCSA or S.B. 13-251 documents are valid for three years after issuance, with an exception for minor driver licenses. Appropriates \$1.7 million cash funds from the Licensing Services Cash Fund and 21.6 FTE to DOR for FY 2019-20.

S.B. 19-142 (HARD CIDER EXEMPTION WINE INDUSTRY DEVELOPMENT ACT): Exempts produce used in the production of hard cider from the excise tax, and, for the purposes of the Wine Industry Development Act, the bill exempts hard cider from the definition of wine. Appropriates \$2,000 General Fund for IT programming for the GenTax system for FY 2019-20.

S.B. 19-167 (HONOR COLORADO PROFESSIONAL FIRE FIGHTERS): Creates the Colorado Professional Fire Fighters group special license plate to be available by January 1, 2020. The license plate is available to all applicants that pay a one-time special license plate fee of \$50 and give a donation to a designated Colorado nonprofit organization. Nonprofit organizations may only use the donations to directly support first responders, firefighters, and family members of first responders and firefighters, and must report to DOR annually regarding the collection and use of the donation. Appropriates \$56,364 cash funds to DOR, including \$51,864 from the License Plate Cash Fund for license plate ordering and \$4,500 from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-175 (SERIOUS BODILY INJURY VULNERABLE ROAD USER PENALTIES): Creates a new class 1 traffic misdemeanor of causing serious bodily injury to a vulnerable person while carelessly driving. A violation results in 12 points issued to the driver's license which results in a license suspension and may subject a violator to a restitution order, attendance at a driver improvement course, or performance of public service for no more than 320 hours. Defines a vulnerable road user, and includes, pedestrians, bicycles, and peace officers outside their vehicles. Appropriates \$1,575 cash funds from the Licensing Services Cash Fund for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-205 (HONOR SERVICE OF WOMEN VETERANS): Creates the U.S. Women Veteran military license plate. The license plate is available to honorably discharged or retired members of the U.S. Armed Forces who submit the required forms and pay a one-time special plate fee of \$50. Appropriates \$14,771 cash funds to DOR, including \$10,946 from the License Plate Cash Fund for license plate ordering and \$3,825 from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-224 (SUNSET REGULATED MARIJUANA): Continues the regulation of medical and retail marijuana until September 1, 2028, incorporates recommendations from the sunset reviews for the Colorado Medical Marijuana Code and the Colorado Retail Marijuana Code, and makes other changes including integration of the two codes into one code entitled the Colorado Marijuana Code. Appropriates \$396,604 cash funds from the Marijuana Cash Fund and 1.8 FTE for the Marijuana Enforcement Division and reappropriates \$103,630 and 0.6 FTE to the Department of Law for the provision of legal services for FY 2019-20.

S.B. 19-235 (AUTOMATIC VOTER REGISTRATION): Requires DOR, the Department of Health Care Policy and Financing (HCPF), and the Department of Human Services (DHS) to electronically transfer records to the Department of State for registering voters. Appropriates \$18,000 General Fund to DOR for IT programming for the DRIVES system for FY 2019-20.

S.B. 19-248 (STATE TAX SYSTEM WORKING GROUP): Convenes a state tax system working group to meet during the 2019 legislative interim to evaluate the state tax administration software system, GenTax, and make recommendations. Working group stakeholders include the nonpartisan legislative service agencies, the Department of Revenue (DOR), the Department of Personnel, and the Governor's Office of Information Technology. The working group must evaluate:

- the deficits of the current state tax system;
- the benefit of ownership of the current tax system in relationship to the cost of the total deficits of the current system;
- whether it would be more cost-effective for the state to make adjustments and new investments in the current tax system or to pursue a new system;
- options for managing the recurring changes in tax data and methods by which new tax reports are implemented and tracked; and
- any other topics the working group deems necessary.

The working group must provide an update on its progress to the Joint Technology Committee and the Joint Budget Committee by October 1, 2019, and, by December 1, 2019, report to the General Assembly on its findings and recommendations, whether an independent third-party assessment of the state tax system is necessary and whether the working group should be continued through the 2020 legislative interim.

Appropriates \$44,552 General Fund and 0.5 FTE to Legislative Council and the Office of Legislative Legal Services in the Legislative Department and \$30,000 General Fund to DOR for FY 2019-20.

S.B. 19-249 (LICENSE BUSINESS SELLING ITS USED MOTOR VEHICLES): Creates a new motor vehicle business disposal license. The license allows businesses to sell used motor vehicles that have been owned by the business for more than a year, are exclusively used for business purposes, are titled in the name of the business, and are not designed or used primarily to carry passengers. A business only qualifies for the disposal license if motor vehicle sales do not exceed 20 percent of the business's gross revenue. In addition, the bill enumerates the grounds for which a business disposal license may be denied, suspended, or revoked by the Colorado Motor Vehicle Dealer

Board and the associated penalties for selling specified vehicles without a license. Appropriates \$14,000 cash funds from the Auto Dealers License Fund to DOR for use by the Motor Vehicle Dealer Licensing Board for FY 2019-20.

S.B. 19-256 (ELECTRONIC DOCUMENTS MOTOR VEHICLE APPROPRIATION): House Bill 18-1299 allows DOR to implement a system to allow the electronic transmission of registration, lien, and titling information for motor vehicles. This bill appropriates \$1.2 million from gifts, grants, and donations deposited in the Colorado DRIVES Vehicle Services Account and 3.1 FTE to DOR and reappropriates \$16,590 to OIT to implement the system created in H.B. 18-1299 for FY 2019-20. Also specifies that the appropriation remains available through FY 2020-21.

H.B. 19-1023 (FOSTER CHILDREN DRIVING LICENSES): Clarifies that a minor who is at least 16 years of age can purchase auto insurance and exempts a foster child from having a foster parent or other guardian sign an affidavit of liability regarding financial responsibility. It lowers the age at which the state or a county must obtain permission from a foster parent or guardian to help a foster child obtain a permit from 17 1/2 years old to 17 years old and allows anyone who is at least 21 years of age and holds a driver license to instruct a foster child with a driving permit and sign a foster child's driving logs. It allows each county department of human services or social services that has custody of a foster child or ward of the court to implement a program that provides foster kids under the age of 18 with a driver permit if the minor's foster parent consents or the county has first consulted with the foster parent for a child 17 years old or older. The bill also requires the Transportation Legislation Review Committee to study the barriers to foster children meeting the 50 hour driving requirement for an instruction permit, and the ability of foster children to obtain automobile insurance during the 2019 legislative interim. Appropriates \$6,750 cash funds from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

H.B. 19-1039 (IDENTITY DOCUMENTS FOR TRANSGENDER PERSONS): Under current law, a person born in Colorado seeking to obtain a birth certificate that reflects a change in gender designation must first obtain a court order indicating that the person's gender has been changed by a surgical procedure and that their name has been changed. The bill eliminates the requirement for a court order, and requires the state registrar in the Colorado Department of Public Health and Environment (CDPHE) to issue a new birth certificate to any person who was born in Colorado and has a gender different from the gender denoted on that person's birth certificate. Persons who currently reside in Colorado but who were born in another state or in a foreign jurisdiction may request a decree from a court in Colorado if such a decree is required to issue an amended birth certificate in the place of their birth.

To issue a new birth certificate, the state registrar must receive a written request from the person and a statement confirming the sex designation on the person's birth certificate does not align with the person's gender identity. If the person is under the age of eighteen, the state registrar must receive the request and statement from the person's parents, guardian, or legal representative and a statement from a professional medical or mental health care provider. The DMV must issue a new driver's license or identity document to a person who has a gender different from the sex denoted on that person's driver's license or identity document upon receiving a statement similar to the above and a new birth certificate issued pursuant to this bill.

Appropriates \$58,500 cash funds from the Licensing Services Cash Fund for IT programming for the DRIVES system for FY 2019-20.

H.B. 19-1085 (GRANTS FOR PROPERTY TAX RENT AND HEAT): Under current law, Colorado residents over the age of 65 are eligible for a property tax and rent assistance rebate grant and a heat and fuel expenses rebate grant, if they meet certain conditions. This bill increases the minimum and maximum rebate amounts and eligible income requirements and removes the requirement that the payment of rent only qualifies for a rent rebate if the rent is paid to a landlord that pays property taxes. Under current law, the income amounts are adjusted annually for

inflation. This bill adjusts the rebate amount and income levels for inflation starting in 2020. Appropriates \$24,847 General Fund to DOR, reappropriates \$1,200 to the Department of Personnel for document management services, and increases the Long Bill informational appropriation for the Old Age Heat and Fuel and Property Tax Assistance Grant by \$653,500 General Fund for FY 2019-20.

H.B. 19-1090 (PUBLICLY LICENSED MARIJUANA COMPANIES): Modifies the statutory ownership and investment definitions for medical and retail marijuana licensees, removes the limit of 15 out-of-state owners, changes the ownership residency requirement, and allows a publicly traded corporation to invest in a marijuana business or become a marijuana business. The bill repeals the definition of direct beneficial interest owner, indirect beneficial interest owner, and permitted economic interest; creates new ownership types; and changes disclosure and background requirements, including exemptions for passive beneficial owners and indirect financial interest holders.

A person intending to apply to become a controlling beneficial owner must receive a finding of suitability or an exemption from the Marijuana Enforcement Division (MED) in DOR prior to submitting a marijuana business application. The MED is required to complete a finding of suitability within 120 days. The MED is required to promulgate rules to implement the bill that address: ownership and financial disclosure procedure requirements; record keeping requirements; findings of suitability; divestiture of ownership of a person found unsuitable by the MED; transfers of ownership involving a publicly traded corporation; designation of controlling beneficial owners; modification of the percentage of securities that may be held by a controlling beneficial owner and passive beneficial owner; designation of persons who qualify for an exemption from a finding of suitability; and designation of indirect financial interest holders and qualified institutional investors.

Appropriates \$54,766 cash funds from the Marijuana Cash Fund and 0.2 FTE to DOR and reappropriates \$31,089 and 0.2 FTE to the Department of Law for legal services for FY 2018-19. Appropriates \$2.7 million cash funds from the Marijuana Cash Fund and 15.5 FTE to DOR, reappropriates \$242,494 and 1.3 FTE to the Department of Law for legal services, reappropriates \$18,772 to the Department of Public Safety for criminal history record checks, and reappropriates \$24,750 to the Department of Personnel for fleet vehicles for FY 2019-20.

H.B. 19-1138 (VEHICLE TRANSFER REGISTRATION FEE CREDIT): Under current law, vehicle owners receive a prorated credit of taxes and some registration fees when a vehicle is sold before the end of the vehicle registration year. This bill extends that credit to additional registration fees. Appropriates \$7,200 cash funds from the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund for IT programming for the DRIVES system for FY 2019-20.

H.B. 19-1230 (MARIJUANA HOSPITALITY ESTABLISHMENTS): Beginning January 1, 2020, allows for the operation of marijuana hospitality establishments and retail marijuana hospitality and sales establishments, as approved by a local government. The bill sets provisions for hospitality establishments, including definitions, licensing, rules, and exceptions to currently illegal acts. Beginning January 1, 2020, the MED may issue licenses for marijuana hospitality establishments and hospitality and sales establishments, conditional upon local government approval. Current law prohibits the public consumption and possession of small amounts of retail or medical marijuana, or evidence of marijuana consumption, on premises licensed by the MED. The bill creates an exception for display, consumption, and possession at a licensed marijuana hospitality or hospitality and sales establishment. The bill also creates an exception to the Clean Indoor Air Act for marijuana smoking that occurs in the hospitality space within a licensed hospitality or hospitality and sales establishment, if authorized by a local government ordinance, license, or regulation.

The bill establishes procedures for application submittal, denial, and revocation. Licenses are good for a period of time set for the licensee by the local government, not to exceed one year. The MED may set application and renewal fee amounts by rule. The bill establishes requirements for the licensee and employees of the licensed establishment, including that licensees prohibit the smoking or consumption of alcohol and tobacco products, and all employees must complete an annual responsible vendor training program that is approved by the MED. The bill

adds that information on serving size, potency, and impairment must be included in approved responsible vendor training. The MED must promulgate rules related to the implementation of both license types, including general liability insurance requirements, a sales limit, and restrictions on the types of retail marijuana sold at hospitality and sales establishment.

Appropriates \$399,479 cash funds from the Marijuana Cash Fund and 3.2 FTE to DOR, reappropriates \$72,023 and 0.3 FTE to the Department of Law for legal services, reappropriates \$4,576 to the Department of Public Safety for criminal history record checks, and reappropriates \$4,790 to the Department of Personnel for fleet vehicles for FY 2019-20.

H.B. 19-1234 (REGULATED MARIJUANA DELIVERY): Creates a marijuana delivery permit to allow licensed medical marijuana centers, licensed retail marijuana stores, and medical and retail marijuana transporters to deliver marijuana and marijuana products to customers. The MED in DOR has rulemaking authority over the permit and delivery system.

Delivery permit issuances are valid for one-year and the bill establishes marijuana delivery requirements, including:

- requiring responsible vendor training programs to include marijuana delivery training;
- requiring a \$1.00 surcharge on each delivery to be remitted to the municipality or county where the establishment is in business to be used for law enforcement purposes;
- prohibiting more than one delivery to the same person per day;
- requiring the MED to provide a prompt response to local law enforcement agencies requesting information related to criminal activity materially related to marijuana delivery; and
- prohibiting delivery in jurisdictions that prohibit the operation of other licensed marijuana businesses.

The MED must issue a report to the Finance Committees of the General Assembly by January 2, 2021, regarding the number of medical marijuana center delivery permit applications and issuances, any findings of criminal activity materially related to delivery, and any incident reports of felony charges materially related to delivery.

Appropriates \$390,152 cash funds from the Marijuana Cash Fund and 3.6 FTE to DOR, reappropriates \$35,752 and 0.2 FTE to the Department of Law for legal services, and reappropriates \$4,950 to the Department of Personnel for fleet vehicles for FY 2019-20.

H.B. 19-1240 (SALES AND USE TAX ADMINISTRATION): Codifies DOR's rules regarding the requirement that out-of-state retailers collect and remit sales tax, establishes destination-based sourcing rules, and requires marketplace facilitators to collect and remit sales tax on behalf of their third-party vendors.

Establishes economic nexus for purposes of retail sales made by retailers without physical presence and applies to out-of-state retailers with over \$100,000 in sales into the state during the last calendar year. Regarding in-state sales tax sourcing rules, the bill codifies and expands upon DOR emergency rules regarding the change from origin-based to destination-based sales tax sourcing for both purchases and leases, and exempts retailers that do not meet the de minimus threshold. The destination sourcing rules applies to retailers with physical presence that have over \$100,000 in retail sales in the state during the previous calendar year. If a retailer does not meet the threshold, the sale is sourced to the business location of the retailer regardless of where the goods are delivered. This threshold remains effective until 90 days after the state is notified that a geographic information system (GIS) address location system for sales tax jurisdictions is online and available for use by retailers. After the GIS system is available, all sales will be sourced to the delivery location.

Defines marketplace facilitators for sales tax purposes and requires them to start collecting and remitting sales tax in Colorado. A marketplace can be either online or physical, including a store, a website, a catalog, or a software. A

marketplace facilitator is defined as an entity that facilitates sales of marketplace sellers to purchasers on its platform, communicates the offer between the buyer and seller, and provides a payment processing service.

H.B. 19-1245 (AFFORDABLE HOUSING FUNDING FROM VENDOR FEE CHANGES): Beginning January 1, 2020, increases the "vendor fee" (an amount that a retailer is permitted to retain for its expenses incurred in collecting and remitting the state sales tax) from 3.33 percent to 4.0 percent, subject to a \$1,000 monthly cap. This limit applies regardless of the number of the retailer's locations, and a vendor with multiple locations is required to register all locations under one account with the Department of Revenue (DOR). Excludes the increase in sales taxes attributable to the vendor fee changes from the definition of "state sales tax increment revenue" for purposes of the "Colorado Regional Tourism Act" so that the increase is payable to the State and not an applicable financing entity.

Requires the State Treasurer to credit an amount equal to the increase in sales taxes attributable to the vendor fee changes, minus the following specified amounts that will instead be retained in the General Fund, to the existing Housing Development Grant Fund:

- \$15,335,781 for FY 2019-20;
- \$40,323,158 for FY 2020-21; and
- \$985,335 for FY 2021-22 and subsequent fiscal years.

Requires the Division of Housing in the Department of Local Affairs (DOLA) to annually award at least one-third of the money credited to the Housing Development Grant Fund under the act for affordable housing projects for households whose annual income is less than or equal to 30 percent of the area median income.

Appropriates \$286,408 to DOR for FY 2019-20, and states that DOR will require 0.4 FTE to implement the act. Appropriates \$3,398 General Fund to DOLA for FY 2019-20.

H.B. 19-1265 (RIGHT-OF-WAY FOR SNOWPLOWS IN ECHELON FORMATION): Under current law, drivers must exercise care and caution when passing a snowplow engaged in snow and ice removal. Failure to do so is a class B traffic infraction. This bill makes it a class A traffic infraction if a driver passes a snowplow operated by a state, county, or local government while performing its service in an echelon formation, as defined by the bill. The bill does not change penalties for passing a snowplow. Appropriates \$3,375 cash funds from the Licensing Services Cash Fund to DOR for IT programming for the DRIVES system for FY 2019-20.

H.B. 19-1327 (AUTHORIZE AND TAX SPORTS BETTING REFER UNDER TABOR): Conditional upon voter approval, this bill decriminalizes sports betting and places it under the authority of the Division of Gaming in DOR and the Colorado Limited Gaming Control Commission (Commission). Both in-person and online bets must be placed in Colorado and are limited to people 21 years of age or older. Upon statewide voter approval, beginning in May 2020, sports betting will be allowed both in-person at casinos in the State's three gaming towns (Black Hawk, Central City, and Cripple Creek), if approved by local voters, and online through internet sports betting operators contracted by casinos.

The Commission is permitted to issue at least three types of licenses as defined in the bill. The license, and subsequent license renewal fee, cannot exceed \$125,000 and must be renewed every two years. The following entities may not hold an ownership interest or be employed by a sports betting operator or licensee:

- an athlete, coach, referee, employee, or the director of a sports governing body or any team that is a member of a sports governing body;
- a sports governing body or any of its member teams;
- an agent, union, or union representative that advocates for players, referees, or other personnel involved in sporting events;
- a person who holds a position of authority that may exert influence over participants in a sporting event;

- a person with access to nonpublic information about any sports event overseen by that person's sports governing body; or
- a person identified by the sports governing body to have potential conflicts of interest.

Members of the Commission and employees of the Division of Gaming may not participate in sports betting activities, since they are considered to hold positions of public trust.

Upon voter approval, a ten percent tax will be levied on net sports betting proceeds. All of the revenue generated by this tax will be deposited into the newly created Sports Betting Fund, along with all licensing fees, fines, and penalties. All of the expenses associated with regulating, administering, and investigating sports betting activity will be paid out of the Sports Betting Fund. The treasurer can invest the money in the fund as long as enough money remains to cover administrative expenses at any given time. Any additional funds may be spent by the state and are continuously appropriated.

This bill creates the Hold Harmless Fund, which will distribute six percent of total sports betting tax revenue to entities that may see a decrease in revenue if betting behavior shifts from casino-game and off-track parimutuel bets to sports betting. Each entity may submit an annual application to the gaming commission to receive a portion of those funds once it shows the loss in revenue attributable to the implementation of sports betting. If there is not sufficient revenue to cover all documented losses, the gaming commission will decrease distributions by a uniform percentage so that each receives a share proportionate to their losses. The following entities may apply for a distribution from this fund:

- the State Historical Fund;
- community colleges;
- the cities of Black Hawk, Central, and Cripple Creek;
- the counties of Gilpin and Teller; and
- any person or entity that benefits from purse funds, including off-track betting sites and the horse breeders' and owners' awards and supplemental purse fund.

This bill creates the Water Plan Implementation Cash Fund, which will receive deposits from sports betting revenue and any other money allocated by the General Assembly. Grants may be made from this fund pursuant to Section 37-60-106.3 (6), C.R.S., along with any expenditures that will ensure compliance with interstate water allocation compacts, equitable apportionment decrees, international treaties, and federal laws relating to interstate storage, release, apportionment, and allocation of water. Any expenditures related to the administration of this fund may also be paid out of the fund.

The distribution of all moneys credited to the Sports Betting Fund shall occur in the following order:

- 1 repayment of General Fund moneys provided for start up costs for the Division of Gaming;
- 2 payment of ongoing Division of Gaming administrative expenses for sports betting. The state treasurer may withhold an amount to cover administrative expenses for the following fiscal year;
- 3 transfer of six percent of the full fiscal year sports betting tax revenue to the Hold Harmless Fund, which will be further distributed to its beneficiaries, as described below;
- 4 transfer of \$130,000 to the Office of Behavioral Health in the Department of Human Services, of which \$30,000 will be allocated to the Rocky Mountain Crisis Partners, or its successor, for the operation of a crisis hotline for gamblers, and \$100,000 will be allocated for the prevention, education, treatment, and workforce development by counselors certified to treat gambling disorders; and
- 5 transfer of the remaining funds to the Water Plan Implementation Cash Fund.

After the initial appropriation to cover startup costs, the bill requires that no state money other than the revenue in the fund will be used to pay the administrative expenses of sports betting in the state. Appropriates \$1.7 million

General Fund and 11.6 FTE to DOR, reappropriates \$142,388 and 0.8 FTE to the Department of Law for legal services, reappropriates \$34,650 to the Department of Personnel for fleet vehicles, and reappropriates \$1,716 to the Department of Public Safety for criminal history record checks for FY 2019-20.

Implementation of the sports betting provisions in the bill are conditional upon voter approval. However, the appropriation from the General Fund is made available to the Department of Revenue to implement information technology systems changes and to conduct background investigations prior to voter approval. Thus, it is possible that the Department will incur General Fund expenditures prior to the election which would not be repaid if voters reject the referred measure.

Details

DEPARTMENT OF STATE

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF STATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$26,136,661	\$0	\$26,136,661	\$0	\$0	142.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration Division	6,942,829	0	6,942,829	0	0	21.1
Information Technology Division	8,395,388	0	8,395,388	0	0	46.0
Elections Division	7,437,672	0	7,437,672	0	0	35.7
Business and Licensing Division	3,360,772	0	3,360,772	0	0	40.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$25,217,382	\$0	\$25,217,382	\$0	\$0	142.9
SB 18-150	95,555	0	95,555	0	0	0.0
SB 18-233	63,000	0	63,000	0	0	0.0
SB 19-124	760,724	0	760,724	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$40,053,629	\$8,418,590	\$31,635,039	\$0	\$0	145.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration Division	11,796,659	0	11,796,659	0	0	21.1
Information Technology Division	9,589,728	0	9,589,728	0	0	46.0
Elections Division	15,290,203	8,418,590	6,871,613	0	0	39.7
Business and Licensing Division	3,377,039	0	3,377,039	0	0	39.1
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$37,369,416	\$6,300,000	\$31,069,416	\$0	\$0	145.9
SB 19-086	59,360	0	59,360	0	0	0.0
SB 19-202	50,000	0	50,000	0	0	0.0
SB 19-235	67,840	0	67,840	0	0	0.0
HB 19-1007	7,000	0	7,000	0	0	0.0
HB 19-1248	38,160	0	38,160	0	0	0.0
HB 19-1266	16,960	0	16,960	0	0	0.0
HB 19-1278	2,402,243	2,118,590	283,653	0	0	0.0
HB 19-1318	42,650	0	42,650	0	0	0.0
INCREASE/(DECREASE)	\$13,916,968	\$8,418,590	\$5,498,378	\$0	\$0	3.0
Percentage Change	53.2%	n/a	21.0%	n/a	n/a	2.1%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of State are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$3,646,168	\$0	\$3,646,168	\$0	\$0

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

ADMINISTRATION DIVISION

The Administration Division provides general oversight and administrative support services for all divisions in the Department, including budgeting, human resources services, and public outreach. This division is entirely supported by the Department of State Cash Fund, which primarily consists of revenue from fees collected from businesses and other non-profits when filing required annual reporting documents. The Department of State has been cash funded for more than 30 years; however, as a result of S.B. 17-305 (Primary Election Clean-up), the Department receives General Fund to cover the cost of reimbursing counties the actual direct costs for the preparation and conduct of presidential primary elections.

ADMINISTRATION DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$6,942,829	\$0	\$6,942,829	\$0	\$0	21.1
TOTAL	\$6,942,829	\$0	\$6,942,829	\$0	\$0	21.1
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$6,942,829	\$0	\$6,942,829	\$0	\$0	21.1
Electronic Recording Technology Board	3,636,168	0	3,636,168	0	0	0.0
2020 Presidential primary public outreach	900,000	0	900,000	0	0	0.0
Centrally appropriated line items	240,198	0	240,198	0	0	0.0
Annualize prior year budget actions	56,638	0	56,638	0	0	0.0
Annualize prior year legislation	18,729	0	18,729	0	0	0.0
Indirect cost assessment	2,097	0	2,097	0	0	0.0
SB 19-207	\$11,796,659	\$0	\$11,796,659	\$0	\$0	21.1
TOTAL	\$11,796,659	\$0	\$11,796,659	\$0	\$0	21.1
INCREASE/(DECREASE)	\$4,853,830	\$0	\$4,853,830	\$0	\$0	0.0
Percentage Change	69.9%	n/a	69.9%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ELECTRONIC RECORDING TECHNOLOGY BOARD: The appropriation includes \$3,636,168 cash funds for a new line item for the Electronic Recording Technology Board. The cash funds appropriated to this line item are from the Electronic Recording Technology Fund and are for informational purposes because the Fund is continuously appropriated, pursuant to Section 24-21-404 (1)(a), C.R.S.

2020 PRESIDENTIAL PRIMARY PUBLIC OUTREACH: The appropriation includes \$900,000 cash funds from the Department of State Cash Fund to implement an outreach campaign educating unaffiliated voters about their ballots in the run-up to the 2020 Presidential Primary.

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; PERA direct distributions; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; vehicle lease payments; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$56,638 cash funds for the second-year impact of the FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 15-288 Compensation of State & County Public Officials	\$13,790	\$0	\$13,790	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	4,939	0	4,939	0	0	0.0
TOTAL	\$18,729	\$0	\$18,729	\$0	\$0	0.0

INDIRECT COST ASSESSMENT: The appropriation includes a net increase in the division's indirect cost assessment.

INFORMATION TECHNOLOGY DIVISION

Information Technology (IT) Division provides technical and project management services, systems development, and support for information technology systems in the Department, including: (1) web-based search and filing services used by the Business and Licensing Division to process over 2,500 web-based transactions daily; and (2) the statewide voter registration and election management system (SCORE). The IT Division is also responsible for ensuring the Department's compliance with the Colorado Information Security Act. Funding for this division is provided entirely by the Department of State Cash Fund.

INFORMATION TECHNOLOGY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$8,328,188	\$0	\$8,328,188	\$0	\$0	46.0
SB 18-150	95,555	0	95,555	0	0	0.0
SB 19-124	(28,355)	0	(28,355)	0	0	0.0
TOTAL	\$8,395,388	\$0	\$8,395,388	\$0	\$0	46.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$8,395,388	\$0	\$8,395,388	\$0	\$0	46.0
Market-driven IT maintenance costs	594,758	0	594,758	0	0	0.0
Annualize prior year budget actions	119,127	0	119,127	0	0	0.0
Annualize prior year legislation	(56,813)	0	(56,813)	0	0	0.0
SB 19-207	\$9,052,460	\$0	\$9,052,460	\$0	\$0	46.0
SB 19-086	59,360	0	59,360	0	0	0.0
SB 19-202	50,000	0	50,000	0	0	0.0
SB 19-235	67,840	0	67,840	0	0	0.0
HB 19-1007	7,000	0	7,000	0	0	0.0
HB 19-1248	38,160	0	38,160	0	0	0.0
HB 19-1266	16,960	0	16,960	0	0	0.0
HB 19-1278	255,298	0	255,298	0	0	0.0
HB 19-1318	42,650	0	42,650	0	0	0.0
TOTAL	\$9,589,728	\$0	\$9,589,728	\$0	\$0	46.0
INCREASE/(DECREASE)	\$1,194,340	\$0	\$1,194,340	\$0	\$0	0.0
Percentage Change	14.2%	n/a	14.2%	n/a	n/a	0.0%

FY 2017-18 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the Department's FY 2017-18 appropriations to add a new footnote allowing the Department to roll forward up to \$215,930 cash funds appropriated for IT asset management in FY 2017-18 and to use those funds in FY 2018-19.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the appropriations clause of S.B. 18-150 (Voter Registration for Individuals Criminal Justice System) to correctly identify the line items to which the appropriation is made. This correction changes the line items receiving the appropriation but does not increase the total appropriation. The appropriation in the personal services line item in the IT Division is reduced by \$28,355 cash funds, while the operating expense line item in the Elections Division is increased by the same amount.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MARKET-DRIVEN IT MAINTENANCE COSTS: The appropriation includes an increase of \$594,758 cash funds from the Department of State Cash Fund to address increases in IT maintenance costs. The Information Technology Division provides hardware and software maintenance and support for the Department of State. This increase is expected to continue in future years.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$119,127 cash funds for the annualization of FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the second-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 Eliminate Unfunded PERA Liability	\$10,387	\$0	\$10,387	\$0	\$0	0.0
SB 18-150 Voter Registration Individuals Criminal Justice System	(67,200)	0	(67,200)	0	0	0.0
TOTAL	(\$56,813)	\$0	(\$56,813)	\$0	\$0	0.0

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

ELECTIONS DIVISION

The Elections Division administers statewide statutory and constitutional provisions that relate to elections, including the administration of the initiative and referendum process. This includes supervising primary, general, and congressional vacancy elections; maintaining the statewide voter registration database; authorizing official recounts for federal, state, and district elections; and administering the Fair Campaign Practices Act. The Elections Division also helps the Secretary of State supervise the 64 county clerks in the execution of their statutory responsibilities relating to voter registration and elections. This division is funded by the Department of State Cash Fund and the continuously-appropriated Federal Elections Assistance Fund, which was established to receive federal Help America Vote Act (HAVA) funding.

ELECTIONS DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$6,585,593	\$0	\$6,585,593	\$0	\$0	35.7
SB 18-233	63,000	0	63,000	0	0	0.0
SB 19-124	789,079	0	789,079	0	0	0.0
TOTAL	\$7,437,672	\$0	\$7,437,672	\$0	\$0	35.7
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$7,437,672	\$0	\$7,437,672	\$0	\$0	35.7
Annualize prior year legislation	5,477,121	6,300,000	(822,879)	0	0	0.0
Additional campaign finance enforcement staff	217,324	0	217,324	0	0	3.0
Annualize prior year budget actions	68,809	0	68,809	0	0	0.0
Transfer of Lobbyist Program to Elections Division	63,943	0	63,943	0	0	1.0
Elections Division document management	(121,611)	0	(121,611)	0	0	0.0
SB 19-207	\$13,143,258	\$6,300,000	\$6,843,258	\$0	\$0	39.7
HB 19-1278	2,146,945	2,118,590	28,355	0	0	0.0
TOTAL	\$15,290,203	\$8,418,590	\$6,871,613	\$0	\$0	39.7
INCREASE/(DECREASE)	\$7,852,531	\$8,418,590	(\$566,059)	\$0	\$0	4.0
Percentage Change	105.6%	n/a	(7.6%)	n/a	n/a	11.2%

FY 2017-18 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the Department's FY 2017-18 appropriations to increase by \$317,149 cash funds in FY 2017-18 from the Department of State Cash Fund to provide matching local funds for a federal grant awarded for the implementation of the Help America Vote Act (HAVA) Program. This change includes a footnote authorizing roll forward spending authority until the completion of the project or the close of FY 2019-20, whichever comes first.

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-124 (Supplemental Bill) modifies the Department's FY 2018-19 appropriations to:

- Increase by \$290,724 cash funds in FY 2018-19 from the Department of State Cash Fund to provide matching local funds for a federal grant awarded for the implementation of the Help America Vote Act (HAVA) Program. This change includes a footnote authorizing roll forward spending authority until the completion of the project or the close of FY 2019-20, whichever comes first;
- Increase by \$470,000 cash funds from the Department of State Cash Fund to cover the estimated expenditures for processing petitions for the 2018 General Election.

Senate Bill 19-124 (Supplemental Bill) modifies the appropriations clause of S.B. 18-150 (Voter Registration for Individuals Criminal Justice System) to correctly identify the line items to which the appropriation is made. This correction changes the line items receiving the appropriation but does not increase the total appropriation. The appropriation in the personal services line item in the IT Division is reduced by \$28,355 cash funds, while the operating expense line item in the Elections Division is increased by the same amount.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 17-305 Primary Election Clean-up	\$6,323,200	\$6,300,000	\$23,200	\$0	\$0	0.0
SB 18-200 Eliminate Unfunded PERA Liability	6,000	0	6,000	0	0	0.0
SB 19-124 Supplemental	(760,724)	0	(760,724)	0	0	0.0
SB 18-233 Elections Clean-up	(63,000)	0	(63,000)	0	0	0.0
SB 18-150 Voter Registration Individuals Criminal Justice System	(28,355)	0	(28,355)	0	0	0.0
TOTAL	\$5,477,121	\$6,300,000	(\$822,879)	\$0	\$0	0.0

ADDITIONAL CAMPAIGN FINANCE ENFORCEMENT STAFF: The appropriation includes an increase of \$217,324 cash funds and 3.0 FTE from the Department of State Cash Fund for additional campaign finance enforcement staff for the Elections Division to implement updated campaign finance rules because of the District Court's decision in *Holland v. Williams*.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$68,809 cash funds for the annualization of FY 2018-19 salary survey.

TRANSFER OF LOBBYIST PROGRAM TO ELECTIONS DIVISION: The appropriation includes a net-zero internal transfer of the Lobbyist Program from Business and Licensing Division to the Elections Division. The regulation and reporting requirements for lobbyists are similar to campaign finance reporting. It is anticipated that the Lobbyist Program will leverage the customer service model of the Campaign and Political Finance Unit within the Elections Division.

ELECTION DIVISION DOCUMENT MANAGEMENT: The appropriation includes a net reduction of \$121,611 cash funds for the creation of a new Document Management line item in the Elections Division. The Document Management line item appropriation of \$241,589 cash funds was previously part of the Initiatives and Referendum line item. The Initiatives and Referendum line item appropriation is reduced to \$150,000 cash funds to align the appropriation with the anticipated expenditures associated with the Department's contract for initiative and referendum review automation. The Document Management line item will be used for appropriations for the Integrated Documents Solutions expenditures associated with the processing of petitions and referendums by the Department of Personnel.

ADDITIONAL LEGISLATION: For information on additional legislation, see the "Recent Legislation" section at the end of Part III of this department.

BUSINESS AND LICENSING DIVISION

The Business and Licensing Division is responsible for processing filings from businesses and non-profits and collecting the associated fees, as well as: overseeing the Business Intelligence Center and the Go Code Colorado statewide app challenge event; administering the lobbyist program; licensing entities involved in charitable gaming; registering charitable organizations; licensing and regulating notaries public; and publishing the Code of Colorado Regulations.

BUSINESS AND LICENSING DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$3,360,772	\$0	\$3,360,772	\$0	\$0	40.1
TOTAL	\$3,360,772	\$0	\$3,360,772	\$0	\$0	40.1

BUSINESS AND LICENSING DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$3,360,772	\$0	\$3,360,772	\$0	\$0	40.1
Annualize prior year budget actions	73,777	0	73,777	0	0	0.0
Annualize prior year legislation	6,433	0	6,433	0	0	0.0
Transfer of Lobbyist Program to Elections Division	(63,943)	0	(63,943)	0	0	(1.0)
SB 19-207	\$3,377,039	\$0	\$3,377,039	\$0	\$0	39.1
TOTAL	\$3,377,039	\$0	\$3,377,039	\$0	\$0	39.1
INCREASE/(DECREASE)	\$16,267	\$0	\$16,267	\$0	\$0	(1.0)
Percentage Change	0.5%	n/a	0.5%	n/a	n/a	(2.5%)

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes an increase of \$73,777 cash funds for the annualization of FY 2018-19 salary survey.

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes an increase of \$6,433 cash funds for the out-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

TRANSFER OF LOBBYIST PROGRAM TO ELECTIONS DIVISION: The appropriation includes a net-zero internal transfer of the Lobbyist Program from Business and Licensing Division to the Elections Division. The regulation and reporting requirements for lobbyists are similar to campaign finance reporting. It is anticipated that the Lobbyist Program will leverage the customer service model of the Campaign and Political Finance Unit within the Elections Division.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-150 (JUSTICE SYSTEM VOTER REGISTRATION): Makes changes to the election code to allow the Department of State to preregister parolees to vote once removed from parole and qualified to vote. It also directs the Division of Adult Parole in the Department of Corrections to provide voter information to persons released from parole. For FY 2018-19, provides one-time appropriations of \$89,600 to the Department of Corrections from the General Fund and \$95,555 to the Department of State from the Department of State Cash Fund.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

S.B. 18-233 (ELECTIONS CLEANUP): Makes numerous technical changes to the Colorado election code to harmonize statute with Amendment 71 (Distribution and Supermajority Requirements for Initiatives) and Propositions 107 (Open Presidential Primary Elections) and 108 (Unaffiliated Electors Voting in Primaries), adopted by the voters in the 2016 general election.

H.B. 18-1168 (SUPPLEMENTAL BILL): Modifies FY 2017-18 appropriations to the Department.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

2019 SESSION BILLS

S.B. 19-086 (UPDATE BUSINESS ENTITY LAWS): Makes changes to the Colorado Business Corporation Act and the Colorado Corporations and Associations Act, including provisions governing articles of incorporation, mergers, standards of conduct for employees and officers, and procedures for seeking judicial dissolution. Appropriates \$59,360 from the Department of State Cash Fund to the Department for FY 2019-20.

S.B. 19-124 (SUPPLEMENTAL BILL): Modifies FY 2017-18 and FY 2018-19 appropriations to the Department.

S.B. 19-202 (VOTING RIGHTS FOR VOTERS WITH DISABILITIES): Requires the Department of State to establish procedures to enable voters with disabilities to mark a ballot using assistive technologies. Appropriates \$50,000 cash funds to the Department for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-235 (AUTOMATIC VOTER REGISTRATION): Requires the Department of Revenue (DOR), the Department of Health Care Policy and Financing (HCPF), and the Department of Human Services (DHS) to electronically transfer records to the Department of State for registering voters. Appropriates \$312,907 total funds for FY 2019-20 as follows:

- \$67,840 cash funds from the Department of State Cash Fund to the Department of State;
- \$90,827 total funds to the Department of Human Services, including \$61,301 General Fund, \$9,973 cash funds from the Old Age Pension Fund, and \$19,553 from the federal Temporary Assistance for Needy Families block grant;
- \$136,240 reappropriated funds from the Department of Human Services to the Governor's Office of Information Technology; and
- \$18,000 General Fund to the Department of Revenue.

The appropriation to the Department of Human Services is based on the assumption that the Department will receive \$45,413 federal funds to implement the act.

H.B. 19-1007 (CONTRIBUTION LIMITS FOR COUNTY OFFICES): Establishes contribution limits and disclosure requirements for candidates for county offices. Appropriates \$7,000 from the Department of State Cash Fund to the Department for FY 2019-20.

H.B. 19-1248 (LOBBYIST TRANSPARENCY ACT): Requires lobbyists to provide additional disclosure statements to the Secretary of State during a regular or special session when they agree to lobby in connection with a new bill or take a new position on an existing bill for a new or existing client. Appropriates \$38,160 from the Department of State Cash Fund to the Department for FY 2019-20.

H.B. 19-1266 (RESTORE VOTING RIGHTS PAROLEES): Allows an individual on parole to register to vote and to vote in any election. Appropriates \$16,960 from the Department of State Cash Fund to the Department for FY 2019-20.

H.B. 19-1278 (MODIFICATIONS TO UNIFORM ELECTION CODE): Makes several changes to the "Uniform Election Code of 1992," including changes to voter registration procedures, party filing requirements, procedures for curing ballots, provisional ballots, and other technical changes. The bill also allows preregistered 17 year olds to

participate in primary elections and caucuses if they will be 18 by the date of the next general election and requires counties to locate some voter services and polling centers on higher education campuses. Appropriates \$2,402,243 total funds, including \$2,118,590 General Fund and \$283,653 from the Department of State Cash Fund, to the Department for FY 2019-20.

H.B. 19-1318 (THE CLEAN CAMPAIGN ACT OF 2019): Modifies the Fair Campaign Practices Act to define "small-scale issue committee" as an issue committee that has accepted or made contributions or expenditures less than \$5,000 for the purpose of supporting or opposing any ballot issue or question. Appropriates \$42,650 from the Department of State Cash Fund to the Department for FY 2019-20.

Details

DEPARTMENT OF TRANSPORTATION

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF TRANSPORTATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$1,827,788,544	\$0	\$1,209,197,195	\$6,672,645	\$611,918,704	3,328.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	35,908,390	0	35,845,118	63,272	0	183.5
Construction, Maintenance, and Operations	1,579,691,304	0	966,357,727	1,414,873	611,918,704	3,132.3
High Performance Transportation Enterprise	19,148,850	0	13,954,350	5,194,500	0	9.0
First Time Drunk Driving Offenders Account	1,500,000	0	1,500,000	0	0	0.0
Statewide Bridge Enterprise	116,240,000	0	116,240,000	0	0	2.0
Marijuana Impaired Driving Program	950,000	0	950,000	0	0	0.0
Southwest Chief and Front Range Passenger Rail Commission	2,600,000	0	2,600,000	0	0	2.0
Multimodal Transportation Projects	71,750,000	0	71,750,000	0	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$1,753,538,544	\$0	\$1,134,947,195	\$6,672,645	\$611,918,704	3,326.8
SB 19-125	74,250,000	0	74,250,000	0	0	2.0
FY 2019-20 TOTAL APPROPRIATION:	\$2,112,021,087	\$0	\$1,483,476,167	\$7,078,096	\$621,466,824	3,328.8
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	38,281,507	0	38,218,284	63,223	0	183.5
Construction, Maintenance, and Operations	1,912,606,932	0	1,289,725,235	1,414,873	621,466,824	3,132.3
High Performance Transportation Enterprise	16,942,648	0	11,342,648	5,600,000	0	9.0
First Time Drunk Driving Offenders Account	2,500,000	0	2,500,000	0	0	0.0
Statewide Bridge Enterprise	118,140,000	0	118,140,000	0	0	2.0
Marijuana Impaired Driving Program	950,000	0	950,000	0	0	0.0
Southwest Chief and Front Range Passenger Rail Commission	100,000	0	100,000	0	0	2.0
Multimodal Transportation Projects	22,500,000	0	22,500,000	0	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$2,112,021,087	\$0	\$1,483,476,167	\$7,078,096	\$621,466,824	3,328.8
INCREASE/(DECREASE)	\$284,232,543	\$0	\$274,278,972	\$405,451	\$9,548,120	0.0
Percentage Change	15.6%	n/a	22.7%	6.1%	1.6%	0.0%

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of Transportation are annotated with the "(I)". For additional information, see Appendix J.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$2,047,689,580	\$0	\$1,419,207,883	\$7,014,873	\$621,466,824

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

ADMINISTRATION

The Administration division is created in Section 43-1-113 (3)(a), C.R.S., which specifies that it must be appropriated in a single line item and include the salaries and expenses for the following offices and their staffs:

- Transportation Commission
- Administrative services
- Executive Director
- Building operations
- Chief Engineer
- Management systems
- District engineers
- Personnel
- Budget
- Procurement
- Internal audits
- Insurance
- Public relations
- Legal
- Equal employment
- Central data processing
- Accounting

Section 43-1-113 (6)(a), C.R.S., limits these expenditures to 5.0 percent of the total CDOT budget. Cash funds from the State Highway Fund are the primary source of funding.

ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$35,908,390	\$0	\$35,845,118	\$63,272	\$0	183.5
SB 19-125	0	0	0	0	0	0.0
TOTAL	\$35,908,390	\$0	\$35,845,118	\$63,272	\$0	183.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$35,908,390	\$0	\$35,845,118	\$63,272	\$0	183.5
Other	2,033,427	0	2,033,476	(49)	0	0.0
Annualize prior budget actions	339,690	0	339,690	0	0	0.0
SB 19-207	\$38,281,507	\$0	\$38,218,284	\$63,223	\$0	183.5
TOTAL	\$38,281,507	\$0	\$38,218,284	\$63,223	\$0	183.5
INCREASE/(DECREASE)	\$2,373,117	\$0	\$2,373,166	(\$49)	\$0	0.0
Percentage Change	6.6%	n/a	6.6%	(0.1%)	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OTHER: The appropriation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; the PERA direct distribution, salary survey; shift differential; workers' compensation; legal services; payment to risk management and property funds; CORE operations; and payments to the Governor's Office of Information Technology (OIT). The appropriation also includes adjustments to reflect the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability) and an adjustment to its statewide indirect cost assessments.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments to annualize FY 2018-19 salary survey.

CONSTRUCTION, MAINTENANCE, AND OPERATIONS

The Construction, Maintenance, and Operations Division (CM&O) is responsible for transportation planning and all phases of highway operation including engineering, construction, and maintenance. The Transportation Commission allocates the budgets for these programs and the amounts are included in the Long Bill for informational purposes only. This division represents the majority of the Department's total budget.

This division's revenues are continuously appropriated to the Department for the construction, maintenance, and operations of state highways and transportation systems. Cash funds include the State Highway Fund, miscellaneous permit fees, interest earnings, and local matching funds made available for federal dollars.

CONSTRUCTION, MAINTENANCE, AND OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,579,691,304	\$0	\$966,357,727	\$1,414,873	\$611,918,704	3,132.3
SB 19-125	0	0	0	0	0	0.0
TOTAL	\$1,579,691,304	\$0	\$966,357,727	\$1,414,873	\$611,918,704	3,132.3
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,579,691,304	\$0	\$966,357,727	\$1,414,873	\$611,918,704	3,132.3
Revenue forecast change	335,386,702	0	325,838,582	0	9,548,120	0.0
Other	(2,471,074)	0	(2,471,074)	0	0	0.0
SB 19-207	\$1,912,606,932	\$0	\$1,289,725,235	\$1,414,873	\$621,466,824	3,132.3
TOTAL	\$1,912,606,932	\$0	\$1,289,725,235	\$1,414,873	\$621,466,824	3,132.3
INCREASE/(DECREASE)	\$332,915,628	\$0	\$323,367,508	\$0	\$9,548,120	0.0
Percentage Change	21.1%	n/a	33.5%	0.0%	1.6%	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

REVENUE FORECAST CHANGE: The appropriation includes \$335.4 million for the difference between this year's forecast of next year's CM&O revenue and last year's forecast of this year's CM&O revenue.

OTHER: The appropriation includes a decrease for the Division due to increased central appropriations and annualizations in the Administration Division and other adjustments. The increased spending in Administration translate into less available funding for Construction, Maintenance, and Operations.

HIGH PERFORMANCE TRANSPORTATION ENTERPRISE

This TABOR (Taxpayer Bill of Rights) enterprise operates within the Department of Transportation. It was established in Section 43-4-806, C.R.S., by S.B. 09-108 (*Funding Advancements for Surface Transportation and Economic Recovery*, otherwise known as FASTER). The enterprise pursues innovative means of financing and operating surface transportation infrastructure projects, including public-private partnerships, operating concession agreements, user fees, and design-build contracting. The amounts in the Long Bill come from two main sources: user-fee revenue from express lanes and fee-for-service payments. These amounts are revenue estimates and are included for informational purposes only.

HIGH PERFORMANCE TRANSPORTATION ENTERPRISE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$19,148,850	\$0	\$13,954,350	\$5,194,500	\$0	9.0
TOTAL	\$19,148,850	\$0	\$13,954,350	\$5,194,500	\$0	9.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$19,148,850	\$0	\$13,954,350	\$5,194,500	\$0	9.0
Other	420,379	0	14,879	405,500	0	0.0
Revenue forecast change	(2,626,581)	0	(2,626,581)	0	0	0.0
SB 19-207	\$16,942,648	\$0	\$11,342,648	\$5,600,000	\$0	9.0
TOTAL	\$16,942,648	\$0	\$11,342,648	\$5,600,000	\$0	9.0
INCREASE/(DECREASE)	(\$2,206,202)	\$0	(\$2,611,702)	\$405,500	\$0	0.0
Percentage Change	(11.5%)	n/a	(18.7%)	7.8%	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

OTHER: The appropriation includes \$405,500 reappropriated funds for an increase of fees that the Construction, Maintenance, and Operation Division pays to the Transportation Enterprise for services and a \$14,879 increase to reflect the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

REVENUE FORECAST CHANGE: The appropriation includes a \$2.6 million reduction for the difference between this year's forecast of next year's Transportation Enterprise revenue and last year's forecast of this year's Transportation Enterprise revenue.

FIRST TIME DRUNK DRIVING OFFENDERS ACCOUNT

This line item uses a portion of drivers' license reinstatement fees following drunk driving convictions to fund high visibility drunk driving enforcement events. The Department partners with the Colorado State Patrol and with local law enforcement agencies to conduct these events. The program funds overtime expenses of local law enforcement agencies to increase enforcement efforts for defined periods of time, for example over holiday weekends. Local agencies apply to CDOT to receive funding and participate, and the Department targets areas with elevated enforcement needs. Program expenses also include advertising to inform the public of upcoming and ongoing enforcement events in an effort to prevent individuals from driving drunk in the first place.

FIRST TIME DRUNK DRIVING OFFENDERS ACCOUNT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
TOTAL	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
Marijuana funding for high-visibility impaired-driving enforcement efforts	1,000,000	0	1,000,000	0	0	0.0
SB 19-207	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0
TOTAL	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,000,000	\$0	\$1,000,000	\$0	\$0	0.0
Percentage Change	66.7%	n/a	66.7%	n/a	n/a	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MARIJUANA FUNDING FOR HIGH-VISIBILITY IMPAIRED-DRIVING ENFORCEMENT EFFORTS: The appropriation includes \$1.0 million of additional cash funds for impaired driving enforcement.

STATEWIDE BRIDGE ENTERPRISE

This TABOR enterprise operates within the Department of Transportation. It finances, repairs, reconstructs, and replaces state bridges. The Enterprise has the authority to issue revenue bonds and borrow funds from the Transportation Commission, which serves as the Enterprise's Board. The Enterprise receives revenue from the bridge safety surcharge on vehicle registrations. The amounts shown in the Long Bill are revenue estimates and are included for informational purposes only.

STATEWIDE BRIDGE ENTERPRISE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$116,240,000	\$0	\$116,240,000	\$0	\$0	2.0
TOTAL	\$116,240,000	\$0	\$116,240,000	\$0	\$0	2.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$116,240,000	\$0	\$116,240,000	\$0	\$0	2.0
Revenue forecast change	1,896,694	0	1,896,694	0	0	0.0
Other	3,306	0	3,306	0	0	0.0
SB 19-207	\$118,140,000	\$0	\$118,140,000	\$0	\$0	2.0
TOTAL	\$118,140,000	\$0	\$118,140,000	\$0	\$0	2.0
INCREASE/(DECREASE)	\$1,900,000	\$0	\$1,900,000	\$0	\$0	0.0
Percentage Change	1.6%	n/a	1.6%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

REVENUE FORECAST CHANGE: The appropriation includes \$1.9 million for the difference between this year's forecast of next year's Bridge Enterprise revenue and last year's forecast of this year's Bridge Enterprise revenue.

OTHER: The appropriation includes an adjustment to reflect the second-year impact of S.B. 18-200 (Eliminate Unfunded PERA Liability).

MARIJUANA IMPAIRED DRIVING PROGRAM

This division provides funding for the Department to develop and administer a public awareness program directed at marijuana impaired driving. Goals of the campaign include reductions in serious injuries and fatalities on Colorado roads, as well as declines in marijuana impaired driving behavior and citations. This program is funded by the Marijuana Tax Cash Fund.

MARIJUANA IMPAIRED DRIVING PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$950,000	\$0	\$950,000	\$0	\$0	0.0
TOTAL	\$950,000	\$0	\$950,000	\$0	\$0	0.0

MARIJUANA IMPAIRED DRIVING PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$950,000	\$0	\$950,000	\$0	\$0	0.0
SB 19-207	\$950,000	\$0	\$950,000	\$0	\$0	0.0
TOTAL	\$950,000	\$0	\$950,000	\$0	\$0	0.0
INCREASE/(DECREASE)						
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

NO CHANGES: The appropriation does not contain changes from the FY 2018-19 appropriation.

SOUTHWEST CHIEF AND FRONT RANGE PASSENGER RAIL COMMISSION

House Bill 14-1161 created the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Commission to encourage Amtrak to continue the existing Southwest Chief rail line service and expand the service to include a stop in Pueblo and potentially Walsenberg. Senate Bill 17-153 extended the Commission's life, expanded its duties, and renamed it the Southwest Chief and Front Range Passenger Rail Commission. The expanded duties include facilitating the future of Front Range passenger rail. The appropriations are from the Commission's cash fund.

SOUTHWEST CHIEF AND FRONT RANGE PASSENGER RAIL COMMISSION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$100,000	\$0	\$100,000	\$0	\$0	0.0
SB 19-125	2,500,000	0	2,500,000	0	0	2.0
TOTAL	\$2,600,000	\$0	\$2,600,000	\$0	\$0	2.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,600,000	\$0	\$2,600,000	\$0	\$0	2.0
Annualize prior budget actions	(2,500,000)	0	(2,500,000)	0	0	0.0
SB 19-207	\$100,000	\$0	\$100,000	\$0	\$0	2.0
TOTAL	\$100,000	\$0	\$100,000	\$0	\$0	2.0
INCREASE/(DECREASE)						
Percentage Change	(\$2,500,000) (96.2%)	\$0 n/a	(\$2,500,000) (96.2%)	\$0 n/a	\$0 n/a	0.0 n/a

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-125 modifies the FY 2018-19 appropriation to add \$2,500,000 cash funds to facilitate the development of Front Range passenger rail from funds set aside for this purpose by S.B. 18-001. It also includes 2.0 FTE that will be supported by a portion of the appropriation. A roll forward provision gives CDOT until the close of FY 2020-21 to spend the appropriation.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR BUDGET ACTIONS: The appropriation reflects the end of the one-time funding provided by S.B. 18-001.

MULTIMODAL TRANSPORTATION PROJECTS

Senate Bill 18-001 provided funding for multimodal projects, which include capital or operating costs for fixed route and on-demand transit, transportation demand management programs, multimodal mobility projects enabled by new technology, multimodal transportation studies, and bicycle or pedestrian projects. This division contains appropriations from the Multimodal Transportation Options Fund.

MULTIMODAL TRANSPORTATION PROJECTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
SB 19-125	71,750,000	0	71,750,000	0	0	0.0
TOTAL	\$71,750,000	\$0	\$71,750,000	\$0	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$71,750,000	\$0	\$71,750,000	\$0	\$0	0.0
Multimodal transportation	22,500,000	0	22,500,000	0	0	0.0
Annualize prior budget actions	(71,750,000)	0	(71,750,000)	0	0	0.0
SB 19-207	\$22,500,000	\$0	\$22,500,000	\$0	\$0	0.0
TOTAL	\$22,500,000	\$0	\$22,500,000	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$49,250,000)	\$0	(\$49,250,000)	\$0	\$0	0.0
Percentage Change	(68.6%)	n/a	(68.6%)	n/a	n/a	n/a

FY 2018-19 APPROPRIATION - MID-YEAR ADJUSTMENTS

Senate Bill 19-125 modifies the FY 2018-19 appropriation to add a new line item that appropriates \$71.75 million cash funds for multimodal transportation projects from funds set aside for this purpose by S.B. 18-001. A roll forward provision gives CDOT until the close of FY 2022-23 to spend the appropriation.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

MULTIMODAL TRANSPORTATION: The appropriation reflects the FY 2019-20 funding provided by S.B. 18-001.

ANNUALIZE PRIOR BUDGET ACTIONS: The appropriation reflects the end of the FY 2018-19 funding provided by S.B. 18-001.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-001 (TRANSPORTATION INFRASTRUCTURE FUNDING): Provides additional funding for transportation and conditionally modifies the lease-purchase provisions of S.B. 17-267.

- On July 1, 2018, transferred \$495.0 million from the General Fund to funds that support state and local transportation projects, with 70 percent (\$346.5 million) going to the State Highway Fund, 15 percent (\$74.25 million) to a new Multimodal Transportation Options Fund (“Multimodal Fund”), and 15 percent to the Highway Users Tax Fund (HUTF) for distribution to counties and municipalities. Of the \$74.25 million

transferred to the Multimodal Fund, \$2.5 million is subsequently transferred to the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Fund.

- On July 1, 2019, transfers an additional \$150.0 million from the General Fund, with \$105.0 million going to the State Highway Fund, \$22.5 million to the Multimodal Fund, and \$22.5 million to the HUTF for counties and municipalities.
- Other provisions in the bill were contingent on passage of Propositions 109 and/or 110 at the 2018 election, which both failed, thus triggering other contingencies in the bill:
 - \$50.0 million is annually transferred from the General Fund to the State Highway Fund for 20 years, beginning in FY 2019-20 and ending FY 2038-39, which closely aligns with CDOT's debt service obligations under S.B. 17-267.
 - A ballot measure is sent to voters at the 2019 election, asking for approval of a debt issue by CDOT of \$2.34 billion of Transportation Revenue Anticipation Notes with a 20 year repayment period and with debt service payments coming from the State Highway Fund. This ballot measure was delayed and modified by S.B. 19-263. If voters had approved the measure contained in S.B. 18-001, the 2nd, 3rd, and 4th years of lease-purchase agreements issued pursuant to S.B. 17-267 would have been cancelled and \$72.6 million would have been annually transferred from the General Fund to the State Highway Fund for 20 years, in addition to the annual \$50.0 million transfer.

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Makes changes to the defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating PERA's unfunded actuarial accrued liability within 30 years. Among other changes, on July 1, 2020, increases the monthly employer contribution to PERA on behalf of members by 0.25 percent of salary. For additional information, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

H.B. 18-1351 (SIGNAGE FOR THE OLD SPANISH NATIONAL HISTORIC TRAIL): Subject to the availability of gifts, grants, or donations, requires the Colorado Department of Transportation to mark significant route segments and sites associated with the Old Spanish Trail.

H.B. 18-1349 (DEPARTMENT OF TRANSPORTATION WAIVER VALUATIONS): Allows the Department to substitute a waiver valuation for a real estate appraisal when disposing of property with a value less than \$25,000. Reduces expenditures on an ongoing basis but requires no appropriation because the expenditures are continuously appropriated.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

2019 SESSION BILLS

S.B. 19-017 (REQUIREMENTS FOR CDOT LAND ACQUISITIONS): Replaces the current requirement that CDOT provide a written report to the Transportation Commission whenever land is to be acquired to alter a state highway with the requirement that a report be provided only when negotiations to acquire the land have failed and CDOT determines that condemnation of the land is necessary. Saves CDOT an estimated \$75,000 cash funds per year, but appropriations are unchanged because CDOT will spend the savings.

S.B. 19-125 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-262 (One-time Transfer of \$100 Million from GF to HUTF): Transfers \$100 million from the General Fund to the Highway Users Tax Fund on July 1, 2019, with 60 percent directed to the State Highway Fund for use by CDOT, 22 percent to counties, and 18 percent to municipalities.

S.B. 19-263 (DELAY REFERRAL OF TRANS BALLOT ISSUE TO 2020): Extends the \$50.0 million annual transfer from the General Fund to the State Highway fund required by S.B. 18-001 for one year so it ends in FY 2039-40. Delays and modifies the 2019 referred measure contained in S.B. 18-001. The revised measure now goes to voters in November 2020 and asks for approval of a debt issue by CDOT of \$1.837 billion of Transportation Revenue Anticipation Notes (TRANS).

- If the 2020 ballot measure passes:
 - The lease-purchase agreements scheduled for FY 2020-21, and FY 2021-22 pursuant to S.B. 17-267, which have total value of \$1.0 billion, are cancelled. The \$500.0 million lease-purchase agreement scheduled for FY 2019-20 is not affected.
 - CDOT can issue up to \$1.837 billion of TRANS. The notes have a maximum repayment cost of \$2.560 billion paid over 20 years with debt-service payments coming from the State Highway Fund. If issued equally over 3 years, \$612.3 million will be issued per year, beginning as soon as FY 2020-21.
 - 85 percent of the TRANS borrowing will be allocated to the State Highway Fund and 15 percent to the Multimodal Transportation Options Fund.
 - At least a quarter of the amount deposited in the State Highway Fund must be spent on projects in counties with populations of 50,000 or less.
 - \$42.5 million will be transferred annually for 20 years from the General Fund to the State Highway Fund beginning in FY 2020-21 and ending in FY 2039-40. This is in addition to the \$50.0 million transferred annually to the State Highway.
- If the 2020 ballot measure fails, there is no change to the four years of lease-purchase borrowing authorized by S.B. 17-267.

H.B. 19-1257 (VOTER APPROVAL TO RETAIN REVENUE): Contingent on voter approval in November 2019, permits the state to retain all revenue collected in excess of the state TABOR limit and to spend this revenue in thirds for (1) public schools, (2) higher education, and (3) roads, bridges, and transit. For more information, see the corresponding bill description at the end of Part III of the Department of Education.

H.B. 19-1258 (ALLOCATE VOTER-APPROVED REVENUE): If H.B. 19-1257 is approved by voters in November 2019, transfers one third of the revenue retained by that bill for FY 2019-20 and subsequent years to the Highway Users Tax Fund for transportation projects, with 60 percent directed to the State Highway Fund for use by CDOT, 22 percent to counties, and 18 percent to municipalities. Of the State Highway Fund share, no more than 85 percent may be spent for highway-related capital improvements, and at least 15 percent must be spent for transit-related capital improvements. Also transfers retained revenue to public schools and higher education. For more information, see the corresponding bill description at the end of Part III of the Department of Education.

Details

DEPARTMENT OF THE TREASURY

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DIVISION AND BILL

DEPARTMENT OF THE TREASURY						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$814,423,289	\$400,353,177	\$396,384,849	\$17,685,263	\$0	32.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	2,699,429	1,324,888	1,374,541	0	0	17.4
Unclaimed Property Program	2,284,163	0	2,284,163	0	0	15.5
Special Purpose	809,439,697	399,028,289	392,726,145	17,685,263	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$589,099,929	\$175,329,817	\$396,084,849	\$17,685,263	\$0	32.9
SB 18-200	225,000,000	225,000,000	0	0	0	0.0
SB 19-126	323,360	23,360	300,000	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$861,694,883	\$339,275,495	\$448,514,039	\$73,905,349	\$0	32.9
BREAKDOWN OF TOTAL APPROPRIATION BY ADMINISTRATIVE SECTION						
Administration	3,908,109	2,235,248	1,672,861	0	0	17.4
Unclaimed Property Program	2,315,826	0	2,315,826	0	0	15.5
Special Purpose	855,470,948	337,040,247	444,525,352	73,905,349	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$860,894,883	\$338,475,495	\$448,514,039	\$73,905,349	\$0	32.9
SB 19-173	800,000	800,000	0	0	0	0.0
INCREASE/(DECREASE)	\$47,271,594	(\$61,077,682)	\$52,129,190	\$56,220,086	\$0	0.0
Percentage Change	5.8%	(15.3%)	13.2%	317.9%	n/a	0.0%

¹ Includes \$162,806,461 in FY 2018-19 and \$140,789,518 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the Department of the Treasury are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$776,984,242	\$309,318,419	\$393,760,474	\$73,905,349	\$0

DETAIL OF APPROPRIATION BY ADMINISTRATIVE SECTION

ADMINISTRATION

This division is responsible for the operation and oversight of the Department and provides accounting, cash management, and investment services for the State. The Division's cash funds derive from the Treasury transaction fee imposed pursuant to Section 24-36-120 (1), C.R.S., and from the Unclaimed Property Trust Fund.

ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,676,069	\$1,301,528	\$1,374,541	\$0	\$0	17.4
SB 19-126	23,360	23,360	0	0	0	0.0
TOTAL	\$2,699,429	\$1,324,888	\$1,374,541	\$0	\$0	17.4
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,699,429	\$1,324,888	\$1,374,541	\$0	\$0	17.4
Centrally appropriated line items	442,778	119,568	323,210	0	0	0.0
Public information officer	9,767	9,767	0	0	0	0.0
Technical adjustments	2,500	0	2,500	0	0	0.0
Annualize prior year budget actions and legislation	(46,365)	(18,975)	(27,390)	0	0	0.0
SB 19-207	\$3,108,109	\$1,435,248	\$1,672,861	\$0	\$0	17.4
SB 19-173	800,000	800,000	0	0	0	0.0
TOTAL	\$3,908,109	\$2,235,248	\$1,672,861	\$0	\$0	17.4
INCREASE/(DECREASE)						
Percentage Change	44.8%	68.7%	21.7%	n/a	n/a	0.0%

FY 2018-19 APPROPRIATION – MID-YEAR ADJUSTMENTS

Senate Bill 19-126 modifies the FY 2018-19 appropriation to increase General Fund appropriations by \$21,421 for the one-time payment of accrued leave for a retiring staff member and by \$1,939 to correct the Workers' Compensation and Payment to Risk Management and Property Funds line item appropriation in H.B. 18-1322 (Long Bill) which failed to include the adjustment for workers' compensation.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes the following adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Legal services	\$209,237	\$4,107	\$205,130	\$0	\$0	0.0
Salary survey	70,166	44,298	25,868	0	0	0.0
CORE	69,071	31,082	37,989	0	0	0.0
PERA Direct Distribution	52,281	33,006	19,275	0	0	0.0
NP1 OIT Securing IT operations	13,024	0	13,024	0	0	0.0
Health, life, and dental	19,290	15,958	3,332	0	0	0.0
Workers' comp, risk, and property	6,422	6,422	0	0	0	0.0
Payments to OIT	5,986	(17,488)	23,474	0	0	0.0
AED	2,374	4,802	(2,428)	0	0	0.0
SAED	2,374	4,802	(2,428)	0	0	0.0
Short-term disability adjustment	218	244	(26)	0	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Capitol Complex leased space adjustment	(7,665)	(7,665)	0	0	0	0.0
TOTAL	\$442,778	\$119,568	\$323,210	\$0	\$0	0.0

PUBLIC INFORMATION OFFICER: The appropriation includes an increase of \$9,767 General Fund to provide a salary increase for the Public Information Officer.

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$2,500 cash funds for a charter schools facilities financing services adjustment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS AND LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation and budget actions, including salary survey and S.B. 18-200 (Eliminate Unfunded PERA Liability).

ADDITIONAL LEGISLATION: For information on additional legislation, see the “Recent Legislation” section at the end of this department.

UNCLAIMED PROPERTY PROGRAM

Pursuant to the Unclaimed Property Act, the State takes possession of dormant properties held by a wide range of institutions and attempts to return the properties to their rightful owners. The Department deposits recovered money in the Unclaimed Property Trust Fund (UPTF), using the principal and interest to pay claims as well as the costs of operating the program. The remaining principal and interest earnings in the fund support the Medicaid Adult Dental Program and provide a reserve against future unclaimed property claims. The Department holds recovered securities for at least a year and then sells those that have not been returned, depositing sales proceeds in the Unclaimed Property Tourism Promotion Trust Fund (UPTPTF). The State uses the interest earned on the UPTPTF fund to promote economic development, agri-tourism, and the State Fair. The cash funds source for appropriations in this division is the Unclaimed Property Trust Fund.

UNCLAIMED PROPERTY PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$2,284,163	\$0	\$2,284,163	\$0	\$0	15.5
TOTAL	\$2,284,163	\$0	\$2,284,163	\$0	\$0	15.5
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$2,284,163	\$0	\$2,284,163	\$0	\$0	15.5
Annualize prior year budget actions and legislation	29,930	0	29,930	0	0	0.0
Centrally appropriated line items	1,733	0	1,733	0	0	0.0
SB 19-207	\$2,315,826	\$0	\$2,315,826	\$0	\$0	15.5
TOTAL	\$2,315,826	\$0	\$2,315,826	\$0	\$0	15.5
INCREASE/(DECREASE)	\$31,663	\$0	\$31,663	\$0	\$0	0.0
Percentage Change	1.4%	n/a	1.4%	n/a	n/a	0.0%

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

ANNUALIZE PRIOR YEAR BUDGET ACTIONS AND LEGISLATION: The appropriation includes adjustments for the out-year impact of prior year legislation and budget actions, including salary survey and S.B. 18-200 (Eliminate Unfunded PERA Liability).

CENTRALLY APPROPRIATED LINE ITEMS: The appropriation includes an adjustment to centrally appropriated line items for leased space.

SPECIAL PURPOSE

This section of the Long Bill reflects various disbursements and transfers the Treasurer is required to make, including the following: (1) reimbursements to local governments for property tax revenues foregone due to the senior citizen and disabled veteran property tax exemption; (2) allocations of Highway Users Tax Fund (HUTF) revenues to local governments; and (3) property tax reimbursements for real or business property listed on a single schedule that was destroyed by a natural cause, pursuant to H.B. 14-1001. The General Fund appropriation for the senior citizen property tax exemption is not subject to the statutory restrictions on General Fund appropriations. The source of cash funds is the Highway Users Tax Fund.

SPECIAL PURPOSE						
	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322	\$584,139,697	\$174,028,289	\$392,426,145	\$17,685,263	\$0	0.0
SB 18-200	225,000,000	225,000,000	0	0	0	0.0
SB 19-126	300,000	0	300,000	0	0	0.0
TOTAL	\$809,439,697	\$399,028,289	\$392,726,145	\$17,685,263	\$0	0.0
FY 2019-20 APPROPRIATION:						
FY 2018-19 Appropriation	\$809,439,697	\$399,028,289	\$392,726,145	\$17,685,263	\$0	0.0
Technical adjustments	45,071,251	(61,988,042)	50,839,207	56,220,086	0	0.0
Public School Fund Investment Board - fund managers	1,260,000	0	1,260,000	0	0	0.0
Annualize prior year budget actions and legislation	(300,000)	0	(300,000)	0	0	0.0
SB 19-207	\$855,470,948	\$337,040,247	\$444,525,352	\$73,905,349	\$0	0.0
TOTAL	\$855,470,948	\$337,040,247	\$444,525,352	\$73,905,349	\$0	0.0
INCREASE/(DECREASE)	\$46,031,251	(\$61,988,042)	\$51,799,207	\$56,220,086	\$0	0.0
Percentage Change	5.7%	(15.5%)	13.2%	317.9%	n/a	n/a

¹ Includes \$162,806,461 in FY 2018-19 and \$140,789,518 in FY 2019-20 that is not subject to the statutory restriction on state General Fund appropriations imposed by Section 24-75-201.1, C.R.S.

FY 2018-19 APPROPRIATION – MID-YEAR ADJUSTMENTS

Senate Bill 19-126 modifies the FY 2018-19 appropriation to increase cash fund appropriations by \$300,000 from interest earned from the Public School Fund to pay for fund management fees.

FY 2019-20 APPROPRIATION – S.B. 19-207 (LONG BILL) ISSUE DESCRIPTIONS

TECHNICAL ADJUSTMENTS: The appropriation includes an increase of \$45.1 million total funds, including a decrease of \$62.0 million General Fund, for revenue forecast, statutory, and other technical adjustments as follow:

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Lease purchase COP	\$37,748,987	\$16,500,000	\$21,500,000	(\$251,013)	\$0	0.0
HUTF forecast	29,339,207	0	29,339,207	0	0	0.0
PERA direct distribution	0	(56,471,099)	0	56,471,099	0	0.0
Property tax exemption forecast	(22,016,943)	(22,016,943)	0	0	0	0.0
TOTAL	\$45,071,251	(\$61,988,042)	\$50,839,207	\$56,220,086	\$0	0.0

PUBLIC SCHOOL FUND INVESTMENT BOARD – FUND MANAGERS: The appropriation includes an increase of \$1.3 million cash funds from interest earned from the Public School Fund to pay for fund management fees.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS AND LEGISLATION: The appropriation includes an adjustment for the out-year impact of the prior year supplemental.

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-200 (ELIMINATE UNFUNDED LIABILITY IN PERA): Modifies the hybrid defined benefit plan administered by the Colorado Public Employees' Retirement Association (PERA) with the goal of eliminating the unfunded actuarial accrued liability of each of PERA's divisions within 30 years. The bill creates ongoing state revenue reductions; ongoing state and local expenditure increases; and ongoing PERA revenue increases. Changes to the defined benefit plan include the following:

- *DIRECT DISTRIBUTION:* On July 1, 2018, and on July 1 each year thereafter until each PERA division that receives a direct distribution is fully funded, the State Treasurer is required to issue a warrant to PERA in an amount equal to \$225.0 million to be paid from the General Fund or any other fund; the Governor's Office of State Planning and Budgeting may include funding sources other than the General Fund in the Governor's annual budget request. PERA is required to allocate the direct distribution to the trust funds of each division of PERA, except for the Local Government Division, as it would an employer contribution, in a manner that is proportionate to the annual payroll of each division.
- *INCREASE IN MEMBER CONTRIBUTIONS:* On July 1, 2019, and on July 1, 2020, the monthly member contribution to PERA will increase by 0.75 percent of salary. On July 1, 2021, the monthly member contribution to PERA will increase by 0.5 percent of salary. When all increases are fully implemented, the total contribution will be 10.0 percent of salary each month for PERA members who are not state troopers and 12.0 percent each month for PERA members who are state troopers.
- *INCREASE IN EMPLOYER CONTRIBUTIONS:* On July 1, 2019, the monthly employer contribution to PERA on behalf of members will increase by 0.25 percent of salary; except that the increase does not apply to employers in the Local Government Division. The total increased contribution will be equal to 10.4 percent of salary each month for most PERA employers, 13.1 percent each month for PERA employers who employ state troopers, and 13.91 percent for PERA employers in the Judicial Division.
- *COST OF LIVING ADJUSTMENT (COLA) FOR ALL RETIREES, MEMBERS, AND INACTIVE MEMBERS:* For the years 2018 and 2019, the COLA is reduced from 2.0 percent to 0.0 percent. For each year thereafter, the COLA is 1.5 percent, unless it is adjusted pursuant to the automatic adjustment provision. In addition, benefit recipients whose effective date of retirement is on or after January 1, 2011, and who have not received a COLA on or before May 1, 2018, receive benefits for at least a 36-month period following retirement before receiving a COLA adjustment.
- *AUTOMATIC CONTRIBUTION, ANNUAL INCREASE, AND DIRECT DISTRIBUTION AMOUNT CHANGES:* When the blended total contribution (BTC) amount is less than 98.0 percent of the blended total actuarially required

contribution (BRTARC), provides automatic yearly adjustments to the following components so the fund remains on a path to pay off the unfunded liability within 30 years:

- Up to 0.5 percent per year and up to 2.0 percent total on the employer contribution rate;
- Up to 0.5 percent per year and up to 2.0 percent total on the member contribution rate;
- Up to 0.25 percent per year and 0.5 percent total on the annual increase percentage (also known as the cost-of-living adjustment or COLA) for retirement benefits; and
- Up to \$20.0 million per year, but not to exceed \$225.0 million, for the direct distribution to PERA.

The automatic adjustment provision similarly requires decrease adjustments when the BTC amount is greater than or equal to 110.0 percent of the BTARC. The BTC represents the total contribution or its equivalent provided by the automatic adjustment components. The BTARC represents the total actuarial required contribution or ARC, which represents a full annual payment to enable the unfunded liability to be paid within 30 years, as provided by the automatic adjustment components.

- *HIGHEST AVERAGE SALARY (HAS)*: For PERA members not in the Judicial Division hired on or after January 1, 2020, or who do not have 5 years of service credit as of January 1, 2020, the HAS calculation is modified to be based on an average of the highest annual salaries associated with 5 periods of 12 consecutive months of service with a base year, rather than 3 periods of 12 consecutive months of services with a base year. For Judicial Division members the HAS calculation is modified to be based on an average of the highest annual salaries associated with 3 periods of 12 consecutive months of service with a base year, rather than 12 consecutive months of service.
- *SERVICE RETIREMENT ELIGIBILITY FOR NEW MEMBERS*: For PERA members hired on or after January 1, 2020, the age and service requirements for full-service retirement benefits for most divisions is increased to age 64 with a minimum of 30 years of service credit, or for state troopers age 55 with a minimum of 25 years of service credit or any age with a minimum of 35 years of service credit. For PERA members who begin employment on or after January 1, 2020, a reduced service retirement benefit increase to 55 years with a minimum of 25 years of service credit; except that, for state troopers, the requirements are increased to 55 years with a minimum of 20 years of service credit.
- *DEFINITION OF SALARY*: For PERA members hired on or after July 1, 2019, amounts deducted from pay pursuant to a cafeteria plan or a qualified transportation plan are included in the definition of salary. For all PERA members, unused sick leave converted to cash payments is included in the definition of salary and insurance premiums paid by employers are not included in the definition of salary.
- *DEFINITION OF STATE TROOPER*: The definition of state trooper is expanded to include a county sheriff, undersheriff, deputy sheriff, noncertified deputy sheriff, or detention officer hired by a local government division employer, and a corrections officer classified as I through IV hired by a state division employer, on or after January 1, 2020.
- *SENSITIVITY ANALYSIS*: The PERA Board is required to perform an annual sensitivity analysis to determine when model assumptions are meeting targets and achieving sustainability. The Board is required to deliver an annual report detailing the findings of the analysis to the Office of the Governor, the Joint Budget Committee, the Legislative Audit Committee, and the Finance Committees of the Senate and the House of Representatives.
- *TERMINATION OF AFFILIATION*: An employer in the Local Government Division that ceases operations or ceases to participate in PERA for any reason is deemed to have terminated its affiliation with PERA. Any such employer is required to fully fund its share of the unfunded liability of the defined benefit plan and its share of the unfunded liability of the Health Care Trust Fund. Such members may elect to have their member contributions credited to an alternative pension plan or refunded. In the absence of such election, the member contributions will remain with PERA.

Changes to the defined contribution plan include the following:

- *ELIGIBILITY TO PARTICIPATE IN DEFINED CONTRIBUTION PLAN*: Beginning January 1, 2019, the defined contribution plan is expanded to include members of the Local Government Division and State Division members in the state personnel system employed by a state college or university. A new member's participant

account will receive the same employer contribution as received by current members of the defined contribution plan.

- **DEFINED CONTRIBUTION SUPPLEMENT:** Beginning January 1, 2021, employer contribution rates will be adjusted to include a defined contribution supplement. The defined contribution supplement for each division will be the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability, plus any defined benefit investment earnings thereon, expressed as a percentage of salary on which employer contributions have been made. The employer contribution amounts only include contributions made on behalf of eligible employees who commence employment on or after January 1, 2019.

In addition to the changes to the defined benefit and defined contribution plans administered by PERA, the Police Officers' and Firefighters' Pension Reform Commission is changed to the Pension Review Commission. The number of legislators on the Commission and the manner in which they are appointed is modified beginning in January 2019, and the Commission has oversight over both the Fire and Police Pension Association and PERA. A subcommittee of the Pension Review Commission consisting of legislative and non-legislative members is also created to study specified issues and to make recommendations to the commission.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

2019 SESSION BILLS

S.B. 19-126 (SUPPLEMENTAL BILL): Modifies FY 2018-19 appropriations to the Department.

S.B. 19-173 (COLORADO SECURE SAVINGS PLAN BOARD): Creates the Colorado Secure Savings Board in the Office of the State Treasurer to study the feasibility of creating a retirement savings plan for private sector employees. The board consists of the State Treasurer and eight additional members appointed by the Governor. The board is required to conduct the following four analyses and prepare a final report to the Governor and the General Assembly on its findings by February 28, 2020:

- a detailed market and financial analysis to determine the financial feasibility and effectiveness of creating the Colorado Secure Savings Plan in the form of an automatic enrollment payroll deduction to an individual retirement account;
- a detailed market and financial analysis to determine the financial feasibility and effectiveness of a small business marketplace plan to increase the number of businesses in the state that offer retirement savings plans for their employees, to be administered by the Department of Labor and Employment;
- an analysis of the effects that greater financial education among Colorado residents would have on increasing their retirement savings; and
- an analysis of the effects that not increasing Coloradans' retirement savings would have on current and future state and local government expenditures.

Appropriates \$800,000 General Fund to the Department for FY 2019-20.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-261 (UNCLAIMED PROPERTY TRUST FUND TRANSFER): On July 1, 2019, transfers \$30.0 million from the Unclaimed Property Trust Fund to the General Fund.

H.B. 19-1217 (PERA LOCAL GOVERNMENT DIVISION MEMBER CONTRIBUTION RATES): Eliminates increases in the employee contribution for members of the Public Employees' Retirement Association's (PERA's) local

government division that were scheduled to occur on July 1 of 2019, 2020, and 2021. The act will decrease PERA revenue and increase State income tax revenue beginning in FY 2019-20.

Details

CAPITAL CONSTRUCTION

FY 2018-19 AND FY 2019-20 APPROPRIATIONS BY DEPARTMENT AND BILL

CAPITAL CONSTRUCTION						
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 TOTAL APPROPRIATION:	\$373,771,923	\$155,389,364	\$194,459,733	\$18,743,326	\$5,179,500	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY DEPARTMENT						
Agriculture	888,932	888,932	0	0	0	0.0
Corrections	6,078,041	6,078,041	0	0	0	0.0
Governor	51,651,650	33,283,324	0	18,368,326	0	0.0
Health Care Policy and Financing	6,605,000	1,875,500	0	0	4,729,500	0.0
Higher Education	229,258,929	72,326,012	156,932,917	0	0	0.0
Human Services	37,947,205	35,540,555	1,956,650	0	450,000	0.0
Labor and Employment	6,300,000	0	6,300,000	0	0	0.0
Natural Resources	26,187,666	0	26,187,666	0	0	0.0
Personnel	3,150,000	3,150,000	0	0	0	0.0
Public Health and Environment	4,302,500	1,445,000	2,857,500	0	0	0.0
Transportation	1,402,000	802,000	225,000	375,000	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
HB 18-1322	\$371,065,585	\$153,845,526	\$193,297,233	\$18,743,326	\$5,179,500	0.0
HB 18-1006	1,862,500	700,000	1,162,500	0	0	0.0
SB 19-127	843,838	843,838	0	0	0	0.0
FY 2019-20 TOTAL APPROPRIATION:	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY DEPARTMENT						
Agriculture	1,527,448	1,527,448	0	0	0	0.0
Corrections	10,950,066	10,950,066	0	0	0	0.0
Education	972,421	972,421	0	0	0	0.0
Governor	25,413,627	16,501,791	0	8,911,836	0	0.0
Health Care Policy and Financing	11,408,333	1,140,833	0	0	10,267,500	0.0
Higher Education	150,742,741	97,460,067	53,282,674	0	0	0.0
Human Services	27,978,282	26,119,718	1,858,564	0	0	0.0
Labor and Employment	2,785,277	0	2,785,277	0	0	0.0
Military and Veterans Affairs	3,462,130	3,064,760	0	0	397,370	0.0
Natural Resources	13,158,090	0	13,158,090	0	0	0.0
Personnel	8,900,933	7,295,323	1,605,610	0	0	0.0
Public Safety	2,928,106	2,928,106	0	0	0	0.0
Transportation	500,000	500,000	0	0	0	0.0
BREAKDOWN OF TOTAL APPROPRIATION BY BILL						
SB 19-207	\$260,727,454	\$168,460,533	\$72,690,215	\$8,911,836	\$10,664,870	0.0
INCREASE/(DECREASE)	(\$113,044,469)	\$13,071,169	(\$121,769,518)	(\$9,831,490)	\$5,485,370	0.0
Percentage Change	(30.2%)	8.4%	(62.6%)	(52.5%)	105.9%	n/a

INFORMATIONAL FUNDS: The FY 2019-20 Long Bill and other legislation indicates when an amount is shown solely for informational purposes through an "(I)" notation. The following amounts in the capital construction section are annotated with the "(I)". For additional information, see Appendix E.

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriations containing an (I) notation	\$10,664,870	\$0	\$0	\$0	\$10,664,870

APPROPRIATIONS AND TRANSFERS TO THE CAPITAL CONSTRUCTION FUND

The following table summarizes appropriations, adjustments, and transfers to or from the Capital Construction Fund that increase or decrease the balance available for projects.

FY 2019-20 CAPITAL CONSTRUCTION FUND (CCF) BALANCE	
CCF Beginning Balance - July 1, 2019	\$0
CCF Reversions - FY 2017-18	1,805,318
CCF Interest - FY 2017-18 - actual, above estimated	400,983
CCF Interest - FY 2018-19 - estimated	2,300,000
FY 2018-19 Depreciation-Lease Equivalent Payments	264,405
S.B. 19-127 Capital Construction Supplemental	<u>(843,838)</u>
CCF Beginning Balance - FY 2019-20	\$3,926,868
Transfers to the CCF	
FY19-20 S.B. 17-262 Transfer (Section 24-75-219 (2)(c.7)(II), C.R.S.)	\$60,000,000
FY 2019-20 S.B. 19-214 (Capital-related Transfers)	
Building capital items appropriated in S.B. 19-207 (Long Bill) from GF	90,695,989
IT capital items appropriated in S.B. 19-207 (Long Bill) from GF	12,342,676
Transportation appropriated in S.B. 19-207 (Long Bill) from General Fund Exempt (GFE)	500,000
Repaint Interior Dome, State Capitol in S.B. 19-207 (Long Bill) from the State Historical Fund	<u>1,000,000</u>
Subtotal - S.B. 19-214 Transfers to the CCF	104,538,665
Subtotal - FY 2019-20 transfers to the CCF	\$164,538,665
CCF Available for FY 2019-20	\$168,465,533
Appropriations from the CCF	
Controlled Maintenance and Capital Construction in S.B. 19-207 (Long Bill)	\$156,122,857
IT Capital projects in S.B. 19-207 (Long Bill)	12,337,676
Subtotal - FY 2019-20 appropriations from the CCF	\$168,460,533
General Fund and General Fund Exempt transferred to the CCF	\$163,538,665

GENERAL FUND EXEMPT

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The following table shows the amount of General Fund Exempt that is appropriated for FY 2018-19 and FY 2019-20 from the General Fund Exempt Account for strategic transportation projects pursuant to Section 24-77-103.6 (2)(d), C.R.S.

GENERAL FUND SUMMARY	TOTAL GENERAL FUND	GENERAL FUND	GENERAL FUND EXEMPT
FY 2018-19	\$150,381,610	\$149,881,610	\$500,000
FY 2019-20	\$163,538,665	\$163,038,665	\$500,000

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-208 (CREATE GOVERNOR'S MANSION MAINTENANCE FUND): Creates the Governor's Mansion Maintenance Fund, which may be used to fund rental operations, routine maintenance, and controlled maintenance at the mansion. The fund is comprised of monies earned from mansion operations and is subject to annual appropriation. The fund balance may not exceed \$500,000 at the close of any fiscal year. The Governor's Office may expend money from the fund for operating costs and routine maintenance and the Department of Personnel may expend money from the fund for controlled maintenance projects.

S.B. 18-232 (CALCULATION FOR ART IN PUBLIC PLACES REQUIREMENT): Changes how the art in public places contribution amount is calculated for projects financed through lease-purchase arrangements. Under current law, the calculation is based on 1.0 percent of the estimated construction cost. This bill changes the calculation to 1.0 percent of the state share of the estimated construction cost, which conforms to how the calculation is made for projects financed through a regular appropriation, rather than a lease-purchase arrangement.

S.B. 18-276 (INCREASE GENERAL FUND RESERVE): Increases the statutory General Fund reserve requirement to 7.25 percent of appropriations for FY 2018-19 and subsequent years from 6.5 percent. Repeals exclusions from the calculation of the reserve for appropriations for lease-purchase agreements and appropriations for depreciation-lease equivalent payments into the Capital Construction Fund (CCF) and Controlled Maintenance Trust Fund (CMTF).

H.B. 18-1006 (INFANT NEWBORN SCREENING): Expands newborn screening for genetic and metabolic diseases, increases access to follow-up services, and creates a funding source for newborn hearing loss screening. In FY 2018-19, appropriates \$1,951,722 total funds to the Department of Public Health and Environment, including \$1,862,500 in capital construction appropriations as follow:

- \$1,162,500 cash funds from the Newborn Screening and Genetic Counseling Cash Fund for capital construction related to laboratory space expansion and equipment purchase; and
- \$700,000 Capital Construction Fund from the Information Technology Capital Account for capital construction related to an information technology system for hearing loss screening. The bill includes an associated transfer of \$700,000 General Fund to the Information Technology Capital Account.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19.

H.B. 18-1340 (TRANSFERS OF MONEY FOR STATE'S INFRASTRUCTURE): Makes a number of FY 2018-19 transfers to the Capital Construction Fund (CCF) and the Controlled Maintenance Trust Fund (CMTF). Transfers to the CCF total \$89,831,610 and include:

- \$89,181,610 from the General Fund;
- \$500,000 from the General Fund Exempt account; and
- \$150,000 from the State Historical Fund.

Of the \$89,181,610 transferred from the General Fund, \$15,206,760 is transferred to the IT Capital Account in the CCF to pay costs associated with capital IT projects.

Transfers to the CMTF total \$30,000,000 to replace funds transferred out in FY 2017-18 for executive orders.

H.B. 18-1371 (CAPITAL CONSTRUCTION BUDGET ITEMS): Relocates spending and encumbrance guidelines from the Long Bill capital construction headnotes to the Colorado Revised Statutes. It also codifies spending and encumbrance guidelines for capital projects approved or modified through a supplemental appropriations bill. Prior to the 2017 legislative session, there was a common understanding that a capital project approved or modified through a supplemental appropriations bill was authorized to spend the appropriation for three full fiscal years. However, three years of spending authority is only explicitly included in the Long Bill capital construction headnotes and not in a supplemental appropriations bill. This bill codifies the three-year extension of spending authority for capital projects included in a supplemental appropriations bill.

H.B. 18-1372 (EXEMPT FUND FROM CAPITAL CONSTRUCTION FUNDING MECHANISM): Exempts the Regional Center Depreciation Account in the Capital Construction Fund from the set-aside and appropriation requirements established under S.B. 15-211 and H.B. 17-1144. Senate Bill 15-211 created a process to annually set aside an amount equal to the calculated depreciation of a capital asset funded through the capital construction section of the Long Bill. Under current law, if a state department project is paid in whole or part from a cash fund source, the state department is required to calculate the depreciable cost of the project, and, once the depreciation period begins, an amount equal to the calculated depreciation is appropriated to a capital reserve account created within the cash fund through the Long Bill.

H.B. 18-1374 (CONTROLLED MAINTENANCE FINANCED ACQUIRED PROPERTY): Eliminates the eligibility of buildings financed through lease-purchase agreements, such as certificates of participation (COPs), to receive future state funding for controlled maintenance. The bill requires any future legislation authorizing the issuance of COPs to acquire, construct, or renovate state buildings to include a requirement that a state agency or institution of higher education present a plan for funding future controlled maintenance to the Capital Development Committee. The plan must be presented the December or January before the 16th year after the acquisition or substantial completion of a project financed through a lease-purchase agreement. The plan should assess the controlled maintenance needs of the facility for the next 25 years and may include a request for an additional lease-purchase agreement or a request for state funding. An approved plan must be enacted through a bill, other than the Long Bill or a supplemental bill, unless the plan is from a higher education institution to pay for controlled maintenance from cash funds.

2019 SESSION BILLS

S.B. 19-127 (SUPPLEMENTAL BILL): Modifies the FY 2018-19 appropriations to Capital Construction.

S.B. 19-207 (LONG BILL): General appropriations act for FY 2019-20.

S.B. 19-214 (CAPITAL-RELATED TRANSFERS OF MONEY): Makes a number of FY 2019-20 transfers to the Capital Construction Fund (CCF) and the Controlled Maintenance Trust Fund (CMTF). Transfers to the CCF total \$104,538,665 and include:

- \$103,038,665 from the General Fund;
- \$500,000 from the General Fund Exempt account; and
- \$1,000,000 from the State Historical Fund.

Of the \$103,038,665 transferred from the General Fund, \$12,342,676 is transferred to the IT Capital Account in the CCF to pay costs associated with capital IT projects.

Transfers to the CMTF total \$42,000,000 to replace funds transferred out in FY 2018-19 for executive orders.

APPENDICES

A. GLOSSARY OF TERMS

APPROPRIATION

An appropriation is legal authority for a department to expend a specified sum of money for a specified purpose. A state department may only expend money from the State treasury if the agency has a legislative appropriation for such purpose or if the expenditure is otherwise authorized by law. Most appropriations for government operations are for a single state fiscal year. However, appropriations related to capital construction projects and certain major information technology projects generally remain available until completion of the project or for a period of three years, whichever comes first.

CAPITAL CONSTRUCTION FUND

The Capital Construction Fund is a fund that receives transfers from the General Fund for capital construction purposes. Money in this fund is appropriated to: construct, repair, and renovate state facilities; purchase major equipment; and acquire land. Appropriations from this fund are exempt from the fiscal year spending limit imposed by Section 20 of Article X of the State Constitution (also known as the Taxpayer's Bill of Rights or TABOR), because they authorize expenditures from a reserve.

CASH FUNDS

Specific funds created to receive earmarked revenues, such as fees and fines. These funds typically pay for the programs for which the revenues are collected. Examples are the Wildlife Cash Fund and the Colorado Telephone Users with Disabilities Fund.

COMMON POLICIES

Policies adopted by the General Assembly that are applicable to all departments, unless specifically exempted. Examples of common policies are the rates paid by agencies to the Department of Personnel for vehicle leases and Capitol Complex leased space, and to the Governor's Office of Information Technology for information technology-related services.

C.R.S.

Colorado Revised Statutes, the compilation of Colorado laws.

FEDERAL FUNDS

Funds from the federal government. Some federal funds are grants for limited purposes, while other federal funds support ongoing programs and may require matching State funds. Examples of programs requiring a State match are Medicaid and highway construction. Federal funds are exempt from the fiscal year spending limit imposed by TABOR and are typically included for informational purposes only.

FTE

Full-time equivalent (FTE) means the budgetary equivalent of one permanent position continuously filled full-time for an entire fiscal year by elected officials or by state employees who are paid for at least 2,080 hours. For example, two employees in two different positions whose combined hours equal 2,080 for a fiscal year equal 1.0 FTE.

GENERAL FUND

A fund that consists of general tax revenues, such as state sales and income tax revenues, as well as any other revenues and money not legally required to be credited to a specific fund. The General Fund is used to pay for a variety of state programs and services. General Fund revenue and expenditures are restricted by both TABOR and a statutory provision that restricts annual state General Fund appropriations to an amount equal to 5.0 percent of Colorado personal income.

GENERAL FUND APPROPRIATIONS EXEMPT FROM THE STATUTORY RESTRICTION ON GENERAL FUND APPROPRIATIONS

The total annual State General Fund appropriation is statutorily restricted to an amount equal to 5.0 percent of Colorado personal income. There are three specific exemptions to the statutory restriction on General Fund appropriations:

- appropriations due to federal law requiring a new program or service or an increase in the level of service for an existing program;
- appropriations due to a state or federal court order requiring a new program or service or an increase in the level of service for an existing program; and
- appropriations funded from an increase in taxes or fees approved by voters.

For more information, see Appendix D and Section 24-75-201.1 (1)(a), C.R.S.

GENERAL FUND EXEMPT

TABOR restricts the amount of General Fund and cash fund revenues that can be collected and spent by the State. Two categories of General Fund revenues are exempt from these provisions: (1) tobacco tax revenues received pursuant to Amendment 35, which contained a voter-approved tax increase that specified that some of the resulting tax revenue be deposited in the General Fund; and (2) General Fund revenues that exceed the TABOR limit but are less than the revenue cap established by Referendum C. The latter source of funds must be deposited in the General Fund Exempt Account and can be appropriated only for health care, education, retirement plans for firefighters and police officers, and strategic transportation projects. For more information, see Appendix D.

INFORMATIONAL FUNDS

The Long Bill and other legislation indicate when an amount is shown for informational purposes with an “(I)” notation. As defined in the Long Bill headnotes, these amounts do not reflect appropriations made by the General Assembly, nor do they limit the expenditure, of such money. For more information, see Appendix E.

INDIRECT COSTS

Indirect costs are the overhead costs associated with the operation of general state government functions and performance of departmental administrative duties. Indirect cost recoveries are intended to offset the costs of providing central services for cash-funded and federally-funded programs that otherwise would be supported by the General Fund.

LONG BILL

Colorado's annual general appropriation bill, which provides most of the appropriations for the expenses of the State's executive, legislative, and judicial departments, is called the Long Bill. The annual Long Bill is comprised of at least three sections:

- Section 1 states applicable definitions and general provisions, and designates funds to constitute the State Emergency Reserve required by TABOR [Section 20 (5) of Article X of the State Constitution];
- Section 2 includes appropriations that provide for the payment of agencies' ordinary, ongoing operating expenses; and
- Section 3 includes appropriations related to capital construction projects and certain major information technology projects.

The bill may also include additional sections that amend existing appropriations for the current or prior state fiscal years.

OPERATING BUDGET

This term refers to the sum of appropriations in the Long Bill and other bills that support the ordinary, ongoing operating expenses of executive, legislative, and judicial departments. The operating budget excludes appropriations related to capital construction projects and certain major information technology projects.

REAPPROPRIATED FUNDS

Reappropriated funds are amounts of General Fund, cash funds, or federal funds that are appropriated more than one time in the same fiscal year. For example, General Fund is appropriated to the Department of Education for the purchase of legal services, and the same amount is appropriated to the Department of Law to provide such services. The appropriation to the Department of Law is identified as reappropriated funds with an associated letternote indicating the origin of the funds.

REFERENDUM C

Colorado voters adopted a measure, popularly known as Referendum C, in the general election of 2005. This measure allowed the State to retain all General Fund revenues in excess of the fiscal year spending limit imposed by TABOR from July 1, 2005, through June 30, 2010. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR fiscal year spending limit, but less than the “excess state revenues cap” for that fiscal year. The excess state revenues cap is equal to the highest total state revenues for a fiscal year from FY 2005-06 through FY 2009-10, adjusted for each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes. These “excess” revenues must be deposited in the General Fund Exempt Account and appropriated by the General Assembly for the following purposes: (a) health care; (b) education, including capital construction projects related thereto; (c) retirement plans for firefighters and police officers, if the General Assembly determines funding is needed; and (d) strategic transportation projects.

SUPPLEMENTAL APPROPRIATION

Legislation authorizing changes in appropriations for the current fiscal year or a previous fiscal year.

TAXPAYER'S BILL OF RIGHTS (TABOR)

Colorado voters adopted a citizen-initiated amendment to the State Constitution known as the Taxpayer's Bill of Rights or TABOR (Section 20 of Article X) in 1992. The amendment restricts the ability of the State and local governments to collect and spend revenues without voter approval. Under TABOR, a vote of the people is required for the State or local governments to: (a) increase tax rates; (b) increase retained revenues by more than the sum of inflation and the percentage population growth; (c) incur multi-year debt; or (d) weaken other limits on revenue. The amendment requires that collected revenue in excess of the inflation plus population growth limit be refunded in the following fiscal year. In November 2005 voters passed Referendum C, which allows the State to retain certain revenues in excess of the TABOR fiscal year spending limit.

B. COMMON POLICIES

A number of line item appropriations are determined by general policies (called common policies) that are applied consistently to all departments. For many line items affected by a common policy, amounts are initially appropriated in individual departments and then transferred to another department such as the Department of Personnel, the Governor's Office of Information Technology, or the Department of Law, where they appear a second time as reappropriated funds. A brief explanation for each common policy and the associated line items is provided below. Most of the line item appropriations described below appear in the Executive Director's Office section (or its equivalent) of a department's budget.

ADMINISTRATIVE LAW JUDGE SERVICES

Funds for Administrative Law Judge (ALJ) services, which are provided by the Department of Personnel, are included for the 14 departments that use these services. The billing is calculated by identifying the budget year's base costs (personal services, operating expenses, and indirect costs) plus the program's share of the Department of Personnel's prior-fiscal-year benefits and common policy costs. These costs are then allocated to departments for the upcoming fiscal year according to the actual percentage of service hours each agency utilized in the prior fiscal year. For FY 2019-20, statewide spending authority for ALJ services totals approximately \$6.5 million, compared to \$5.6 million for FY 2018-19.

CAPITOL COMPLEX LEASED SPACE

This line item provides funding to pay the Department of Personnel for property management for departments occupying state-owned space in the Capitol Complex, the North Campus facility, the Pierce Street Building, the Grand Junction State Office Building, and Camp George West. This line item generally appears in each department's executive director's office. Each campus has a distinct rental rate per square foot calculated on the pooled expenses of the campus. For FY 2019-20, statewide agency allocations total approximately \$14.1 million in comparison to \$15.6 million for FY 2018-19.

COMMUNITY PROVIDER RATES

Community provider rate adjustments are applied to programs and services which, if not provided by contracted provider organizations or county staff, would need to be provided by state staff. For FY 2019-20, the common policy is to increase rates by 1.0 percent at a cost of approximately \$57.0 million total funds, including \$23.6 million General Fund.

HEALTH, LIFE, AND DENTAL

The Long Bill adjusts the State contribution for employee health, life, and dental insurance premiums to match prevailing compensation. The State contribution is set at 80.0 percent of total premium costs for FY 2019-20, consistent with the state contribution rate for FY 2018-19. Statewide health, life, and dental appropriations total \$282.6 million total funds, including \$162.4 million General Fund, in FY 2019-20, compared to \$263.6 million total funds, including \$153.9 million General Fund, in FY 2018-19.

LEASE PURCHASE

This line item appropriation covers expenses for existing lease purchase agreements. Requests for additional lease purchase funds are examined on an individual department basis and funded where appropriate. Money may not be expended for lease purchase unless specifically appropriated for that purpose. For FY 2019-20, the total appropriation for lease purchase is \$118.0 million, which compares to \$122.3 million in FY 2018-19.

LEASED SPACE

This line item appropriation covers leased space expenses including rent, facility operating costs, and leased space escalators for properties not owned by the State. For FY 2019-20, appropriations to the leased space line item total \$39.0 million funds, including \$9.0 million General Fund, which compares to \$34.9 million total funds, including \$8.2 million General Fund for FY 2018-19.

LEGAL SERVICES

This line item provides funding to purchase necessary legal services from the Department of Law. For FY 2019-20, agencies will pay an average blended rate of \$106.60 per hour for legal services, which are provided by both attorneys and legal assistants. This compares to a blended rate of \$103.63 per hour for FY 2018-19. The payments that client agencies make to the Department of Law are sufficient to pay all the direct and indirect costs of supplying the services. The Department of Law expects to provide 400,860 hours of legal services to client agencies in FY 2019-20.

OPERATING EXPENSES

The budget funds operating expenses at a continuation level of funding, with some individual exceptions. The General Assembly has periodically provided inflationary increases for operating expenses related to food, medical, and laboratory services in departments for which these costs are not incidental. For FY 2019-20, the General Assembly provided an increase to operating line items for some Departments that utilize print and mailing services offered by Integrated Documents Solutions within the Department of Personnel. These changes total \$73,197 total funds in affected agencies and \$35,950 reappropriated funds spending authority for the Department of Personnel.

PAYMENTS TO OIT

This line provides funding to pay for information technology services provided by the Governor's Office of Information Technology (OIT). For FY 2019-20, the Long Bill includes recoverable costs of \$164.8 million total funds, including \$70.6 million General Fund.

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

This line item provides funding to pay the department's share of the statewide cost of property and liability insurance coverage, based on a three-year average loss history as verified by an independent actuarial firm. The Department of Personnel has continuous spending authority for the property and liability programs' claims, premiums, and legal expenses, but not for administrative costs. For FY 2019-20, the appropriation for the risk management and property program is \$21.1 million total funds, comprised of \$12.5 million for property and \$8.6 million for liability. This compares to \$21.7 million total funds for FY 2018-19, which was comprised of approximately \$11.4 million for property and \$10.2 million for liability.

PERSONAL SERVICES

Personal Services line items provide funding for: employee salaries and wages, the associated state contribution to the Public Employees Retirement Association (PERA), and the employer's share of federal Medicare taxes; professional services; temporary services; and payments for unemployment claims or insurance.

S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT (AED)

Pursuant to S.B. 04-257, the State contributes additional funds to assist in the amortization PERA's unfunded liability. The appropriation amount is calculated on base salary plus salary increases and shift differential pay. For most employees, the contribution rate increased by 0.4 percent each calendar year until it reached the maximum contribution rate of 5.0 percent in calendar year 2017. For judges, the state contribution remained constant at 2.2 percent until H.B. 17-1265 (*PERA Judicial Division Total Employer Contribution*) enacted increases to 3.4, 3.8, 4.2, 4.6, and 5.0 percent in each succeeding year beginning in calendar year 2019. The appropriations for FY 2019-20 are estimated to total \$94.1 million total funds, including \$51.4 million General Fund, compared to \$89.8 million total funds, including \$48.8 million General Fund, in FY 2018-19.

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT (SAED)

In addition to the AED contribution amounts, S.B. 06-235 provides a supplemental PERA contribution. The intended fund source is money that would otherwise be available for, but has not been awarded as, employee salary increases. While this payment is effectively made by the State, these funds represent foregone employee salary increases that would otherwise appear in the salary base as employee compensation. The appropriation amount is calculated on base salary, plus salary increases and shift differential pay. For most employees, the contribution rate increased by 0.5 percent each calendar year until it reached its maximum contribution rate of 5.0 percent in 2017. For judges, the state contribution remained constant at 2.2 percent until H.B. 17-1265 (*PERA Judicial Division Total Employer Contribution*) enacted increases to 3.4, 3.8, 4.2, 4.6, and 5.0 percent in each succeeding year beginning in calendar year 2019. The appropriations for FY 2019-20 are estimated to total \$93.9 million total funds, including \$51.2 million General Fund, compared to \$89.6 million total funds, including \$48.6 million General Fund, in FY 2018-19.

PERA DIRECT DISTRIBUTION

The PERA Direct Distribution was added as a common policy allocation for FY 2019-20 in the 2019 Long Bill pursuant to Section 24-51-414 (2), C.R.S. A new line item in each department provides an appropriation of General Fund, cash funds, reappropriated funds, and federal funds based on a billing allocation (proportional to AED and SAED allocations) for the State's share of the \$225.0 million annual PERA Direct Distribution payment required by S.B. 18-200 (Section 24-51-414 (1), C.R.S.). For additional information about S.B. 18-200, see the bill description in the "Recent Legislation" section at the end of Part III of the Department of Treasury.

For FY 2019-20, the State's share was calculated to be \$56.5 million of the \$225.0 million annual PERA Direct Distribution payment required by Section 24-51-414, C.R.S. The PERA Direct Distribution appropriations to all departments total \$56.5 million, comprised of \$28.5 million General Fund, \$17.5 million cash funds, \$5.6 million reappropriated funds, and \$4.9 million federal funds.

The 2019 Long Bill includes a corresponding appropriation of \$225.0 million to the Department of the Treasury, which includes \$56.5 million reappropriated funds collected by departments for the State and Judicial PERA divisions, and a direct appropriation of \$168.5 million General Fund for the School and Denver Public Schools PERA divisions. The State Treasurer will pay the full \$225.0 million to PERA on July 1, 2019.

SALARY SURVEY AND MERIT PAY AWARDS

Salary survey appropriations total \$64.5 million total funds, including \$35.4 million General Fund, for a 3.0 percent across-the-board salary increase for FY 2019-20. This compares to the \$59.7 million total funds, including \$33.2 million General Fund, for a 3.0 percent across-the-board increase in FY 2018-19.

There is no merit pay component for FY 2019-20. There was no merit pay component in FY 2018-19.

SHIFT DIFFERENTIAL

Shift differential payments provide higher wages for evening, night, and weekend shifts. Long Bill appropriations for FY 2019-20 total \$16.9 million, including \$13.0 million General Fund, primarily for the Departments of Corrections and Human Services, compared to \$16.4 million, including \$12.6 million General Fund, in FY 2018-19. Shift differential is set at 100.0 percent of prior year's (FY 2017-18) actual expenditures.

SHORT-TERM DISABILITY

All state employees are eligible for employer-paid, short-term disability insurance. Long Bill appropriations are calculated based on 0.17 percent of base salary, plus salary increases and shift differential pay for FY 2019-20 consistent with the rate for FY 2018-19. Statewide short-term disability appropriations for FY 2019-20 total \$3.1 million, including \$1.6 million General Fund, which compares to \$3.0 million total funds, including \$1.7 million General Fund, in FY 2018-19.

STATEWIDE INDIRECT COSTS

Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset the costs of providing central services for cash-funded and federally-funded programs that would otherwise be supported by General Fund. In practice, each cash funded or federal funded program in a department is charged a proportional indirect cost assessment that includes statewide and departmental indirect costs. These indirect cost recoveries are used to offset General Fund appropriations in the department's executive director's office. For FY 2019-20, the statewide indirect cost recovery plan is estimated to recover \$17.7 million in comparison to \$18.4 million for FY 2018-19.

VEHICLE LEASE PAYMENTS

Pursuant to Section 24-30-1117, C.R.S., state agency motor vehicles may only be purchased through the Fleet Management Program in the Department of Personnel. Long Bill appropriations are based on the amount necessary for each department's vehicle lease payments, which vary according to vehicle model and type. For FY 2019-20, the appropriation includes funding to replace 493 vehicles, including up to 270 alternative fuel or hybrid vehicles. The FY 2018-19 Long Bill replaced 413 vehicles, including up to 306 alternative fuel or hybrid vehicles. Statewide the appropriations to state agency Vehicle Lease Payments line items for FY 2019-20 are \$19.8 million total funds in comparison to \$19.8 million total funds for FY 2018-19. The appropriation for the Department of Personnel's Fleet Management Vehicle Replacement Lease/Purchase line item for FY 2019-20 is \$22.0 million reappropriated funds, in comparison to \$21.6 million reappropriated funds for FY 2018-19.

WORKERS' COMPENSATION

This line item provides funding for each department's share of the statewide cost of workers' compensation coverage, based on a three-year average loss history as verified by an independent actuarial firm. The State is self-insured and provides coverage for employees in all departments (except for institutions of higher education, which operate separate self-insured programs). For FY 2019-20, the Long Bill appropriation for the workers' compensation program totals \$40.0 million total funds, in comparison to \$38.8 million total funds for FY 2018-19.

C. 2019 SUPPLEMENTAL ADJUSTMENTS TO APPROPRIATIONS FOR FY 2017-18

OPERATING APPROPRIATIONS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2017-18					
Corrections					
SB 19-111	\$578,041	\$578,041	\$0	\$0	\$0
Education					
SB 19-207	0	0	0	0	0
Health Care Policy and Financing					
SB 19-113	31,725,685	21,985,547	3,098,056	0	6,642,082
SB 19-207	0	0	0	0	0
Higher Education					
SB 19-207	0	0	0	0	0
Human Services					
SB 19-114	7,445,218	0	(1,478,445)	1,437,854	7,485,809
State					
SB 19-124	317,149	0	317,149	0	0
TOTAL FY 2017-18	\$40,066,093	\$22,563,588	\$1,936,760	\$1,437,854	\$14,127,891

CAPITAL APPROPRIATIONS					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2017-18					
SB 19-127	\$0	\$0	\$0	\$0	\$0
TOTAL FY 2017-18	\$0	\$0	\$0	\$0	\$0

D. GENERAL FUND APPROPRIATIONS EXEMPT FROM STATUTORY AND CONSTITUTIONAL RESTRICTIONS

This appendix provides information concerning General Fund amounts that are described or categorized as "exempt" in this document.

1. APPROPRIATIONS EXEMPT FROM THE CONSTITUTIONAL RESTRICTION

The annual General Appropriation Act includes two categories of General Fund appropriations: General Fund and General Fund Exempt. Items that appear in the "General Fund Exempt" column are exempt from the state fiscal year spending limit in Section 20 of Article X of the State Constitution (the Taxpayer's Bill of Rights or TABOR). There are currently two types of appropriations that are categorized as General Fund Exempt:

- **Appropriations from the General Fund Exempt Account:** Referendum C, which was referred to and passed by voters in November 2005, authorizes the State to retain and spend state revenues in excess of the TABOR state fiscal year spending limit, but less than the excess state revenues cap. This measure also established the General Fund Exempt Account, which consists of the amount of state revenues in excess of the TABOR state fiscal year spending limit that would have been refunded had Referendum C not passed. Money in the General Fund Exempt Account may only be appropriated or transferred for four purposes: health care; education; retirement plans for firefighters and police officers; and strategic transportation projects. For more information about Referendum C, see the section concerning Statutory and Constitutional Restrictions in Part I-A.
- **Appropriations from Tobacco Tax Revenues:** Amendment 35, which was approved by voters in November 2004, imposed new cigarette and tobacco taxes through the addition of Section 21 in Article X of the State Constitution. The new tobacco tax revenues authorized by Amendment 35 are exempt from the TABOR state fiscal year spending limit, and General Fund appropriations from these revenues are also exempt from the statutory restriction on General Fund appropriations (this exemption is discussed later in this section). Amendment 35 requires that a portion of the new tobacco tax revenues be appropriated to the General Fund and made available to the Department of Public Health and Environment for immunization services and to the Department of Health Care Policy and Financing for the Children's Basic Health Plan. For more information about Amendment 35, see Appendix I.

The following table details General Fund Exempt appropriations and transfers for FY 2018-19 and FY 2019-20.

GENERAL FUND APPROPRIATIONS EXEMPT FROM CONSTITUTIONAL RESTRICTIONS			
DEPARTMENT	FY 2018-19	FY 2019-20	EXPLANATION
APPROPRIATIONS FROM THE GENERAL FUND EXEMPT ACCOUNT (REFERENDUM C):			
Education	\$885,333,333	\$897,710,833	Appropriations for preschool through twelfth grade education pursuant to Sections 24-77-103.6 (2)(b) and 24-77-104.5 (3), C.R.S.
Health Care Policy and Financing	885,333,333	897,710,833	Appropriations for health care funding for Colorado's elderly, low-income, and disabled populations pursuant to Sections 24-77-103.6 (2)(a) and 24-77-104.5 (2), C.R.S.

GENERAL FUND APPROPRIATIONS EXEMPT FROM CONSTITUTIONAL RESTRICTIONS			
DEPARTMENT	FY 2018-19	FY 2019-20	EXPLANATION
Higher Education	825,233,333	837,633,333	Appropriations for higher education pursuant to Sections 24-77-103.6 (2)(b) and 24-77-104.5 (4), C.R.S.
Local Affairs	4,300,000	4,345,000	Appropriations for volunteer firefighter retirement plans and death and disability insurance, pursuant to Section 24-77-103.6 (2)(c), C.R.S.
Transportation	500,000	500,000	General Fund transfer to the Capital Construction Fund for strategic transportation projects pursuant to Section 24-77-103.6 (2)(d), C.R.S.
SUBTOTAL	\$2,600,699,999	\$2,637,899,999	
APPROPRIATIONS FROM TOBACCO TAX REVENUES (AMENDMENT 35):			
Health Care Policy and Financing	\$429,909	\$407,703	Appropriations for the Children's Basic Health Plan pursuant to Section 24-22-117 (1)(c)(I)(B.5), C.R.S.
Public Health and Environment	429,909	407,703	Appropriations for immunizations performed by county or district public health agencies pursuant to Section 24-22-117 (1)(c)(I)(B.5), C.R.S.
SUBTOTAL	\$859,818	\$815,406	
TOTAL	\$2,601,559,817	\$2,638,715,405	

2. APPROPRIATIONS EXEMPT FROM THE STATUTORY RESTRICTION

From FY 1991-92 through FY 2008-09, Section 24-75-201.1, C.R.S., restricted annual state General Fund appropriations to the lesser of: (1) an amount equal to 5.0 percent of Colorado personal income, or (2) 6.0 percent over the total General Fund appropriations for the previous fiscal year. During this time period, the lesser amount was 6.0 percent over the previous year's General Fund appropriations, so this restriction was commonly called the "6.0 percent limit". Senate Bill 09-228 amended Section 24-75-201.1, C.R.S., to simply restrict annual state General Fund appropriations to an amount equal to 5.0 percent of Colorado personal income. Therefore, beginning in FY 2009-10, the 6.0 percent limit is no longer applicable.

Section 24-75-201.1 (1)(a)(III), C.R.S., specifies that the statutory restriction on General Fund appropriations shall not apply to:

- A. Any General Fund appropriation which, as a result of any requirement of *federal law*, is made for any new program or service or for any increase in the level of service for an existing program beyond the existing level of service;
- B. Any General Fund appropriation which, as a result of any requirement of a final state or federal *court order*, is made for any new program or service or for any increase in the level of service for an existing program beyond the existing level of service; or
- C. Any General Fund appropriation of any revenue derived from any increase in the rate or amount of any *tax or fee* which is approved by a majority of the registered electors of the state voting at any general election.

In addition, some other General Fund transfers and appropriations are not subject to the statutory restriction for reasons other than the exceptions listed above. For example, pursuant to Section 24-75-302 (2), C.R.S., General Fund transfers to the Capital Construction Fund are not subject to the statutory restriction; and the General Fund appropriation related to the senior citizen and disabled veteran property tax exemption is not subject to the statutory restriction because the enactment of Section 3.5 (3) of Article X of the Colorado Constitution constitutes

voter approval of a weakening of the restriction. These other exceptions are noted in the relevant department sections of this report.

The following table lists the General Fund appropriations that are exempt from or are not subject to the statutory restriction on General Fund appropriations for FY 2018-19 and FY 2019-20. These amounts are organized into three sections, which are described following the table.

GENERAL FUND APPROPRIATIONS DEEMED EXEMPT FROM STATUTORY RESTRICTIONS			
	DEPARTMENT	AMOUNT	REASON
FY 2018-19			
SECTION 1 - REBATES AND EXPENDITURES			
Children's Basic Health Plan (Amendment 35) ¹	Health Care Policy and Financing	\$429,909	Voter Approved
Volunteer Firefighter Benefit Plans ¹	Local Affairs	4,300,000	Other
Immunizations (Amendment 35) ¹	Public Health and Environment	429,909	Voter Approved
Cigarette Tax Rebate ¹	Revenue	8,141,834	Other
Old Age Heat and Fuel and Property Tax Assistance Grant ¹	Revenue	5,634,000	Other
Retail Marijuana Sales Tax Distribution ¹	Revenue	20,336,822	Other
SUBTOTAL: REBATES AND EXPENDITURES		\$39,272,474	
SECTION 2 - HOMESTEAD EXEMPTION			
Senior Citizen and Disabled Veteran Property Tax Exemption ²	Treasury	\$162,806,461	Voter Approved
SECTION 3 - AMOUNTS DEEMED EXEMPT			
Total Amounts Deemed Exempt		\$0	
FY 2018-19 TOTAL		\$202,078,935	
FY 2019-20			
SECTION 1 - REBATES AND EXPENDITURES			
Children's Basic Health Plan (Amendment 35) ²	Health Care Policy and Financing	\$407,703	Voter Approved
Volunteer Firefighter Benefit Plans ²	Local Affairs	4,375,000	Other
Immunizations (Amendment 35) ²	Public Health and Environment	407,703	Voter Approved
Cigarette Tax Rebate ²	Revenue	9,633,839	Other
Old Age Heat and Fuel and Property Tax Assistance Grant ²	Revenue	6,000,719	Other
Retail Marijuana Sales Tax Distribution ²	Revenue	21,637,908	Other
SUBTOTAL: REBATES AND EXPENDITURES		\$42,462,872	
SECTION 2 - HOMESTEAD EXEMPTION			
Senior Citizen and Disabled Veteran Property Tax Exemption ²	Treasury	\$140,789,518	Voter Approved
SECTION 3 - AMOUNTS DEEMED EXEMPT			
Total Amounts Deemed Exempt		\$0	
FY 2019-20 TOTAL		\$183,252,390	

¹ These amounts are included in H.B. 18-1322 (the 2018 General Appropriation Act).

² These amounts are included in S.B. 19-207 (the 2019 General Appropriation Act) and H.B. 19-1085 (Grants for Property Tax Rent and Heat).

SECTION 1 – REBATES AND EXPENDITURES

The quarterly revenue forecasts prepared by the Legislative Council Staff and the Office of State Planning and Budgeting include dollar amounts referred to as "rebates and expenditures." These amounts reflect various expenditures or diversions of funds from the General Fund, which are exempt from or are not subject to the statutory restriction on General Fund appropriations pursuant to statutory or constitutional provisions. These statutory and constitutional obligations are listed below. Please note that some of these items are not reflected in General Fund appropriations, and the amounts that are reflected in General Fund appropriations are not routinely adjusted to reflect changes in the quarterly revenue forecasts. For purposes of developing and adjusting the overall General Fund budget, the most recent projected amounts are utilized rather than the appropriated amounts. The above table reflects the actual appropriations for rebates and expenditures.

Items that are included in annual General Fund appropriations include:

- fire and police pension payments for local governments [Section 31-30-1112 (2), C.R.S.];
- cigarette tax rebates to local governments [Section 39-22-623 (1)(a)(II)(A), C.R.S.];
- retail marijuana sales tax distributions to local governments [Section 39-28.8-203 (1)(a), C.R.S.];
- Old Age Heat and Fuel and Property Tax Assistance Grants [Section 39-31-102 (1), C.R.S.]; and
- General Fund appropriations related to certain tobacco tax revenues [Section 21 of Article X of the State Constitution, often referred to as "Amendment 35"].

Items that are not included in annual General Fund appropriations include:

- sales and use taxes that are credited to the Old Age Pension Fund [Article XXIV of the State Constitution and Section 39-26-123 (3), C.R.S.];
- sales and use taxes that are credited to the Older Coloradans Cash Fund [Section 39-26-123 (3), C.R.S.]; and
- earnings related to cash flow loans to school districts [Sections 22-54-110 and 29-15-112, C.R.S.].

SECTION 2 – SENIOR AND DISABLED VETERAN PROPERTY TAX HOMESTEAD EXEMPTION

In the 2000 general election, Colorado voters approved a constitutional amendment (Section 3.5 of Article X) that reduces property taxes for qualifying senior citizens and disabled veterans. The property tax reduction, or "homestead exemption," is available to senior citizens 65 years of age or older who have owned and lived in their homes for at least ten years. In the 2006 general election, Colorado voters approved a constitutional amendment extending the homestead exemption to honorably discharged veterans who are 100 percent disabled as a result of a service-connected disability. The cost of the exemption is borne by the State rather than by local governments or other property owners.

SECTION 3 – AMOUNTS DEEMED EXEMPT

These amounts are appropriated for purposes that are exempt from the statutory restriction on General Fund appropriations as reflected in Section 24-75-201.1, C.R.S. For FY 2018-19 and FY 2019-20, no General Fund is deemed exempt.

E. INFORMATIONAL "(I)" NOTATIONS

The Long Bill and other legislation indicate when an amount is shown for informational purposes through an "(I)" notation. As defined in the Long Bill headnotes:

Where the letter "(I)" appears directly to the right of a figure or in a letternote referencing a figure, that amount is not an appropriation, nor does it limit the expenditure of such money. The figure is included for informational purposes only. It provides a record of funds anticipated to be expended and, in some instances, may indicate assumptions used relative to those funds in developing appropriated amounts.

The amounts that are annotated with an (I) in the FY 2019-20 Long Bill and other legislation are described below, followed by a table detailing these amounts by department and fund source.

GENERAL FUND: The (I) notation applies to a General Fund or General Fund Exempt amount when the amount is continuously appropriated to a state agency, or the agency is otherwise authorized by law to spend the money. This includes General Fund amounts annotated with the (I) in three departments:

- Treasury: Senior Citizen and Disabled Veteran Property Tax Exemption and Direct Distribution for Unfunded Actuarial Accrued PERA Liability;
- Revenue: Old Age Heat and Fuel and Property Tax Assistance, and Cigarette Tax Rebate and Retail Marijuana Sales Tax Distributions to Local Governments; and
- Local Affairs: Payments for Volunteer Firefighter Retirement Plans.

CASH FUNDS: The (I) notation applies to a cash funds amount when the amount is continuously appropriated to a state agency, or the agency is otherwise authorized by law to spend the money. The most significant amounts that are annotated with the (I) include:

- Cash funds overseen by the State Transportation Commission;
- Fees collected by state institutions of the higher education;
- Local Government Mineral and Energy Impact Grants and Disbursements in the Department of Local Affairs;
- Highway Users Tax Funds distributed to local governments through the Department of Treasury; and
- Old Age Pension allocations and the local share of funding for various social services programs in the Department of Human Services.

REAPPROPRIATED FUNDS: The (I) notation applies to a reappropriated funds amount when it is continuously appropriated to a state agency, the agency is otherwise authorized by law to spend the money, or when the underlying federal funds source is informational. The largest amounts that are annotated with the (I) are for workers compensation claims in the Department of Personnel and Direct Distribution for Unfunded Actuarial Accrued PERA Liability in the Department of Treasury.

FEDERAL FUNDS: Most federal funds in the Long Bill are annotated with an (I). However, some federal grants that are administered by the Departments of Human Services and Public Health and Environment are appropriated by the General Assembly pursuant to federal law. In addition, there are federal funds that require state matching funds (e.g., the Medicaid program), and the associated General Fund or cash funds amounts are annotated with an "(M)" or "(H)" in the Long Bill. These annotations require the associated state funding to be reduced if the amount of available federal funding changes. Thus, these federal amounts are not considered informational.

The table below summarizes, by department and bill, those appropriations annotated with the (I).

FY 2019-20 INFORMATIONAL "(I)" NOTATIONS BY DEPARTMENT

	BILL	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	% OF TOTAL OPERATING BUDGET (I) NOTATIONS
FY 2019-20 OPERATING BUDGET (I) NOTATIONS							
Agriculture	S.B. 19-207	\$5,773,231	\$0	\$1,863,666	\$0	\$3,909,565	0.1%
Corrections	S.B. 19-207	24,889,498	0	21,314,186	0	3,575,312	0.4%
Education	S.B. 19-207	646,307,940	0	5,262,144	21,600,000	619,445,796	10.6%
Governor	S.B. 19-207	29,059,650	0	22,162,210	0	6,897,440	0.5%
Health Care Policy	S.B. 19-207	290,494,847	0	16,315,459	0	274,179,388	
	S.B. 19-005	(70,000)	0	0	0	(70,000)	
	S.B. 19-195	157,534	0	0	0	157,534	
	S.B. 19-222	75,000	0	0	0	75,000	
	S.B. 19-238	31,787	0	0	0	31,787	
	H.B. 19-1269	167,001	0	0	0	167,001	
	H.B. 19-1287	31,961	0	0	0	31,961	
	H.B. 19-1302	43,121	0	0	0	43,121	
Subtotal HCP		290,931,251	0	16,315,459	0	274,615,792	4.8%
Higher Education	S.B. 19-207	481,704,141	0	455,767,343	51,958	25,884,840	7.9%
Human Services	S.B. 19-207	604,085,636	0	300,028,899	1,392,668	302,664,069	
	S.B. 19-063	50,688	0	0	0	50,688	
	S.B. 19-178	18,061	0	0	0	18,061	
	S.B. 19-222	220,707	0	0	0	220,707	
	S.B. 19-235	55,386	0	9,973	0	45,413	
Subtotal HUM		604,430,478	0	300,038,872	1,392,668	302,998,938	9.9%
Judicial	S.B. 19-207	45,558,021	0	41,075,017	58,004	4,425,000	0.7%
Labor and Employment	S.B. 19-207	140,072,582	0	8,210,619	5,393,436	126,468,527	2.3%
Law	S.B. 19-207	4,550,533	0	1,815,899	380,540	2,354,094	0.1%
Legislature	S.B. 19-207	0	0	0	0	0	0.0%
Local Affairs	S.B. 19-207	264,623,380	4,375,000	178,127,850	0	82,120,530	4.3%
Military and Veterans Affairs	S.B. 19-207	118,540,772	0	0	0	118,540,772	1.9%
Natural Resources	S.B. 19-207	51,907,116	0	25,224,476	0	26,682,640	0.9%
Personnel	S.B. 19-207	58,964,373	0	1,972,469	56,991,904	0	1.0%
Public Health	S.B. 19-207	297,073,539	0	600,000	0	296,473,539	4.9%
Public Safety	S.B. 19-207	95,344,008	0	21,289,163	3,974,619	70,080,226	1.6%
Regulatory Agencies	S.B. 19-207	21,411,567	0	20,088,298	0	1,323,269	0.4%
Revenue	S.B. 19-207	75,525,382	36,618,966	37,870,087	0	1,036,329	
	H.B. 19-1085	653,500	653,500	0	0	0	
Subtotal REV		76,178,882	37,272,466	37,870,087	0	1,036,329	1.3%
State	S.B. 19-207	3,646,168	0	3,646,168	0	0	0.1%
Transportation	S.B. 19-207	2,047,689,580	0	1,419,207,883	7,014,873	621,466,824	33.6%
Treasury	S.B. 19-207	776,984,242	309,318,419	393,760,474	73,905,349	0	12.8%
OPERATING BUDGET TOTAL		\$6,085,640,952	\$350,965,885	\$2,975,612,283	\$170,763,351	\$2,588,299,433	
FY 2019-20 CAPITAL CONSTRUCTION BUDGET (I) NOTATIONS							
CAPITAL TOTAL	S.B. 19-207	\$10,664,870	\$0	\$0	\$0	\$10,664,870	
GRAND TOTAL (I) NOTATIONS: OPERATING AND CAPITAL CONSTRUCTION BUDGETS							
GRAND TOTAL		\$6,096,305,822	\$350,965,885	\$2,975,612,283	\$170,763,351	\$2,598,964,303	

¹ Includes General Fund Exempt.

The table below reflects operating budget appropriations with (I) notations as a percentage of the total state operating budget for FY 2019-20. For FY 2019-20, informational funds represent 18.7 percent of all operating appropriations, consisting primarily of cash funds and federal funds.

FY 2019-20 OPERATING BUDGET APPROPRIATIONS AND INFORMATIONAL "(I)" NOTATIONS			
	OPERATING BUDGET APPROPRIATIONS	(I) NOTATION OPERATING BUDGET TOTALS	(I) NOTATION AMOUNTS AS PERCENT OF OPERATING APPROPRIATIONS
General Fund and General Fund Exempt	\$12,197,829,708	\$350,965,885	2.9%
Cash Funds	9,461,671,610	2,975,612,283	31.4%
Reappropriated Funds	2,107,100,487	170,763,351	8.1%
Federal Funds	8,749,242,394	2,588,299,433	29.6%
TOTAL	\$32,515,844,199	\$6,085,640,952	18.7%

F. STATE EDUCATION FUND OVERVIEW

This appendix describes appropriations and transfers from the State Education Fund.

STATE EDUCATION FUND REVENUES AND APPROPRIATIONS

In November 2000, Colorado voters approved Amendment 23, which added Section 17 to Article IX of the State Constitution. This provision links funding for kindergarten through twelfth grade education to the rate of inflation. This provision also creates the State Education Fund (SEF), consisting of all state revenues collected from a tax equal to one-third of 1.0 percent on federal taxable income of every individual, estate, trust, and corporation¹, as well as any interest earned on the fund balance. Revenues to the SEF are not subject to the constitutional Taxpayer's Bill of Rights (TABOR) limitation on fiscal year spending, and SEF appropriations are not subject to the statutory limitation on state General Fund appropriations. The General Assembly may annually appropriate money from the SEF for the following education-related purposes:

- Compliance with the requirement to annually increase base per pupil funding for public school finance;
- Compliance with the requirement to annually increase funding for categorical programs;
- Accountable education reform;
- Class size reduction;
- Expanding technology education;
- Improving student safety;
- Expanding the availability of preschool and kindergarten programs;
- Performance incentives for teachers;
- Accountability reporting; or
- Public school building capital construction.

Table 1, on the next page, summarizes appropriations and transfers from the SEF for FY 2001-02 through FY 2017-18 and details appropriations and transfers from the SEF for FY 2018-19 and FY 2019-20. To date, the General Assembly has appropriated over \$7.0 billion from the SEF specifically for the State share of districts' total program funding (distributed based on the school finance formula), representing 69.3 percent of all SEF appropriations. To date, appropriations for categorical programs (\$1.7 billion) comprise another 16.3 percent of SEF appropriations.

Appropriations and transfers from the SEF increased from \$740.4 million in FY 2013-14 to \$966.2 million in FY 2014-15 and \$943.7 million in FY 2015-16, largely as a result of \$1.1 billion in one-time funding transferred from the General Fund to the SEF pursuant to H.B. 12-1338. However, the one-time funds were depleted by the end of FY 2016-17. Based on estimates of available resources, the FY 2019-20 appropriation includes a total of \$720.7 million in appropriations and transfers from the SEF (including \$0.9 million in appropriations for centrally appropriated line items not reflected in Table 1), with a projected balance of \$139.8 million at the end of FY 2019-20. Please note that \$720.7 million in appropriations and transfers out of the SEF in FY 2019-20 exceeds current projections of revenues for FY 2020-21 (\$705.2 million based on the Legislative Council Staff March 2019 Revenue Forecast) by \$15.5 million. Thus, barring additional infusions of revenue, that level of spending may not be sustainable in subsequent years.

¹ Given the current state income tax rate of 4.63 percent, this equates to 7.13 percent of state income tax revenues (0.0033/0.0463). However, due to certain state tax credits that reduce income tax revenue, deposits to the State Education Fund actually represent a slightly higher percentage of state income tax revenues (e.g., 7.38 percent in FY 2017-18).

TABLE 1: HISTORY OF APPROPRIATIONS FROM THE STATE EDUCATION FUND

DESCRIPTION	CUMULATIVE FY 2001-02 THRU FY 2017-18	FY 2018-19	FY 2019-20
PUBLIC SCHOOL FINANCE			
Funding for the State Share of Districts' Total Program Funding (including Colorado Preschool Program and full-day kindergarten funding)	\$6,237,608,058	\$416,891,296	\$393,550,471
Facility school funding (HB 08-1388)	163,734,459	15,987,271	16,241,061
Hold-harmless full-day kindergarten funding (HB 08-1388)	74,669,108	8,689,619	0
District per pupil reimbursements for juveniles held in jail (SB 10-054)	195,000	10,000	10,000
Public school finance administration	373,626	84,387	86,621
Additional funding for rural school districts and institute charter schools	0	30,000,000	0
Small rural districts additional funding	10,000,000	0	0
Declining enrollment study (HB 08-1388)	200,000	0	0
Mid-year appropriation adjustments	12,415,746	(12,912,190)	0
SUBTOTAL: SCHOOL FINANCE	\$6,499,195,997	\$458,750,383	\$409,888,153
<i>Percent of Total</i>	<i>74.7%</i>	<i>60.4%</i>	<i>56.9%</i>
CATEGORICAL PROGRAMS			
	\$1,316,925,153	\$165,975,928	\$174,284,946
<i>Percent of Total</i>	<i>15.1%</i>	<i>21.8%</i>	<i>24.2%</i>
SCHOOL CAPITAL CONSTRUCTION			
Charter school capital construction	\$148,719,995	\$20,000,000	\$20,656,559
School capital construction expenditures reserve	25,471,112	0	0
School construction and renovation fund	7,500,000	0	0
Charter school debt reserve fund	7,500,000	0	0
SUBTOTAL: CAPITAL CONSTRUCTION	\$189,191,107	\$20,000,000	\$20,656,559
<i>Percent of Total</i>	<i>2.2%</i>	<i>2.6%</i>	<i>2.9%</i>
PROFESSIONAL DEVELOPMENT AND INSTRUCTIONAL SUPPORT			
English language learners professional development and student support (HB 14-1298)	\$108,000,000	\$27,000,000	\$27,000,000
Quality teacher recruitment program (SB 13-260)	15,000,000	3,000,000	3,000,000
School turnaround leaders development (SB 14-124)	8,001,982	2,001,900	2,003,118
Stipends for nationally board certified teachers (HB 08-1384)	8,152,000	1,384,000	1,384,000
Content specialists	4,828,467	479,495	531,001
English language proficiency excellence award program (HB 14-1298)	2,000,000	500,000	500,000
Computer science education grants for teachers (SB 17-296)	500,000	1,048,375	1,048,600
A.P. Incentives pilot program (HB 14-1118)	1,043,942	260,937	261,666
Transfer to Department of Higher Education for rural teacher recruitment, retention, and professional development (SB 18-085)	0	240,000	240,000
English language learners technical assistance (HB 14-1298)	207,698	52,902	55,130
Teaching and learning conditions survey (HB 08-1384)	85,000	0	0
Closing the achievement gap	5,301,000	0	0
Teacher pay incentive program	12,630,000	0	0
Science and technology education center grant program	1,400,000	0	0
Civic education	602,305	0	0
National credential fee assistance	493,000	0	0
Financial literacy	201,757	0	0
School leadership academy program (HB 08-1386)	162,983	0	0
Colorado history day	60,000	0	0
SUBTOTAL: PROFESSIONAL DEVELOPMENT AND INSTRUCTIONAL SUPPORT	\$168,670,134	\$35,967,609	\$36,023,515
<i>Percent of Total</i>	<i>1.9%</i>	<i>4.7%</i>	<i>5.0%</i>
OTHER GRANTS, DISTRIBUTIONS, AND ASSISTANCE			
Transfer to Early Literacy Fund (SB 13-260)	\$152,000,000	\$34,000,000	\$34,000,000
School counselor corps grant program (HB 08-1370)	67,999,370	10,002,802	10,000,000
Assistance to BOCES (HB 12-1345)	15,825,555	3,310,782	3,314,277
Child nutrition school lunch protection program (SB 08-123)	8,500,000	850,731	850,731
Colorado student leaders institute pilot program	656,475	218,825	0
Transfer to Colorado Teacher of the Year Fund (HB 14-1298)	99,200	24,800	24,800
Interstate compact on educational opportunities for military children	249,744	19,182	21,668

TABLE 1: HISTORY OF APPROPRIATIONS FROM THE STATE EDUCATION FUND

DESCRIPTION	CUMULATIVE FY 2001-02 THRU FY 2017-18	FY 2018-19	FY 2019-20
Funding for new textbooks	14,144,066	0	0
Summer school grant program	2,988,563	0	0
Regional service cooperatives (SB 08-038)	1,224,877	0	0
Facility summer school grant program	1,000,000	0	0
Aid for declining enrollment districts with new charter schools	1,000,000	0	0
Hold-harmless facility school student funding (HB 08-1388)	587,504	0	0
Family literacy education grant program	400,000	0	0
First responder school mapping (HB 08-1267)	150,000	0	0
SUBTOTAL: OTHER GRANTS, DISTRIBUTIONS, AND ASSISTANCE	\$266,825,354	\$48,427,122	\$48,211,476
<i>Percent of Total</i>	<i>3.1%</i>	<i>6.4%</i>	<i>6.7%</i>
ACCOUNTABILITY/REFORM			
Colorado student assessment program	\$211,725,956	\$26,081,831	\$26,099,171
Early literacy assessment tool (HB 12-1345)	14,459,549	2,997,072	2,997,072
Preschool to postsecondary alignment (SB 08-212)	6,168,358	603,594	618,538
Division of on-line learning (SB 07-215)	2,892,725	365,701	372,396
Basic skills placement or assessment tests (HB 12-1345)	1,791,834	50,000	50,000
Longitudinal assessment data analyses	1,580,000	298,000	298,000
Educator effectiveness unit administration (HB 13-1257)	619,951	129,523	132,241
Transfer to Financial Reporting Fund/Transparency System maintenance (HB 14-1292)	3,000,000	0	110,000
Transfer to Great Teachers and Leaders Fund (SB 13-260)	200,000	0	0
Educator effectiveness implementation (SB 10-191)	6,426,830	0	0
School improvement grant program	5,350,000	0	0
Facility schools unit and facility schools board (HB 08-1204)	523,568	0	0
Review and update of non-English assessments	411,953	0	0
Modifications to accountability reports	75,000	0	0
Study non-English assessments	50,000	0	0
Study administration of ACT	50,000	0	0
SUBTOTAL: ACCOUNTABILITY/REFORM	\$255,325,724	\$30,525,721	\$30,677,418
<i>Percent of Total</i>	<i>2.9%</i>	<i>4.0%</i>	<i>4.3%</i>
TOTAL APPROPRIATIONS AND TRANSFERS FROM FUND	\$8,696,133,469	\$759,646,763	\$719,742,067
<i>Annual Change</i>		<i>\$218,927,506</i>	<i>(\$39,904,696)</i>
<i>Percent Annual Change</i>		<i>40.5%</i>	<i>(5.3%)</i>

Table 2 summarizes SEF revenues and expenditures/appropriations for FY 2017-18 through FY 2019-20, including the ending fund balances for each year.

TABLE 2: COMPARISON OF STATE EDUCATION FUND REVENUES AND EXPENDITURES/ APPROPRIATIONS (\$ MILLIONS)

DESCRIPTION	FY 2017-18	FY 2018-19	FY 2019-20
Beginning fund balance	\$102.2	\$208.7	\$134.1
Actual/projected revenues ¹	620.3	660.9	686.1
Appropriations/transfers to the SEF ²	25.3	25.3	40.3
Actual expenditures/appropriation /transfers to other cash funds ³	(539.1)	(760.5)	(720.7)
Ending Fund Balance⁴	\$208.7	\$134.1	\$139.8

¹ Projected State Education Fund revenues for FY 2018-19 and FY 2019-20 are based on the amount of General Fund revenues anticipated to be directed or transferred to the Fund pursuant to the *March 2019* Legislative Council Staff Revenue Forecast, as well as projections of interest earnings based on the State Education Fund model utilized by Legislative Council and Joint Budget Committee staff.

² Transfers from the General Fund to the State Education Fund for FY 2017-18 and FY 2018-19 are based on S.B. 13-234. The transfer in FY 2019-20 is a result of S.B. 19-246 (School Finance).

³ Actual expenditures are reflected for FY 2017-18; appropriations are reflected for FY 2018-19 and FY 2019-20. Amounts include the following transfers to other cash funds: \$34.0 million per year to the Early Literacy Fund pursuant to H.B. 14-1292; and \$24,800 per year to the Colorado Teacher of the Year Fund pursuant to H.B. 14-1298.

⁴ Totals may not sum due to rounding.

G. HIGHWAY USERS TAX FUND OFF-THE-TOP APPROPRIATION

The Highway Users Tax Fund (HUTF) includes revenues from gas and special fuel taxes, fines, license plate fees, driver's license fees, motor vehicle title and registration fees, and passenger-mile taxes. Section 18 of Article X of the Colorado Constitution limits expenditures from gas taxes and license and registration fees exclusively to the construction, maintenance, and supervision of state highways. HUTF "off-the-top" refers to the portion of the HUTF that is appropriated to the Colorado State Patrol for highway supervision. This amount is deducted prior to the formula allocation of HUTF to the State Highway Fund, counties, and cities.

Section 43-4-201 (3)(a)(I)(C), C.R.S., limits the annual growth of HUTF off-the-top appropriations to no more than 6.0 percent of the off-the-top appropriation from the previous fiscal year, regardless of any increase or decrease in overall highway-related revenues. The following table shows the HUTF off-the-top appropriations subject to the limit for FY 2019-20 compared to FY 2018-19 appropriations, and the limit for FY 2019-20.

HUTF OFF-THE-TOP APPROPRIATIONS COMPARISON		
	APPROPRIATIONS COMPARISON	ANNUAL PERCENT CHANGE
FY 2018-19 HUTF Off-the-Top Appropriations Base	\$155,849,329	
6.0 Percent Allowable Growth	9,350,960	
FY 2019-20 HUTF Off-the-Top Appropriations Limit	\$165,200,289	6.0%
FY 2019-20 HUTF Off-the-Top Appropriations:		
Department of Public Safety, Colorado State Patrol (Long Bill Operating Budget)	\$164,955,334	
TOTAL FY 2019-20 HUTF OFF-THE-TOP APPROPRIATIONS	\$164,955,334	5.8%
Over/(Under) FY 2019-20 Off-the-Top Appropriations Limit	(\$244,955)	

H. SEVERANCE TAX TRUST FUND OPERATIONAL FUND OVERVIEW

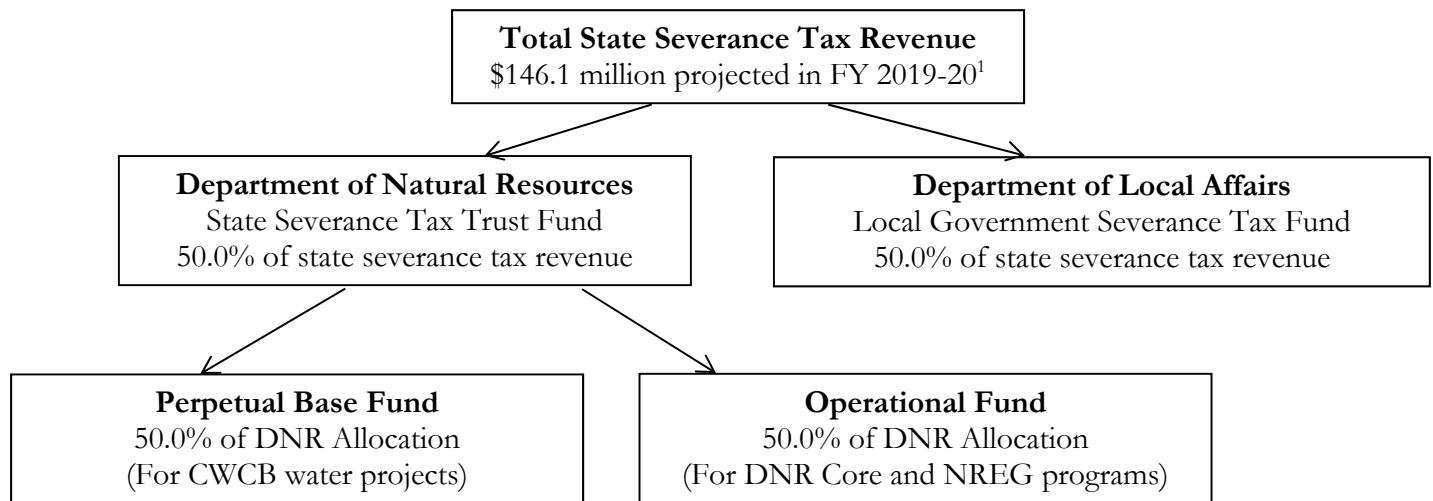
This appendix describes the allocation of state severance tax revenues and anticipated expenditures from the Severance Tax Operational Fund.

SEVERANCE TAX REVENUE ALLOCATION

Pursuant to Section 39-29-108 (2), C.R.S., 50.0 percent of severance tax revenue is credited to the State Severance Tax Trust Fund, primarily for programs in the Department of Natural Resources (DNR), and the remaining 50.0 percent is credited to the Local Government Severance Tax Fund to be used by the Department of Local Affairs (DOLA) for grants and distributions to local governments affected by extraction activities. Revenue in the State Severance Tax Trust Fund is further distributed as follows:

- Section 39-29-109 (2)(a)(II), C.R.S., provides that 50.0 percent of revenue deposited into the State Severance Tax Trust Fund (or 25.0 percent of total severance tax revenue) shall be allocated to the Severance Tax Perpetual Base Fund and used by the Colorado Water Conservation Board (CWCB) for water construction projects.
- Sections 39-29-109 (1) and (2)(b), C.R.S., provides that the remaining 50.0 percent of State Severance Tax Trust Fund revenue (or 25.0 percent of total severance tax revenue) shall be allocated to the Severance Tax Operational Fund (Operational Fund) for programs that "...promote and encourage sound natural resource planning, management, and development related to minerals, energy, geology, and water..." and "...programs to reduce the burden of increasing home energy costs on low-income households."

The following figure illustrates the statutory distribution of severance tax revenue:



¹ Based on the March 2019 Legislative Council Staff revenue forecast but does not include interest earnings on individual funds.

SUMMARY OF THE SEVERANCE TAX OPERATIONAL FUND

The Operational Fund expenditures are divided into two tiers of programs. Formerly these different programs were referred to as Tier 1 and Tier 2 expenditures, because they were enumerated in subsection (1) and (2) of the statute. Beginning in FY 2019-20, S.B. 19-016 (Severance Tax Operational Fund Distribution Methodology) renamed Tier 1 programs as "Core departmental programs" and Tier 2 programs as "Natural Resources and Energy Grant (NREG) programs." The Core programs support the day-to-day operations of divisions within the DNR, including salaries

and benefits for employees. NREG programs support grants, loans, research, and construction. The required reserve for Core programs remains unchanged from prior years and requires a reserve equal to 100.0 percent of the appropriated amounts. However, S.B. 19-016 increased the required reserve for NREG programs from 15.0 percent of the authorized transfers (which currently total \$36.4 million) to 100.0 percent.

The distribution of funding for NREG programs was previously staggered three times throughout the fiscal year in which revenues were generated. This created budgeting and long-term planning issues for programs it funds when new forecasts reflected lower anticipated revenues. Senate Bill 19-016 also changed the distribution to NREG programs from three times in the current fiscal year to an annual transfer of the previous year's revenues on August 15. This certainty of funds allows the NREG programs the ability to plan a budget based on a known amount each year.

The reserve for the Core programs takes priority over the revenue to be transferred to the NREG programs. Current year revenue will first fund the appropriations for the Core programs. Once those obligations are met, the Core programs reserve will begin to fill to ensure the Core programs have sufficient funding for one year of operations in the event of catastrophic revenue loss. Revenue of up to \$36.4 million will then be retained for the NREG programs distribution on August 15 in the following fiscal year. Finally, the next \$36.4 million in revenue will remain in the Operational Fund as the NREG reserve.

NREG programs are subject to proportional reductions if the actual revenue from the prior year is insufficient to support appropriations, reserves, and authorized expenditures within a given fiscal year. Based on the March 2019 revenue forecast prepared by Legislative Council Staff, NREG programs will receive approximately 72.0 percent of their full authorizations on August 15, 2019. Revenue in the Operational Fund is not sufficient to fund the entire authorized transfers for NREG programs and thus, no revenue is retained in the Operational Fund as the NREG reserve.

The following table provides an overview of projected revenues and expenditures from the Operational Fund based on the March 2019 Legislative Council Staff revenue forecast:

SEVERANCE TAX OPERATIONAL FUND				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 PROJECTED	FY 2019-20 PROJECTED
Beginning balance (After NREG programs distribution)	\$16,352,419	\$14,405,310	\$9,314,849	\$17,214,854
Revenue ¹	16,199,916	13,167,662	51,796,761	36,833,563
TOTAL AVAILABLE FOR EXPENDITURE	\$32,552,334	\$27,572,972	\$61,111,610	\$54,048,417
Roll-forwards	\$0	\$0	\$688,856	\$0
Colorado Energy Office²	\$375,000	\$0	\$0	\$0
TIER 1/CORE PROGRAMS EXPENDITURES/APPROPRIATIONS				
Oil and Gas Conservation Commission	7,376,784	6,148,067	6,148,067	6,148,067
Colorado Geological Survey	1,379,672	1,395,721	1,585,133	1,632,687
Avalanche Information Center	549,487	578,958	640,822	702,508
Division of Reclamation, Mining, and Safety	4,601,927	4,112,930	4,792,370	4,833,105
Colorado Water Conservation Board	1,301,937	1,274,007	1,319,250	1,319,250
Division of Parks and Wildlife	2,562,218	2,426,476	2,527,634	2,421,898
TIER 1/ CORE PROGRAMS SUBTOTAL	\$17,772,025	\$15,936,159	\$17,013,276	\$17,057,515
TIER 2/ NREG PROGRAMS DISTRIBUTIONS³				
Water Infrastructure Development	0	0	0	7,200,663
Soil Conservation Districts Matching Grants	0	65,510	0	324,030
Water Efficiency Grants	0	0	0	396,036
Species Conservation Trust Fund	0	0	0	3,600,332
Low-income Energy Assistance (LEAP)	0	1,892,509	0	9,360,862
Interbasin Water Compacts	0	0	0	536,498
Forest Restoration Grants	0	363,944	0	1,800,166

SEVERANCE TAX OPERATIONAL FUND				
	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 PROJECTED	FY 2019-20 PROJECTED
Aquatic Nuisance Species Fund	0	0	0	2,884,589
Forfeited Mine Site Reclamation ⁴	0	0	0	91,448
TIER 2/NREG SUBTOTAL	\$0	\$2,321,963	\$0	\$26,194,624
TOTAL EXPENDITURES	\$18,147,025	\$18,258,122	\$17,702,132	\$43,252,139
ENDING BALANCE	\$14,405,310	\$9,314,849	\$43,409,478	\$36,990,902
Tier 1/Core Programs Reserve (100% of Core Appropriations) ⁵	14,792,025	15,936,159	17,214,854	17,057,515
Balance remaining for NREG distribution on August 15	n/a	n/a	26,194,624	19,933,387
Revenue held in Reserve	14,405,310	9,314,849	17,214,854	17,057,515

¹ Revenue for FY 2018-19 and FY 2019-20 is estimated based on the March 2019 Legislative Council Staff revenue forecast and includes projected interest and statutory transfers approved by the General Assembly.

² Transfers to the Colorado Energy Office terminated in FY 2016-17.

³ While Tier 2 programs received no Severance Tax revenue pursuant the statutory severance tax formula in FY 2016-17 through FY 2018-19, several programs received direct General Fund appropriations through separate legislation. In FY 2016-17 through FY 2018-19 Tier 2 programs would receive three distributions of current year revenue on July 1, January 1, and April 1, of each year with sufficient revenue. Starting in FY 2019-20, those distributions will be consolidated into one annual transfer on August 15th in the following fiscal year.

⁴ Funding for reclamation projects at forfeited mine sites was moved from Tier 1 to Tier 2 by H.B. 15-1150. The authorized distribution to the program is ongoing.

⁵ Senate Bill 16-167 (Severance Tax Operational Fund Reserve Reduction) excluded \$2.98 million from the Tier 1 reserve requirement for FY 2016-17. The Tier 1 reserve requirement is normally 100.0 percent of Tier 1 appropriations, pursuant to Section 39-29-109.3 (3)(a), C.R.S.

I. TOBACCO REVENUE ALLOCATIONS

This appendix describes the allocation of revenues that Colorado receives from the Tobacco Master Settlement Agreement and from tobacco taxes imposed by Section 21 of Article X of the State Constitution (often called Amendment 35).

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ALLOCATION

The Tobacco Master Settlement Agreement (MSA) provides Colorado with an annual revenue stream distributed via a statutory formula to a variety of programs. Revenue from the MSA is the result of a 1998 legal settlement between tobacco manufacturers and the states who sued to recover Medicaid and other health-related costs incurred by the states as a result of treating smoking-related illnesses.

Tobacco Master Settlement Agreement payments are driven by the number of units sold, an inflation adjustment, and the amount of disputed payments withheld by Participating Manufacturers. Payments received in April are based on sales and adjustments from the prior year. For example, the payment received by Colorado in April 2018 was based on the number of units sold in 2017.

The core MSA funding allocation process is described in Section 24-75-1104.5, C.R.S. In brief:

- The total amount of tobacco settlement funds allocated to programs equals 98.5 percent of the total settlement payments received by the State during the prior fiscal year. Annual allocations do not include disputed amounts that have been withheld by tobacco companies.
- Annual allocations include money received during the prior fiscal year and the current fiscal year.
- Most programs cannot spend their allocation without an appropriation. In most cases, the appropriation equals or approximates the annual allocation.

Allocation formula procedures are described in more detail below.

USE OF CURRENT AND PRIOR-YEAR REVENUE TO SUPPORT ALLOCATIONS - ACCELERATED PAYMENTS

Since FY 2008-09, allocations during a given year have been a combination of current-year and prior-year revenue. Prior to FY 2007-08, all allocations were based on revenue received in the prior year. Pursuant to H.B. 07-1359, for FY 2008-09, the General Assembly began to rely on current year receipts to support current year allocations, which allowed it to redirect one-time funds of \$15.4 million to other purposes without reducing support for MSA-funded programs. Pursuant to S.B. 09-269, for FY 2010-11, the General Assembly expanded the use of current year revenue, using this mechanism to access \$65.0 million in one-time funding without reducing support for MSA-funded programs. Because of these acts, MSA-funded programs operate for most of the fiscal year before the majority of the tobacco settlement revenue arrives. To do so, the programs receive advances from the State Treasury which are repaid in April.

House Bill 12-1247 began to gradually reduce the use of such advances from the Treasury by reducing the use of current year revenue and increasing the use of prior year revenue for MSA allocations. This act requires spending from current year revenue to be reduced each year by any unallocated MSA funds and other residual funds in the Tobacco Litigation Settlement Cash Fund (approximately \$1.4 million per year, but varies by year). Allocations from reserves in the Tobacco Litigation Settlement Cash Fund compensate for the decline in spending from current year

revenue, so that programs supported by MSA revenue receive no less than they would have under the previous formula.

AMOUNT TO BE ALLOCATED

The table below reflects the payment history, including the annual base payment and the amount withheld by tobacco companies. Amounts received in April of the prior year (e.g., FY 2016-17) determine total funding allocations for the current year (e.g., FY 2017-18).

COLORADO TOBACCO MASTER SETTLEMENT AGREEMENT PAYMENTS AND DISPUTED PAYMENTS 2007 TO 2017				
PAYMENT YEAR	FISCAL YEAR APPROPRIATION	BASE PAYMENT	DISPUTED AMOUNT WITHHELD	RELEASE OF PRIOR WITHHOLDINGS
CY 2007	FY 2007-08	\$82,005,568	\$12,113,579	\$0
CY 2008	FY 2008-09	103,640,385	7,711,843	0
CY 2009	FY 2009-10	105,419,647	7,062,223	7,411,531
CY 2010	FY 2010-11	95,709,303	8,714,641	0
CY 2011	FY 2011-12	89,065,763	13,614,015	0
CY 2012	FY 2012-13	90,809,964	11,574,809	0
CY 2013	FY 2013-14	90,769,997	12,362,477	0
CY 2014	FY 2014-15	89,037,053	11,756,684	11,367,403
CY 2015	FY 2015-16	88,079,225	12,500,634	0
CY 2016	FY 2016-17	92,200,153	11,168,694	0
CY 2017	FY 2017-18	91,116,849	13,639,276	0

2018 SETTLEMENT AND SENATE BILL 18-280

In March 2018, the Office of the Attorney General reached a settlement agreement with Participating Manufacturers regarding payment disputes under MSA. This Settlement resolves disputed payments for calendar years 2004 through 2017. For budget purposes, this has two components:

- 1 A one-time payment of approximately \$113.3 million, credited to the General Fund.
- 2 A decrease of approximately \$20.0 million to the expected 2018 MSA annual payment.

In order to ensure that programs receiving MSA revenue would receive funding equal to the appropriations included in the FY 2018-19 Long Bill, S.B. 18-280 (Tobacco Litigation Settlement Cash Fund Transfer) set up a transfer of approximately \$20.0 million from the General Fund to the Tobacco Litigation Settlement Cash Fund, from which annual payments are distributed pursuant to statutory formula. This transfer restored funding to the amount forecasted in February 2018 and used to set FY 2018-19 appropriations.

The table below summarizes the total allocations by department and program for FY 2018-19 and FY 2019-20.

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ALLOCATIONS			
	PERCENTAGE	FY 2018-19 APPROVED DISTRIBUTION	FY 2019-20 APPROVED DISTRIBUTION
Health Care Policy and Financing			
Children's Basic Health Plan Trust	18.00%	\$15,120,000	\$15,436,711
Autism Waiver	2.00%	1,680,000	1,715,190
Subtotal - Health Care Policy and Financing	20.00%	16,800,000	17,151,901
Higher Education			
University of Colorado Health Sciences Center	15.50%	13,020,000	13,292,723
Cancer Program	2.00%	1,680,000	1,715,190
Subtotal - Higher Education	17.50%	14,700,000	15,007,913
Human Services			
Nurse Home Visitor Program	26.70%	22,428,000	22,897,788

TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ALLOCATIONS			
	PERCENTAGE	FY 2018-19 APPROVED DISTRIBUTION	FY 2019-20 APPROVED DISTRIBUTION
Tony Grampsas Youth Services Program	7.50%	6,300,000	6,431,963
Subtotal - Human Services	34.20%	28,728,000	29,329,751
Law			
Tobacco Settlement Defense Account	2.50%	2,100,000	2,143,988
Military and Veterans Affairs			
State Veterans Trust Fund	1.00%	840,000	857,595
Personnel			
Supplemental State Contribution Fund	2.30%	1,932,000	1,972,469
Public Health and Environment			
Drug Assistance Program (ADAP; Ryan White)	5.00%	4,200,000	4,287,975
AIDS and HIV Prevention Grants (CHAPP)	3.50%	2,940,000	3,001,583
Immunizations	2.50%	2,100,000	2,143,988
Health Services Corps Fund	1.00%	840,000	857,595
Dental Loan Repayment Program	1.00%	840,000	857,595
Subtotal - Public Health and Environment	13.00%	10,920,000	11,148,736
Capital Construction - Department of Higher Education - Fitzsimons			
Lease Purchase Payments	8.00%	6,720,000	6,860,760
Unallocated Amount	1.50%	1,260,000	1,286,393
TOTAL	100.00%	\$84,000,000	\$85,759,505

CONSTITUTIONAL (AMENDMENT 35) TOBACCO TAX REVENUE ALLOCATION

Amendment 35 was approved by the voters in 2004 and added the following two cigarette and tobacco taxes to Section 21 of Article X of the State Constitution:

- An additional \$0.64 tax on each pack of cigarettes sold in Colorado (a pack equals twenty cigarettes); and
- A statewide tobacco products tax equal to 20.0 percent of the manufacturer's list price, on the sale, use, consumption, handling, or distribution of tobacco products by distributors.

Amendment 35 was codified in Section 24-22-117, C.R.S. This provision outlines how revenue from Amendment 35 is allocated to various state agencies including the Departments of Health Care Policy and Financing (HCPF), Public Health and Environment (DPHE), and Revenue (REV). The following table summarizes the allocation of Amendment 35 revenue for FY 2019-20.

DISTRIBUTION OF AMENDMENT 35 REVENUE			
DEPT.	PROGRAM AND/OR FUND	PERCENT	FY 2019-20 DISTRIBUTION
HCPF	Health Care Expansion Fund	46.0	\$62,514,460
HCPF	Primary Care Fund	19.0	25,821,190
DPHE	Tobacco Education Programs Fund	16.0	21,744,160
DPHE	Prevention, Early Detection and Treatment Fund	16.0	21,744,160
HCPF	Old Age Pension Fund	1.5	2,038,515
REV	Local governments to compensate for lost revenue from tobacco taxes	0.9	1,223,109
DPHE	Immunizations performed by small local public health agencies	0.3	407,703
HCPF	Children's Basic Health Plan	0.3	407,703
TOTAL DISTRIBUTIONS		100.0	\$135,901,000

A portion of the money that is credited to the Prevention Early Detection and Treatment (PEDT) Fund is further allocated for three purposes: Breast and Cervical Cancer Program, Health Disparities Program Fund, and Center for

Health and Environmental Information. The following table summarizes how the total funds credited to the PEDT Fund are further allocated.

BREAKDOWN OF MONEY CREDITED TO THE PREVENTION, EARLY DETECTION AND TREATMENT FUND		
	PERCENT	FY 2019-20
TOTAL AMOUNT CREDITED TO THE PREVENTION, EARLY DETECTION AND TREATMENT FUND		\$21,744,160
Breast and Cervical Cancer Program	20.0%	4,348,832
Health Disparities Program Fund	15.0%	3,261,624
Center for Health and Environmental Information	Fixed \$	116,942
<i>Remains in the Prevention, Early Detection and Treatment Fund</i>		<i>\$14,016,762</i>

RECENT LEGISLATION

2018 SESSION BILLS

S.B. 18-280 (TOBACCO LITIGATION SETTLEMENT CASH FUND TRANSFER): Transfers \$19,965,068 from the General Fund to the Tobacco Litigation Settlement Cash Fund on July 1, 2018, and disburses this money pursuant to the allocation for annual payments received under the Tobacco Master Settlement Agreement.

2019 SESSION BILLS

No bills directly impacted the statutes governing the Tobacco Master Settlement Agreement or Amendment 35 Tobacco Tax.

J. MARIJUANA TAX REVENUE ALLOCATIONS

This appendix provides an overview of state taxes related to marijuana, the allocation of these tax revenues, and a summary of appropriations and transfers from the Marijuana Tax Cash Fund for FY 2018-19 and FY 2019-20.

LEGAL AND REGULATORY OVERVIEW

Marijuana was legalized in Colorado through the passage of two citizen ballot initiatives that amended the State Constitution. In 2000, voters passed an initiative¹ that added Section 14 to Article XVIII, authorizing the medical use of marijuana for persons suffering from debilitating medical conditions. In 2012, voters passed an initiative² that added Section 16 to Article XVIII, authorizing personal use of marijuana.

The General Assembly has passed legislation to implement the constitutional provisions adopted by voters. The most significant statutory provisions concerning marijuana include:

- Colorado Medical Marijuana Code [Section 44-11-101 et. seq., C.R.S.]³
- Colorado Retail⁴ Marijuana Code [Section 44-12-101 et. seq., C.R.S.]³
- Taxes on Marijuana and Marijuana Products [Section 39-28.8-101 et seq., C.R.S.]

Two state agencies are primarily responsible for implementing the above laws:

- The **Department of Revenue** has two general areas of responsibility:
 - The Department's Executive Director is the "State Licensing Authority", charged with regulating and controlling the licensing of the cultivation, manufacture, distribution, and sale of medical and retail marijuana. These duties are performed with the assistance of the Department's Marijuana Enforcement Division and are supported by medical and retail marijuana business fees that are credited to the *Marijuana Cash Fund*⁵. These regulatory functions include:
 - Establishing and enforcing rules and regulations for the marijuana industry;
 - Administering the marijuana inventory seed-to-sale tracking system (METRC);
 - Issuing licenses to medical and retail marijuana businesses (including stores, cultivations, and testing facilities), and issuing occupational licenses to those seeking employment in the marijuana industry;
 - Administering caregiver cultivation registration; and
 - Approving responsible vendor training programs.
 - The Department collects, administers, and enforces state taxes and fees related to marijuana and marijuana products. This includes the distribution of a portion of the special sales tax on retail marijuana to local governments. These activities are supported by medical and retail marijuana sales tax revenues that are credited to the *Marijuana Tax Cash Fund*.

¹ Amendment 20 was adopted with 915,943 (53.5 percent) voting for the measure.

² Amendment 64 was adopted with 1,383,140 (55.3 percent) voting for the measure.

³ Senate Bill 19-224 incorporates recommendations from the sunset reviews for the Colorado Medical Marijuana Code and the Colorado Retail Marijuana Code, and integrates the two codes into a single "Colorado Marijuana Code" in Article 10 of Title 44, C.R.S.

⁴ While marijuana that is sold for personal use as authorized by Amendment 64 is generally called "recreational" marijuana, the statutory provisions that implement Amendment 64 use the term "retail" marijuana. Staff has generally used the term "retail" for purposes of this document.

⁵ Actual business fee and fine revenues collected and credited to this fund, along with associated interest and other adjustments, totaled \$13,269,162 in FY 2017-18.

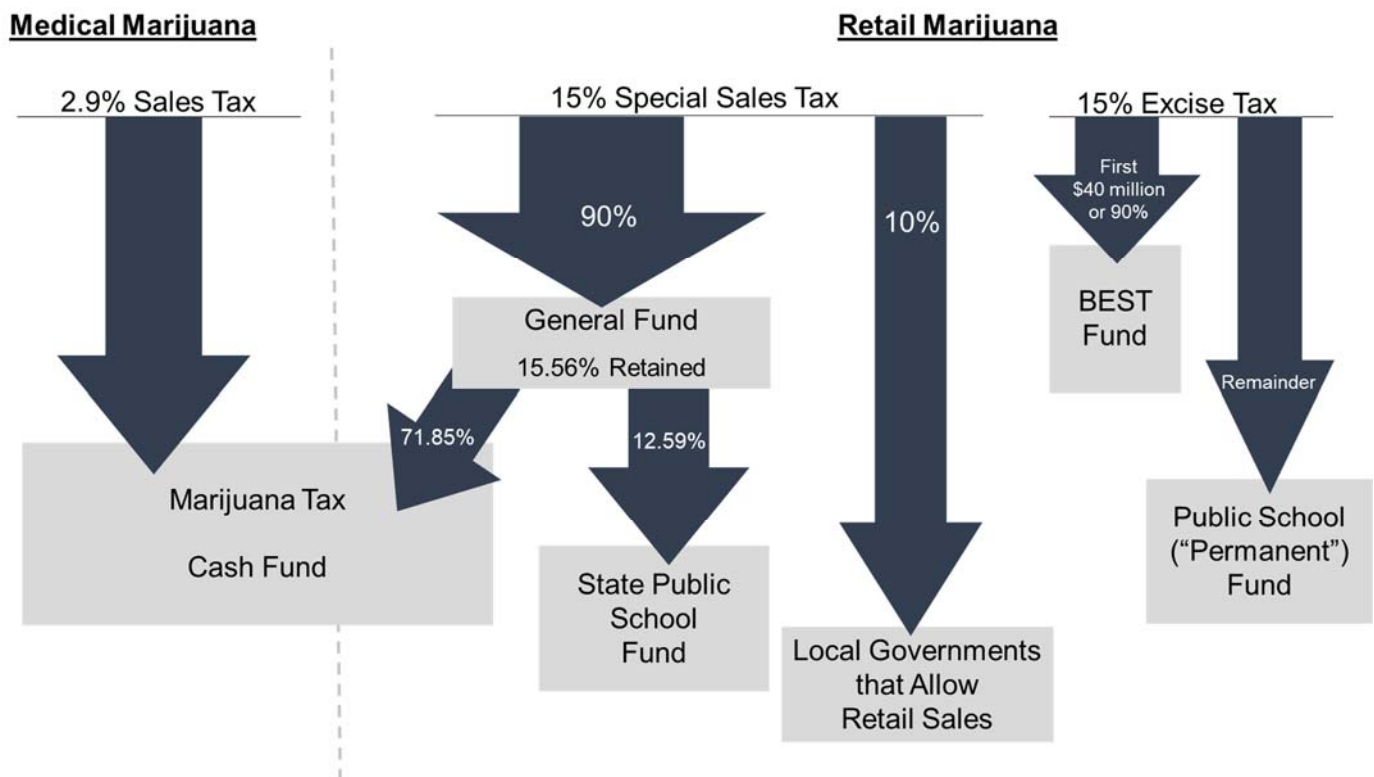
- The **Department of Public Health and Environment** administers certain aspects of the medical marijuana program, including:
 - Administering the medical marijuana registry (which tracks patients, caregivers, and physician recommendations) and distributing medical marijuana cards;
 - Coordinating inspection of retail marijuana lab testing facilities;
 - Administering education and prevention campaigns to educate the public and visitors on the parameters of safe, legal, and responsible marijuana use; and
 - Monitoring all marijuana use patterns, health impacts, and research on marijuana’s health effects.

This department’s regulatory activities are supported by fees paid by patients seeking medical marijuana cards that are credited to the *Medical Marijuana Program Cash Fund*⁶, and the remaining activities are supported by medical and retail marijuana sales tax revenues that are credited to the *Marijuana Tax Cash Fund*.

Local governments also have a role in regulating marijuana. Cities and counties may prohibit or place limits on the medical and retail marijuana sales in their jurisdictions, including the number and location of businesses and hours of operation. Cities and counties may establish land use restrictions concerning marijuana businesses, cultivation, and operations. Local jurisdictions may also impose and collect their own sales or excise tax on retail marijuana. However, each local government is responsible for collecting, administering, and enforcing local marijuana taxes.

TAX REVENUE OVERVIEW

The State collects three types of taxes on marijuana products. The following graphic (designed by Legislative Council Staff) illustrates the allocation of state tax revenue related to marijuana. A discussion of each type of tax and the allocation of the associated tax revenue follows.



⁶ Actual patient fee revenues collected and credited to this fund, along with associated interest and other adjustments, totaled \$1,649,661 in FY 2017-18.

First, a **regular state sales tax** (2.9 percent) applies to consumer goods. With respect to marijuana products, this tax applies to sales of medical marijuana and to non-marijuana products sold by marijuana stores (e.g., t-shirts and other novelty items). Since July 1, 2017, retail marijuana has been exempt from this tax. All general sales tax revenue related to marijuana is credited to the *Marijuana Tax Cash Fund* (MTCF) and is used to support a variety of state programs and services. The next section of this appendix provides an overview of the allocation of money in this fund.

Second, a **special sales tax** (15.0 percent⁷) is collected on retail marijuana sales (medical marijuana is exempt from this tax). Of the total amount collected annually, 10.0 percent is allocated to local governments based on the percentage of such revenues collected within the boundaries for each local government. The remaining 90.0 percent state share of special sales tax revenues is allocated among three funds:

- 71.85 percent is transferred to the *MTCF* and is annually appropriated to support a variety of state programs and services;
- 12.59 percent is transferred to the *State Public School Fund* and may be appropriated to the Department of Education to meet the State's share of total program funding for school districts and institute charter schools⁸; and
- the remainder (15.56 percent⁸) is retained in the *General Fund* and is thus available for appropriation in the fiscal year in which it is collected.

Third, a marijuana **excise tax** (15.0 percent) is applied to the average market wholesale price of the product being sold or otherwise transferred from a retail marijuana cultivation facility. Average market wholesale prices are periodically set by the Department of Revenue's Marijuana Enforcement Division.

As required by the State Constitution⁹, the first \$40.0 million of excise tax revenue raised annually from retail marijuana wholesale products is transferred to the *Public School Capital Construction Assistance Fund* (PSCCAF). Money in this fund helps pay for local K-12 school construction projects through the Building Excellent Schools Today (BEST) program, which is administered through the Department of Education. Any excise tax revenue in excess of the amount transferred to the PSCCAF is credited to the *Public School "Permanent" Fund*, which is a constitutionally created trust fund that generates income to support public K-12 schools.

Recent legislation has increased the amount of excise tax revenue that is used to support the BEST program:

- House Bill 18-1101 required that starting July 1, 2018, the greater of \$40.0 million or 90.0 percent of the total excise tax revenue collected annually is transferred to the PSCCAF.
- House Bill 19-1055 requires that starting July 1, 2019, all excise tax revenue collected annually is transferred to the PSCCAF, thereby eliminating the transfer of any excise tax revenue to the Permanent Fund.

From FY 2013-14 through FY 2017-18, a total of \$209.1 million from marijuana excise tax revenue has been credited to these two funds, including:

- \$147.0 million to the Public School Capital Construction Assistance Fund¹⁰; and
- \$62.1 million to the Public School "Permanent" Fund.

⁷ In 2013, voters approved Proposition AA, which authorized the State to levy up to a 15.0 percent excise tax and up to a 15.0 percent special retail sales tax on retail marijuana and marijuana products. The State initially chose to levy a 10.0 percent special sales tax (effective beginning January 1, 2014). Pursuant to S.B. 17-267, the special sales tax rate increased to 15.0 percent, effective July 1, 2017.

⁸ For FY 2017-18 only, a flat amount of \$30,000,000 was transferred to the State Public School Fund (rather than applying 12.59 percent to annual special sales tax revenues) and was statutorily appropriated to the Department of Education for disbursement to schools in rural school districts.

⁹ See Article XVIII, Section 16 (5)(d), of the State Constitution.

¹⁰ This amount excludes an additional \$40.0 million that was transferred to the Public School Capital Construction Assistance Fund from the Proposition AA Refund Account in FY 2015-16, pursuant to voter approval of Proposition BB. The source of this funding was sales tax revenues, rather than excise tax revenues.

Two of the three sources of state marijuana-related tax revenues are not subject to the limitation on state fiscal year spending imposed by Article X, Section 20, of the State Constitution (the Taxpayer’s Bill of Rights or TABOR): the special sales tax and the excise tax¹¹. However, the regular state sales tax (2.9 percent) revenue collected by medical marijuana centers and retail marijuana stores is subject to TABOR. In addition, the fees and fines paid by retail and medical marijuana businesses and the fees paid by medical marijuana patients are subject to TABOR. For FY 2017-18, the marijuana-related tax and fee revenue that is subject to TABOR totaled \$30.7 million (including \$15.8 million in sales tax revenue and \$14.9 million in fee revenue).

MARIJUANA TAX CASH FUND OVERVIEW

As described earlier in this appendix, the General Assembly has established three marijuana-related cash funds:

- The *Marijuana Cash Fund* consists of medical and retail marijuana business fees and fines. Money in this fund is annually appropriated to the Department of Revenue to support the Marijuana Enforcement Division.
- The *Medical Marijuana Program Cash Fund* consists of fees paid by patients seeking medical marijuana cards. Money in this fund is annually appropriated to the Department of Public Health and Environment to support the medical marijuana registry and other regulatory functions.
- The *Marijuana Tax Cash Fund* (MTCF) consists of: (a) all revenues collected from the regular state sales tax on medical marijuana and non-marijuana retail product sales; and (b) a portion of special sales tax revenue that is collected on retail marijuana sales (64.665 percent). The General Assembly annually appropriates money in this fund to support a variety of state programs and services, including the Department of Revenue’s Taxation Business Group.

In FY 2017-18, the State collected a total of \$251.0 million in marijuana sales and excise tax revenue and allocated this amount as follows:

- \$123.9 million (49.4 percent) was credited to the MTCF and appropriated for a variety of purposes;
- \$98.0 million (39.0) was allocated to three funds that support K-12 education;
- \$16.7 million (6.7 percent) was distributed to local governments; and
- \$12.4 million (4.9 percent) was retained in the General Fund.

The remainder of this section provides an overview of the allocation of money in the MTCF.

The statutory provision that establishes the (MTCF) limits the timing, amount, and allowable uses of this fund¹². With respect to **timing**, this provision states that the General Assembly may appropriate money in the MTCF to the Department of Revenue for the fiscal year in which it was received by the State for the costs associated with implementing the Colorado Marijuana Code and provisions concerning taxes on marijuana and marijuana products. However, any other appropriations from the MTCF are limited to the fiscal year following the fiscal year in which it was received (e.g., revenue collected in FY 2019-20 may only be appropriated for FY 2020-21 or subsequent fiscal years).

With respect to the **amount** appropriated from the MTCF, this statutory provision limits annual appropriations from the MTCF to 93.5 percent of the “amount of moneys in the fund available for appropriation”. This provision thus establishes an annual MTCF reserve that is similar to the statutory General Fund reserve requirement.¹³ [The General Fund reserve was 6.5 percent at the time the MTCF reserve was established, but has subsequently been increased.]

¹¹ See Sections 39-28.8-204 and 39-28.8-307, C.R.S., respectively.

¹² See Section 39-28.8-501 (2), C.R.S.

¹³ See Section 24-75-201.1 (1)(d)(XIV), C.R.S.

Finally, the General Assembly has specified the **allowable purposes** for which the General Assembly may appropriate money in the MTCF. These purposes are listed in Section 39-28.8-501 (2)(b)(IV), C.R.S., and are periodically amended through legislation.

The General Assembly makes annual appropriations from the MTCF based on the most recent tax revenue projections from either Legislative Council Staff or staff at the Office of State Planning and Budgeting (OSPB). Appropriations for FY 2019-20 were premised on the March 2019 revenue forecast prepared by Legislative Council Staff. Based on that forecast, a total of \$158.9 million is projected to be available for transfers and appropriations for FY 2019-20 from revenues collected through FY 2018-19. The General Assembly appropriated or transferred a total of \$159.2 million, including \$1.3 million appropriated to the Department of Revenue that may be supported by revenues collected in FY 2019-20. The following table details appropriations and transfers from the MTCF for FY 2018-19 and FY 2019-20.

APPROPRIATIONS FROM AND TRANSFERS OUT OF THE MARIJUANA TAX CASH FUND		
DESCRIPTION	FY 2018-19 APPROPRIATION	FY 2019-20 APPROPRIATION
APPROPRIATIONS BY DEPARTMENT AND PROGRAM		
Agriculture:		
Pesticide control and regulation	\$1,099,327	\$1,099,327
Hemp regulatory and seed certification	428,150	428,150
Colorado State Fair Authority: FFA and 4-H programming	300,000	300,000
Indirect cost assessments and centrally appropriated amounts not accounted for above	<u>0</u>	<u>69,172</u>
Subtotal: Agriculture	1,827,477	1,896,649
Education:		
Behavioral Health Care Professional Matching Grant Program	11,930,434	11,937,032
Early Literacy Competitive Grant Program (H.B. 18-1393)	5,378,678	5,378,678
Office of Dropout Prevention and Student Reengagement	2,000,419	2,004,279
School Bullying Prevention and Education	2,000,000	2,000,000
Centrally appropriated amounts not accounted for above	<u>89,296</u>	<u>116,262</u>
Subtotal: Education	21,398,827	21,436,251
Governor:		
Office of Information Technology, Applications Administration	638,750	638,750
Evidence-based policymaking evaluation and support	435,675	500,000
Governor's Office	<u>131,054</u>	<u>114,890</u>
Subtotal: Governor	1,205,479	1,253,640
Health Care Policy and Financing:		
Training for health professionals to provide Screening, Brief Intervention, and Referral for Treatment (SBIRT) services for Medicaid clients at risk for substance abuse (H.B. 18-1003)	<u>1,675,000</u>	<u>1,500,000</u>
Subtotal: Health Care Policy and Financing	1,675,000	1,500,000
Higher Education:		
Institute of Cannabis Research at CSU-Pueblo (S.B. 16-191)	1,800,000	1,800,000
Center for Research Into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies (S.B. 17-193; H.B. 18-1003)	750,000	0
Medication-assisted Treatment Pilot Program (S.B. 17-074)	<u>500,000</u>	<u>0</u>
Subtotal: Higher Education	3,050,000	1,800,000
Human Services:		
Increasing access to effective substance use disorder services, including evaluation of intensive residential treatment (S.B. 16-202)	15,284,950	15,576,864
Mental health services for juvenile and adult offenders	5,574,491	5,710,843
Criminal justice diversion programs (Law Enforcement Assisted Diversion or "LEAD" pilot programs and S.B. 17-207)	5,561,828	5,689,020
Enhance behavioral health crisis response system (S.B. 17-207)	4,386,807	4,544,027
Circle Program and other rural treatment programs for people with co-occurring mental health and substance use disorders	3,039,395	3,130,596
Programs that fund service alternatives to placing youth in a correctional facility (S.B. 91-094)	2,048,317	2,074,468
Tony Grampas Youth Services Program grants for the prevention of youth marijuana use	1,373,672	1,623,672
Appropriation to the Youth Mentoring Services Cash Fund (Tony Grampas Youth Services Program)	1,000,000	1,000,000
Community prevention and treatment for alcohol and drug abuse	763,861	782,545
Incredible Years program	481,236	679,106
Substance use disorder treatment at the mental health institutes	503,649	503,649
Office of Behavioral Health administrative expenses	440,346	442,870
Mental Health Treatment for Children and Youth at Risk of Out-of-home Placement	407,247	417,727

APPROPRIATIONS FROM AND TRANSFERS OUT OF THE MARIJUANA TAX CASH FUND		
DESCRIPTION	FY 2018-19 APPROPRIATION	FY 2019-20 APPROPRIATION
Medication consistency and health information exchange (S.B. 17-019)	491,700	380,700
Indirect cost assessments and centrally appropriated amounts not accounted for above	<u>2,031,114</u>	<u>1,771,270</u>
Subtotal: Human Services	43,388,613	44,327,357
Judicial:		
Appropriation to the Correctional Treatment Cash Fund for jail-based behavioral health services (administered through the Department of Human Services)	<u>1,587,445</u>	<u>1,603,319</u>
Subtotal: Judicial	1,587,445	1,603,319
Labor and Employment:		
Colorado Veterans' Service-to-career Pilot Program (H.B. 16-1267; H.B. 18-1343)	<u>1,000,000</u>	<u>0</u>
Subtotal: Labor and Employment	1,000,000	0
Law:		
Local law enforcement training through the Peace Officers Standards and Training (POST) Board	1,036,766	1,036,766
Safe2Tell (H.B. 18-1434)	<u>164,920</u>	<u>174,888</u>
Subtotal: Law	1,201,686	1,211,654
Local Affairs:		
Affordable Housing Construction Grants and Loans	15,300,000	15,300,000
Gray and Black Market Marijuana Enforcement Efforts (H.B. 17-1221)	5,940,151	5,944,365
Indirect cost assessments and centrally appropriated amounts not accounted for above	<u>395,247</u>	<u>149,942</u>
Subtotal: Local Affairs	21,635,398	21,394,307
Public Health and Environment:		
Substance abuse prevention	9,420,800	9,433,890
Public awareness campaign	4,650,000	4,650,000
Colorado Health Service Corps Program (S.B. 18-024)	2,500,000	2,500,000
Distributions to Local Public Health Agencies	1,810,286	1,828,389
Marijuana lab certification	778,159	1,121,769
Healthy Kids Colorado Survey	748,314	748,314
Retail marijuana health research grants	867,167	558,840
Marijuana health effects monitoring	330,729	341,509
Health survey data collection	238,000	238,000
Data collection and analysis (S.B. 13-283)	90,939	175,939
Enhanced marijuana data collection through Rocky Mountain Poison and Drug	60,100	60,100
Medical marijuana research grants	3,000,000	0
School-based health centers (H.B. 18-1003)	775,000	0
Indirect cost assessments and centrally appropriated amounts not accounted for above	<u>2,407,609</u>	<u>2,616,696</u>
Subtotal: Public Health and Environment	27,677,103	24,273,446
Public Safety:		
Colorado Bureau of Investigation - Black market marijuana interdiction, CBI Task Force support for Department of Revenue's Marijuana Enforcement Division, Toxicology Laboratory services, and Collection of medical marijuana information by law enforcement agencies (S.B. 15-014)	1,542,611	3,538,840
Division of Criminal Justice - Study of the impacts of the legalization of retail marijuana (S.B. 13-283/S.B. 16-191), and Law Enforcement Assistance Grant Program (H.B. 18-1020)	1,649,995	1,651,201
Division of Criminal Justice - Juvenile diversion programs	400,000	400,000
Public safety intelligence support related to the illegal sale and diversion of marijuana	75,774	76,775
Reserve Peace Officer Academy Grant Program (S.B. 17-096)	16,183	16,224
Indirect cost assessments and centrally appropriated amounts not accounted for above	<u>99,344</u>	<u>712,401</u>
Subtotal: Public Safety	3,783,907	6,395,441
Regulatory Agencies:		
Improve enforcement of medical marijuana gray market	<u>0</u>	<u>0</u>
Subtotal: Regulatory Agencies	0	0
Transportation:		
Impaired driving campaign	0	1,000,000
Marijuana impaired driving campaign	<u>950,000</u>	<u>950,000</u>
Subtotal: Transportation	950,000	1,950,000
Subtotal: Appropriations from Revenues Collected in Previous Fiscal Year	\$130,380,935	\$129,042,064
Appropriation to the Department of Revenue from revenues collected in same fiscal year pursuant to Section 39-28.8-501 (2)(a)(I), C.R.S.	<u>1,532,087</u>	<u>1,285,353</u>
Total FY 2018-19 Appropriations and		
Total FY 2019-20 LONG BILL Appropriations	\$131,913,022	\$130,327,417
OTHER APPROPRIATIONS AND TRANSFERS		
Additional FY 2019-20 Appropriations in Separate Legislation:		
S.B. 19-001: Expand Medication-assisted Treatment Pilot Program <i>[Higher Education]</i>		\$2,500,000
S.B. 19-008: Substance Use Disorder Treatment in Criminal Justice System		1,800,000

APPROPRIATIONS FROM AND TRANSFERS OUT OF THE MARIJUANA TAX CASH FUND		
DESCRIPTION	FY 2018-19 APPROPRIATION	FY 2019-20 APPROPRIATION
<i>[Public Health and Environment]</i>		
S.B. 19-010: Behavioral Health Care Professional Matching Grant Program <i>[Education]</i>		3,000,000
S.B. 19-176: Expanding Concurrent Enrollment Opportunities <i>[Education]</i>		1,500,000
S.B. 19-228: Substance Use Disorders Prevention Measures <i>[Higher Education]</i>		1,100,000
S.B. 19-228: Substance Use Disorders Prevention Measures <i>[Human Services]</i>		1,192,367
S.B. 19-228: Substance Use Disorders Prevention Measures <i>[Public Health and Environment]</i>		2,000,000
S.B. 19-246: Public School Finance - Comprehensive Quality Physical Education Instruction Pilot Program <i>[Education]</i>		1,100,000
H.B. 19-1009: Substance Use Disorder Recovery <i>[Local Affairs]</i>		826,500
H.B. 19-1017: K-5 Social and Emotional Health Pilot Program <i>[Education]</i>		43,114
H.B. 19-1073: Law Enforcement Information Sharing Grant Program <i>[Public Safety]</i>		500,000
H.B. 19-1203: School Nurse Grant Program <i>[Public Health and Environment]</i>		3,000,000
H.B. 19-1223: Social Security Disability Application Assistance <i>[Human Services]</i>		1,450,000
H.B. 19-1287: Treatment for Substance Use Disorders <i>[Human Services]</i>		<u>5,589,344</u>
Total Appropriations in Other 2019 Legislation		\$25,601,325
Statutory Transfers:		
Transfer to High-cost Special Education Trust Fund (S.B. 19-066)	\$0	\$2,500,000
Transfer to Pay for Success Contracts Fund (H.B. 18-1323)	989,470	1,717,764
Transfer from Marijuana Cash Fund to MTCF to support CBI Task Force (SB 19-213)	0	<u>(914,416)</u>
Total Statutory Transfers	\$989,470	\$3,303,348
TOTAL APPROPRIATIONS AND TRANSFERS FROM THE MARIJUANA TAX CASH FUND	\$132,902,492	\$159,232,090

K. LETTERS REQUESTING INFORMATION FROM STATE DEPARTMENTS

Historically, the annual Long Bill included a number of footnotes that described the General Assembly's intent regarding an appropriation; placed a condition or limitation on an appropriation; explained any assumptions used in determining the specific amount of an appropriation; or requested information. However, pursuant to H.B. 08-1321 (Section 24-75-112 (2), C.R.S.), the Long Bill no longer contains footnotes that request information. In their place, the Joint Budget Committee submits requests for information to executive departments and the judicial branch via letters to the Governor, the Chief Justice, and other elected officials. Each request is associated with one or more specific Long Bill line items, and the requests have been prioritized by the Joint Budget Committee as required by Section 2-3-203 (3), C.R.S.

Copies of these letters are included in the following pages. The first of these attached letters is to the Governor and addresses all affected departments in alphabetical order, except those under the purview of the Chief Justice or other elected officials. Letters to the Chief Justice (Judicial Department), the Attorney General (Department of Law), the Secretary of State (Department of State), and the Treasurer (Department of the Treasury) follow in that order.

Responses to these requests for information are typically summarized in Joint Budget Committee staff briefing documents (available at leg.colorado.gov/content/budget). Department submissions may also be requested in their entirety from the Legislative Library (email: lcs.ga@state.co.us; or telephone: (303) 866-4011).

STATE OF COLORADO

SENATORS
DOMINICK MORENO, CHAIR
RACHEL ZENZINGER
BOB RANKIN

REPRESENTATIVES
DANEYA ESGAR, VICE-CHAIR
CHRIS HANSEN
KIM RANSOM



STAFF DIRECTOR
JOHN ZIEGLER

JOINT BUDGET COMMITTEE
200 EAST 14TH AVENUE, 3RD FLOOR
LEGISLATIVE SERVICES BUILDING
DENVER, CO 80203
TELEPHONE 303-866-2061
<http://leg.colorado.gov/agencies/joint-budget-committee>

May 1, 2019

Hon. Jared Polis, Governor
136 State Capitol
Denver, CO 80203-1792

Dear Governor Polis:

The General Assembly recently finalized the FY 2019-20 Long Bill. Pursuant to Section 24-75-112 (2), C.R.S., the Long Bill footnotes no longer include requests for information. In lieu of such footnotes, the Joint Budget Committee respectfully submits the following requests for information. These requests are associated with specific Long Bill line items, and each has its own details and deadlines. Consistent with the provisions of Section 2-3-203 (3), C.R.S., information requests have been prioritized within each department in the attached lists.

To assist our staff in organizing and tracking submissions, we would appreciate if the department would follow the protocol outlined in an attachment to this letter with respect to submitting hard copies and electronic responses. The Committee requests that the department comply with these requests for information to the fullest extent possible.

Please notify us by June 1, 2019 if the department does not intend to comply with any requests.

Sincerely,

A handwritten signature in black ink, appearing to be "D. Moreno", written over a horizontal line.

Senator Dominick Moreno
Chair

cc:
Executive Agency Directors
Lauren Larson, Office of State Planning and Budgeting
John Ziegler, Staff Director, Joint Budget Committee

Attachment
Requested Format for Responses to Legislative Requests for Information

Please submit both hard (paper) copies and electronic copies of request for information (RFI) responses as follows:

- Hard copies: One (1) hard copy should be delivered by the requested due-date to the Joint Budget Committee (JBC) offices at 200 East 14th Ave., Denver, 3rd Floor.
- Electronic copies: An electronic copy of all paper submissions should also be submitted. This should be sent by email to:
 - The JBC analyst(s) responsible for the specified budget area(s)
 - Jessi Neuberg (jessi.neuberg@state.co.us) at the JBC offices
 - Legislative Council Staff at the following address: lcs.ga@state.co.us

The Legislative Council Staff (lcs.ga@state.co.us) will include the report in an electronic database (part of the Legislative Council Library) and will also ensure the report is distributed to other legislative committees, as specified in some of the RFIs.

- All submissions should include the following information:
 - Name of Department
 - Long Bill fiscal year to which the RFI is attached (FY 2019-20 for the RFIs listed in this letter)
 - Correct RFI number, as listed in this letter

Please include this information in the subject line for electronic submissions, as well as in the body of both electronic and hard copy submissions.

- Please use the following naming convention for your electronic attachments:

"[Department] [fiscal year] [RFI Number]"

For example, the attachment providing the response to RFI #5 in the Department of Health Care Policy and Financing would be entitled: **Health Care Policy and Financing FY 2019-20 RFI #5.**

LEGISLATIVE REQUESTS FOR INFORMATION FOR FY 2019-20

REQUESTS AFFECTING MULTIPLE DEPARTMENTS

- 1 Department of Health Care Policy and Financing, Executive Director's Office; and Department of Military Affairs, Executive Director and Army National Guard -- The Departments are requested to explore further the potential benefits to veterans and the State of a pilot program to identify and conduct outreach to veterans enrolled in the Medicaid program who may be able to make better use of their federal Veterans Administration (VA) benefits.
 - The two departments are requested to work together to refine the process for identifying which veterans might benefit from further outreach. This may include individuals with high prescription drug costs to determine if they would benefit from accessing VA prescription drug benefits; ensuring that veterans who are discharged from a nursing facility have their pension and aid and attendance benefits restored from the \$90 institutionalized amount; outreach to individuals receiving \$0 monthly VA compensation benefits; outreach to Vietnam-era veterans to ensure they are receiving benefits related to "agent orange" exposure, when relevant; exploring opportunities to increase veterans' service-connected disability ratings; and any other categories the departments believe should be targeted.
 - HCPF is requested to extract relevant data samples and to work closely with DMVA to help refine the process for identifying veterans most suitable for outreach.
 - The DMVA is requested to conduct outreach to a small sample of veterans, such as those with high Medicaid pharmacy costs, to test the lists provided and veterans' responses.
 - The DMVA is also requested to investigate the potential for using work-study students, funded by the federal Veterans Administration, to assist in outreach to veterans.
 - Based on the results of this preliminary research, by October 1, 2019, the Departments are requested to submit a report to the Joint Budget Committee with recommendations on how the State should proceed. If the Departments continue to recommend a pilot program, they are requested to submit a detailed plan for how the pilot will be structured, including how they will identify veterans who should receive outreach, the estimated number who will receive outreach, the form of such outreach (letter/phone/etc.), the recommended length of the pilot, and how they will assess the impact of the pilot. The plan should include the proposed mechanism for determining whether a veteran has increased VA benefits as a result of the Department's outreach and a plan for determining whether the program has resulted in any General Fund savings to the State. The assessment may include a comparison with a randomized control group, if appropriate.
- 2 Department of Corrections; Department of Human Services; Judicial Department; Department of Public Safety; and Department of Transportation -- State agencies involved in multi-agency programs requiring separate appropriations to each agency are requested to designate one lead agency to be responsible for submitting a comprehensive annual budget request for such programs to the Joint Budget Committee, including prior year, request year, and three year forecasts for revenues into the fund and expenditures from the fund by agency. The requests should be sustainable for the length of the forecast based on anticipated revenues. Each agency is still

requested to submit its portion of such request with its own budget document. This applies to requests for appropriation from: the Alcohol and Drug Driving Safety Program Fund, the Law Enforcement Assistance Fund, the Offender Identification Fund, the Persistent Drunk Driver Cash Fund, and the Sex Offender Surcharge Fund, among other programs.

- 3 Department of Education, Assistance to Public Schools, Categorical Programs; and Department of Higher Education, Division of Occupational Education, Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S. -- The Department of Education is requested to work with the Department of Higher Education and to provide to the Joint Budget Committee information concerning the distribution of state funds available for each categorical program, excluding grant programs. The information for special education programs for children with disabilities, English language proficiency programs, public school transportation, career and technical education, and small attendance center aid is requested to include the following: (a) a comparison of the state funding distributed to each district or administrative unit for each program in fiscal year 2018-19 and the maximum allowable distribution pursuant to state law and/or State Board of Education rule; and (b) a comparison of the state and federal funding distributed to each district or administrative unit for each program in fiscal year 2017-18 and actual district expenditures for each program in fiscal year 2017-18. The information for special education programs for gifted and talented children is requested to include a comparison of the state funding distributed to each district or administrative unit for each program in fiscal year 2017-18 and actual district expenditures in fiscal year 2017-18.
- 4 Governor – Lieutenant Governor – State Planning and Budgeting, Office of State Planning and Budgeting; and Department of Public Safety, Division of Homeland Security and Emergency Management, Office of Emergency Management, Disaster Response and Recovery -- The Office of Emergency Management is requested to work with the Office of State Planning and Budgeting to provide a report to the Joint Budget Committee by November 1, 2019, concerning revenues credited to and expenditures made from the Disaster Emergency Fund in fiscal years 2016-17, 2017-18, and 2018-19. The report is requested to include the following: (a) amounts authorized to be transferred to the Disaster Emergency Fund, by Executive Order and fund source; (b) amounts actually transferred to the Fund, by date and fund source; (c) actual expenditures from the Fund, by declared disaster emergency, (d) reimbursements credited to the Fund, by date and source, and (e) total fund balance and unencumbered fund balance.
- 5 Department of Health Care Policy and Financing, Executive Director's Office and Department of Higher Education, Governing Boards, Regents of the University of Colorado -- Based on agreements between the University of Colorado and the Department of Health Care Policy and Financing regarding the use of Anschutz Medical Campus Funds as the State contribution to the Upper Payment Limit, the General Assembly anticipates various public benefits. The General Assembly further anticipates that any increases to funding available for this program will lead to commensurate increases in public benefits. The University of Colorado and the Department of

Health Care Policy and Financing are requested to submit a report to the Joint Budget Committee about the program and these benefits by October 1, 2019.

- 6 Department of Health Care Policy and Financing, Medical Services Premiums; Indigent Care Program, Children's Basic Health Plan Medical and Dental Costs; Department of Higher Education, Colorado Commission on Higher Education, Special Purpose, University of Colorado, Lease Purchase of Academic Facilities at Fitzsimons; Governing Boards, Regents of the University of Colorado; Department of Human Services, Division of Child Welfare, Tony Gramscas Youth Services Program; Office of Early Childhood, Division of Community and Family Support, Nurse Home Visitor Program; Department of Military and Veterans Affairs, Division of Veterans Affairs, Colorado State Veterans Trust Fund Expenditures; Department of Personnel, Division of Human Resources, Employee Benefits Services, H.B. 07-1335 Supplemental State Contribution Fund; Department of Public Health and Environment, Disease Control and Environmental Epidemiology Division, Administration, General Disease Control, and Surveillance, Immunization Operating Expenses; Special Purpose Disease Control Programs, Sexually Transmitted Infections, HIV and AIDS Operating Expenses, and Ryan White Act Operating Expenses; Prevention Services Division, Chronic Disease Prevention Programs, Oral Health Programs; Primary Care Office -- Each Department is requested to provide the following information to the Joint Budget Committee by **October 1, 2019** for each program funded with Tobacco Master Settlement Agreement money: the name of the program; the amount of Tobacco Master Settlement Agreement money received and expended by the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals.
- 7 Department of Health Care Policy and Financing, Office of Community Living; Department of Human Services, Services for People with Disabilities, Regional Centers; and Department of Public Health and Environment, Health Facilities and Emergency Medical Services Division, Health Facilities Division -- The Departments are requested to provide by November 1 of each fiscal year, the status of the implementation of Regional Center Task Force recommendations.
- 8 Department of Human Services, Department of Education -- The Departments are requested to submit on or before June 30, 2019 a report to the Joint Budget Committee concerning the breakdown of the costs of Part C Child Find evaluations, including the cost per evaluator, cost per evaluation, cost per geographic area, and cost by expertise for each evaluation.
- 9 Department of Regulatory Agencies, Public Utilities Commission; Department of Human Services, Executive Director's Office, Special Purpose; Department of Human Services, Office of Early Childhood, Division of Early Care and learning -- The Departments are requested to submit a quarterly report beginning September 1, 2018 on the status of translation services for the deaf and hard of hearing. The report should include information on expenditures, cash fund balance for the Telephone Users with Disabilities Fund, locations of translation services, number of

individuals served, category of services (doctor's office, school, etc.), county location of individuals requesting service, and the amount of time between request for translations services and the provision of those services.

- 10 Department of Corrections, Management; and Institutions; Department of Higher Education, Governing Boards, Regents of the University of Colorado; and Department of Human Services, Office of Behavioral Health, Mental Health Institutes -- The Departments are requested to work together to explore strategies to increase the ability of the Department of Human Services and the Department of Corrections to recruit and retain the most competent and desirable candidates to provide psychiatric care at the Mental Health Institutes and state prison facilities. These strategies may include, but not be limited to:
 - Expanding the academic affiliation with the University of Colorado School of Medicine to include an option for academic promotion, teaching, and research opportunities for psychiatrists recruited to the Mental Health Institutes and the Department of Corrections in an effort to benefit all, and to evaluate additional opportunities for medical student and resident clinical experiences in state psychiatric and correctional facilities;
 - Increasing the utilization of tele psychiatry; and
 - Improving collaboration between the University of Colorado School of Medicine Department of Psychiatry, the Mental Health Institutes, and the Department of Corrections in recruiting, hiring, and retaining qualified psychiatrists with forensic and correctional expertise.

The Department of Human Services is requested to submit a report by April 1, 2020, describing the status of these discussions, any plans to implement new recruitment and retention strategies, the estimated fiscal impact of implementing such strategies, and any potential actions the General Assembly should consider taking to support successful implementation of such strategies.

DEPARTMENT OF AGRICULTURE

- 1 Department of Agriculture, Colorado State Fair, State Fair Facilities Maintenance -- The Department is requested to provide by November 1, 2019, a report on facility maintenance projects for the Colorado State Fairgrounds. This report should include the following for each facility with planned maintenance: facility name, the type and nature of maintenance, the anticipated cost of the maintenance, the expenditures to-date on the maintenance, and the anticipated completion date.

DEPARTMENT OF CORRECTIONS

- 1 Department of Corrections, Institutions, Mental Health Subprogram -- It is requested that the Department of Corrections submit a report to the House Judiciary Committee and the Senate Judiciary Committee by January 31, 2020, detailing progress related to the mental health unit at the Centennial Correctional Facility.

- 2 Department of Corrections, Community Services, Parole Subprogram, Work Release Program -- It is requested that the Department of Corrections submit a report to the Joint Budget Committee by November 1 of each year detailing progress related to the work release program.

DEPARTMENT OF EDUCATION

- 3 Department of Education, Assistance to Public Schools, Public School Finance, State Share of Districts' Total Program Funding -- The Department is requested to provide to the Joint Budget Committee, on or before November 1, 2019, information concerning the Colorado Preschool Program. The information provided is requested to include the following for fiscal year 2018-19: (a) data reflecting the ratio of the total funded pupil count for the Program to the total funded pupil count for kindergarten; (b) data indicating the number of three-year-old children who participated in the Program; (c) data indicating the number of children who participated in the Program for a full-day rather than a half-day; and (d) the state and local shares of total program funding that are attributable to the Program.
- 4 Department of Education, Assistance to Public Schools, Grant Programs, Distributions, and Other Assistance -- The Department is requested to provide information to the Joint Budget Committee by November 1, 2019, concerning the allocation of funding to eligible boards of cooperative services (BOCES) pursuant to Section 22-2-122 (3), C.R.S. Specifically, the Department is requested to detail the sources of funds and the allocations made to each BOCES in fiscal years 2017-18 and 2018-19.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

- 1 Department of Health Care Policy and Financing, Executive Director's Office -- The Department is requested to submit monthly Medicaid expenditure and caseload reports on the Medical Services Premiums, behavioral health capitation, and the intellectual and developmental disabilities line items to the Joint Budget Committee, by the fifteenth or first business day following the fifteenth of each month. The Department is requested to include in the report the managed care organization caseload by aid category. The Department is also requested to provide caseload and expenditure data for the Children's Basic Health Plan, the Medicare Modernization Act State Contribution Payment, and the Old Age Pension State Medical Program within the monthly report. The Department is also requested to include in the report the number of applications and the number of approvals for new intermediate care facilities for individuals with intellectual disabilities, including the number of beds and the cost of those beds.
- 2 Department of Health Care Policy and Financing, Medical Services Premiums -- The Department is requested to submit a report by December 1, 2019, concerning the savings related to transitioning clients out of institutions into the community through the Colorado Choice Transitions (CCT) program. The report should include the following information:

- the number of CCT clients who transitioned or were in the process of transitioning to the community in FY 2018-19;
 - the number of CCT clients who returned to an institution in FY 2018-19 after transitioning to the community;
 - expenditures of state and federal funds for transition services provided to CCT clients in FY 2018-19;
 - the average per person expenditure of state and federal funds for medical and home and community based services provided to CCT clients in FY 2018-19; and
 - the average per person expenditure of state and federal funds for comparable institutional services for CCT clients in FY 2018-19.
- 3 Department of Health Care Policy and Financing, Medical Services Premiums -- The Department is requested to submit reports by November 1, 2020 and 2021 on the actual savings achieved by all initiatives that the Department projected would achieve savings in the FY 2019-20 budget request.
 - 4 Department of Health Care Policy and Financing, Indigent Care Program, Safety Net Provider Payments -- The Department is requested to submit a report by February 1 of each year to the Joint Budget Committee estimating the disbursement to each hospital from the Safety Net Provider Payments line item.
 - 5 Department of Health Care Policy and Financing, Other Medical Services, Public School Health Services -- The Department is requested to submit a report by November 1 of each year to the Joint Budget Committee on the services that receive reimbursement from the federal government under the S.B. 97-101 public school health services program. The report is requested to include information on the type of services, how those services meet the definition of medical necessity, and the total amount of federal dollars that were distributed to each school under the program. The report should also include information on how many children were served by the program.

DEPARTMENT OF HIGHER EDUCATION

HIGHER EDUCATION

- 1 Colorado Department of Higher Education, Colorado Commission on Higher Education, Administration -- The Department is requested to continue to work with the governing boards to improve the higher education funding model. The Department is requested to explore to the extent feasible and report on the following options and issues by November 1, 2019, as part of a review of the funding formula:

Further rationalizing the “mission” and “specialty education” portions of the model:

- Establishing mechanisms for determining when mission/base funding should be changed and establishing the process through which such changes will be considered.

- Considering whether statutory changes are warranted so that specialty education programs, local district colleges, and area technical colleges do not always increase or decrease in tandem with average funding but may instead receive consideration based on policy goals, performance, or other factors.

Making the model more transparent and easier to use and understand

- Simplifying the funding formula and identifying any statutory changes that may be required to accomplish this.
- Ensuring that it is clear to participating institutions and the General Assembly how an institution's efforts to achieve policy goals (e.g., graduate more Pell-eligible students) will benefit them in the model. For example, providing a demonstration tool that shows the impact on an institution's funding from increasing its outcomes relative to other institutions.
- Developing tools so that, when desired, increases or decreases may be applied to certain portions of the model without affecting other portions of the model.

Aligning the model with the Higher Education Master Plan

- Incorporating weighting for first generation and other underrepresented students in the model.
- Considering weighting relating to teaching degrees, in light of teacher shortages.
- Considering greater weighting on certificates.
- Considering greater weighting on completions for Pell-eligible students.

Exploring how the model can better address the needs of small institutions

- Examining whether changes to the mission or performance portions to the model are appropriate to help these institutions remain viable. This may include identifying benchmarks for minimum funding required for such institutions.

- 2 Colorado Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration -- The Department is requested to review the current financial aid statutes in Articles 3.3 through 3.7 of Title 23 and any other relevant statutory sections, and notify the Joint Budget Committee by September 1, 2019, whether it would like to pursue a statutory clean-up of this section of statute, whether it seeks a more substantive statutory rewrite, or whether it recommends against changes. Depending upon the response, the Joint Budget Committee may consider authorizing a bill draft to enable the Department to work with staff from the Office of Legislative Legal Services and the Joint Budget Committee to develop legislation acceptable to the Department and stakeholder institutions. Statutory clean-up might include, but not be limited to:

- Ensuring that statute and practice are aligned, consistent and clear with respect to the relative responsibilities of the General Assembly, the Commission, and the governing boards.
- Integrating Sections 3.3 through 3.7 with appropriate cross-references.
- Including definitions for different types of aid (need, merit, etc.), clarifying how eligibility for financial aid is assessed and by whom, clarifying, whether financial aid is limited to Colorado residents, etc.

- Incorporating reporting requirements to the Department about institutional policies and practice; and codifying the annual financial aid report currently provided in response to an RFI.
- 3 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration -- Of the amount in this line item, \$40,000 General Fund is provided to enable the Department to employ an outside consultant to update its indirect cost collection plan. The Department is requested to submit a report to the Joint Budget Committee by November 22, 2019 outlining the initial results of this review and update. The report is requested to address the following:
- Is the method for selecting the departmental indirect cost pool reasonable? Are there costs that are included in the pool that should not be? Are there additional components that should be in the pool that are not?
 - Is the method for allocating the departmental pool between state governing boards and other entities reasonable? Are there workload or other measures that would provide a better method for allocating costs than the current approach?
 - Does the Department wish to use a new approach or make limited adjustments to current calculations? If it wishes to propose a new approach, can the new approach be applied in a way that simplifies calculations and limits future workload?
 - Is the approach proposed (new or old) consistent with standard accounting practices related to indirect costs?
 - What is the estimated fiscal impact of proposed changes?
 - Could the annual timeline for developing the Department's indirect cost collection plan be aligned with the plan for Statewide Indirect Cost Collections?

The Department is also requested to outline the changes it would recommend to modify the budget structure to align with that of other state departments so that indirect cost assessments are reflected in one or more separate line items and the distinction between indirect cost assessments and the application of these assessments to offset General Fund is more clear.

- 4 Department of Higher Education, Colorado Commission on Higher Education, Administration -
- The Department is requested to submit a report by October 1, 2019 describing the benefits it offers and how these compare to state benefit plans. The report should explain how the department will ensure that its annual funding request for centrally-appropriated amounts does not exceed the amount that would be provided if Department staff were enrolled in state plans. The Department is further requested to submit, as part of the annual request for common policy benefits adjustments, templates that reflect the benefit selection for each member of the Department's staff in a manner that will enable health benefits for these staff to be calculated consistent with common policy. The templates are expected to contain July 2019 data on health benefits actually selected by Department staff and relate staff benefit elections to comparable state plan premiums.
- 5 Colorado Department of Higher Education, Colorado Commission on Higher Education, Administration; and Governing Boards -- The Department is requested to coordinate the

following annual data submissions to the Joint Budget Committee and Legislative Council Staff to support tuition, fee, and stipend revenue estimates used for appropriations and informational amounts included in the Long Bill.

By November 1, 2019: Submit budget data books for each of the governing boards that provide detail on education and general revenue and expenditures for each institution for the most recent actual year (FY 2018-19) and the current estimate year (FY 2019-20).

- Include estimate-year FY 2019-20 full time equivalent (FTE) enrollment data for resident undergraduate and graduate students and non-resident undergraduate and graduate students, in addition to actual year FY 2018-19 student FTE data. The year FY 2019-20 student FTE estimates should be those used to develop the year FY 2019-20 revenue and expenditure estimates in the data books.
- Identify actual FY 2018-19 and budgeted FY 2019-20 student FTE eligible for the College Opportunity Fund (COF) stipend in the budget data book submission.
- The Department is requested to provide separately the actual and estimated revenue from mandatory fees using the definitions established by the Department of Higher Education for mandatory fees.

By December 15, 2019: Submit fall 2020 student FTE census data. This should include resident undergraduate and graduate and non-resident undergraduate and graduate FTE figures for each governing board and institutional break-outs for those governing boards that oversee multiple institutions.

By February 15, 2020: Submit revised estimate year FY 2019-20 and request year FY 2020-21 revenue and enrollment data for each governing board, along with the comparable FY 2018-19 actual data for context. Include data at the institutional level for the University of Colorado and Colorado State University Systems.

- For each year, include FTE enrollment and revenue estimates for resident undergraduate and graduate students and non-resident undergraduate and graduate students. *The data should clearly separate revenue associated with each of these four categories, where applicable.*
- Include annotations explaining assumptions, including tuition and fee rate and enrollment assumptions for the FY 2020-21 request year.
- Consistent with the requirements of Section 23-18-202 (2)(a)(I), C.R.S., also include an update on the number of student FTE estimated to be eligible for COF stipends in FY 2019-20 based on the most recent data available (different from the figures used to establish initial stipend appropriations).
- Include actual and estimated revenue from mandatory fees using the definitions established by the Department of Higher Education for mandatory fees.

- 6 Department of Higher Education, Colorado Commission on Higher Education, Administration -
- The Department should continue its efforts to provide data on the efficiency and effectiveness of state financial aid in expanding access to higher education for Colorado residents. The Department is requested to provide to the Joint Budget Committee by December 1 of each year an evaluation of financial aid programs, which should include, but not be limited to: (1) an estimate of the amount of federal, institutional, and private resources (including tax credits) devoted to

financial aid; (2) the number of recipients from all sources; (3) information on typical awards; and (4) the typical debt loads of graduates. The Department is requested to provide more in-depth data on the financial aid awarded at the state's public institutions, by institution. This should include further information on the use of institutional aid, including the extent to which such aid is awarded to residents versus non-residents, for financial need versus merit, and the extent to which merit-based aid is awarded to students who qualify on the basis of need, whether or not the aid was classified as merit-based.

- 7 Department of Higher Education, Colorado Commission on Higher Education, Special Purpose, Tuition/Enrollment Contingency -- The Department is requested to provide information on the amount of Tuition Enrollment Contingency funds distributed to any governing board and whether the governing board complied with Colorado Commission on Higher Education tuition policy and intended limits on undergraduate rates expressed in Long Bill footnotes. This information, as it applies to actual expenditures in FY 2018-19 should be provided by November 1, 2019, and as it applies to actual expenditures in FY 2019-20 should be provided by November 1, 2020.

HISTORY COLORADO

- 8 Department of Higher Education, History Colorado, Central Administration -- History Colorado is requested to submit a report by November 1, 2019, outlining the results of its 2019 strategic planning process. This should include an analysis of its recent-year actual expenditures and future financial needs and projected revenue sources, including projected revenue from limited gaming money deposited to State Historical Fund accounts and projected revenue from earned and donated sources, for fiscal years 2020-21 through 2024-25.

DEPARTMENT OF HUMAN SERVICES

- 1 Department of Human Services, Office of Early Childhood, Early Intervention Services -- The Department is requested to submit annually, on or before January 1, a report to the Joint Budget Committee concerning caseload growth for early intervention services. The requested report should include the following information: (a) the total number of early intervention services performed compared to the projected amount of early intervention services; (b) the amount of funds expended in the fiscal year from July 1 through the time period when the report is created compared to the projected spending; and (c) the amount of any expected gaps between the appropriation in the long bill and actual expenditures.
- 2 Department of Human Services, Office of Early Childhood, Child Care Assistance Program -- The Department is requested to submit annually, on or before January 1, a report to the Joint Budget Committee concerning costs for the Colorado Child Care Assistance Program. The requested report should include the following information: (a) the changes in direct services costs from the prior year due to inflation; (b) changes in direct services costs from the prior year due to quality; and (c) changes in cost due to changes to continuity from the previous year.

- 3 Department of Human Services, Division of Youth Corrections, Institutional Programs -- The Department is requested to submit a report by November 1, 2019, that includes the following monthly data for each State-owned and operated facility for FY 2018-19:
 - Number of assaults by type (e.g. juvenile on staff, staff on juvenile, juvenile on juvenile);
 - The number and type of sexual assaults;
 - Number of homicides;
 - Number of suicides;
 - Number of new crimes reported to local police;
 - Number of direct care staff at each facility (CYSO I and II);
 - Ratio of direct care staff (CYSO I and II) to youth;
 - Direct care staffing vacancies by type (e.g. CYSO I);
 - Average length of service for direct care staff (CYSO I and II);
 - Number of hours of missed work by all direct care facility staff and reason for absence (e.g. injury on the job, sick leave, planned absence, unplanned absence, vacation);
 - Amount of overtime hours worked by direct care staff and purpose (e.g. covering a shift for an absent co-worker) at each facility;
 - Amount of temporary help hours used for direct care purposes;
 - The number and type of worker's compensation injuries that occurred; and
 - Amount of time missed by employees due to work-place injuries.

- 4 Department of Human Services, Totals -- The Department is requested to submit a report concerning the status of federal Temporary Assistance for Needy Families (TANF) funds. The requested report should include the following: (a) an analysis of the TANF Long Term Reserve, including estimated TANF funds available for appropriation, estimated TANF appropriations by Long Bill line item, and the estimated closing Long Term Reserve balance, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; (b) an analysis of the TANF maintenance of effort (MOE) payments, showing the actual and forecasted MOE expenditures, by program, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; and (c) an analysis of the counties' TANF reserve balances that includes, for each county, for the most recent actual fiscal year, the starting TANF Reserve Account balances for the Works Program, Title XX, and Child Care Development Fund accounts, the annual TANF allocation, the total expenditures, the net transfers to child care and child welfare, any amounts remitted to the state, and the closing reserve balance for all county TANF accounts. The report should be provided to the Joint Budget Committee annually on or before November 1. An update to this information reflecting data at the close of the federal fiscal year should be provided to the Joint Budget Committee annually on or before January 1.

- 5 Department of Human Services, Totals -- The Department is requested to submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years: (a) the total amount of federal funds

available and anticipated to be available to Colorado, including funds rolled forward from previous state fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.

- 6 Department of Human Services, Office of Early Childhood, Division of Community and Family Support -- The Department is requested to submit a report annually, on or before November 1, 2019 and November 1 in all subsequent years, updating the Joint Budget Committee on the recent expansion of The Incredible Years® (IY) programs initially funded in the Long Bill in FY 2018-19. Rigorously researched IY programs support parenting skills (Preschool Basic Parent Program), teacher training (Teacher Classroom Management), and children's social-emotional skill development (Dinosaur School). The report should include a listing of the organizations that have applied for and received funding; the specific IY program(s) delivered; and information regarding how IY is being supported by the Implementation Partner through: (a) Community readiness and entity selection; (b) Training, coaching and fidelity monitoring; (c) Local Implementation Team development; (d) Entity-specific and statewide process and outcomes evaluation; and (e) On-going quality improvements to ensure high-quality scale and sustainability. The report should also include information on any changes made that impact the nature of the program.
- 7 Department of Human Services, Adult Assistance Programs, Community Services for the Elderly -- The Department is requested to submit a report by November 1 of each year on Older Americans Act Funds received and anticipated to be received, and the match requirements for these funds. The report should also specify the amount of funds, if any, that were transferred between the State Funding for Senior Services line item and the Older Americans Act Programs line item in the prior actual fiscal year to comply with federal match requirements.
- 8 Department of Human Services, Division of Youth Corrections, Administration -- The Division is requested to continue its efforts to provide outcome data on the effectiveness of its programs. The Division is requested to provide to the Joint Budget Committee, by January 1 of each year, a report evaluating Division placements, community placements, and nonresidential placements. The evaluation should include, but not be limited to, the number of juveniles served, length of stay, and recidivism data per placement.

- 9 Department of Human Services, Division of Youth Corrections, Community Programs, S.B. 91-094 Programs -- The Department is requested to submit to the Joint Budget Committee no later than November 1 of each year a report that includes the following information by judicial district and for the state as a whole: (1) comparisons of trends in detention and commitment incarceration rates; (2) profiles of youth served by S.B. 91-094; (3) progress in achieving the performance goals established by each judicial district; (4) the level of local funding for alternatives to detention; and (5) identification and discussion of potential policy issues with the types of youth incarcerated, length of stay, and available alternatives to incarceration.
- 10 Department of Human Services, Adult Assistance Programs -- The Department is requested to submit annually, on or before November 1, 2018, a report to that provides the cost to eliminate waitlists for each service type for services provided to older adults by the state's Area Agencies on Aging.
- 11 Department of Human Services, Division of Child Welfare -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information on county child welfare worker staffing, including county data on: (1) caseload ratios by county; (2) actual staffing levels; (3) new hires funded by the child welfare block grant; (4) new hires funded through county level child welfare staffing funding; (5) workload and funding allocation comparisons by county for each type of block allocation; (6) performance metrics concerning the training of and support provided to case workers; (7) how each of the previous data categories support successful outcomes for children served in the child welfare system; and (8) a description of each outcome and how it is measured.
- 12 Department of Human Services, Division of Child Welfare, Child Welfare Services -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the actual use of funds distributed through the child welfare allocation formula, including data on expenses and children served by funding category. At a minimum, such data should include the following: (a) program services expenditures, including the cost of services delivered through county staff and the cost of services delivered through contract providers; and the average cost per open involvement per year; (b) out-of-home placement care expenditures and the average cost per child per day; and (c) subsidized adoption expenditures and the average payment per child per day.
- 13 Department of Human Services, Division of Child Welfare -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the gross amount of payments to child welfare service providers, including amounts that were paid using revenues other than county, state, or federal tax revenues. The Department is requested to identify amounts, by source, for the last two actual fiscal years.
- 14 Department of Human Services, All Divisions -- The Department is requested to provide, by November 1 of each year, a list of each transfer made in the previous fiscal year pursuant to

Section 24-75-106, C.R.S. This information should include: the line item in which the funds originated, the line item to which the funds were transferred, the amount of each transfer, the fund split for each transfer, and the purpose of the transfer.

- 15 Department of Human Services, Division of Child Welfare -- The Department is requested to provide by November 1 of each year, a list of each transfer made in the previous fiscal year between division line items as authorized by a Long Bill footnote pursuant to FY 2017-18 Long Bill Footnote 39. This information should include: the line item in which the funds originated, the line item to which the funds were transferred, the amount of each transfer, the fund split for each transfer, and the purpose of the transfer.
- 16 Department of Human Services, Division of Child Welfare, Promoting Permanency -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, an evaluation report concerning programs funded through this line item.
- 17 Department of Human Services, Division of Child Welfare, Hotline for Child Abuse and Neglect -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, a report containing fiscal year comparisons of appropriate workload indicators for the child abuse and neglect hotline reporting system.
- 18 Department of Human Services, Division of Child Welfare and Totals -- The Department is requested to provide a report to the Joint Budget Committee by October 1 of each fiscal year concerning the amount of federal revenues earned by the State for the previous fiscal year pursuant to Title IV-E of the Social Security Act, as amended; the amount of money that was expended for the previous state fiscal year, including information concerning the purposes of the expenditures; and the amount of money that was credited to the Excess Federal Title IV-E Reimbursements Cash Fund created in Section 26-1-111 (2)(d)(II)(C), C.R.S.
- 19 Department of Human Services, Services for People with Disabilities, Regional Centers for People with Developmental Disabilities -- The Department is requested to provide by November 1 of each fiscal year, information regarding transitions and readmissions to the Regional Centers for each of the past eighteen months. As part of the response, the Department should include: the number of individuals that have been transitioned from each Regional Center and the setting to which they were transitioned for each month, how many of these individuals have been readmitted to a Regional Center and when, the number of monthly admissions to each Regional Center, the definition of a successful transition, and the monthly number of successful transitions.
- 20 Department of Human Services, Services for People with Disabilities, Regional Centers for People with Developmental Disabilities -- The Department is requested to provide by November 1 of each fiscal year, the monthly census for each Regional Center by licensure type since the beginning of the fiscal year, and annual cost per capita for each Regional Center by licensure type, including

the Regional Center costs for utilities, depreciation, indirect costs, and centrally appropriated personnel items.

- 21 Department of Human Services, Executive Director's Office, Special Purpose, Employment and Regulatory Affairs -- The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, a report including aggregate data by program area and job classification for the previous five fiscal years, including, but not limited to: employee recruitment and retention activities; time-to-fill (positions) data; staff turn-over rates; and direct care professional to client ratios.

DEPARTMENT OF LABOR AND EMPLOYMENT

- 1 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs, Employment First Initiatives -- The Department is requested to submit a report by November 1, 2019 on its efforts to implement the Office of Employment First and other Employment First initiatives. This should include information on the department's progress in rolling-out the new initiatives and baseline data that will be used to measure the state's progress toward increasing competitive integrated employment for people with the most significant disabilities.
- 2 Colorado Department of Labor and Employment, Division of Labor Standards and Statistics, Labor Standards, Program Costs -- The appropriation in this line item includes \$250,000 General Fund added for the purpose increasing on-site auditing of construction sites and ensuring compliance with existing statutory and regulatory requirements for labor standards at those sites. The Department is requested to submit a report by November 1, 2019, on its plans for using these funds and the anticipated impact of the additional resources.
- 3 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services -- The Department is encouraged to work with vocational rehabilitation and independent living centers to develop cooperative agreements that will enable the State to fully access available federal support for vocational rehabilitation and promote relationships between these entities. The Department is requested to report by November 1, 2019 on its progress in developing these relationships and whether it anticipates cooperative agreements to be implemented in FY 2019-20 and/or FY 2020-21.
- 4 Department of Labor and Employment, Division Of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs -- The Department is requested to provide a report by November 1 2019 on the number of individuals receiving vocational rehabilitation services, including: a break-down by category of the number of individuals receiving services and the number for whom a determination is pending; the average cost by category of services; the projected fiscal year expenditures, and the projected balance of the State's federal vocational

rehabilitation account. The Department is also requested to provide data on vocational rehabilitation employment outcomes.

- 5 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Office of Independent Living Services -- The Department is requested to provide A REPORT BY November 1, 2019 on the number of clients served by each Independent Living Center for the past year and the distribution of funds by Independent Living Center. The Department is also requested to work with the independent living centers to identify additional outcome measures and discuss these efforts in its report.

DEPARTMENT OF LOCAL AFFAIRS

- 1 Department of Local Affairs, Division of Housing -- The Department is requested to submit a report by September 1, 2019, concerning its affordable housing programs. The report should specifically address:
 - the projects funded in FY 2018-19 with appropriations for Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S., and projects funded in FY 2018-19 with the appropriation for Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems;
 - the per-unit costs of projects funded in FY 2018-19 from state funds and from other funds;
 - how the projects funded in FY 2018-19 from the General Fund appropriation align with the goals outlined in the Department's FY 2014-15 budget request to "end homelessness for veterans and chronically homeless" and "ensure sufficient affordable housing for persons with the lowest incomes", and what progress the State has made in achieving each of these goals;
 - how the Marijuana Tax Cash Fund appropriation has been used for populations and services that are consistent with Section 39-28.8-501 (2)(b)(IV)(N), C.R.S.; and
 - how the appropriation for Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems has been used for rental assistance and other support services consistent with Section 24-32-721 (4), C.R.S.
- 2 Department of Local Affairs, Division of Housing, Community and Non-Profit Services, Community Services, Low Income Rental Subsidies -- The Department is requested to submit a report by December 1, 2019, that summarizes monthly expenditures of General Fund appropriations in FY 2018-19 for rental subsidies for the Colorado Choice Transitions (CCT) program. The report should include the following associated data for each month in FY 2018-19:
 - the number of CCT clients leased up with State-funded housing vouchers;
 - the number of CCT clients searching for housing with a State-funded voucher;
 - the number of CCT clients leased up with federally-funded vouchers or federally-funded project-based rental assistance; and
 - the number of CCT clients searching for housing with federally-funded resources.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

[Multiple-department request only]

DEPARTMENT OF NATURAL RESOURCES

- 1 Department of Natural Resources, Division of Reclamation Mining and Safety, Emergency Response Costs -- The Division of Reclamation, Mining, and Safety is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.
- 2 Department of Natural Resources, Oil and Gas Conservation Commission, Program Costs -- The Department of Natural Resources is requested to include in its annual budget request a report on the performance of the risk-based inspection program. The report should provide information on the activities of the Facilities Integrity group, the inspection process for piping and flowlines, and the metrics used to measure the performance and effectiveness of the Facilities Integrity program.
- 3 Department of Natural Resources, Oil and Gas Conservation Commission, Plugging and Reclaiming Abandoned Wells -- The Oil and Gas Conservation Commission is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.
- 4 Department of Natural Resources, Oil and Gas Conservation Commission, Emergency Response -- The Oil and Gas Conservation Commission is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.
- 5 Department of Natural Resources, Oil and Gas Conservation Commission, Special Environmental Protection and Mitigation Studies -- The Oil and Gas Conservation Commission is requested to include in its annual budget request a report detailing all expenditures made in the previous year from this line item.
- 6 Department of Natural Resources, Division of Parks and Wildlife -- The Division of Parks and Wildlife is requested to provide the Joint Budget Committee with a report on Parks and Outdoor Recreation and Wildlife sources of revenue, as well as the expenditures of revenues by revenue type. The report should provide an analysis of lottery funds Great Outdoors Colorado Board Grants used for operations and capital projects. The report is requested to be submitted by November 1, 2019.
- 7 Department of Natural Resources, Division of Parks and Wildlife, Colorado Water Conservation Board, and Division of Water Resources -- The Department and Divisions are requested to provide a report on the impact of the staff recommended line item reorganization for the FY 2020-21 budget. The report should identify any unresolved problems stemming from the

reorganization and suggest any additional actions. The report is requested to be submitted by November 1, 2019.

DEPARTMENT OF PERSONNEL

- 1 Department of Personnel, Executive Director's Office, Payments to OIT -- The Department is requested to provide by November 1, 2020, the amount of funds eliminated from the Payments to OIT line item as a result of reducing the number of service units obtained from the Governor's Office of Information Technology for operating the Colorado Automotive Reporting System (CARS) after full replacement is achieved.
- 2 Department of Personnel, Division of Accounts and Control, Financial Operations and Reporting -- The State Controller is requested to provide by October 1, 2019, to the Joint Budget Committee, a report on uncommitted reserves that includes all cash funds, including those that are otherwise exempt from and unreported in the cash funds excess uncommitted reserves report required by Section 24-30-207, C.R.S.

DEPARTMENT OF PUBLIC SAFETY

- 1 Department of Public Safety, Division of Criminal Justice, Community Corrections, Community Corrections Placements, Correctional Treatment Cash Fund Residential Placements, and Community Corrections Facility Payments -- As part of its FY 2020-21 budget request, the Department is requested to report actual average daily community corrections placements for recently completed fiscal years with a level of detail compatible with the table in Long Bill footnote 93. This document should also report condition of probation placements. The Department is requested to update the report with year-to-date community corrections placements shortly after January 1, 2020. The January report should also include an estimated placements table for FY 2020-21. If the Department believes that a supplemental adjustment to the FY 2019-20 Community Corrections Placements appropriation is needed, the Department is requested to also submit an estimated placements table for FY 2019-20. If the Department estimates that the actual number of Community Corrections facility payments in either FY 2019-20 or FY 2020-21 will differ from the number on which the FY 2019-20 facility payments appropriation is based, the Department is requested to include that information in its January report. These estimates are not intended to be formal statistical forecasts, but informal estimates based upon year-to-date caseload, knowledge of facilities that are opening and closing or expanding and contracting, and upon other factors that influence the community corrections appropriations. The Department is requested to submit a brief narrative with the estimates.
- 2 Department of Public Safety, Colorado State Patrol, Information Technology Asset Maintenance -- The Department is requested to submit to the Joint Budget Committee an annual expenditure report on November 1 of each year. At a minimum, each report should include on-going 5-year expenditure estimates for the line item, any new contracts awarded, and the names of the vendors.

- 3 Department of Public Safety, Division of Homeland Security and Emergency Management, Access and Functional Needs Planning -- The Department is requested to provide the following information to the Joint Budget Committee by November 1, 2019: a report on efforts to build a statewide network of community based disability integration emergency planners (DIEP), including plans for information sharing, training and exercise planning in the Emergency Support Functions areas; development of a statewide plan for a network of contracted regional Disability Integration Emergency Planners; and expected deliverables for these community-based contracts. The Department is also requested to report on: the number of individuals with a wide variety of disabilities that are included in Discussion-Based Exercises and Operations-Based Exercises at the local, regional, and state level; the number of people with disabilities and Access and Functional needs who participate in creating their individual emergency plans or emergency preparedness workshops; and disability inclusion planning efforts at the state level across divisions and departments including Department of Public Health and Environment that now include people with disabilities and Access and Functional needs.

STATE OF COLORADO

SENATORS
DOMINICK MORENO, CHAIR
RACHEL ZENZINGER
BOB RANKIN

REPRESENTATIVES
DANEYA ESGAR, VICE-CHAIR
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KIM RANSOM



STAFF DIRECTOR
JOHN ZIEGLER

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May 1, 2019

Hon. Nathan B. Coats, Chief Justice of the Colorado Supreme Court
2 East 14th Avenue
Denver, CO 80203

Dear Chief Justice Coats:

The General Assembly recently finalized the FY 2019-20 Long Bill. Pursuant to Section 24-75-112 (2), C.R.S., the Long Bill footnotes no longer include requests for information. In lieu of such footnotes, the Joint Budget Committee respectfully submits the following requests for information. These requests are associated with specific Long Bill line items, and each has its own details and deadlines. Consistent with the provisions of Section 2-3-203 (3), C.R.S., information requests have been prioritized within each department in the attached lists.

To assist our staff in organizing and tracking submissions, we would appreciate if the department would follow the protocol outlined in an attachment to this letter with respect to submitting hard copies and electronic responses. The Committee requests that the department comply with these requests for information to the fullest extent possible.

Please notify us by June 1, 2019 if the department does not intend to comply with any requests.

Sincerely,

Senator Dominick Moreno
Chair

cc:

Christopher T. Ryan, State Court Administrator
Megan Ring, Colorado State Public Defender
Thomas Raynes, Executive Director, Colorado District Attorneys' Council
John Ziegler, Staff Director, Joint Budget Committee

Attachment
Requested Format for Responses to Legislative Requests for Information

Please submit both hard (paper) copies and electronic copies of request for information (RFI) responses as follows:

- Hard copies: One (1) hard copy should be delivered by the requested due-date to the Joint Budget Committee (JBC) offices at 200 East 14th Ave., Denver, 3rd Floor.
- Electronic copies: An electronic copy of all paper submissions should also be submitted. This should be sent by email to:
 - The JBC analyst(s) responsible for the specified budget area(s)
 - Jessi Neuberg (jessi.neuberg@state.co.us) at the JBC offices
 - Legislative Council Staff at the following address: lcs.ga@state.co.us

The Legislative Council Staff (lcs.ga@state.co.us) will include the report in an electronic database (part of the Legislative Council Library) and will also ensure the report is distributed to other legislative committees, as specified in some of the RFIs.

- All submissions should include the following information:
 - Name of Department
 - Long Bill fiscal year to which the RFI is attached (FY 2019-20 for the RFIs listed in this letter)
 - Correct RFI number, as listed in this letter

Please include this information in the subject line for electronic submissions, as well as in the body of both electronic and hard copy submissions.

- Please use the following naming convention for your electronic attachments:

"[Department] [fiscal year] [RFI Number]"

For example, the attachment providing the response to RFI #5 in the Department of Health Care Policy and Financing would be entitled: **Health Care Policy and Financing FY 2019-20 RFI #5**.

LEGISLATIVE REQUESTS FOR INFORMATION FOR FY 2019-20

REQUESTS AFFECTING MULTIPLE DEPARTMENTS

- 1 Department of Corrections; Department of Human Services; Judicial Department; Department of Public Safety; and Department of Transportation -- State agencies involved in multi-agency programs requiring separate appropriations to each agency are requested to designate one lead agency to be responsible for submitting a comprehensive annual budget request for such programs to the Joint Budget Committee, including prior year, request year, and three year forecasts for revenues into the fund and expenditures from the fund by agency. The requests should be sustainable for the length of the forecast based on anticipated revenues. Each agency is still requested to submit its portion of such request with its own budget document. This applies to requests for appropriation from: the Alcohol and Drug Driving Safety Program Fund, the Law Enforcement Assistance Fund, the Offender Identification Fund, the Persistent Drunk Driver Cash Fund, and the Sex Offender Surcharge Fund, among other programs.

JUDICIAL DEPARTMENT

- 1 Judicial Department, Office of the State Public Defender – The State Public Defender is requested to provide by November 1, 2019, a report concerning the Appellate Division's progress in reducing its case backlog, including the following data for FY 2018-19: the number of new cases; the number of opening briefs filed by the Office of the State Public Defender; the number of cases resolved in other ways; the number of cases closed; and the number of cases awaiting an opening brief as of June 30, 2019.
- 2 Judicial Department, Probation and Related Services – The State Court Administrator's Office is requested to provide by November 1 of each year a report on pre-release rates of recidivism and unsuccessful terminations and post-release recidivism rates among offenders in all segments of the probation population, including the following: adult and juvenile intensive supervision; adult and juvenile minimum, medium, and maximum supervision; and the female offender program. The Office is requested to include information about the disposition of pre-release failures and post-release recidivists, including how many offenders are incarcerated (in different kinds of facilities) and how many offenders return to probation because of violations.
- 3 Judicial Department, Trial Courts, District Attorney Mandated Costs – District Attorneys in each judicial district shall be responsible for allocations made by the Colorado District Attorneys' Council's Mandated Cost Committee. Any increases in this line item shall be requested and justified in writing by the Colorado District Attorneys' Council, rather than the Judicial Department, through the regular appropriation and supplemental appropriation processes. The Colorado District Attorneys' Council is requested to submit an annual report by November 1

detailing how the District Attorney Mandated Costs appropriation is spent, how it is distributed, and the steps taken to control these costs.

- 4 Judicial Department, Probation and Related Services, Offender Treatment and Services – The State Court Administrator's Office is requested to provide by November 1 of each year a detailed report on how this appropriation is used, including the amount spent on testing, treatment, and assessments for offenders.

STATE OF COLORADO

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STAFF DIRECTOR
JOHN ZIEGLER

JOINT BUDGET COMMITTEE
200 EAST 14TH AVENUE, 3RD FLOOR
LEGISLATIVE SERVICES BUILDING
DENVER, CO 80203
TELEPHONE 303-866-2061
<http://leg.colorado.gov/agencies/joint-budget-committee>

May 1, 2019

Hon. Phil Weiser, Attorney General
Colorado Department of Law
Ralph L. Carr Colorado Judicial Center
1300 Broadway, 10th Floor
Denver, CO 80203

Dear Attorney General Weiser:

The General Assembly recently finalized the FY 2019-20 Long Bill. Pursuant to Section 24-75-112 (2), C.R.S., the Long Bill footnotes no longer include requests for information. In lieu of such footnotes, the Joint Budget Committee respectfully submits the following requests for information. These requests are associated with specific Long Bill line items, and each has its own details and deadlines. Consistent with the provisions of Section 2-3-203 (3), C.R.S., information requests have been prioritized within each department in the attached lists.

To assist our staff in organizing and tracking submissions, we would appreciate if the department would follow the protocol outlined in an attachment to this letter with respect to submitting hard copies and electronic responses. The Committee requests that the department comply with these requests for information to the fullest extent possible.

Please notify us by June 1, 2019 if the department does not intend to comply with any requests.

Sincerely,

Senator Dominick Moreno
Chair

cc:

Natalie Hanlon Leh, Chief Deputy Attorney General, Colorado Department of Law
Jon Reitan, Budget Director, Colorado Department of Law
John Ziegler, Staff Director, Joint Budget Committee

Attachment
Requested Format for Responses to Legislative Requests for Information

Please submit both hard (paper) copies and electronic copies of request for information (RFI) responses as follows:

- Hard copies: One (1) hard copy should be delivered by the requested due-date to the Joint Budget Committee (JBC) offices at 200 East 14th Ave., Denver, 3rd Floor.
- Electronic copies: An electronic copy of all paper submissions should also be submitted. This should be sent by email to:
 - The JBC analyst(s) responsible for the specified budget area(s)
 - Jessi Neuberg (jessi.neuberg@state.co.us) at the JBC offices
 - Legislative Council Staff at the following address: lcs.ga@state.co.us

The Legislative Council Staff (lcs.ga@state.co.us) will include the report in an electronic database (part of the Legislative Council Library) and will also ensure the report is distributed to other legislative committees, as specified in some of the RFIs.

- All submissions should include the following information:
 - Name of Department
 - Long Bill fiscal year to which the RFI is attached (FY 2019-20 for the RFIs listed in this letter)
 - Correct RFI number, as listed in this letter

Please include this information in the subject line for electronic submissions, as well as in the body of both electronic and hard copy submissions.

- Please use the following naming convention for your electronic attachments:

"[Department] [fiscal year] [RFI Number]"

For example, the attachment providing the response to RFI #5 in the Department of Health Care Policy and Financing would be entitled: **Health Care Policy and Financing FY 2019-20 RFI #5**.

LEGISLATIVE REQUESTS FOR INFORMATION FOR FY 2019-20

DEPARTMENT OF LAW

- 1 Department of Law, Legal Services to State Agencies, Personal Services -- The Department is requested to provide by November 1, 2020 a report concerning the implementation of changes to the appropriation and billing methodologies for legal services provided to state agencies. As part of the report, the Department is requested to solicit feedback from all client agencies regarding the benefits and challenges associated with the change in methodologies.
- 2 Department of Law, Criminal Justice and Appellate, Appellate Unit -- The Department is requested to provide by November 1, 2020 a report concerning the Appellate Unit's progress in reducing its case backlog, including the following data for FY 2019-20: the number of opening briefs received; the number of answer briefs filed; and the case backlog as of June 30, 2019.
- 3 Department of Law, Criminal Justice and Appellate, Medicaid Fraud Control Unit -- Pursuant to Section 25.5-4-310, C.R.S., the Department of Law's Medicaid Fraud Control Unit is required to submit an annual report by January 15 concerning: actions filed under the "Colorado Medicaid False Claims Act", the amount recovered as a result of such actions, and the amount of related expenditures. The General Assembly requests that the Department also include in this annual report information about expenditures and recoveries related to the Unit's criminal investigations.
- 4 Department of Law, Special Purpose, District Attorney Training -- Pursuant to Section 20-1-111 (4) (b), C.R.S., the Colorado District Attorneys' Council (CDAC) allocated these dollars to provide prosecution training, seminar, continuing education programs, and other prosecution related services on behalf of District Attorneys who are members of the CDAC. The CDAC is requested to submit an annual report by November 1 detailing how the District Attorney Training appropriation is spent, including the number and type of training activities provided, the number of district attorney offices served by each type of training activity, the number of deputy district attorneys trained, and detail of the costs categorized by personnel, operating, and travel, for each training effort.

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<http://leg.colorado.gov/agencies/joint-budget-committee>

May 1, 2019

Hon. Jena Griswold
Colorado Secretary of State
1700 Broadway, Suite 200
Denver, CO 80290

Dear Secretary Griswold:

The General Assembly recently finalized the FY 2019-20 Long Bill. Pursuant to Section 24-75-112 (2), C.R.S., the Long Bill footnotes no longer include requests for information. In lieu of such footnotes, the Joint Budget Committee respectfully submits the following requests for information. These requests are associated with specific Long Bill line items, and each has its own details and deadlines. Consistent with the provisions of Section 2-3-203 (3), C.R.S., information requests have been prioritized within each department in the attached lists.

To assist our staff in organizing and tracking submissions, we would appreciate if the department would follow the protocol outlined in an attachment to this letter with respect to submitting hard copies and electronic responses. The Committee requests that the department comply with these requests for information to the fullest extent possible.

Please notify us by June 1, 2019 if the department does not intend to comply with any requests.

Sincerely,

Senator Dominick Moreno
Chair

cc:

Brad Lang, Controller, Colorado Secretary of State
John Ziegler, Staff Director, Joint Budget Committee

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For example, the attachment providing the response to RFI #5 in the Department of Health Care Policy and Financing would be entitled: **Health Care Policy and Financing FY 2019-20 RFI #5**.

LEGISLATIVE REQUESTS FOR INFORMATION FOR FY 2019-20

DEPARTMENT OF STATE

- 1 Department of State, Administration Division, Operating Expenses -- The Department is requested to submit a report on the impact of the 2020 primary elections outreach campaign to unaffiliated voters by February 1, 2021. This report should include, but is not limited to, the following information: total cost, per audience-member-reached cost, ballot spoilage rate by county and statewide, turnout rates of unaffiliated voters by county, methods used to reach unaffiliated voters, and the methodology used to improve spoilage rates in counties with an above average rate in the 2018 General Election.
- 2 Department of State, Elections Division, Local Election Reimbursement -- The Department is requested to submit a letter addressed to the General Assembly and to the Joint Budget Committee notifying both if, and when, it relies on the footnote attached to this line item to overexpend the Local Election Reimbursement line item authorized by aforementioned footnote to meet statutory requirements of Section 1-5-505.5, C.R.S.
- 3 Department of State, Business and Licensing Division, Business Intelligence Center -- The Department is requested to submit a report with its annual budget request detailing donations received by the Business Intelligence Center, either directly or through the 501(c)(3) organization designated by the Department. The report should include data on the receipt and expenditure of both financial and in-kind donations for the prior fiscal year and year-to-date data on donations made in the current fiscal year. It should also include information on each project ever funded, including public availability/access, features/purpose, and a measure to gauge its success or usage, to the extent possible.

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May 1, 2018

Hon. Dave Young
Colorado State Treasurer
200 East Colfax Ave.
State Capitol, Suite 140
Denver, CO 80203

Dear Treasurer Young:

The General Assembly recently finalized the FY 2019-20 Long Bill. Pursuant to Section 24-75-112 (2), C.R.S., the Long Bill footnotes no longer include requests for information. In lieu of such footnotes, the Joint Budget Committee respectfully submits the following requests for information. These requests are associated with specific Long Bill line items, and each has its own details and deadlines. Consistent with the provisions of Section 2-3-203 (3), C.R.S., information requests have been prioritized within each department in the attached lists.

To assist our staff in organizing and tracking submissions, we would appreciate if the department would follow the protocol outlined in an attachment to this letter with respect to submitting hard copies and electronic responses. The Committee requests that the department comply with these requests for information to the fullest extent possible.

Please notify us by June 1, 2019 if the department does not intend to comply with any requests.

Sincerely,

Senator Dominick Moreno
Chair

cc:

Eric Rothaus, Deputy Treasurer
Clare Jozwiak, Controller, State Treasury
John Ziegler, Staff Director, Joint Budget Committee

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For example, the attachment providing the response to RFI #5 in the Department of Health Care Policy and Financing would be entitled: **Health Care Policy and Financing FY 2019-20 RFI #5**.

LEGISLATIVE REQUESTS FOR INFORMATION FOR FY 2019-20

DEPARTMENT OF THE TREASURY

- 1 Department of the Treasury, Administration -- The State Treasurer is requested to submit an annual report to the Joint Budget Committee concerning the performance of the State's investments. The report should include comparisons to relevant benchmarks and a detailed discussion of the benchmarks. This report should be submitted as a part of the State Treasurer's annual budget request.

L. CONTROLLED MAINTENANCE TRUST FUND

This appendix describes appropriations and transfers to and from the Controlled Maintenance Trust Fund (CMTF) created in Section 24-75-302.5 (2)(a), C.R.S. Pursuant to statute:

- Up to 50.0 percent of interest earnings on the CMTF principal for the current and prior fiscal year may be used to support controlled maintenance projects.
- The CMTF may serve as part of the TABOR emergency reserve. CMTF amounts are identified in the Long Bill headnotes as part of the emergency reserve required pursuant to Section 20 of Article X of the State Constitution (TABOR).
- Based on the authority provided in Section 24-33.5-706 (4.5), C.R.S., and pursuant to Section 24-77-104 (2)(a), C.R.S., the Governor may transfer funds from the CMTF to the Disaster Emergency Fund to address wildfires, floods, and other state emergencies. While statute also provides that reimbursements for money previously expended to cope with a disaster may be repaid, repayments have never been made to the CMTF from such reimbursements.

In practice, the CMTF is not used to fund controlled maintenance but is used as a TABOR emergency reserve. During FY 2018-19 and FY 2019-20, no appropriations were made for controlled maintenance from CMTF interest earnings. Senate Bill 19-214 (Capital-related Transfers of Money) includes a transfer of \$42.0 million from the General Fund to the CMTF in FY 2019-20. The table below summarizes recent CMTF transfers and interest earnings.

CONTROLLED MAINTENANCE TRUST FUND	
Balance - June 30, 2018	\$62,481,897
Interest Earnings through 4/30/19	1,376,744
H.B. 18-1340 (Transfers of Money for State's Infrastructure)	<u>30,000,000</u>
AVAILABLE BALANCE FY 2018-19	\$93,858,641
Executive Orders (EO)	
EO 2018-018	(\$500,000)
EO 2018-023	(350,000)
EO 2018-029	(350,000)
EO 2018-022	(475,000)
EO 2018-017	(4,000,000)
EO 2018-016	(925,000)
EO 2018-015	(820,000)
EO 2018-014	(3,500,000)
EO 2018-013	(1,500,000)
EO 2018-011	(150,000)
EO 2018-007	(18,000,000)
EO 2018-019	(1,800,000)
EO 2019-001 (amended 2018-007)	<u>(7,100,000)</u>
SUBTOTAL - EXECUTIVE ORDERS	(\$39,470,000)
ESTIMATED BALANCE - JUNE 2019	\$54,388,641
GENERAL FUND TRANSFER FY 2019-20 (S.B. 19-214)	\$42,000,000
ESTIMATED AVAILABLE BALANCE FY 2019-20	\$96,388,641

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