

MEMORANDUM



JOINT BUDGET COMMITTEE

TO JBC Members
FROM JBC Staff
DATE March 13, 2024
SUBJECT Figure Setting Comeback Packet 4

Included in this packet are staff comeback memos for the following items:

Department of Human Services, page 2 (Tom Dermody): Targeted One-time Compensation for Select 24/7 Facilities Staff

Department of Personnel, page 6 (Tom Dermody): Indirect Cost Assessment Plan Modification

Department of Public Health & Environment, page 8 (Abby Magnus): Vital Statistics Records Cash Fund waiver

Department of Public Health & Environment, page 9 (Andrew McLeer): Information Correction for CDPHE R-07: Environmental Justice Enforcement

Department of Public Health & Environment, page 10 (Andrew McLeer): R-9: Office of Health Equity and Compliance

Department of Agriculture, page 16 (Kelly Shen): R-07: General Fund/cash fund split

Department of Public Safety, page 18 (Gustavo Cortés): BA02 National Ballistic Info Network Expansion

Department of Public Safety, page 21 (Gustavo Cortés): Staff-initiated Cash Fund Waivers Recommendations

Department of Public Safety, page 24 (Gustavo Cortés): R3 Forensic Resources to Reduce Auto Theft

Department of Public Safety, page 25 (Gustavo Cortés): S.B. 23-280 (Hazardous Material Mitigation) Spending Authority

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Tom Dermody, JBC Staff (303-866-4963)
DATE March 12, 2024
SUBJECT Tabled - Targeted One-time Compensation for Select 24/7 Facilities Staff

During figure setting for the Department of Human Services (February 15, 2024), at the behest of staff, the Committee delayed a decision for targeted one-time compensation for select 24/7 facilities staff. This delay was to allow staff to coordinate with the Department of Corrections analyst on a similar one-time compensation request. On March 8, 2024, the Committee considered and approved the JBC staff recommendation for the Department of Correction's non-base building incentives for critical staff. The approved staff recommendation established a base salary threshold for the application of this incentive, limiting the incentive payments for qualifying employees making less than \$90,000 per year after all other total compensation increases (e.g. 3.0 percent across-the-board, system maintenance study, and step increases).

Below is JBC staff's analysis and recommendation for the Department of Human Services request for targeted one-time compensation for select 24/7 facilities staff.

→ TARGETED ONE-TIME COMPENSATION FOR SELECT 24/7 FACILITIES STAFF

REQUEST: The Department requests \$4,748,541 total funds, including \$3,734,461 General Fund and \$1,014,080 reappropriated funds, in FY 2024-25 for non-base building compensation for Nurses, Client Care Aids, Health Care Technicians, and State Teachers at its 24/7 facilities. The requested funding represents an 8.0 percent adjustment for Nurses and a 3.17 percent adjustment for non-nurse classification.

RECOMMENDATION: Staff recommends an appropriation of \$1,688,649 total funds, including \$1,042,113 General Fund and \$646,536 reappropriated funds, for targeted one-time compensation for select 24/7 facilities staff. The General Fund component is for staff at the Mental Health Institutes, Veterans Community Living Centers (VCLC), and Division of Youth Services. The reappropriated funds component is for staff at Regional Centers. This recommendation is based on limiting the incentive payments for qualifying employees making less than \$90,000 per year after all other total compensation increases (e.g. 3.0 percent across-the-board, system maintenance study, and step increases). The \$90,000 threshold is in line with the Committee's decision on a similar request in the Department of Corrections and intended to align similar compensation efforts across departments.

JBC STAFF RECOMMENDATION – TARGETED ONE-TIME COMPENSATION FOR SELECT 24-7 FACILITIES STAFF							
FACILITY	NUMBER OF EMPLOYEES	MID-LEVEL PROVIDER	NURSES	HEALTH CARE TECHS	CLIENT CARE AIDES	STATE TEACHERS	TOTAL
Mental Health Institutes - Pueblo	158	\$0	\$116,489	\$79,341	\$156,412	\$9,925	\$362,167
Mental Health Institutes - Ft. Logan	20	0	90,156	0	0	0	90,156
Grand Junction Regional Center	95	0	21,126	186,662	0	0	207,788
Wheat Ridge Regional Center	119	0	13,144	225,130	0	0	238,274

**JBC STAFF RECOMMENDATION –
TARGETED ONE-TIME COMPENSATION FOR SELECT 24-7 FACILITIES STAFF**

FACILITY	NUMBER OF EMPLOYEES	MID-LEVEL PROVIDER	NURSES	HEALTH CARE TECHS	CLIENT CARE AIDES	STATE TEACHERS	TOTAL
Pueblo Regional Center	82	0	44,136	156,338	0	0	200,474
Div. of Youth Services	54	9,139	98,316	4,243	0	92,396	204,094
Homelake VCLC	22	0	0	0	40,412	0	40,412
Florence VCLC	28	0	28,440	3,917	36,169	0	68,526
Rifle VCLC	41	0	62,102	4,198	42,370	0	108,670
Fitzsimmons VCLC	89	0	67,636	13,664	86,788	0	168,088
Total	708	\$9,139	\$541,545	\$673,493	\$362,151	\$102,321	\$1,688,649

ANALYSIS: This request is based on negotiations between the Executive Branch and Colorado Workers for Innovative New Solutions (COWINS), the union that represents the majority of the State’s employees. The revised COWINS Partnership agreement became effective November 17, 2022 and included a provision requiring the Executive Branch to seek funding in FY 2023-24 and FY 2024-25 for non-base building compensation adjustments for select job classifications that work at the State’s 24/7 facilities. In the Department of Human Services, these job classifications include:

- Nurses I-VI and Mid-level Provider;
- Client Care Aides I-II,
- Health Care Technicians I-IV, and
- State Teachers Aide and I-IV.

The Executive Branch is contractually obligated to request funding for this provision of the COWINS Partnership Agreement. Article 37.1 of the Partnership Agreement states:

“Based on funding for fiscal year 2023/24 and 2024/25, the State and COWINS agree that the job classifications listed below working in 24/7 facilities shall receive ***up to 10%*** [emphasis added] non-base building temporary pay differential. All the Employees in each job classification in the same department listed below shall receive an equal pay differential for the duration of the two fiscal years. Subject to available appropriations, the State will notify COWINS if additional 24/7 job classifications may be added based on need.”

However, the General Assembly is not obligated or bound by the Partnership Agreement, and may choose to appropriated any level of funding it deems appropriate to the Executive Branch for these purposes. It remains unclear to staff exactly how this request was formulated and the non-base building compensation funding was determined. The Executive Branch reports that the compensation for nurses was a negotiated amount, while the compensation rate for non-nurses is based on a fixed allocation distributed proportionally. As noted in the JBC staff analysis for the Department of Corrections, there are several concerns regarding this request from the process through which it was requested to the dearth of analysis provided to staff justifying the job classes included and the compensation levels requested.

In FY 2023-24, the Committee approved a non-base building compensation adjustments as a one-time adjustment. During figure setting for FY 2023-24, JBC staff raised concerns that the request was not presented as a stand-alone, prioritized request that would facilitate a full review by the Joint Budget Committee. Rather, it was built into the total compensation request. At the time, staff noted:

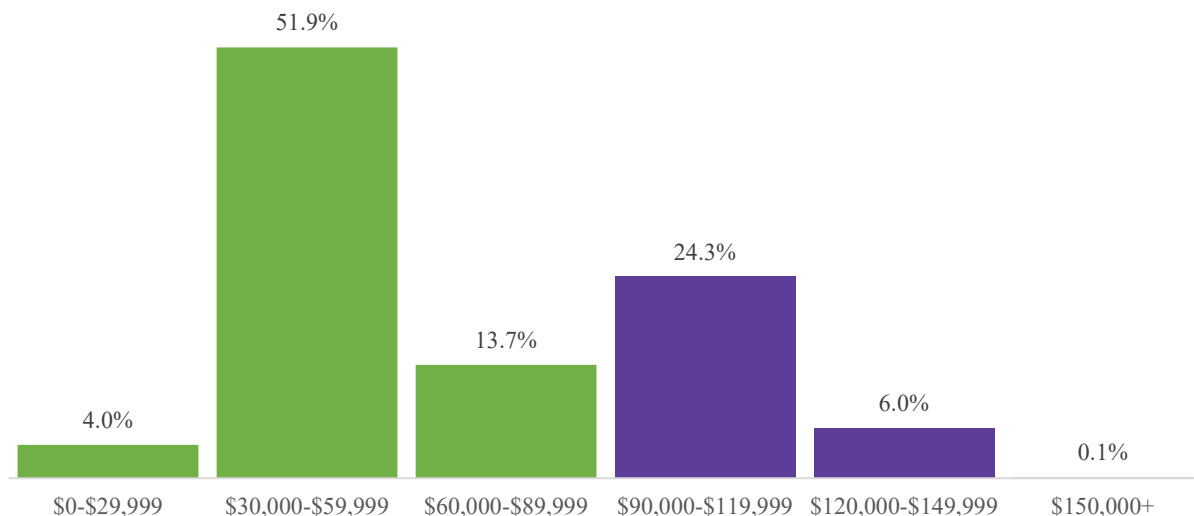
“...given the lack of clarity on both the process by which these figures were determined and how this request interacts with other compensation considerations before the Committee, staff believes it prudent to limit this funding to a single fiscal year. The Executive Branch may submit a similar, single-year request for the FY 2024-25 budget cycle.”

Despite these concerns, the Executive Branch requested the FY 2024-25 iteration of the targeted one-time compensation through the same manner, baking the request into the total compensation request. As a result, there was no accompanying narrative provided to JBC staff, which ideally would have included detailed information and calculations on the who, what, when, where, and why of this request. Operating in an environment of limited information is part and parcel of the JBC staff experience, and, when faced with situations such as these, analyses tend to default to strictly quantitative assessments. The following information is presented to the Committee to help frame the staff recommendation.

THE \$90,000 THRESHOLD

The request applies an 8.0 percent salary increase for the Nurse and Mid-level Provider (381) job classes and a 3.17 percent salary increase for Health Care Technicians (369), Client Care Aides (214), and State Teachers (53). In total, 1,017 employees of the Department of Human Services have been identified as qualifying for Article 31.7 incentives. However, as a function of the negotiated nature of this request, the incentives do not consider the sufficiency an employee’s base salary. JBC staff found that the request includes incentive increases for 309 individuals making more than \$90,000 after all other salary increases: 3.0 percent across-the-board increase, system maintenance study, step increases, step-like increases. This includes 62 individuals making more than \$120,000 after other salary increases. The Nurse job class accounts for 77.7 percent (240) of the 309 individuals making more than \$90,000.

Of the 24/7 employees identified by the Department that qualify for the Article 31.7 one-time incentive, **69.6 percent** will make less than \$90,000 per year in FY 2024-25, after standard annual compensation adjustments.



JBC staff cannot say that \$90,000 or \$120,000 are “adequate” base salaries in every instance. But they might be. Staff thus excluded individuals making more than \$90,000 from their recommendation. This was a judgement call; staff also recommends that the JBC make a judgement call that is consistent with its policy goals and preferences, which may include approval of the request without qualifications.

ALTERNATE TOOL FOR SCALING

In an attempt to provide the Committee a simple tool for considering their options vis-a-vie this request, staff provides the table below. This table calculates the cost of this request, if a uniform 1.0 percent increase was applied to the requested staffing mix. This tool should help the Committee consider the scale of the cost of the request, as well as possible alternative funding scenarios. Staff would note that the distribution of appropriations related to this request are at the Department’s discretion. This table **does not** apply the \$90,000 threshold discussed above.

UNIFORM 1.0 PERCENT TARGETED ONE-TIME COMPENSATION ADJUSTMENT FOR SELECT 24-7 FACILITIES STAFF							
FACILITY	NUMBER OF EMPLOYEES	MID-LEVEL PROVIDER	NURSES	HEALTH CARE TECHS	CLIENT CARE AIDES	STATE TEACHERS	TOTAL
Mental Health Institutes - Pueblo	279	\$29,063	\$142,793	\$31,333	\$50,159	\$10,162	\$263,510
Mental Health Institutes - Ft. Logan	60	12,017	54,447	668	0	0	67,132
Grand Junction Regional Center	106	1,439	15,444	57,577	0	0	74,460
Wheat Ridge Regional Center	134	3,234	17,625	75,498	0	0	96,357
Pueblo Regional Center	89	1,409	13,367	49,254	564	0	64,594
DYS	100	23,440	42,178	1,335	0	43,780	110,733
Homelake VCLC	37	1,602	19,168	786	12,818	0	34,374
Florence VCLC	47	1,543	25,428	1,246	14,302	0	42,519
Rifle VCLC	55	2,759	23,470	2,745	12,610	0	41,584
Fitzsimmons VCLC	110	0	36,599	16,987	27,312	0	80,898
Total	1,017	\$76,506	\$390,519	\$237,429	\$117,765	\$53,942	\$876,161

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
 FROM Tom Dermody, JBC Staff (303-866-4963)
 DATE March 11, 2024
 SUBJECT Dept. of Personnel Indirect Cost Assessment Plan Modification

During figure setting for the Department of Personnel on March 1, 2024, staff recommended an alternative Indirect Cost Allocation Plan than the one requested by the Department. There were two technical errors in staff's recommendation.

First, the amount in the table below in the Sources column for Human Resources, Training, Indirect Cost Assessment line item (\$110,573) was included in staff's figure setting recommendation. However, this amount originates as General Fund in the Indirect Cost Assessment line item, and indirect cost assessments and recoveries are intended to offset General Fund. As a result of this mechanic, the General Fund appropriated to the Indirect Cost Assessment line was being used to offset General Fund in the Department's Executive Director's Office (EDO). As part of JBC staff figures setting, a technical adjustment was made to directly allocate those \$110,573 General Fund to the EDO. However, while the General Fund was moved to the EDO, staff neglected to adjust the Indirect Cost Assessment Plan to reflect the reduction of this amount in indirect cost assessment. As a result of this error, staff recommended a higher than anticipated collection of indirect cost assessments. Accounting for the full implementation of this technical adjustment, staff **recommends total indirect cost assessments of \$2,440,418 total funds, as noted in the table below.**

FY 2024-25 DPA INDIRECT COST ASSESSMENT TRUE UP WORKSHEET				
	FIGURE SETTING		REVISED RECOMMENDATION	
	USES	SOURCES	USES	SOURCES
CSEAP, Indirect Cost Assessment Line Item		\$253,876		\$253,876
Human Resources, Training, Indirect Cost Assessment Line Item		110,573		0
Human Resources, Employee Benefit Services, Indirect Cost Assessment Line Item		422,811		422,811
Human Resources, Risk Management Services, Indirect Cost Assessment Line Item		365,942		365,942
Central Services, Administration, Indirect Cost Assessment Line Item		17,557		17,557
Central Services, IDS, Document Solutions, Indirect Cost Assessment Line Item		452,923		452,923
CORE, Indirect Cost Assessment Line Item		167,026		167,026
OAC, Indirect Cost Assessment Line Item		141,921		141,921
Capital Assets, Administration, Indirect Cost Assessment Line Item		5,808		5,808
Capital Assets, Facilities Maintenance, Indirect Cost Assessment Line Item		464,985		464,985
Capital Assets, Fleet, Indirect Cost Assessment Line Item		147,569		147,569
EDO, Personal Services	\$1,763,906		\$2,440,418	
EDO, Operating Expenses	91,584		0	
EDO, Capitol Complex Leased Space	695,501		0	
DPA Subtotals	\$2,550,991	\$2,550,991	\$2,440,418	\$2,440,418

Second, staff's figure setting recommendation for the application of indirect cost recoveries to various line items within the EDO was based on the FY 2023-24 proportional allocation of those recoveries. However, the Department noted to staff that their methodology for using indirect cost recoveries is based on an order of operations, rather than a proportional allocation. The Department first applies the indirect cost recoveries to the EDO's Personal Services line item, until all General Fund in that line is offset, then does the same for their Operating Expenses line, then their Capitol Complex Leased

Space line. For FY 2024-25, the Department anticipates utilizing all indirect cost recoveries in the EDO's Personal Services line item.

JBC STAFF REVISED RECOMMENDATION – INDIRECT COST ALLOCATION PLAN DISTRIBUTIONS					
FIGURE SETTING/ LINE ITEMS	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Personal Services	\$2,635,762	\$820,766	\$161,663	\$1,653,333	\$0
Operating Expenses	134,992	38,569	8,809	87,614	0
Capitol Complex Leased Space	4,792,846	3,090,953	26,515	1,675,378	0
Total	\$7,563,600	\$3,950,288	\$196,987	\$3,416,325	\$0
REVISED RECOMMENDATION/LINE ITEMS	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Personal Services	\$2,635,762	\$33,681	\$161,663	\$2,440,418	\$0
Operating Expenses	134,992	126,183	8,809	0	0
Capitol Complex Leased Space	4,792,846	3,597,001	35,980	1,159,865	0
Total	\$7,563,600	\$3,756,865	\$206,452	\$3,600,283	\$0
Difference	\$0	(\$193,423)	\$9,465	\$183,958	\$0

JBC staff **recommends a net neutral reallocation of funds, including a reduction of \$193,423 General Fund, an increase of \$9,465 cash funds, and an increase of \$183,958 reappropriated funds.**

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Abby Magnus, JBC Staff (303-866-2149)
DATE March 14, 2024
SUBJECT CDPHE: Cash Fund Waivers

The Department of Public Health and Environment has two cash fund waiver requests detailed below.

VITAL RECORDS CASH FUND

The Department requests a one-year cash fund waiver for the Vital Statistics Records cash fund, and states it has requested this waiver as a technicality given as it is required to submit a cash fund waiver for every year of non-compliance. When this request was submitted, the fund was \$1.1 million above maximum reserve requirements, and in its third year of non-compliance. The excess uncommitted reserve is the result of a \$1.2 million infusion into the fund in FY 2023-24 from the Revenue Loss Restoration Cash Fund, as well as due to automated billing processes resulting in increased cash collections. On January 18, 2024, the JBC approved the Department's supplemental request to reduce the appropriation by the \$1.2 million amount from the Revenue Loss Restoration Fund. This was enacted in the Department's supplemental bill (H.B. 24-1196).

Staff does not recommend any action at this time, as this fund has already been brought into compliance based on actions taken during supplemental budget decisions.

MEDICAL MARIJUANA CASH FUND

The Department requests a three-year cash fund waiver from FY 2022-23 through FY 2024-25 for the Medical Marijuana Cash Fund. The fund had an excess uncommitted reserve of \$96,547 at the close of FY 2022-23. The fund receives revenue from application fees for Medical Marijuana Program registry identification cards. The Medical Marijuana Cash Fund had previously had excess uncommitted reserves and was subject to spending authority restriction in fiscal years 2021-22 and 2022-23. The Department states the fund exceeded reserve limits due to increased demand that has since dissipated. Even with the expenditure restrictions, the fund is expected to be in compliance beginning in FY 2023-24. The Department is requesting the cash fund waiver from FY 2022-23 through FY 2024-25, in order to build up cash fund reserves to utilize for a technological system update request in FY 2025-26.

Staff recommends approval of a cash fund waiver for FY 2022-23- FY 2024-25, in order to allow the Department to build up a \$150,000 reserve in the cash fund in order to request a system update in FY 2025-26.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Andrew McLeer, JBC Staff (303-866-4959)
DATE March 12, 2024
SUBJECT Information Correction for CDPHE R-07: Environmental Justice Enforcement

Staff has recently identified an error in the document for CDPHE budget recommendations from March 1, 2024 regarding the request for increased environmental justice staff. The document includes data indicating that the Department only conducts 6.6 percent of its inspections in disproportionately impacted (DI) communities. In a review of the document on March 4, staff identified the error in this figure, and that the request indicates that there would be an *increase in inspections of 6.6 percent, all of which would occur in DI communities*. Staff has subsequently learned that the number of DI community inspections within the Department varies from 25 to 60 percent across its divisions.

Staff recognizes that the difference in these figures is significant. However, staff maintains recommendation for denial of the request based on the EPA Memorandum of Understanding suggesting a reallocation of existing resources toward DI communities. Furthermore, the staff recommendation for R9, which involves the reorganization of the EJ Program into the Office of Health Equity and Environmental Justice, is likely to increase efficiency of the EJ Program's efforts. Staff believes that it would be prudent to identify the inefficiencies within the new EJ Program structure over the following year, rather than make staffing changes based on the inefficiencies of a structure which would no longer be in place.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Andrew McLeer, JBC Staff (303-866-4959)
DATE March 12, 2024
SUBJECT CDPHE R-9: Office of Health Equity and Compliance

This memo is written in regards to the R-9 decision item for the Department of Public Health and Environment. This decision item was tabled during the figure setting presentation for the Department on March 1, 2024, pending additional information to allow for analysis. The Department has provided the necessary information.

REQUEST: The Department requests an increased appropriation of \$3,396,753 total funds and 10.3 FTE, including \$193,738 General Fund, \$1,115,938 cash funds, and \$1,964,493 reappropriated funds for FY 24-25 and \$3,441,581 total funds. This appropriation will be used for the reorganization and consolidation of the Environmental Justice Program (EJP) with the Office of Health Equity as the Office of Health Equity and Environmental Justice (OHEEJ) within the Administration and Support Division.

RECOMMENDATION: Staff recommends partial approval of the Department's request. Staff agrees that consolidation of the EJP into a single office will improve transparency. However, staff recommendation is for an increase of \$2,765,185 total funds and 8.3 FTE, including \$132,253 General Fund, \$1,084,796 cash funds, \$1,447,146 reappropriated funds and \$100,900 federal funds for FY 24-25 and \$2,960,770 total funds and 8.3 FTE, including \$155,567 General Fund, \$1,115,431 cash funds,¹ \$1,567,775 reappropriated funds, and \$121,907 federal funds for FY 2025-26 and ongoing.

R9: Office of Health Equity and Environmental Justice						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 Request	\$3,396,753	\$193,738	\$1,115,938	\$1,964,493	\$122,584	10.3
Staff Recommendation	2,765,185	132,253	1,084,796	1,447,146	100,990	8.3
Request Above/(Below) Recommendation	\$631,568	\$61,485	\$31,142	\$517,347	\$21,594	2.0
FY 2025-26 Out-year costs	\$2,960,770	\$155,567	\$1,115,431	\$1,567,775	\$121,907	2.0

The Department requests the EJP be combined with the Office of Health Equity (OHE) within the Administration Division of CDPHE as the "Office of Health Equity and Environmental Justice (OHEEJ)". Currently, the EJP is spread across multiple divisions (Administration, APCD, DEHS and WQCD) within CDPHE, and the Department argues that this creates funding instability for the program, as well as creating administrative barriers and making the EJP's work less transparent to the legislature. The Department outlines additional reasons the EJP should be joined with OHE in a single department.

¹ These cash fund amounts are informational. The Community Impact Cash Fund (CICF) is continuously appropriated to the Department.

- Funding should be aligned with the EJP's actual work. The EJP focuses on targeted environmental justice, whereas air pollution sources are generally a global pollutant. This makes something like stationary sources or GHG fees an inappropriate sole funding source for EJP, which is the current funding source. Consequently, the Department desires for the EJP to be funded through indirect costs for each division, reflecting the cross-divisional nature of the EJP's work.
- EJP is aligned with the OHE because of their inter-divisional work, with aligned missions of equity within the Department's structure. The Department argues that creating OHEEJ would more accurately reflect these compatible missions and workload in the Long Bill. This is also reflected in the request from the Department, which incorporated indirect costs across the Department's divisions into OHEEJ funding.

ELEMENTS OF THE REQUEST

The request includes additional funding for the Department's environmental justice efforts. The FTE request includes the following elements:

- Reallocation of existing FTE from other lines within the Department to the Office of Health Equity and Environmental Justice
- Allocation of resources to the Environmental Justice Program, which would free existing resources to the Office of Health Equity
- Continuation of existing FTE which had been federally funded, but for whom this funding is set to expire.
- Implementation of EJ Task Force recommendations
- Management of the Community Impact Cash Fund (CICF)

In addition to the request for additional staffing, the Department requests \$2.3 million in ongoing operating costs. The largest driver of this is the CICF Grant Program, which accounts for \$1.9 million. The remaining \$400,000 is for operating expenditures and the

MAJOR DIFFERENCES BETWEEN RECOMMENDATION AND REQUEST

- Consistent with Committee directions for including FTE, the recommendation does not include centrally appropriated costs for new FTE. This accounts for the recommendation being \$354,357 total funds lower than the request for FY 2024-25. Staff also notes that centrally appropriated items were not backed out of the initial request, so centrally appropriated costs will only annualize for new FTE in FY 2025-26 for \$195,585 total funds, including \$30,635 cash funds from the CICF, \$143,943 reappropriated funds, and \$21,007 federal funds.
- The Department has requested EJ Ombudsperson and associated staff be funded with General Fund. Staff agrees that General Fund is an appropriate fund source for the independent EJ Ombudsperson. However, staff's understanding of the EJ Ombudsperson statute suggests that only the Ombudsperson should be funded with General Fund, with the Department assuming responsibility for administrative staffing. Staff recommends funding the remaining staff with reappropriated funds.

Office of Health Equity and Environmental Justice, EJ Ombudsperson						
	TOTAL	GF	CF	RF	FF	FTE
FY 2024-25 Request	\$166,631	\$166,631	\$0	\$0	\$0	1.2
Staff Recommendation	147,761	132,253	0	15,508	0	1.2
Request Above/(Below) Recommendation	\$18,870	\$34,378	\$0	(\$15,508)	\$0	0.0

- Staff recommends only 8.3 FTE, instead of the 10.3 FTE requested. This is due to the request from the Department seeking to add funding within the EJ Program for 2.0 FTE, freeing resources for use in the OHE. Staff recommends reallocating these 2.0 FTE and their associated funding to the EJ Program line, rather than adding an additional 2.0 FTE to the Office of Health Equity and Environmental Justice. Staff requests permission to reflect these FTE within the EJ Program Cost line item, with an equivalent reduction to the Office of Health Equity line item.

Office of Health Equity and Environmental Justice, EJ Program Costs						
	TOTAL	GF	CF	RF	FF	FTE
FY 2024-25 Request	\$2,066,610	\$0	\$0	\$1,965,620	\$100,990	17.9
Staff Recommendation	1,808,269	0	0	1,707,279	100,990	15.9
Request Above/(Below) Recommendation	\$258,341	\$0	\$0	\$258,341	\$0	2.0

DESCRIPTION OF REQUESTED FTE

Reallocation of FTE in the Long Bill (11.0 FTE)

The Long Bill currently shows 10.7 FTE for the EJ program, including 7.7 FTE in the Environmental Justice Ombudsperson line item in the Administration and Support Division, and 3.0 FTE in the Water Quality Control Division Administration line. The request to reflect 11.0 FTE in the Long Bill represents a truing up of the Ombudsman line item to accurately reflect that there are currently 8.0 FTE employed within this line. The request includes no additional funding for these line items, with \$884,062 cash funds removed from the EJ Ombudsperson line in the Administration & Support Division, Administration Subdivision. The Department has also requested moving 3.0 FTE currently reflected in the Water Quality Control Division (WQCD), Administration line item to the newly created OHEEJ, EJ Program Costs line. This move of FTE and funding from the WQCD to OHEEJ will result in no net change in funding.

The Department has requested a General Fund appropriation of \$193,738 for the EJ Ombudsperson. Currently, the Long Bill identifies the Community Impact Cash Fund (CICF) as the funding source for the EJ Ombudsperson position. However, the CICF can only be used to fund the costs of the EJ Grants Program and the EJ Task Force. Furthermore, the General Assembly has identified the EJ Ombudsperson as an independent entity within the Department. The Department argues that General funding this line item accords with this General Assembly intent.

Staff agrees with the Department's assessment that the EJ Ombudsperson ought to be funded using General Fund, due to the provision of the Ombudsperson operating independently of the Department (Section 25-1-134 (1)(a)). As such, it seems that utilizing a specific fund source within the

programmatic divisions of the Department would be inappropriate, given the cross-divisional nature of the work. However, staff disagrees that the need for this independence exists with the staff of the EJ Ombudsperson, as the referenced statute also requires the Department to provide administrative support to the Ombudsperson. As such, staff believes that these administrative roles should be funded with reappropriated funds, rather than General Fund.

Reallocating EJ funding in the Office of Health Equity to the EJ Program (2.0 FTE)

Currently, the Office of Health Equity funds two FTE for OHEEJ. The Department has requested funding these FTE in the OHEEJ program line using reappropriated funds, thus freeing up resources within the Office of Health Equity for OHE needs. Staff agrees that these two positions, which includes a program manager for the EJ Program, are critical to the continuation of the program. However, there is not a clear reason identified for why the funding for these positions should not be backed out of the OHE line item. As such, staff recommends reallocating these FTE and their associated funding to the EJ Program line item, rather than increasing the total appropriation to the Department. This would lead to no net change in the appropriation for these FTE.

Continuation of federally funded positions (2.5 FTE)

The Department currently has 2.5 federally funded FTE which they seek to move to the proposed EJ Program line within OHEEJ.

- The CDC Preventive Block grant currently funds 1.5 FTE within the Department. These include a project manager, which manages Colorado EnviroScreen 2.0 software development, the Community Connectors engagement program, and implementation of the EPA Memorandum of Understanding Workplan, to name a few. The additional 0.5 FTE is for a Spanish interpreter, who provides translations services for the EJP and the four environmental divisions in the Department. The Department request includes making these FTE permanent, since it is unclear whether environmental justice will remain a priority for the CDC in the future. Given the critical nature of these positions to the EJ Program, the Department wishes to fund these 1.5 FTE with reappropriated funds.
- The EPA currently funds 1.0 FTE in the Supplemental Environmental Projects (SEP) Program. This program was moved from the Department of Environmental Health and Sustainability to the EJ Program in September of 2023. The SEP program is an enforcement tool used by the EPA which allows defendants to undertake local projects as part of a settlement in an environmental violations case. The Department has stated that this position would remain entirely federally funded for FY 2024-25 and FY 2025-26.

EJ Task Force recommendations (3.5 FTE)

The request from the Department includes the following recommendations from the Environmental Justice (EJ) Task Force. The EJ Task Force was created in H.B. 21-1266 (Environmental Justice Disproportionate Impacted Community) for the purpose of making recommendations to the General Assembly to improve EJ efforts at the state agency level (Section 25-1-133 (2)). The EJ Task Force has proposed the following FTE:

- Liaison IV (1.0 FTE): This role is needed to enhance coordination between agencies, particularly as the EJP's interdivisional work expands
- Health Professional IV (0.5 FTE): This role is needed to develop and track measurable indicators over time to determine the efficacy of the EJP's initiatives.
- Environmental Protection Specialist III (1.0 FTE): This role will be tasked with updating and improving Colorado EnviroScreen, which is the Department's environmental justice mapping tool.
- Liaison III (1.0 FTE): This role is meant to expand existing capacity by outreaching to DI communities. The goal of these outreaches is to make CDPHE environmental justice resources more accessible for members of DI communities.

Staff recommends approval of these staff. These FTE contribute to the stated mission of the task force to enhance collaboration across state agencies and with local communities. It is staff's opinion that the FTE suggested here are in alignment with the legislative intent of H.B. 21-1266.

CICF Grant Program² (2.0 FTE)

The CICF is expected to grow over time. This is due to the fee allocation dedicated to the fund by H.B. 21-1266, wherein the CICF received 20 percent of APCD enforcement penalty revenue in FY 2021-22, increasing 20 percent annually until FY 2025-26, when 100 percent of APCD fee revenue will go to the fund. As such, the administration of the fund is expected to be more complex over time, with an increased number of grants and increased contract monitoring of delivered grants needed.

The increased staffing needs are the reason for the 1.9 additional FTE in the request, including one grants specialist and one contract monitor totaling \$114,238 cash funds. The CICF is continuously appropriated to the Department, and these FTE are for administration of the CICF grant program, an allowable use in statute (Section 25-7-129(3)(a), C.R.S.). In addition to the cost of staffing, the request also includes \$1,854,620 for CICF Grants, which are used to fund environmental mitigation projects. Since the CICF is continuously appropriated, these funds are not subject to appropriation by the General Assembly.

OPERATING EXPENSES

The Department has requested funding for the following operating expenses, totaling \$446,000:

- Technology Expenses (\$100,000): This includes costs for software licensing, including software for VertiGIS, translation services, web conference hosting, an EJ complaint system, graphic development and project management. Additionally, the request includes real time billing services and costs for external vendors related to EnviroScreen review.
- EJ Advisory Board Meeting Expenses (\$25,000)

² The CICF is continuously appropriated to the Department. These additional funds are not subject to appropriation by the General Assembly, in accordance with Section 25-7-129 (3). Figures for the CICF Grant Program are shown for informational purposes only.

- Travel Expenses (\$32,000): This funding is for travel expenses of the EJ Ombudsperson and staff for travel unrelated to EJ Advisory Board meetings.
- Participation and Engagement Expenses (\$237,000): This includes funding for the Community Connector Program (\$100,000), participation incentives (\$50,000), translation and interpretation services (\$44,000), event expenses (\$20,000), and marketing and outreach activities (\$23,000).
- Operations Expenses (\$52,000): This request includes \$14,000 for core operating expenses. Additionally, the Department requests \$38,000 for professional development expenses.

Staff agrees that these operating expenses are aligned with the legislative intent of H.B. 21-1266, with the EJ Task Force making recommendations pursuant to this legislation. Furthermore, staff recognizes that the investment in technology expenses is necessary, given the computationally heavy workload for the EJP. As such, staff recommends approval of the Department's request for operating expenses.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Kelly Shen, JBC Staff (303-866-5434)
DATE March 12, 2024
SUBJECT Dept of Agriculture R-07: General Fund/cash fund split

During the Staff Figure Setting presentation for the Department of Agriculture, the Committee approved the Department's R-07 request to expand two existing agricultural workforce programs. This included \$350,000 General Fund to disburse as grants. The Committee requested that staff evaluate the amount of cash funds that might be able to sustain a portion of the Department's R-07 request, thereby reducing the amount of General Fund needed.

Staff recommends \$150,000 cash funds from the Agriculture Management Fund (AMF) and \$200,000 General Fund in order to support the \$350,000 grant funding in the Department's R-07 request. This would bring the total recommendation for R-07 to \$290,515 General Fund and \$150,000 cash funds.

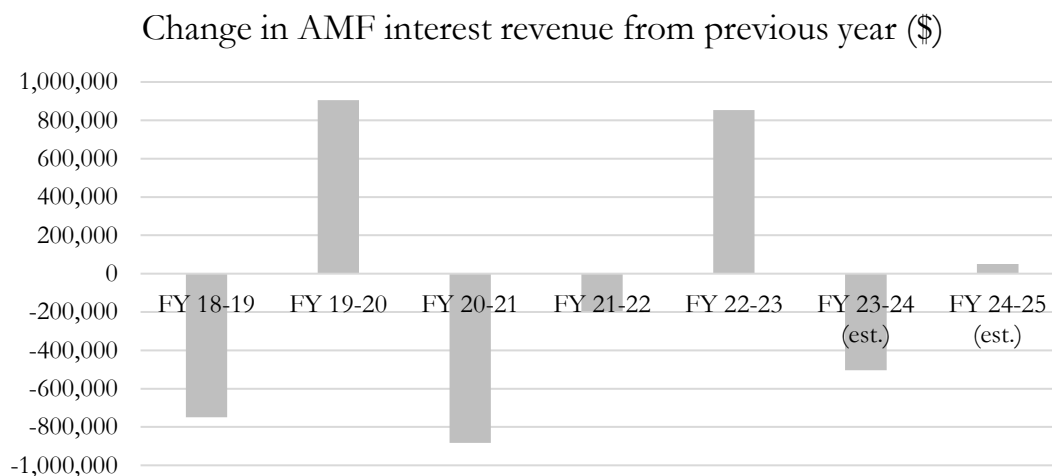
BACKGROUND

Pursuant to Section 35-1-106.9, C.R.S., the AMF receives 65.0 percent of the interest earned from the Unclaimed Property Tourism Promotion Trust Fund (UPTPF), as well as proceeds from the sale of two Department facilities. At the Commissioner's discretion, the AMF supports projects and programs in various divisions, including the Agricultural Workforce Development Program and Next Gen Ag Leadership Program.

Because the fund's revenue is not fee-based, the AMF is not subject to the 16.5% excess uncommitted fee reserve balance pursuant to Section 24-75-402, C.R.S.

CASH FUND FINANCIAL HISTORY

Over the past five years, the annual revenue in the AMF has fluctuated by hundreds of thousands of dollars due to changing market conditions and interest from the UPTPF. This would make it challenging in some years to support the proposed grant program using AMF funds.



Despite these significant fluctuations in annual revenue, in FY 2022-23, the fund's end-of-year balance was \$5.6 million. The Department has stated that they have plans over the next few years to spend down this fund reserve by about 50%, largely due to one-time expenses for facility maintenance and improvements. The existing reserve was built up in anticipation of a market downturn as a result of the COVID-19 pandemic.

AGRICULTURE MANAGEMENT FUND: FIVE-YEAR REVENUE AND EXPENDITURES				
FISCAL YEAR	TOTAL REVENUE	TOTAL EXPENDITURES	NET ANNUAL CASH FLOW	END OF YEAR FUND BALANCE
2018-19	\$8,493,357	(\$9,623,712)	(\$1,130,354)	\$5,736,328
2019-20	3,104,197	(4,114,995)	(1,039,597)	4,696,730
2020-21	2,221,292	(2,012,018)	209,274	4,906,004
2021-22	2,025,235	(1,820,291)	204,943	5,110,948
2022-23	2,878,059	(2,431,941)	446,118	5,557,066
2023-24 Estimate	2,374,862	(2,500,000)	(125,138)	5,431,928
2024-25 Estimate	2,426,052	(2,500,000)	(73,948)	5,357,980

Excluding FY 2018-19 and FY 2019-20 when the Department had increased expenses as a result of moving to their current facility in Broomfield, the average annual cash flow for the past three years is \$286,778. If the AMF were to support the full \$350,000 in grant funding, the AMF is projected to have negative cash flows every year – which is unsustainable over time. However, based on the past three years, if the Department were to have spent an additional \$150,000 annually from the AMF, there is no year in which there would have been a negative cash flow.

The Department also indicated that there is a minimum amount of grant funds necessary to ensure that the approved staff member, supported through General Fund, has adequate work to perform. For example, \$200,000 General Fund could support about 25 internships and four leadership development projects, which is similar to the average number of internships over the past five years.

The Department already supports the two programs with an appropriation of \$150,000 cash funds from the AMF. Staff recommendation would double the appropriation from the AMF while simultaneously allowing for long-term fund stability. As such, staff recommends an adjusted appropriation of \$200,000 General Fund and \$150,000 cash funds from the AMF in order to support grants pertaining to agricultural workforce training and development.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Gustavo Cortés, JBC Staff (303-866-4955)
DATE March 12, 2024
SUBJECT Department of Public Safety - BA02 National Ballistic Info Network Expansion

→ BA02 NATIONAL BALLISTIC INFO NETWORK EXPANSION

REQUEST: The Department requests an increase of \$777,292 General Fund and 4.6 FTE in FY 2024-25 and \$661,712 General Fund and 5.0 FTE in FY 2025-26 and ongoing, to increase the capacity and efficiency of the Colorado Bureau of Investigation (CBI) National Integrated Ballistic Information Network (NIBIN) services.

EVIDENCE LEVEL: The Department indicates this request item is theory-informed as defined in Section 2-3-210 (2), C.R.S. The outputs being measured are fired casings entered into NIBIN and the case turnaround time, as well as the number of investigative leads that are yielded due to NIBIN case processing. Staff agrees with this designation.

RECOMMENDATION: **Staff recommends denial of this request.**

ANALYSIS: The CBI Forensic Services Section operates the State NIBIN program for most Colorado law enforcement agencies. In 2017, the CBI partnered with Pueblo Police Department, Pueblo County Sheriff's Office, Colorado Springs Police Department, and El Paso County Sheriff's Office to begin Operation Hot Brass as part of the NIBIN program. Operation Hot Brass was created to encourage the quick submission of fired casings to the laboratory by law enforcement, prioritized entry into NIBIN by the laboratory, and timely reporting of investigative leads back to local law enforcement in shooting investigations. The Department states that while the program has been an overall success, it has led to increased submissions from the Pueblo area law enforcement agencies and expansion of the Operation Hot Brass program into the Greeley area. As a result, the current staffing impacted the timeliness of entry and reporting of investigative leads.

This request doubles the number of NIBIN technicians in the CBI program and will enable the CBI to provide these enhanced services to all Colorado law enforcement agencies. The Department also stated that this increased staffing will enable the CBI to meet the Minimum Required Operating Standards (MROS) standard of entry and reporting of leads within the established time requirements. According to the MROS, these standards are crucial for ensuring the effective operation of NIBIN sites. Specifically, they place specific requirements on all NIBIN sites to enhance their functionality and reliability. Since December of 2020, in order to maintain access to NIBIN, each site must be in compliance with these standards and all NIBIN sites will undergo an ATF audit once every two years, and continued access to the network will depend on maintaining MROS compliance.¹

The components of the request include:

¹ <https://crimegunintelcenters.org/atf/>

- The three Technician IV's (3.0 FTE) will work as NIBIN Technicians in a CBI Forensic Laboratory that are responsible for the acquisition of fired casings in the NIBIN system to identify potential investigative leads to be forwarded to local law enforcement in criminal cases.
- The Criminal Investigator II (1.0 FTE) position is for a firearms examiner needed for the anticipated increased casework in comparing the fired casings entered into NIBIN, and compare them to fired casings from other cases or the suspected firearm to confirm any association within crimes.
- The Criminal Investigator III (1.0 FTE) position is for a Lab Manager that would manage the team and organize communication and liaison efforts with the ATF and local law enforcement to identify and investigate gap areas between their federal firearms investigations and state and local firearms crimes.
- One-time purchase of one Firearms and Toolmarks Comparison Microscope for use by the Firearms Examiner (Approximately \$90,000).
- Four stereoscopes for the three NIBIN technicians and firearms examiner, cameras, as well as one balance (Approximately \$38,500).
- Annual forensic services training, accreditation, postage and mileage costs (Approximately \$54,000).

BACKGROUND: NIBIN technology compares images of submitted ballistic evidence from shooting scenes and recovered firearms and produces a list of possible similar results. Trained NIBIN technicians then conduct a correlation review of these results, identifying NIBIN leads or potential links or associations from the same firearm. A NIBIN lead is an unconfirmed, potential association between two or more pieces of firearm ballistic evidence and is based on a correlation review of the digital images in the NIBIN database. When needed for court or other purposes, a firearms examiner will conduct a microscopic examination of the actual physical evidence to confirm a NIBIN lead as a hit. A NIBIN hit occurs when two or more firearms ballistic evidence acquisitions are identified as a confirmed match by a firearms examiner. The data is then compiled into intelligence reports that are used for investigations and court cases.²

The Department highlighted an Executive Order by President Biden that states: “heads of Federal law enforcement agencies shall, as soon as practicable, but no later than 180 days from the date of this order, ensure that their respective law enforcement components issue National Integrated Ballistic Information Network (NIBIN) submission and utilization policies with requirements that are equivalent to, or exceed, the requirements of the policy issued by the Department of Justice on December 12, 2022, to ensure the prompt entry of ballistics data recovered in connection with criminal investigations into NIBIN. In consultation with the Department of Justice, the Department of Defense policies may be tailored to address specific operational considerations”.³

Senate Bill 24-003: Staff is aware of S.B. 24-003 (CBI Authority to Investigate Firearms Crimes) that overlaps with the proposed budget amendment and requires the Colorado General Assembly to consider the proposed legislation. The purpose of the bill is to investigate illegal activity involving

² <https://www.atf.gov/resource-center/fact-sheet/fact-sheet-national-integrated-ballistic-information-network>

³ <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/03/14/executive-order-on-reducing-gun-violence-and-making-our-communities-safer/>

firearms statewide, including: investigating illegal firearm transfers, attempts to illegally obtain firearms, as well as forensic investigations. This bill includes 10.1 FTE, annualizing to 11.0 FTE.

The components of S.B. 24-003 for FY 2024-25 are as follows:

- Seven Criminal Investigator II's (7.4 FTE at \$769,002) including six CBI field agents which require a one-time agent package per agent at an additional approximate cost of \$20,000 each (approximately \$140,000).
 - a. One agent will be at the three regional offices of Denver, Pueblo and Grand Junction to address InstaCheck related attempted purchases, straw purchases, ghost gun reporting and tip line information.
 - b. Two field agents in the Denver Regional office and field agent in Pueblo.
 - c. One field agent in Grand Junction with firearm related crime focus, and to create communication and liaison efforts with ATF and local law enforcement to identify and investigate the gap areas between their federal firearms investigations and state and local firearms crimes.
 - d. One criminal investigator for firearm forensic examination.
- Analyst III's (1.7 FTE at \$122,101) for investigative intelligence analysis and support work;
- One Technician IV (0.9 FTE at \$59,517), a NIBN Tech used to identify weapons involved in multiple crimes and responsible for inputting fired casings into the NIBIN system to identify potential investigative leads in criminal cases; and
- One accounting Technician III (0.1 FTE at \$4,985) to support the increased workload of the illegal firearms investigative team as it relates to travel reimbursements, p-card processing, monitor, audit, and code expenses.

The following table show the cost breakdown for both BA02 National Ballistic Info Network Expansion and S.B. 24-003, if approved.

S.B 24-003 & BA02 COST BREAKDOWN			
	S.B. 24-003 REQUEST	BA 02 REQUEST	TOTAL
FTE	10.1	5.0	14.7
Personal Services	1,079,356	453,372	1,532,728
Vehicle lease payments	55,937	9,000	64,937
One-time operating	168,716	163,500	332,216
Centrally Appropriated (POTS)	259,834	93,340	353,174
Ongoing operating	126,415	58,080	184,495
Total	\$1,690,258	\$777,292	\$2,467,550

RECOMMENDATION: Staff recommends denial of this request due to current General Assembly consideration of S.B. 24-003 (CBI Authority to Investigate Firearms Crimes) that overlaps with the proposed request.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Gustavo Cortés, JBC Staff (303-866-4955)
DATE March 8, 2024
SUBJECT Staff-initiated Cash Fund Waivers Recommendations

NEW DECISION ITEMS

→ STAFF-INITIATED CASH FUND WAIVER RECOMMENDATION: DFPC CASH FUNDS

REQUEST: The Department is requesting that the following two cash funds be granted a three-year waiver extension and an alternative maximum reserve increase for the Health Facility Construction and Inspection Cash Fund, from 30 percent to 40 percent to address excess uncommitted reserves.

- Health Facility Construction and Inspection Cash Fund (Section 24-33.5-1207.8, C.R.S.):
- Public School Construction and Inspection Cash Fund (Section 24-33.5-1207.7, C.R.S.):

RECOMMENDATION: Staff recommends a three-year waiver extension for both the Health Facility Construction and Inspection Cash Fund and the Public School Construction and Inspection Cash Fund beginning in FY 2023-24. Staff also recommends the requested 10 percent increase from the current 30 percent maximum reserve requirements waiver of 30 percent, to 40 percent for the Health Facility Construction and Inspection Cash Fund. These two cash funds were approved for waiver extensions during the FY 21-22.

ANALYSIS:

MAJOR REVENUE SOURCES FOR BOTH FUNDS

Funds are primarily derived from fees collected for the purposes of funding public school construction plan review and inspection activities. The construction projects subject to these fees include the construction of new facilities, ongoing renovations, repairs, and improvements/additions, initial construction of life safety systems, such as fire suppression systems. These projects are ongoing and cannot easily be forecasted from fiscal year to fiscal year. Further, these projects do not occur within the confines of any one fiscal year and very often carry over from one fiscal year to the next.

Additionally, the DPFC collects fees that are intended to cover the Division's expenditures related to their responsibility to conduct annual maintenance inspections in each facility that is not inspected annually by a qualified local jurisdictional representative. Fee sources include Section 24-32-124(2), C.R.S. - School District Building or Structure Construction; Section 23-71-122(1)(v), C.R.S. - Junior College Building or Structure Construction; or Section 24-33.5-1213.3, C.R.S. - Building and Structure Fire Code Maintenance.

MAJOR EXPENDITURE SOURCES

Health Facility Construction and Inspection Cash Fund: The fund is used by DFPC's Fire and Life Safety Section (FLSS), which conducts plan reviews and inspections of health facilities and issues certificates of compliance with fire and building codes upon completion of such reviews and

inspections, to pay the expenses of the health facility construction and inspection program, including personal services for FTE, indirect cost assessment, and operating expenses. Additionally, in the event no local building department or fire department, or for facilities certified or potentially eligible for certification by the federal centers for Medicare and Medicaid services, conduct construction plan reviews and inspections of health facility buildings and structures, enforce the codes in accordance with sections 24-33.5-1212.5 and 24-33.5-1213, and issue certificates of compliance for such buildings and structures.

Public School Construction and Inspection Cash Fund: The fund is used by DFPC's Fire and Life Safety Section (FLSS), which enforces school building and fire codes, to pay the expenses of the public school construction and inspection program, including personal services for FET, indirect cost assessment, and operating expenses. Pursuant to Section 22-32-124(1)(c), C.R.S. and Section 23-71-122(1)(v)(I), C.R.S., both school district boards and local college district boards of trustees must construct school buildings and structures in conformity with the building and fire codes adopted by the director of the DFPC.

ACTIONS TAKEN TO BRING FUNDS INTO COMPLIANCE

Health Facility Construction and Inspection Cash Fund: The fund is currently compliant under the JBC cash fund maximum reserve requirements waiver of 30% of total expenses.

Public School Construction and Inspection Cash Fund: The fund is currently compliant under the JBC cash fund maximum reserve requirements waiver of 40% of total expenses.

BACKGROUND

Health Facility Construction and Inspection Cash Fund: This cash fund was exempt from the maximum uncommitted reserve balance requirements of Section 24-75-402, C.R.S., prior to July 1, 2017. Beginning in FY 2017-18, the fund was no longer exempt and by FY 2017-18 year-end, it had an excess uncommitted reserve. The fund was brought into compliance by the end of FY 2019-20 to avoid a restriction of spending authority for FY 2020-21 by the OSC pursuant to Section 24-75-402(12), C.R.S. by temporarily suspending the \$500 Certificate of Compliance Annual Fee in FY 2016-17, and an additional accelerated reduction of other fee revenues along with increased expenditures. The fund is currently under a JBC cash fund maximum reserve requirements waiver of 30% of total expenses for FY 2020-21 through FY 2022-23 and is projected to remain in compliance with the requirements as long as the waiver is renewed.

Public School Construction and Inspection Cash Fund: This cash fund was exempt from the maximum uncommitted reserve balance requirements of Section 24-75-402, C.R.S., prior to July 1, 2017. However, beginning in FY 2017-18, the fund was no longer exempt from the maximum uncommitted reserve requirements and as of FY 2017-18 year-end, it had an excess uncommitted reserve. Despite an accelerated reduction of fees and increased expenditures, the fund was above the compliance threshold at the end of FY 2019-20. As a result, a spending authority restriction of \$7,341 was implemented for the FY 2020-21 operating year, and the fund closed the year in compliance in accordance with the cash fund statute. The fund has been under a JBC cash fund maximum reserve requirement waiver of 40% of total expenses for FY 2020-21 through FY 2022-23 and is projected to remain in compliance with the requirements as long as the waiver is renewed.

If the Committee chooses to not approve this request, it will be necessary for DFPC to continually to adjust fees based on fund balance, rather than on industry best practice and standard fee calculations. In essence, DFPC will reduce fees to an amount that is disproportionately low when fund balances begin to get too high, not because the fees were set poorly but because there has been an influx of large projects that will carry over for several years. Then, as fund balances are reduced to a point acceptable under the statute, DFPC will be compelled to increase fees higher than desirable to stakeholders to rebuild the fund in order to sustain necessary activities. The Department also stated that approval of these cash fund waiver requests will not change the TABOR impact. The following tables show a summary from the cash fund report balances.

HEALTH FACILITY CONSTRUCTION AND INSPECTION CASH FUND					
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Uncommitted Reserve Balance	\$22,305	\$384,307	\$437,470	\$339,787	317,527
Maximum / Alternative Reserve	541,643	578,925	636,131	352,047	350,959
Excess Uncommitted Reserve Balance	(519,338)	(194,617)	(198,660)	(12,260)	(33,433)

PUBLIC SCHOOL CONSTRUCTION AND INSPECTION CASH FUND					
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Uncommitted Reserve Balance	\$128,648	\$319,905	\$222,123	\$222,937	225,169
Maximum / Alternative Reserve	985,896	890,846	864,074	357,378	356,786
Excess Uncommitted Reserve Balance	(857,249)	(570,940)	(641,950)	(134,441)	(131,617)

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Gustavo Cortés, JBC Staff (303-866-4955)
DATE March 12, 2024
SUBJECT R3 Forensic Resources To Reduce Auto Theft

→ R3 FORENSIC RESOURCES TO REDUCE AUTO THEFT

REQUEST: The *revised* request includes an increase of \$1,149,636 General Fund and 6.4 FTE in FY 2024-25 and \$2,074,160 General Fund and 10.0 FTE in FY 2025-26 and ongoing for investigators to leverage new DNA technology to address auto theft across Colorado.

RECOMMENDATION: Staff recommends an appropriation of \$1,143,633 General Fund and 6.4 FTE in FY 2024-25. The recommendation includes all aspects of the request except for centrally appropriated costs in the first year, pursuant to Committee common policy. Staff also recommends approving FY 2024-25 FTE at the second quartile of the salary range to allow the Department to recruit and retain, qualified personnel.

DISCUSSION: During staff presentation, the Committee expressed concern and requested a breakdown of expenses for the R3 Resources to Reduce Auto Theft Request. The Department provided the following regarding the 6.4 FTE in FY 2024-25, annualizing to 10.0 FTE in FY 2025-26.

- Forensic Science Criminal Investigator II (8.0 FTE): DNA scientists who will process samples from auto theft cases across Colorado; and
- Lab Manager Criminal Investigator III (2.0 FTE): Laboratory supervisors who provide essential leadership and management of the new FTE and cases.

By adding additional forensic scientists, it would provide the opportunity to utilize DNA technology to increase leads in the auto theft investigations within the state of Colorado. The Department states that upon being fully staffed and trained, the Colorado Bureau of Investigation will be able to process approximately 1,800 cases per year. The table below shows the revised recommendation cost breakdown for FY 2024-25.

R3 REVISED RECOMMENDATION COST BREAKDOWN			
	FY 2024-25 REQUEST	FY 2024- 25 REC.	FY 2025-26 AND ONGOING
FTE	6.4	6.4	10.0
Personal Services	661,453	657,760	1,037,158
Standard operating	-	-	-
One-time operating	49,000	46,690	21,000
Centrally Appropriated (POTS)	0	0	207,662
Ongoing operating	412,075	412,075	782,242
Vehicle lease payments	27,108	27,108	27,108
Total	\$1,149,636	\$1,143,633	\$2,075,170

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Gustavo Cortés, JBC Staff (303-866-4955)
DATE March 13, 2024
SUBJECT S.B. 23-280 Spending Authority

→ SENATE BILL 23-280 SPENDING AUTHORITY

REQUEST: The request seeks spending authority for \$2.0 million indicated in S.B. 23-280 (Hazardous Material Mitigation) of \$2 million for the regulation of hazardous materials on Colorado highways.

RECOMMENDATION: **Staff is recommending that the Committee approve an add-on providing an appropriation for S.B. 23-280.**

DISCUSSION: During the FY 2023-24 budget process, the General Assembly approved a number of changes to address hazardous materials transportation and vehicle emissions, including creating an enterprise, and a grant program through S.B. 23-280 (Hazardous Material Mitigation). The bill includes Section 8-20-206.5 (6)(d.5)(II), C.R.S. , crediting \$2.0 million of funds allocated to the Department of Public Safety for use by the Colorado State Patrol to support the regulation of, and response to hazardous materials on highways in the state. However, the bill did not include an appropriation for this allocation and the State Controller confirmed the Department does not have spending authority. The only appropriation in this bill for FY 2023-24 is to the Department of Revenue (DOR) for \$36,272.