



JOINT BUDGET COMMITTEE STAFF FY 2019-20 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Department of State

The Department of State administers statutory provisions that pertain to elections; manages the statewide voter registration database; oversees campaign finance reporting; registers lobbyists and monitors the filing of required disclosures; collects, maintains, and provides public access to business filings; regulates charities and charitable gaming; and certifies notaries public. The Department's FY 2018-19 appropriation represents 0.1 percent of statewide operating appropriations and does not include any General Fund.

FY 2018-19 APPROPRIATION AND FY 2019-20 REQUEST

DEPARTMENT OF STATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
H.B. 18-1322 (Long Bill)	\$25,217,382	\$0	\$25,217,382	\$0	\$0	142.9
Other legislation	158,555	0	158,555	0	0	0.0
TOTAL	\$25,375,937	\$0	\$25,375,937	\$0	\$0	142.9
FY 2019-20 REQUESTED APPROPRIATION:						
FY 2018-19 Appropriation	\$25,375,937	\$0	\$25,375,937	\$0	\$0	142.9
R1 Market-driven IT maintenance costs	594,758	0	594,758	0	0	0.0
R2 Transfer of Lobbyist Program to Elections Division	0	0	0	0	0	0.0
Annualize prior year legislation	6,206,194	6,300,000	(93,806)	0	0	0.0
Annualize prior year budget actions	318,351	0	318,351	0	0	0.0
Centrally appropriated line items	148,514	0	148,514	0	0	0.0
Non-prioritized request items	57,765	0	57,765	0	0	0.0
TOTAL	\$32,701,519	\$6,300,000	\$26,401,519	\$0	\$0	142.9
INCREASE/(DECREASE)	\$7,325,582	\$6,300,000	\$1,025,582	\$0	\$0	0.0
Percentage Change	28.9%	n/a	4.0%	n/a	n/a	0.0%

R1 MARKET-DRIVEN IT MAINTENANCE COSTS: The request includes an increase of \$594,758 cash funds from the Department of State Cash Fund in FY 2019-20 and ongoing to address increases in IT maintenance costs. The Information Technology Services Division provides hardware and software maintenance and support for the entire Department of State. This appropriation would be to the Hardware/Software Maintenance line item in the Information Technology Services Division.

R2 TRANSFER OF LOBBYIST PROGRAM TO ELECTIONS DIVISION: The request 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.

ANNUALIZE PRIOR YEAR LEGISLATION: The request 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
S.B. 17-305 (Primary Election Clean-up)	\$6,323,200	\$6,300,000	\$23,200	\$0	\$0	0.0
SB 18-200 (PERA)	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 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	\$6,206,194	\$6,300,000	(\$93,806)	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes an increase of \$318,351 cash funds to reflect the annualization of FY 2018-19 salary survey.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$148,514 cash funds for centrally appropriated line items summarized in the table below:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Merit pay adjustment	\$341,742	\$0	\$341,742	\$0	\$0	0.0
PERA Direct Distribution	256,802	0	256,802	0	0	0.0
Health, life, and dental adjustment	42,192	0	42,192	0	0	0.0
Leased space adjustment	20,068	0	20,068	0	0	0.0
Payment to risk management / property funds adjustment	3,751	0	3,751	0	0	0.0
Workers' compensation adjustment	3,651	0	3,651	0	0	0.0
Indirect cost assessment adjustment	2,097	0	2,097	0	0	0.0
CORE adjustment	435	0	435	0	0	0.0
Salary survey adjustment	(318,351)	0	(318,351)	0	0	0.0
Legal services adjustment	(130,110)	0	(130,110)	0	0	0.0
ALJ adjustment	(48,792)	0	(48,792)	0	0	0.0
Payments to OIT adjustment	(10,107)	0	(10,107)	0	0	0.0
AED adjustment	(7,338)	0	(7,338)	0	0	0.0
SAED adjustment	(7,338)	0	(7,338)	0	0	0.0
Short-term disability adjustment	(188)	0	(188)	0	0	0.0
TOTAL	\$148,514	\$0	\$148,514	\$0	\$0	0.0

NON-PRIORITIZED REQUESTED CHANGES: The request includes an increase of \$57,765 cash funds for the non-prioritized request items summarized in the table below.

NON-PRIORITIZED REQUEST ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Securing IT operations	\$54,369	\$0	\$54,369	\$0	\$0	0.0
DPA Annual fleet vehicle request	1,867	0	1,867	0	0	0.0
OIT Optimize self-service capabilities	1,529	0	1,529	0	0	0.0
TOTAL	\$57,765	\$0	\$57,765	\$0	\$0	0.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

PRESIDENTIAL PRIMARY REIMBURSEMENTS TO COUNTIES: The Department of State is responsible for implementing Senate Bill 17-305 (Primary Election Cleanup), which directs the state to reimburse counties for their actual direct costs associated with administering the presidential primary elections. The Department estimates that the cost of reimbursing counties the actual direct costs for the preparation and conduct of the 2020 presidential primary election will be \$6.3 million General Fund.

R1 MARKET-DRIVEN IT MAINTENANCE COSTS: The Department of State requests an increase of \$594,758 cash funds from the Department of State Cash Fund in FY 2019-20 and ongoing to address increases in IT maintenance costs. This appropriation would be to the Hardware/Software Maintenance line item in the Information Technology Services Division.

ELECTRONIC RECORDING TECHNOLOGY BOARD: The Electronic Recording Technology Board (ERTB) is a nine-member board established to develop, maintain, improve, replace or preserve land records systems in Colorado. The Board oversees a grant program intended to assist counties in developing and modernizing their electronic filing systems. This is an informational briefing issue intended to provide background on the recently formed Electronic Recording Technology Board.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: http://leg.colorado.gov/sites/default/files/fy2019-20_stabrf.pdf