

# JOINT BUDGET COMMITTEE



## SUPPLEMENTAL BUDGET REQUESTS FY 2020-21 & FY 2021-22

### DEPARTMENT OF REVENUE

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:  
JON CATLETT, JBC STAFF  
JANUARY 20, 2022

## CONTENTS

Department Overview .....	3
Summary: FY 2020-21 Appropriation and Recommendation .....	5
Summary: FY 2021-22 Appropriation and Recommendation .....	5
Prioritized Supplemental Requests.....	7
S1 Lottery Retailer Compensation:.....	7
S2 Racing Season Delay.....	8
S3 Legislation Funding Extension .....	9
Non-Prioritized Supplemental Requests .....	11
NP1 DNR keep CO wild SB21-249.....	11
Previously Approved Interim Supplemental Request .....	11
ES01 Lottery Retailer Compensation.....	11
Statewide Common Policy Supplemental Requests.....	12
Annual Fleet Vehicle True-up .....	12
Numbers Pages.....	A-1

# DEPARTMENT OF REVENUE

## DEPARTMENT OVERVIEW

The Department of Revenue regulates, enforces, and administers the state's tax laws. The Department also issues and maintains records related to drivers licenses, vehicle emission testing stations, registration and titling of motor vehicles, limited stakes gaming, liquor and tobacco retailers, horse racing and pari-mutuel betting, the automobile sales industry, and medical and recreational marijuana retailers, growing facilities, and manufacturing facilities. In addition, the Department operates the State Lottery, including state and multi-state games. The Department is divided into five divisions or business groups, four of which provide direct services to the citizens of the State, and one that provides support for the four direct-service providers.

### THE EXECUTIVE DIRECTOR'S OFFICE

- Provides overall leadership and administration for the Department, including the central budget office, accounting and financial services, information technology, internal audit, human resources administration, and includes the Office of Research and Analysis, a citizens' advocate, and the Hearings Division.

### THE TAXATION BUSINESS GROUP

- Is responsible for the collection, administration, and enforcement of individual and corporate income taxes, sales and use taxes, gasoline and special fuel taxes, and severance taxes, as well as all other taxes collected by the State;
- Provides assistance and information to taxpayers about compliance with Colorado's tax laws;
- Attempts to resolve taxpayer disputes before they reach the court system;
- Administers the cigarette tax rebate and the Amendment 35 distribution of cigarette taxes to the cities and counties; and
- Administers the Old Age Heat and Fuel and Property Tax Rebate Program.

### THE DIVISION OF MOTOR VEHICLES (DMV)

- Is responsible for enforcement and administration of the laws governing driver licensing and vehicle registration;
- Licenses drivers, maintains records of licensed drivers, and applies administrative sanctions against drivers who violate traffic laws, including for drunk driving and for excessive points;
- Oversees the vehicle emissions testing stations (including mobile testing stations);
- Registers and titles motor vehicles; and
- Administers the motor vehicle insurance identification database to prevent the registration of vehicles that are not insured.

### THE SPECIALIZED BUSINESS GROUP

- Regulates and enforces laws related to the limited stakes gaming industry in three historic mining towns;
- Regulates and enforces laws related to the sports betting industry;

- Enforces laws regarding liquor and tobacco retailers, including laws against selling those products to minors, and licenses retailers and special events where alcohol is served;
- Regulates horse racing (dog racing is currently inactive) and pari-mutuel betting (including off-track betting);
- Regulates retailers and sales agents in the motor vehicle sales industry; and
- Regulates medical and recreational marijuana dispensaries, cultivation, and manufacturing facilities.

#### THE STATE LOTTERY DIVISION

Operates the State Lottery, which sells scratch ticket games and tickets for jackpot games (e.g. Powerball, Lotto, Cash 5, Pick 3, and Mega Millions). The net proceeds of the Lottery benefit the following funds and programs:

- The Conservation Trust Fund;
- Colorado Division of Parks and Outdoors Recreation;
- Great Outdoors Colorado; and
- The Public School Capital Construction Assistance Fund.

## SUMMARY: FY 2020-21 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF REVENUE: RECOMMENDED CHANGES FOR FY 2020-21						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2020-21 APPROPRIATION</b>						
FY 2020-21 Appropriation	\$408,507,576	\$119,422,328	\$281,140,152	\$6,908,583	\$1,036,513	1,595.2
<b>CURRENT FY 2020-21 APPROPRIATION:</b>	<b>\$408,507,576</b>	<b>\$119,422,328</b>	<b>\$281,140,152</b>	<b>\$6,908,583</b>	<b>\$1,036,513</b>	<b>1,595.2</b>
<b>RECOMMENDED CHANGES</b>						
Current FY 2020-21 Appropriation	\$408,507,576	119,422,328	\$281,140,152	\$6,908,583	\$1,036,513	1,595.2
ES1 Lottery retailer compensation	13,500,000	0	13,500,000	0	0	0.0
<b>RECOMMENDED FY 2020-21 APPROPRIATION:</b>	<b>\$422,007,576</b>	<b>\$119,422,328</b>	<b>\$294,640,152</b>	<b>\$6,908,583</b>	<b>\$1,036,513</b>	<b>1,595.2</b>
<b>RECOMMENDED INCREASE/(DECREASE)</b>	<b>\$13,500,000</b>	<b>\$0</b>	<b>\$13,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.3%	0.0%	4.8%	0.0%	0.0%	0.0%
<b>FY 2020-21 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

The Department of Revenue requested and received an increase of \$13,500,000 in spending authority from the State Lottery Cash Fund for FY 2020-21 for retailer compensation. The increase in retailer compensation was driven by record-high lottery sales, especially in the second half of the fiscal year.

## SUMMARY: FY 2021-22 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF REVENUE: RECOMMENDED CHANGES FOR FY 2021-22						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$424,034,637	\$136,883,528	\$277,724,783	\$8,361,740	\$1,064,586	1,597.2
Other legislation	5,684,245	4,629,247	946,798	108,200	0	29.0
<b>CURRENT FY 2021-22 APPROPRIATION:</b>	<b>\$429,718,882</b>	<b>\$141,512,775</b>	<b>\$278,671,581</b>	<b>\$8,469,940</b>	<b>\$1,064,586</b>	<b>1,626.2</b>
<b>RECOMMENDED CHANGES</b>						
Current FY 2021-22 Appropriation	\$429,718,882	141,512,775	\$278,671,581	\$8,469,940	\$1,064,586	1,626.2
S1 Lottery retailer compensation	9,154,067	0	9,154,067	0	0	0.0
S2 Racing season delay	215,794	0	215,794	0	0	0.0
S3 Legislation funding extension	0	0	0	0	0	0.0
NP1 DNR keep CO wild SB21-249 extension	0	0	0	0	0	0.0
DPA Annual fleet supplemental true up	(306,814)	(62,641)	(244,173)	0	0	0.0
<b>RECOMMENDED FY 2021-22 APPROPRIATION:</b>	<b>\$438,781,929</b>	<b>\$141,450,134</b>	<b>\$287,797,269</b>	<b>\$8,469,940</b>	<b>\$1,064,586</b>	<b>1,626.2</b>
<b>RECOMMENDED INCREASE/(DECREASE)</b>	<b>\$9,063,047</b>	<b>(\$62,641)</b>	<b>\$9,125,688</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.1%	(0.0%)	3.3%	0.0%	0.0%	0.0%
<b>FY 2021-22 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(\$9,154,067)	\$0	(\$9,154,067)	\$0	\$0	0.0

**REQUEST/RECOMMENDATION DESCRIPTIONS**

**S1 LOTTERY RETAILER COMPENSATION:** The request includes continuous spending authority for the Lottery Division in the Retailer Compensation appropriation. Retailer compensation is calculated using a standardized and set formula of 8.05 percent for scratch sales and 7.05 percent for Jackpot sales. This formula has been in place for fifteen years and is consistent with other states. According to the Department, the volatility of ticket sales, exacerbated by recent changes in the frequency of multi-state lottery games drawings, and the unpredictable nature of jackpot sizes and payouts justifies continuous spending authority for the cash-funded retailer compensation line item.

**S2 RACING SEASON DELAY:** The request includes a one-time \$215,794 increase in spending authority for FY 2021-22 for the Colorado Division of Racing Events. This increased spending authority will allow the division to conduct one and a half race seasons during FY 2021-22 due to the delays in the FY 2020-21 racing season caused by COVID-19. Due to the unforeseeable movement, the division will need additional spending authority to ensure it meets its regulatory responsibility for both racing seasons that will occur within FY 2021-22. According to the Department, without this increase, the division will not be able to meet its regulatory oversight duties for both race seasons held in FY 2021-22.

**S3 Legislation Funding Extension:** The request includes a \$2.9 million General Fund extension of funding for three 2021 bills: S.B. 21-076: Fund Electronic Third Party Transactions, S.B. 21-260: Sustainability of Transportation System, an H.B. 21-1233: Conservation Easement Modifications. These initiatives all involved enhancements to the DRIVES or GenTax systems. According to the Department significant demands for programming updates in FY 2021-22 coupled with FTE constraints due the pandemic has led to uncertainty around the completion of the programming required to implement this legislation.

**NP1 DNR Keep CO Wild SB21-249 Extension:** On January 14, 2022, the Committee took action on the corresponding request submitted by the Department of Natural Resources: S2 Roll-forward S.B. 21-249 appropriation. Per Staff recommendation, the Committee denied the Department's supplemental request with the intent of taking it up during figure setting. No further action is required at this time.

**ANNUAL FLEET SUPPLEMENTAL TRUE-UP** The staff recommendation for this request is pending Committee action on common policy supplementals. Staff will include the corresponding appropriation in the Department's supplemental bill based on Committee action on common policy supplementals. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee at a later date to present the relevant analysis.

## PRIORITIZED SUPPLEMENTAL REQUESTS

### S1 LOTTERY RETAILER COMPENSATION:

	REQUEST	RECOMMENDATION
<b>TOTAL</b>	<b>0</b>	<b>\$9,154,067</b>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	\$9,154,067
Reappropriated Funds	0	0
Federal Funds	0	0

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?** **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

**Explanation:** JBC staff and the Department agree that this request is the result of an unforeseen contingency. According to the Department, lottery sales, specifically jackpot ticket sales, are driven by significant jackpot amounts that result from no lottery winner and jackpots rolling over. By design, the payout or rollover of a lottery jackpot is a random event. Consequently, the large jackpots seen in FY 2021-22 drove exceptional lottery ticket sales, which presented an unforeseen contingency.

**DEPARTMENT REQUEST:** The Department is requesting continuous spending authority for the Lottery Division in the Retailer Compensation appropriation effective for the current fiscal year, FY 2021-22. The Department has also submitted a request for continuous spending authority as part of its FY 2022-23 budget requests. Current Departmental projections for FY 2021-22 show that lottery retailer compensation is projected to be \$64 - \$66 million, exceeding the FY 2021-22 appropriation by approximately \$5.0 million.

According to the Department, recent changes in the frequency of multi-state lottery games drawings and the unpredictable nature of jackpot sizes and payouts justify continuous spending authority for the cash-funded retailer compensation line item. The Department states that while scratch ticket revenue is somewhat predictable, jackpot sales are wholly random. Projections each year are built based on prior history, with limited inclusion of the unexpected, high-jackpot sales runs. For an average year, this generally works; however, when there are significant jackpot runs, sales soar.

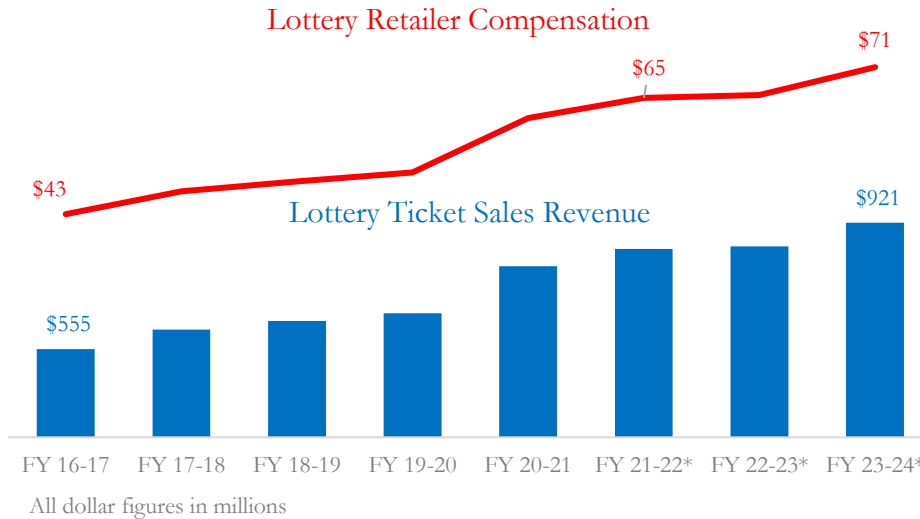
**STAFF RECOMMENDATION:** The Staff recommendation consists of two parts.

1. Staff does not recommend approval of continuous spending authority for lottery retailer compensation. Continuous spending authority would require a statutory change to the Lottery Fund in Section 44-40-111, C.R.S.
2. Staff does recommend that the Committee increase the existing FY 2021-22 appropriation from the State Lottery Cash Fund for Lottery Retailer Compensation from \$60,845,933 to \$70,000,000. This should provide sufficient spending authority to cover projected expenditures.

**STAFF ANALYSIS:** The request includes continuous spending authority for the Lottery Division in the Retailer Compensation appropriation. Retailer compensation is calculated using a standardized and set formula of 8.05 percent for scratch sales and 7.05 percent for Jackpot sales. This formula has been in place for fifteen years and is consistent with other states. According to the Department, the volatility of ticket sales, exacerbated by recent changes in the frequency of multi-state lottery games drawings,

and the unpredictable nature of jackpot sizes and payouts justifies continuous spending authority for the cash-funded retailer compensation line item.

Lottery sales have grown by an annual rate of just over 7 percent over the last seven fiscal years. Ticket sales have grown from \$555 million in FY 2016-17 to projected sales of \$921 million in FY 2023-24. This growth in ticket sales will lead to a congruent increase in the compensation paid to lottery retailers.



Staff recommends against continuous spending authority for Lottery Retailer Compensation. Staff does recommend increasing the FY 2021-22 Lottery Retailer Compensation line item from \$60.8 million to \$70.0 million. Lottery Retailer Compensation continuous spending authority was included as part of the Department’s FY 2022-23 request, R-02 Lottery Retailer Payments, and will be revisited during figure setting.

## S2 RACING SEASON DELAY

	REQUEST	RECOMMENDATION
<b>TOTAL</b>	<b>\$215,794</b>	<b>\$215,794</b>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	215,794	215,794
Reappropriated Funds	0	0
Federal Funds	0	0

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

**Explanation:** JBC staff and the Department agree that this was the result of an unforeseen contingency. The Department states that there was significant uncertainty regarding the timing of the race season and the race dates for the 2021 race season. The Racing Commission did not approve the start date until late in FY 2020-21. Consequently, it was neither



known nor anticipated that the Department would need spending authority for one and a half racing meets in 2021 prior to the FY 2021-22 Long Bill.

**DEPARTMENT REQUEST:** The Department requests an increase of \$215,794 in spending from the Racing Cash Fund for FY 2021-22. COVID-19 led to delays in the commencement of the 2021-racing season. Typically, the racing season spans two fiscal years, however, the delay led to the entire 2021 calendar year racing season occurring entirely in FY 2021-22. If the 2022 calendar year racing season begins as scheduled, as currently planned, this will result in one and a half racing seasons occurring during FY 2021-22. Due to this unforeseen occurrence, the division will need additional spending authority to ensure it meets its regulatory responsibility for both racing seasons that will occur within FY 2021-22. Without this funding increase, the division will not be able to meet its regulatory oversight duties.

**STAFF RECOMMENDATION:** Staff recommends the Committee approve the request.

**STAFF ANALYSIS:** The supplemental budget request includes an increase of \$215,794 from the Racing Cash Fund to address an unforeseen contingency around the start of the 2021 Racing season. This increased spending authority will allow the division to conduct one and a half race seasons during FY 2021-22 due to the delays in the FY 2020-21 race season caused by COVID-19.

Traditionally the racing season in Colorado spans two fiscal years, commencing in late May and running through early August. The delayed start to the season led to several challenges to the racing industry. First, the delay pushed the entire 2021 racing season into FY 2021-22. Second, the traditional summer race season had allowed tracks to hire veterinary and other support staff from a pool of candidates in the veterinary program at Colorado State University. The later season resulted in the Race Division competing with other states running racing events at the same time resulting in higher salaries to attract qualified personnel to staff the events.

Currently, the 2022 calendar year racing season is scheduled to commence as planned in late May of this year. This will result in one and a half racing seasons occurring in FY 2021-22. The additional races will result in additional oversight responsibility by the Racing Division during the current fiscal year. This supplemental request addresses the additional financial burden caused by the delayed start to the racing season.

**S3 LEGISLATION FUNDING EXTENSION**

	REQUEST	RECOMMENDATION
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

**Explanation:** JBC staff and the Department agree that this was an unforeseen contingency. The Department states that data was not fully available when the FY 2021-22 appropriation was made, and DOR assumed that capacity would be

available to complete the programming in FY 2021-22. However, due to the volume of programming requests submitted the Department was forced to prioritize programming updates and enhancements to the DRIVES and GenTax systems.

**DEPARTMENT REQUEST:** The Department requests roll-forward spending authority for the following legislation passed in the 2021 session:

- S.B. 21-076: Fund Electronic Third-Party Transactions, \$1,631,792 GF and 6.9 FTE;
- S.B. 21-260: Sustainability of Transportation System, \$1,082,480 GF and 5.3 FTE;
- H.B. 21-1233: Conservation Easement Modifications, \$206,998 GF.

The Department states that this technical request will extend \$2.9 million General Fund spending authority in existing legislation with no net budget impact. As a result of substantial legislation passed in 2021, the Department's programming workload was estimated to be 11,000 hours of programming. This necessitated the prioritization of programming requests and the possibility that some of these legislative initiatives will not be completed during FY 2021-22. The Department is working to utilize some of the appropriation in this fiscal year but requests roll forward authority so that if they do not complete programming in the current fiscal year, updates may continue without delay through FY 2022-23.

**STAFF RECOMMENDATION:** Staff recommends the Committee approve the request.

**Staff Analysis:** The supplemental budget request includes three pieces of FY 2021-22 legislation related to systems programming of the DRIVES and GenTax systems. The roll-forward request is \$2.9 million General Fund for the following legislation:

S.B. 21-076: Fund Electronic Third-Party Transactions; \$1,631,792 GF and 6.9 FTE; Implements an electronic system that allows third-party providers to offer vehicle registration and titling services, and allows the Department of Revenue to set and collect a new fee on these third-party transactions. The bill will increase state expenditures beginning in FY 2021-22, and increase ongoing state revenue beginning in FY 2022-23.

S.B. 21-260: Sustainability of Transportation System; \$1,082,480 GF and 5.3 FTE; creates new sources of dedicated funding for the state's transportation system, the bill requires and includes appropriations totaling \$164.0 million to multiple state agencies. The bill increases state and local government revenue and expenditures on an ongoing basis, and the Department requests an extension of FTE and funding in order to implement and administer the new fees created in this bill.

H.B. 21-1233: Conservation Easement Modifications, \$206,998 GF; modifies conservation easement tax credit program by increasing credit amounts, changing how transferred credits are tracked and verified, and broadens entities that can donate or accept donations of easements. Decreases state revenue and increases expenditures on an ongoing basis. Will decrease the state obligation for TABOR refunds to taxpayers, and potentially increase revenue to certain special districts.

The Department of Revenue has experienced a significant amount of programming update requests related to the GenTax and DRIVES systems in recent years. Updates to GenTax and DRIVES are managed by the vendor, Fast Enterprises, who is the architect of both systems and is contracted to perform all maintenance and updates. In FY 2021-22, the Department of Revenue

received requests for over eleven thousand hours of programming, necessitating the prioritization of requests.

The Department states that the number of programming requests for FY 2021-22 exceeded the Department and Fast Enterprises ability to meet the legislative demands of systems enhancements. Currently, the level of demand so significantly outweighs the current capacity that even the highest priority requests cannot all be completed on time. There is now a backlog of over 2,400 programming change requests. This backlog is growing at a rate of approximately 400 requests per year.

The Department’s FY 2022-23 R1, “DMV DRIVES System Support,” seeks to address the backlog of programming. This request includes an additional \$3.1M of ongoing spending authority from the DRIVES Cash Fund, and the addition of 11 FTE. This additional capacity will bring some of the DRIVES programming functionality in-house and reduce vendor reliance for all system maintenance and enhancements. This issue will be discussed more thoroughly at figure setting.

**NON-PRIORITIZED SUPPLEMENTAL REQUESTS**

**NP1 DNR KEEP CO WILD SB21-249**

	TOTAL	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
NP1 DNR KEEP CO WILD	\$0	\$0	\$0	\$0	\$0	0.0
<b>Department's Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**DEPARTMENT REQUEST:**

On January 14, 2022, the Committee took action on the corresponding request submitted by the Department of Natural Resources: S2 Roll-forward S.B. 21-249 appropriation. Per Staff recommendation, the Committee denied the Department’s supplemental request with the intent of taking it up during figure setting. No further action is required at this time.

**PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST**

**ES01 LOTTERY RETAILER COMPENSATION**

	REQUEST	APPROVED
<b>TOTAL</b>	<b>\$13,500,000</b>	<b>\$13,500,000</b>
FTE	15.0	15.0
General Fund	0	0
Cash Funds	\$13,500,000	13,500,000
Federal Funds	0	0

**DEPARTMENT REQUEST:** The Department of Revenue requested an increase of \$13,500,000 in spending authority from the State Lottery Cash Fund for FY 2020-21 for retailer compensation.

**SUMMARY:** The Department’s request aimed to cover the increase in the lottery retailer compensation line item due to rapidly growing lottery ticket sales in FY 2020-21. The increase in retailer compensation and subsequent overexpenditure was a result of record-high sales, especially in the second half of the fiscal year. The Lottery projected FY 2020-21 scratch sales would exceed \$550

million, compared to a previous high of \$491 million in FY 2019-20. Jackpot sales were projected to exceed \$215 million, which was the second-highest in the Lottery’s history. The Lottery also had two approximately billion-dollar jackpots at the same time for the first time in history. Exceptionally large jackpots lead to rapid growth in ticket sales, resulting in significantly higher lottery revenue and also the associated costs of lottery operation.

For more information on this supplemental request, see the briefing document presented by JBC staff analyst Andrea Uhl on June 18, 2021: <https://leg.colorado.gov/sites/default/files/rev-06-18-21.pdf>.

COMMITTEE ACTION: The Joint Budget Committee approved the staff recommendation for this interim supplemental request on June 18, 2021. Staff will include the approved adjustments in the supplemental bill for the Department. No further action is required.

## STATEWIDE COMMON POLICY SUPPLEMENTAL REQUESTS

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

### ANNUAL FLEET VEHICLE TRUE-UP

DEPARTMENT'S PORTION OF STATEWIDE SUPPLEMENTAL REQUEST	TOTAL	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
Annual fleet vehicle true-up	(\$306,814)	(\$62,641)	(\$244,173)	\$0	\$0	0.0
<b>Department's Total Statewide Supplemental Requests</b>	<b>(\$306,814)</b>	<b>(\$62,641)</b>	<b>(244,173)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

STAFF RECOMMENDATION: The staff recommendation for this request is pending Committee action on common policy supplementals. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee acts on common policy supplementals. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee at a later date to present the relevant analysis.

*JBC Staff Supplemental Recommendations - FY 2021-22  
Staff Working Document - Does Not Represent Committee Decision*

**Appendix A: Numbers Pages**

	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2021-22 Requested Change	FY 2021-22 Rec'd Change	FY 2021-22 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

**DEPARTMENT OF REVENUE**  
Mark Ferrandino, Executive Director

**S1 Lottery Retailer Compensation**

**(6) STATE LOTTERY DIVISION**

Retailer Compensation	<u>61,103,090</u>	<u>60,845,933</u>	<u>9,154,067</u>	<u>70,000,000</u>
General Fund	0	0	0	0
Cash Funds	61,103,090	60,845,933	9,154,067	70,000,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

<b>Total for S1 Lottery Retailer Compensation</b>	61,103,090	60,845,933	9,154,067	70,000,000
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0
Cash Funds	61,103,090	60,845,933	9,154,067	70,000,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

*JBC Staff Supplemental Recommendations - FY 2021-22*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2021-22 Requested Change	FY 2021-22 Rec'd Change	FY 2021-22 Total w/Rec'd Change
<b>S2 Racing Season Delay</b>					
<b>(5) SPECIALIZED BUSINESS GROUP</b>					
<b>(D) Division of Racing Events</b>					
Personal Services	<u>846,789</u>	<u>969,774</u>	<u>115,794</u>	<u>1,085,568</u>	
FTE	7.7	7.7	0.0	7.7	
General Fund	0	0	0	0	
Cash Funds	846,789	969,774	115,794	1,085,568	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Operating Expenses	<u>131,259</u>	<u>202,320</u>	<u>100,000</u>	<u>302,320</u>	
General Fund	0	0	0	0	
Cash Funds	131,259	202,320	100,000	302,320	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>Total for S2 Racing Season Delay</b>	978,048	1,172,094	215,794	1,387,888	
<b>FTE</b>	<u>7.7</u>	<u>7.7</u>	<u>0.0</u>	<u>7.7</u>	
General Fund	0	0	0	0	
Cash Funds	978,048	1,172,094	215,794	1,387,888	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

*JBC Staff Supplemental Recommendations - FY 2021-22*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2021-22 Requested Change	FY 2021-22 Rec'd Change	FY 2021-22 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

**S3 Legislation Funding Extension**

**(1) EXECUTIVE DIRECTOR'S OFFICE**

**(A) Administration and Support**

Personal Services	<u>11,141,307</u>	<u>13,336,056</u>	0	<u>13,336,056</u>
FTE	145.0	145.0	0.0	145.0
General Fund	5,277,113	5,012,845	0	5,012,845
Cash Funds	219,713	814,631	0	814,631
Reappropriated Funds	5,644,481	7,508,576	0	7,508,576
Federal Funds	0	4	0	4

<b>Total for S3 Legislation Funding Extension</b>	11,141,307	13,336,056	0	13,336,056
FTE	<u>145.0</u>	<u>145.0</u>	<u>0.0</u>	<u>145.0</u>
General Fund	5,277,113	5,012,845	0	5,012,845
Cash Funds	219,713	814,631	0	814,631
Reappropriated Funds	5,644,481	7,508,576	0	7,508,576
Federal Funds	0	4	0	4

<b>Totals Excluding Pending Items</b>				
<b>REVENUE</b>				
<b>TOTALS for ALL Departmental line items</b>	468,032,287	429,718,882	9,369,861	439,088,743
FTE	<u>1,225.0</u>	<u>1,626.2</u>	<u>0.0</u>	<u>1,626.2</u>
General Fund	125,051,993	141,512,775	0	141,512,775
Cash Funds	336,755,902	278,671,581	9,369,861	288,041,442
Reappropriated Funds	6,224,392	8,469,940	0	8,469,940
Federal Funds	0	1,064,586	0	1,064,586