

JOINT BUDGET COMMITTEE



STAFF FIGURE SETTING FY 2022-23

DEPARTMENT OF LOCAL AFFAIRS

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

PREPARED BY:
ANDREA UHL, JBC STAFF
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JOINT BUDGET COMMITTEE STAFF
200 E. 14TH AVENUE, 3RD FLOOR • DENVER • COLORADO • 80203
TELEPHONE: (303) 866-2061 • TDD: (303) 866-3472
<https://leg.colorado.gov/agencies/joint-budget-committee>

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HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

DEPARTMENT OVERVIEW

The Department of Local Affairs (DOLA) is responsible for building community and local government capacity by providing training, technical, and financial assistance to localities. The Department's budget is comprised of four sections:

- The *Executive Director's Office (EDO)* provides leadership and support, including strategic planning, policy management, accounting, budgeting, purchasing, human resources administration, and public information. Additionally, the State Demography Office is housed within the EDO.
- The *Division of Property Taxation* operates under the leadership of the *Property Tax Administrator*, who is appointed by the *State Board of Equalization*. This division: (1) coordinates and administers the implementation of property tax law throughout the state, including issuing appraisal standards and training county assessors; (2) grants exemptions from taxation for eligible entities; and (3) values multi-county companies doing business in Colorado, including railroads, pipelines, and other public utilities. The *Board of Assessment Appeals* is a quasi-judicial body that hears individual taxpayer appeals concerning the valuation of real and personal property, property tax abatements, and property tax exemptions.
- The *Division of Housing* administers state and federal affordable housing programs, including: (1) providing funding to private housing developers, housing authorities, and local governments to increase the inventory of affordable housing; and (2) offering rental assistance statewide through local housing authorities and non-profit service organization. This division also regulates the manufacture of factory-built residential and commercial buildings, and approves multi-family construction in counties with no construction codes.
- The *Division of Local Government* provides technical assistance and information to local government officials. This division also makes state and federal financial resources available to support community infrastructure and services through various statutory formula distributions and grant programs.

SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$312,059,733	\$43,494,080	\$171,022,406	\$15,384,956	\$82,158,291	201.5
Other legislation	159,536,274	13,636,274	144,900,000	1,000,000	0	4.0
S1 Interconnectivity Grant roll-forward	0	0	0	0	0	0.0
TOTAL	\$471,596,007	\$57,130,354	\$315,922,406	\$16,384,956	\$82,158,291	205.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$471,596,007	\$57,130,354	\$315,922,406	\$16,384,956	\$82,158,291	205.5
Annualize prior year budget actions	5,837,625	837,625	5,000,000	0	0	0.0
BA1 State Housing Vouchers	4,456,333	4,456,333	0	0	0	2.8
Centrally appropriated line items	2,029,572	524,306	650,718	403,181	451,367	0.0
R1 Operational Staff Adjustment	198,680	198,680	0	0	0	2.7
Technical adjustments	74,999	(134,790)	204,186	5,603	0	2.0
R1 Indirect cost recovery refinance	0	(198,680)	0	198,680	0	0.0
Non-prioritized requests	(35,532)	(8,390)	(6,239)	(12,218)	(8,685)	0.0
Indirect cost assessment	(179,709)	0	(46,212)	(87,515)	(45,982)	0.0
R3 Gray & Black Mkt Marijuana Enforcement	(5,000,000)	0	(5,000,000)	0	0	0.0
Annualize prior year legislation	(157,868,483)	(15,446,735)	(139,638,522)	(2,800,838)	17,612	(3.4)
TOTAL	\$321,109,492	\$47,358,703	\$177,086,337	\$14,091,849	\$82,572,603	209.6
INCREASE/(DECREASE)	(\$150,486,515)	(\$9,771,651)	(\$138,836,069)	(\$2,293,107)	\$414,312	4.1
Percentage Change	(31.9%)	(17.1%)	(43.9%)	(14.0%)	0.5%	2.0%
FY 2022-23 EXECUTIVE REQUEST	\$321,409,820	\$47,442,045	\$177,140,661	\$14,284,803	\$82,542,311	212.8
Request Above/(Below) Recommendation	\$300,328	\$83,342	\$54,324	\$192,954	(\$30,292)	3.2

DESCRIPTION OF INCREMENTAL CHANGES – FY 2021-22

S1 INTERCONNECTIVITY GRANT PROGRAM ROLL-FORWARD [PREVIOUSLY APPROVED]: The recommendation includes one year of roll-forward authority be added to the \$5.0 million appropriation provided by H.B. 21-1289 (Funding for Broadband Deployment). This will allow the Department and grant recipients to expend funds awarded under the Interconnectivity Grant Program through the close of FY 2022-23. This recommendation is in accordance with the Committee's decision made on January 13, 2022, during the supplemental presentation for the Department of Local Affairs. As part of that decision, the Committee granted staff permission to include the supplemental adjustment as part of the FY 2022-23 Long Bill. No further action is required.

DESCRIPTION OF INCREMENTAL CHANGES – FY 2022-23

R1 OPERATIONAL STAFF ADJUSTMENT: The recommendation includes \$198,680 reappropriated funds (originating as General Fund and offset by indirect costs collected from cash and federally funded programs) and 2.7 FTE to address increased workload in the Accounting and Financial Services and Human Resources sections of the EDO. Recommended funding is for an Accountant II, Budget Analyst II, and Human Resources Specialist III. The request indicates that funding is for the expansion of a theory-informed practice as defined in S.B. 21-284 (Evidence-based Evaluation for

Budget). Based on JBC staff analysis and pursuant to S.B. 21-284, staff has determined that the request is opinion-based.

R3 GRAY & BLACK MARKET MARIJUANA ENFORCEMENT GRANT REDUCTION: The recommendation includes an ongoing reduction of \$5.0 million Marijuana Tax Cash Funds to the Gray and Black Market Marijuana Enforcement Grant Program, leaving an annual appropriation of \$955,178 intact. The Program provides grants to local governments, law enforcement agencies, and district attorneys to assist with the enforcement of unlicensed and illegal marijuana cultivation and related crimes. The request indicates that funding is for the expansion of a theory-informed practice as defined in S.B. 21-284 (Evidence-based Evaluation for Budget). Based on JBC staff analysis and pursuant to S.B. 21-284, JBC staff has determined that the request is opinion-based.

BA1 STATE HOUSING VOUCHERS: The recommendation includes \$4,456,333 General Fund for additional housing vouchers paired with supportive services in the Division of Housing, including funding for 2.8 additional FTE to administer the vouchers. The request indicates that funding is for a proven program as defined in S.B. 21-284 (Evidence-based Evaluation for Budget). Based on JBC staff analysis and pursuant to S.B. 21-284, staff agrees with this assessment.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The recommendation includes a net increase of \$5,837,625 total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Restore Gray & Black Marijuana Enforcement	\$5,000,000	\$0	\$5,000,000	\$0	\$0	0.0
Restore Defense Counsel on First Appearance	687,625	687,625	0	0	0	0.0
Refinance Firefighter Heart & Circulatory Benefits	150,000	150,000	0	0	0	0.0
Annualize prior year salary survey	0	0	0	0	0	0.0
TOTAL	\$5,837,625	\$837,625	\$5,000,000	\$0	\$0	0.0

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

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$748,430	\$123,013	\$175,346	\$282,092	\$167,979	0.0
Salary survey	573,826	164,247	127,349	163,181	119,049	0.0
Health, life, and dental	249,599	38,716	240,107	(75,929)	46,705	0.0
CORE adjustment	181,814	50,178	28,830	62,833	39,973	0.0
AED	137,484	34,620	99,278	(22,717)	26,303	0.0
SAED	137,484	34,620	99,278	(22,717)	26,303	0.0
Capitol Complex leased space	62,504	19,813	9,633	18,003	15,055	0.0
Payment to risk management & property fund	40,695	10,842	8,414	21,439	0	0.0
DPA Paid family leave	39,281	11,243	8,718	11,171	8,149	0.0
PERA Direct Distribution	10,777	863	34,666	(25,946)	1,194	0.0
Short-term disability	3,495	856	2,886	(904)	657	0.0
Legal services	(149,825)	37,128	(181,920)	(5,033)	0	0.0
Workers' compensation	(5,182)	(1,833)	(1,057)	(2,292)	0	0.0
Administrative law judge services	(810)	0	(810)	0	0	0.0
TOTAL	\$2,029,572	\$524,306	\$650,718	\$403,181	\$451,367	0.0

TECHNICAL ADJUSTMENTS: The recommendation includes technical adjustments shown in the table below, such as an informational increase to the Mobile Home Park Oversight Program and Sunset of the Strategic Planning Group on Aging.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Mobile Home Park Oversight Program increase	\$187,438	\$0	\$187,438	\$0	\$0	2.0
Cash fund source adjustments	0	0	16,748	(16,748)	0	0.0
Indirect cost recovery refinance	0	(24,790)	0	24,790	0	0.0
Sunset Strategic Planning Group on Aging	(110,000)	(110,000)	0	0	0	0.0
Adjustment for administrative cap	(2,439)	0	0	(2,439)	0	0.0
TOTAL	\$74,999	(\$134,790)	\$204,186	\$5,603	\$0	2.0

R1 INDIRECT COST RECOVERY REFINANCE: The recommendation includes using indirect cost recoveries to offset the General Fund increase associated with R1.

NON-PRIORITIZED REQUESTS: The recommendation includes adjustments related to non-prioritized request that originate in the Governor's Office of Information Technology (OIT) and the Department of Personnel.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP3 OIT Budget package	\$12,828	\$3,425	\$2,184	\$4,940	\$2,279	0.0
NP1 Annual fleet request	1,901	1,708	0	193	0	0.0
NP2 DPA CSEAP resources	856	278	177	401	0	0.0
BANP OIT CBMS Admin costs	(41,307)	(11,030)	(7,034)	(15,903)	(7,340)	0.0
BANP COWINS Partnership Agreement	(9,810)	(2,771)	(1,566)	(1,849)	(3,624)	0.0
TOTAL	(\$35,532)	(\$8,390)	(\$6,239)	(\$12,218)	(\$8,685)	0.0

INDIRECT COST ASSESSMENT: The recommendation includes adjustments based on the Department's updated indirect cost plan. The Indirect Cost Plan is discussed in detail at the end of this document.

ANNUALIZE PRIOR YEAR LEGISLATION: The recommendation includes a net decrease of \$157.9 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1399 Suspend Limited Gaming Transfers	\$1,542,658	(\$1,875,000)	\$5,242,638	(\$1,824,980)	\$0	0.0
SB 18-200 PERA unfunded liability	84,894	24,300	18,840	24,142	17,612	0.0
HB 21-1329 ARPA Invest Affordable Housing	(98,500,000)	0	(98,500,000)	0	0	0.0
HB 21-1271 Innovative Affordable Housing Strategies	(46,400,000)	0	(46,400,000)	0	0	0.0
SB 21-252 Community Revitalization Grant Prog	(7,000,000)	(7,000,000)	0	0	0	0.0
SB 21-204 REDI Funding	(5,000,000)	(5,000,000)	0	0	0	0.0
HB 21-1030 Expanding Peace Officers Mental Health Support	(2,000,000)	(1,000,000)	0	(1,000,000)	0	(0.5)
HB 21-1250 Measures to Address Law Enforcement Accountability	(250,000)	(250,000)	0	0	0	0.0
SB 21-032 Mobile Veterans-support Unit Grant	(207,535)	(207,535)	0	0	0	(0.3)

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1312 Insurance Premium Property Sales Severance Tax	(138,500)	(138,500)	0	0	0	0.0
TOTAL	(\$157,868,483)	(\$15,446,735)	(\$139,638,522)	(\$2,800,838)	\$17,612	(0.8)

MAJOR DIFFERENCES FROM THE REQUEST

- The recommendation does not differ significantly from the request. Minor difference are the result of common policy decisions, calculations for new FTE, and updates to the Department’s indirect cost plan.

DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

None.

(1) EXECUTIVE DIRECTOR'S OFFICE

The Executive Director's Office (EDO) Administration subdivision is responsible for the management and administration of the Department, including accounting, budgeting, human resources, and other functions statutorily assigned to the Department such as administration of the Moffat Tunnel Improvement District. The State Demography Office provides population and demographic data and analysis for the state. This includes providing support to other state agencies, federal partners, local governments, and the public about demographic trends at the state, regional, county, and municipal levels.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$10,787,798	\$3,142,776	\$1,519,707	\$4,565,672	\$1,559,643	20.2
Other legislation	138,500	138,500	0	0	0	0.0
TOTAL	\$10,926,298	\$3,281,276	\$1,519,707	\$4,565,672	\$1,559,643	20.2
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$10,926,298	\$3,281,276	\$1,519,707	\$4,565,672	\$1,559,643	20.2
Annualize prior year budget actions	(421,382)	(126,722)	(59,306)	(134,614)	(100,740)	0.0
Centrally appropriated line items	2,029,572	524,306	650,718	403,181	451,367	0.0
R1 Operational Staff Adjustment	198,680	198,680	0	0	0	2.7
Technical adjustments	0	(24,790)	0	24,790	0	0.0
R1 Indirect cost recovery refinance	0	(198,680)	0	198,680	0	0.0
Non-prioritized requests	(35,532)	(8,390)	(6,239)	(12,218)	(8,685)	0.0
Indirect cost assessment	(1,437)	0	(1,172)	0	(265)	0.0
Annualize prior year legislation	(119,660)	(138,500)	18,840	0	0	0.0
TOTAL	\$12,576,539	\$3,507,180	\$2,122,548	\$5,045,491	\$1,901,320	22.9
INCREASE/(DECREASE)	\$1,650,241	\$225,904	\$602,841	\$479,819	\$341,677	2.7
Percentage Change	15.1%	6.9%	39.7%	10.5%	21.9%	13.4%
FY 2022-23 EXECUTIVE REQUEST	\$12,527,301	\$3,476,318	\$2,136,367	\$5,103,289	\$1,811,327	23.2
Request Above/(Below) Recommendation	(\$49,238)	(\$30,862)	\$13,819	\$57,798	(\$89,993)	0.3

DECISION ITEMS - EXECUTIVE DIRECTOR'S OFFICE

→ R1 OPERATIONAL STAFF ADJUSTMENT

The Department requests \$274,395 reappropriated funds from indirect cost recoveries and 3.0 FTE for an Accountant II, Budget Analyst II, and Human Resources Specialist III to address increasing workload in the EDO.

RECOMMENDATION: Staff recommends \$198,680 General Fund and an associated 2.7 FTE. Staff concurrently recommends offsetting the General Fund with reappropriated funds from indirect cost

recoveries. This recommendation is consistent with JBC and Legislative Council Staff Fiscal Note policies for calculating new FTE.

ANALYSIS:

The Departments requests \$274,395 reappropriated funds (originating as indirect costs collected from cash and federally funded programs) and 3.0 FTE to address increased workload in the Accounting and Financial Services and Human Resources sections of the EDO. The creation of several new grant programs within the Division of Local Government, unbudgeted transfers to the Housing Development Grant Fund, and the influx of federal stimulus dollars have all contributed to an increased administrative burden in the Executive Director’s Office. For example, the Department’s accounting transactions per fiscal year increased by over 75 percent from FY 2012-13 to FY 2019-20. During that same period, the number of funds and sub-accounts required to administer DOLA’s programs increased from 35 to 47. Additionally, the Department states that the CORE accounting system, implemented in FY 2014-15, is more complex than its predecessor and that grant program accounting is especially complicated. DOLA’s Financial and Single Audits for FY 2019-20 resulted in several findings requiring corrective action plans regarding internal controls and record-keeping related to federal funds.

The excessive workload in the Accounting and Financial Services and Budget and Procurement offices have led to exceptionally high turnover in recent years. Six of the nine staff in those offices are new to their positions since January 2021, and three of the positions have been vacated twice in the past three years. DOLA is also experiencing long wait times for assistance with position classification, recruitment, and hiring due to understaffing in the Human Resources office. The Human Resources office has had 2.0 FTE since FY 2012-13, while the Department’s number of classified employees, employee turnover rate, temporary staff, term-limited positions, and personal services contracts have all increased. Between FY 2012-13 and FY 2020-21, the number of program staff increased over 20 percent from 164.3 to 199.4.

The Department’s R1 request seeks permission to hire an Accountant II, a Budget Analyst II, and a Human Resources Specialist III. The request assumes a cost of \$274,395 paid for by indirect costs collected from federal and cash funded programs throughout the Department. Staff recommends an appropriation of \$198,680 and 2.7 FTE, annualizing to \$274,355 and 3.0 FTE in FY 2023-24 and ongoing. Staff’s recommendation is that these are General Funded positions, which are then offset by the application of indirect cost recoveries to the Personal Services and Operating Expenses line items in the EDO.

R1 REQUEST AND RECOMMENDATION			
	FY 2022-23	FY 2023-24	OUT-YEAR CHANGE
Request			
Personal Services	\$250,545	\$250,545	\$0
FTE	3.0	3.0	0.0
Operating Expenses	23,850	2,850	(21,000)
Total Request	274,395	253,395	(21,000)
Recommendation			
Personal Services	\$176,030	\$270,305	\$94,275
FTE	2.7	3.0	0.3

R1 REQUEST AND RECOMMENDATION			
	FY 2022-23	FY 2023-24	OUT-YEAR CHANGE
Operating Expenses	22,650	4,050	(18,600)
Total Recommendation	\$198,680	\$274,355	\$75,675
Request Above/(Below) Recommendation	75,715	(20,960)	

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions. Staff recommendation differs from the request due to the exclusion of centrally appropriated items (POTS) in the first year, application of the General Fund pay date shift, and differences in the PERA employer rate and cost assumptions for computer and software license subscriptions.

LEVEL OF EVIDENCE PURSUANT TO S.B. 21-284

Senate Bill 21-284 states that a program or practice is “theory-informed” if a theory of change has been identified and implemented. The Department identified this budget request as a theory-informed practice, and identified the theory of change as “DOLA will have strong internal controls and financial recordkeeping, maintain high grantee and employee satisfaction, and properly support program objectives” as a result of the additional FTE.

A theory of change is a method that explains how a given intervention, or set of interventions, is expected to lead to specific outcomes, drawing on a causal analysis based on available evidence. A theory-informed practice reflects a moderate, supported, or promising level of confidence of effectiveness as determined by an evaluation with a comparison group, multiple pre-and post-evaluations, or an equivalent measure. The only quantifiable outcomes in this scenario are the number of audit findings and employee turnover within the affected offices. However, there will not be evidence that proves those outcomes were caused by the addition of new positions. Employee satisfaction can be measured by surveys, which meets the definition of an opinion-based practice. JBC staff has determined that, pursuant to S.B. 21-284 (Evidence-based Evaluations for Budget), the applicable level of evidence is opinion-based, rather than theory-informed.

LINE ITEM DETAIL — EXECUTIVE DIRECTOR’S OFFICE

(A) ADMINISTRATION

PERSONAL SERVICES

This line item supports 14.2 FTE in the Executive Director's Office, including:

- 2.0 FTE for management;
- 2.0 FTE for communications and legislative liaison duties;
- 2.0 FTE for human resources; and
- 8.2 FTE for budget and accounting.

STATUTORY AUTHORITY: Article 32 of Title 24, C.R.S.

REQUEST: The Department requests \$1,838,514 reappropriated funds (from indirect cost recoveries) and 17.2 FTE, which includes salary increases that were awarded in FY 2021-22 and an increase of \$274,395 and 3.0 FTE associated with R1 Operational Staff Adjustment.

RECOMMENDATION: **Staff recommends \$1,740,149 reappropriated funds**, which is based on the discussion of R1 above and calculated consistent with JBC common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,521,406	\$0	\$0	\$1,521,406	\$0	14.2
TOTAL	\$1,521,406	\$0	\$0	\$1,521,406	\$0	14.2
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,521,406	\$0	\$0	\$1,521,406	\$0	14.2
R1 Operational Staff Adjustment	176,030	176,030	0	0	0	2.7
Annualize prior year budget actions	42,713	0	0	42,713	0	0.0
R1 Indirect cost recovery refinance	0	(176,030)	0	176,030	0	0.0
TOTAL	\$1,740,149	\$0	\$0	\$1,740,149	\$0	16.9
INCREASE/(DECREASE)	\$218,743	\$0	\$0	\$218,743	\$0	2.7
Percentage Change	14.4%	n/a	n/a	14.4%	n/a	19.0%
FY 2022-23 EXECUTIVE REQUEST	\$1,838,514	\$0	\$0	\$1,838,514	\$0	17.2
Request Above/(Below) Recommendation	\$98,365	\$0	\$0	\$98,365	\$0	0.3

HEALTH, LIFE, AND DENTAL

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for State employees.

STATUTORY AUTHORITY: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (9), C.R.S.

REQUEST: The Department requests \$2,346,059 total funds, including \$687,889 General Fund.

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,106,270	\$651,944	\$330,927	\$692,328	\$431,071	0.0
TOTAL	\$2,106,270	\$651,944	\$330,927	\$692,328	\$431,071	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$2,106,270	\$651,944	\$330,927	\$692,328	\$431,071	0.0
Centrally appropriated line items	249,599	38,716	240,107	(75,929)	46,705	0.0
Non-prioritized requests	(9,810)	(2,771)	(1,566)	(1,849)	(3,624)	0.0
TOTAL	\$2,346,059	\$687,889	\$569,468	\$614,550	\$474,152	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$239,789	\$35,945	\$238,541	(\$77,778)	\$43,081	0.0
Percentage Change	11.4%	5.5%	72.1%	(11.2%)	10.0%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$2,346,059	\$687,889	\$569,468	\$614,550	\$474,152	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SHORT-TERM DISABILITY

This line item provides funding for the employer's share of State employees' short-term disability insurance premiums.

STATUTORY AUTHORITY: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (13), C.R.S.

REQUEST: The Department requests \$26,068 total funds (including \$7,462 General Fund).

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$22,573	\$6,606	\$2,899	\$8,317	\$4,751	0.0
TOTAL	\$22,573	\$6,606	\$2,899	\$8,317	\$4,751	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$22,573	\$6,606	\$2,899	\$8,317	\$4,751	0.0
Centrally appropriated line items	3,495	856	2,886	(904)	657	0.0
Technical adjustments	0	0	0	0	0	0.0
TOTAL	\$26,068	\$7,462	\$5,785	\$7,413	\$5,408	0.0
INCREASE/(DECREASE)	\$3,495	\$856	\$2,886	(\$904)	\$657	0.0
Percentage Change	15.5%	13.0%	99.6%	(10.9%)	13.8%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$26,068	\$7,462	\$5,785	\$7,413	\$5,408	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PAID FAMILY AND MEDICAL LEAVE INSURANCE (NEW LINE ITEM)

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020. The newly created paid family and medical leave insurance program requires employers and employees in Colorado to pay a payroll premium to finance paid family and medical leave insurance benefits beginning January 1, 2023 in order to finance up to 12 weeks of paid family medical leave for eligible employees beginning January 1, 2024. The premium is 0.9 percent with at least half of the cost paid by the employer.

STATUTORY AUTHORITY: Section 8-13.3-501 et seq., C.R.S.

REQUEST: The Department of Local Affairs requests \$39,281 total funds, including \$11,243 General Fund.

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAID FAMILY MEDICAL LEAVE INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Centrally appropriated line items	39,281	11,243	8,718	11,171	8,149	0.0
TOTAL	\$39,281	\$11,243	\$8,718	\$11,171	\$8,149	0.0
INCREASE/(DECREASE)	\$39,281	\$11,243	\$8,718	\$11,171	\$8,149	0.0
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$39,281	\$11,243	\$8,718	\$11,171	\$8,149	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

Pursuant to S.B. 04-257, this line item provides additional funding to increase the state contribution for Public Employees' Retirement Association (PERA).

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests \$872,902 total funds (including \$249,852 General Fund).

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
TOTAL	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
Centrally appropriated line items	137,484	34,620	99,278	(22,717)	26,303	0.0
TOTAL	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
INCREASE/(DECREASE)	\$137,484	\$34,620	\$99,278	(\$22,717)	\$26,303	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	18.7%	16.1%	105.1%	(8.4%)	17.0%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

Pursuant to S.B. 06-235, this line item provides additional funding to increase the State contribution for PERA.

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests \$872,902 total funds (including \$249,852 General Fund).

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
TOTAL	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$735,418	\$215,232	\$94,444	\$270,948	\$154,794	0.0
Centrally appropriated line items	137,484	34,620	99,278	(22,717)	26,303	0.0
TOTAL	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
INCREASE/(DECREASE)	\$137,484	\$34,620	\$99,278	(\$22,717)	\$26,303	0.0
Percentage Change	18.7%	16.1%	105.1%	(8.4%)	17.0%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PERA DIRECT DISTRIBUTION

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

STATUTORY AUTHORITY: Section 24-51-414 (2), C.R.S.

REQUEST: The Department requests \$355,929 total funds (including \$101,878 General Fund) for this purpose.

RECOMMENDATION: The staff recommendation is **pending** a Committee common policy decision for this line item.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$345,152	\$101,015	\$44,325	\$127,163	\$72,649	0.0
TOTAL	\$345,152	\$101,015	\$44,325	\$127,163	\$72,649	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$345,152	\$101,015	\$44,325	\$127,163	\$72,649	0.0
Centrally appropriated line items	10,777	863	34,666	(25,946)	1,194	0.0
TOTAL	\$355,929	\$101,878	\$78,991	\$101,217	\$73,843	0.0
INCREASE/(DECREASE)	\$10,777	\$863	\$34,666	(\$25,946)	\$1,194	0.0
Percentage Change	3.1%	0.9%	78.2%	(20.4%)	1.6%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$355,929	\$101,878	\$78,991	\$101,217	\$73,843	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SALARY SURVEY

The Department uses this line item to pay for annual increases for salary survey and senior executive service positions.

STATUTORY AUTHORITY: Section 24-50-104, C.R.S.

REQUEST: The Department requests \$573,826 total funds (including \$164,247 General Fund).

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$481,308	\$140,862	\$61,811	\$177,327	\$101,308	0.0
TOTAL	\$481,308	\$140,862	\$61,811	\$177,327	\$101,308	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$481,308	\$140,862	\$61,811	\$177,327	\$101,308	0.0
Centrally appropriated line items	573,826	164,247	127,349	163,181	119,049	0.0
Annualize prior year budget actions	(481,308)	(140,862)	(61,811)	(177,327)	(101,308)	0.0
TOTAL	\$573,826	\$164,247	\$127,349	\$163,181	\$119,049	0.0
INCREASE/(DECREASE)	\$92,518	\$23,385	\$65,538	(\$14,146)	\$17,741	0.0
Percentage Change	19.2%	16.6%	106.0%	(8.0%)	17.5%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$573,826	\$164,247	\$127,349	\$163,181	\$119,049	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

WORKERS' COMPENSATION

This line item is used to pay the Department's estimated share for inclusion in the State's workers' compensation program for state employees.

STATUTORY AUTHORITY: Section 24-30-1510.7, C.R.S.

REQUEST: The Department requests \$74,345 total funds (including \$24,143 General Fund).

RECOMMENDATION: **Staff recommends \$103,789 total funds (including \$36,717 General Fund),** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$108,971	\$38,550	\$22,234	\$48,187	\$0	0.0
TOTAL	\$108,971	\$38,550	\$22,234	\$48,187	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$108,971	\$38,550	\$22,234	\$48,187	\$0	0.0
Centrally appropriated line items	(5,182)	(1,833)	(1,057)	(2,292)	0	0.0
TOTAL	\$103,789	\$36,717	\$21,177	\$45,895	\$0	0.0
INCREASE/(DECREASE)	(\$5,182)	(\$1,833)	(\$1,057)	(\$2,292)	\$0	0.0
Percentage Change	(4.8%)	(4.8%)	(4.8%)	(4.8%)	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$74,345	\$24,143	\$15,395	\$34,807	\$0	0.0
Request Above/(Below) Recommendation	(\$29,444)	(\$12,574)	(\$5,782)	(\$11,088)	\$0	0.0

OPERATING EXPENSES

This line item includes funding for operating expenses for the Executive Director's Office as well as funding for capital outlay, motor pool, and software maintenance agreements.

STATUTORY AUTHORITY: Article 32 of Title 24, C.R.S.

REQUEST: The Department requests \$133,829 total funds, paid entirely by indirect cost recoveries.

RECOMMENDATION: **Staff recommends \$156,479 total funds,** offset entirely by indirect cost recoveries. This includes recommended operating expenses associated with the R1 request. [More information about the Department's indirect cost assessments is provided at the end of this packet.]

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$133,829	\$0	\$0	\$133,829	\$0	0.0
TOTAL	\$133,829	\$0	\$0	\$133,829	\$0	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$133,829	\$0	\$0	\$133,829	\$0	0.0
R1 Operational Staff Adjustment	22,650	22,650	0	0	0	0.0
R1 Indirect cost recovery refinance	0	(22,650)	0	22,650	0	0.0
TOTAL	\$156,479	\$0	\$0	\$156,479	\$0	0.0
INCREASE/(DECREASE)	\$22,650	\$0	\$0	\$22,650	\$0	0.0
Percentage Change	16.9%	n/a	n/a	16.9%	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$22,650)	\$0	\$0	(\$22,650)	\$0	0.0

LEGAL SERVICES

This line item provides funding for the Department to purchase legal services from the Department of Law. Most of the appropriation funds legal services to the Board of Assessment Appeals, the Property Tax Administrator, and the Mobile Home Park Act Dispute Resolution and Enforcement Program. The balance of the legal services hours provides staffing for rule and regulation review, contract processing, and other miscellaneous legal needs.

STATUTORY AUTHORITY: Sections 24-31-101 (1)(a), C.R.S., and 24-75-112 (1)(i), C.R.S.

REQUEST: The Department requests \$241,278 total funds (including \$162,210 General Fund) to purchase legal services from the Department of Law.

RECOMMENDATION: The staff recommendation is **pending** the Committee common policy decision for this line item.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$391,103	\$125,082	\$246,021	\$20,000	\$0	0.0
TOTAL	\$391,103	\$125,082	\$246,021	\$20,000	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$391,103	\$125,082	\$246,021	\$20,000	\$0	0.0
Centrally appropriated line items	(149,825)	37,128	(181,920)	(5,033)	0	0.0
TOTAL	\$241,278	\$162,210	\$64,101	\$14,967	\$0	0.0
INCREASE/(DECREASE)	(\$149,825)	\$37,128	(\$181,920)	(\$5,033)	\$0	0.0
Percentage Change	(38.3%)	29.7%	(73.9%)	(25.2%)	0.0%	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ADMINISTRATIVE LAW JUDGE SERVICES

This line item is used to purchase administrative law services from the Department of Personnel.

STATUTORY AUTHORITY: Sections 24-30-1001 (3) and 24-30-1002, C.R.S.

REQUEST: The Department did not request funding for this line item.

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$810	\$0	\$810	\$0	\$0	0.0
TOTAL	\$810	\$0	\$810	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$810	\$0	\$810	\$0	\$0	0.0
Centrally appropriated line items	(810)	0	(810)	0	0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$810)	\$0	(\$810)	\$0	\$0	0.0
Percentage Change	(100.0%)	n/a	(100.0%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$0	\$0	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

The Department's share of liability and property insurance carried by the Department of Personnel and Administration is appropriated through this line item. The State's liability program is used to pay liability claims and expenses brought against the State.

STATUTORY AUTHORITY: Section 24-30-1510 and 24-30-1510.5, C.R.S.

REQUEST: The Department requests \$123,317 total funds (including \$40,045 General Fund).

RECOMMENDATION: The staff recommendation is **pending** a comeback related to a technical error discovered in the Committee common policy decision for this line item.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENT TO RISK MANAGEMENT & PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$81,766	\$28,925	\$16,945	\$35,896	\$0	0.0
TOTAL	\$81,766	\$28,925	\$16,945	\$35,896	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$81,766	\$28,925	\$16,945	\$35,896	\$0	0.0
Centrally appropriated line items	40,695	10,842	8,414	21,439	0	0.0
Non-prioritized requests	856	278	177	401	0	0.0
TOTAL	\$123,317	\$40,045	\$25,536	\$57,736	\$0	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENT TO RISK MANAGEMENT & PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$41,551	\$11,120	\$8,591	\$21,840	\$0	0.0
Percentage Change	50.8%	38.4%	50.7%	60.8%	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$123,317	\$40,045	\$25,536	\$57,736	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

VEHICLE LEASE PAYMENTS

This line item provides funding for annual payments to the Department of Personnel for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles. The Department currently uses 35 vehicles, including:

- 14 that are assigned to individual staff, including regional managers and Division of Housing field representatives outside of Denver; and
- 21 pool vehicles that are used by staff for intermittent fieldwork and meetings.

STATUTORY AUTHORITY: Section 24-30-1104 (2), C.R.S.

REQUEST: The Department requests \$115,843 total funds (including \$104,055 General Fund).

RECOMMENDATION: **Staff recommends approving the request**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$113,942	\$102,347	\$0	\$11,595	\$0	0.0
TOTAL	\$113,942	\$102,347	\$0	\$11,595	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$113,942	\$102,347	\$0	\$11,595	\$0	0.0
Non-prioritized requests	1,901	1,708	0	193	0	0.0
TOTAL	\$115,843	\$104,055	\$0	\$11,788	\$0	0.0
INCREASE/(DECREASE)	\$1,901	\$1,708	\$0	\$193	\$0	0.0
Percentage Change	1.7%	1.7%	0.0%	1.7%	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$115,843	\$104,055	\$0	\$11,788	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item funds routine replacement of technology to keep it current and minimize work interruptions.

STATUTORY AUTHORITY: Article 32 of Title 24, C.R.S.

REQUEST: The Department requests \$74,950 total funds (including \$28,713 General Fund), which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

LEASED SPACE

This line item funds leased space needs for the Department. Each office is strategically located throughout the State to maximize the impact of DOLA's field staff. The Department's existing leases are listed in the following table.

SUMMARY OF LEASED SPACE				
CITY	ADDRESS	FY 2019-20 LEASE PAYMENTS	FY 2020-21 LEASE PAYMENTS	SPACE (SQ. FEET)
Alamosa	610 State Street	\$6,240	\$6,240	291
Loveland	150 East 29th Street	15,796	15,796	955
Pueblo	132 West B Street	15,500	15,500	900
Sterling	109 North Front Street	6,070	6,070	500
Total		\$43,606	\$43,606	2,646

The Department's overall leased space has declined since FY 2018-19. Office spaces in Frisco and Durango that were used for regional managers within the Division of Local Government's field services team were eliminated due to the high amount of travel and remote work these positions entail.

STATUTORY AUTHORITY: Article 32 of Title 24, C.R.S.

REQUEST: The Department requests \$47,000 total funds (including \$18,500 General Fund), which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

CAPITOL COMPLEX LEASED SPACE

This line item is used to pay the Department of Personnel for the costs of maintaining State buildings that are part of the Capitol Complex. The Department currently leases space in the Complex at 1313 Sherman Street and in Grand Junction. At both locations, DOLA provides financial support to local communities and professional and technical services to community leaders in the areas of governance, housing, and property tax administration.

STATUTORY AUTHORITY: Section 24-30-1104 (4) and Part 1 of Article 82 of Title 24, C.R.S.

REQUEST: The Department requests \$754,155 total funds (including \$231,844 General Fund). Anticipated square footage is shown in the table below.

CAPITOL COMPLEX LEASE SPACE	
LOCATION	SPACE (SQ. FEET)
Denver – 1313 Sherman Street	38,107
Grand Junction – 222 S. 6 th Street	3,783

RECOMMENDATION: Staff recommends \$842,998 total funds (including \$267,225 General Fund), which is calculated consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CAPITOL COMPLEX LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$780,494	\$247,412	\$120,286	\$224,807	\$187,989	0.0
TOTAL	\$780,494	\$247,412	\$120,286	\$224,807	\$187,989	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$780,494	\$247,412	\$120,286	\$224,807	\$187,989	0.0
Centrally appropriated line items	62,504	19,813	9,633	18,003	15,055	0.0
TOTAL	\$842,998	\$267,225	\$129,919	\$242,810	\$203,044	0.0
INCREASE/(DECREASE)	\$62,504	\$19,813	\$9,633	\$18,003	\$15,055	0.0
Percentage Change	8.0%	8.0%	8.0%	8.0%	8.0%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$754,155	\$231,844	\$142,488	\$239,545	\$140,278	0.0
Request Above/(Below) Recommendation	(\$88,843)	(\$35,381)	\$12,569	(\$3,265)	(\$62,766)	0.0

PAYMENTS TO OIT

This line item includes the consolidated Department appropriations for information technology services.

STATUTORY AUTHORITY: Section 24-37.5-104, C.R.S.

REQUEST: The Department requests \$2,805,632 total funds (including \$749,184 General Fund). This amount includes an annual adjustment for the cost of OIT services, as well as non-prioritized requests that were initiated from OIT.

RECOMMENDATION: The overall staff recommendation is **pending** the Committee common policy decision for this line item and for the non-prioritized request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,085,681	\$633,776	\$307,264	\$809,027	\$335,614	0.0
Other legislation	\$138,500	\$138,500	\$0	\$0	\$0	0.0
TOTAL	\$2,224,181	\$772,276	\$307,264	\$809,027	\$335,614	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$2,224,181	\$772,276	\$307,264	\$809,027	\$335,614	0.0
Centrally appropriated line items	748,430	123,013	175,346	282,092	167,979	0.0
Technical adjustments	0	(24,790)	0	24,790	0	0.0
Annualize prior year legislation	(138,500)	(138,500)	0	0	0	0.0
Non-prioritized requests	(28,479)	(7,605)	(4,850)	(10,963)	(5,061)	0.0
TOTAL	\$2,805,632	\$724,394	\$477,760	\$1,104,946	\$498,532	0.0
INCREASE/(DECREASE)	\$581,451	(\$47,882)	\$170,496	\$295,919	\$162,918	0.0

Percentage Change	26.1%	(6.2%)	55.5%	36.6%	48.5%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$2,805,632	\$749,184	\$477,760	\$1,080,156	\$498,532	0.0
Request Above/(Below) Recommendation	(\$0)	\$24,790	\$0	(\$24,790)	\$0	0.0

CORE OPERATIONS

This line item provides funds for the Department’s share of the operational costs of Colorado Operations Resource Engine (CORE), the statewide accounting system.

STATUTORY AUTHORITY: Section 24-30-209, C.R.S.

REQUEST: The Department requests \$609,738 total funds (including \$162,818 General Fund).

RECOMMENDATION: **The staff recommends \$617,841 total funds (including \$170,515 General Fund),** which is calculated consistent with JBC common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$436,027	\$120,337	\$69,140	\$150,687	\$95,863	0.0
TOTAL	\$436,027	\$120,337	\$69,140	\$150,687	\$95,863	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$436,027	\$120,337	\$69,140	\$150,687	\$95,863	0.0
Centrally appropriated line items	181,814	50,178	28,830	62,833	39,973	0.0
Technical adjustments	0	0	0	0	0	0.0
TOTAL	\$617,841	\$170,515	\$97,970	\$213,520	\$135,836	0.0
INCREASE/(DECREASE)	\$181,814	\$50,178	\$28,830	\$62,833	\$39,973	0.0
Percentage Change	41.7%	41.7%	41.7%	41.7%	41.7%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$609,738	\$162,818	\$103,830	\$234,746	\$108,344	0.0
Request Above/(Below) Recommendation	(\$8,103)	(\$7,697)	\$5,860	\$21,226	(\$27,492)	0.0

MOFFAT TUNNEL IMPROVEMENT DISTRICT

This line item funds the Department's administration of the Moffat Tunnel Improvement District. The Moffat Tunnel train tunnel, owned by the district, runs 6.2 miles under the Continental Divide between Rollinsville and Winter Park.

Freight trains, passenger trains, and fiber optic cables run through the tunnel bore. DOLA is provided custodial authority by statute, with rights to enter into contracts and to effect sale of the property. However, revenue from the property is to be distributed to the nine Improvement District counties, after the Department has set aside sufficient revenue for administrative costs.¹

¹ Administrative costs do not include physical maintenance of the tunnel, since, pursuant to statute, the users of the tunnel are responsible for the cost of maintaining the tunnel, its approaches, and equipment. Users also have the right to construct and repair, for their own benefit and at their sole cost, improvements to the Tunnel.

Cash funds are received from annual lease revenues. There are currently two lessees, Union Pacific Railroad and Century Link (formerly Qwest). The leases require payments of \$12,000 per year from Union Pacific and \$14,659 per year from Century Link. The Union Pacific lease term ends in 2025 with a right to renew and the Century Link lease term ends in 2091 with right to renew. The appropriation provides spending authority from reserves in the Moffat Tunnel Cash Fund in case money is needed to protect the right-of-way from legal challenges.

STATUTORY AUTHORITY: Article 8 of Title 32, C.R.S.

REQUEST: The Department requests \$5,000 cash funds, which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

(B) STATE DEMOGRAPHY OFFICE

PROGRAM COSTS

This line item provides funding for the State Demography Office, which provides population and demographic data and analysis for the state. This includes providing support to other state agencies, federal partners, local governments, and the public about demographic trends at the state, regional, county, and municipal levels.

STATUTORY AUTHORITY: Section 24-32-203, C.R.S.,

REQUEST: The Department requests \$603,662 total funds (including \$482,383 General Fund) and 6.0 FTE. The request includes salary increases that were awarded in FY 2021-22 and the out-year impacts of S.B. 18-200 (to reflect the scheduled increase in the employer PERA contribution).

RECOMMENDATION: **The staff recommends approving the request,** which is calculated consistent with JBC common policy.

EXECUTIVE DIRECTOR'S OFFICE, STATE DEMOGRAPHY OFFICE, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$567,609	\$468,243	\$80,976	\$0	\$18,390	6.0
TOTAL	\$567,609	\$468,243	\$80,976	\$0	\$18,390	6.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$567,609	\$468,243	\$80,976	\$0	\$18,390	6.0
Annualize prior year legislation	18,840	0	18,840	0	0	0.0
Annualize prior year budget actions	17,213	14,140	2,505	0	568	0.0
TOTAL	\$603,662	\$482,383	\$102,321	\$0	\$18,958	6.0
INCREASE/(DECREASE)	\$36,053	\$14,140	\$21,345	\$0	\$568	0.0
Percentage Change	6.4%	3.0%	26.4%	n/a	3.1%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$603,662	\$482,383	\$102,321	\$0	\$18,958	6.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line reflects the amount of statewide and departmental indirect cost assessments within the State Demography Office. Statewide indirect cost assessments are charged to cash and federal programs for statewide overhead costs (such as those generated by the Department of Personnel), and then the assessments are used in administrative divisions to offset General Fund appropriations. Departmental indirect cost assessments are charged to cash and federally funded programs for departmental overhead costs.

Indirect cost assessments are currently used to offset General Fund in the Executive Director's Office.

STATUTORY AUTHORITY: Colorado Fiscal Rules #8-3; Section 24-75-1401, C.R.S. [Indirect Costs Excess Recovery Fund]

REQUEST: The Department requests \$13,071 total funds (\$10,651 cash funds and \$2,420 reappropriated funds).

RECOMMENDATION: **Staff recommends \$11,634 total funds, which is based on the Department's updated indirect cost plan.** [More information about the Department's indirect cost assessments is provided at the end of this packet.]

EXECUTIVE DIRECTOR'S OFFICE, STATE DEMOGRAPHY OFFICE, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$13,071	\$0	\$10,651	\$0	\$2,420	0.0
TOTAL	\$13,071	\$0	\$10,651	\$0	\$2,420	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$13,071	\$0	\$10,651	\$0	\$2,420	0.0
Indirect cost assessment	(1,437)	0	(1,172)	0	(265)	0.0
TOTAL	\$11,634	\$0	\$9,479	\$0	\$2,155	0.0
INCREASE/(DECREASE)						
Percentage Change	(11.0%)	n/a	(11.0%)	n/a	(11.0%)	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,437	\$0	\$1,172	\$0	\$265	0.0

(2) PROPERTY TAXATION

This section provides funding for the Division of Property Taxation, which issues appraisal standards and provides training and technical assistance to county assessors; values multi-county companies; and grants taxation exemptions. This section also provides funding for the State Board of Equalization, which supervises the administration of property tax laws by local county assessors, as well as the Board of Assessment Appeals, which hears petitions for appeal on valuation, abatements, exemptions, and valuation of state-assessed properties.

PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$3,904,775	\$2,368,306	\$1,265,442	\$271,027	\$0	49.4
TOTAL	\$3,904,775	\$2,368,306	\$1,265,442	\$271,027	\$0	49.4
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$3,904,775	\$2,368,306	\$1,265,442	\$271,027	\$0	49.4
Annualize prior year budget actions	102,086	73,939	21,805	6,342	0	0.0
Indirect cost assessment	(14,904)	0	(14,904)	0	0	0.0
TOTAL	\$3,991,957	\$2,442,245	\$1,272,343	\$277,369	\$0	49.4
INCREASE/(DECREASE)	\$87,182	\$73,939	\$6,901	\$6,342	\$0	0.0
Percentage Change	2.2%	3.1%	0.5%	2.3%	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$21,730	\$0	\$21,730	\$0	\$0	(0.0)

DECISION ITEMS – PROPERTY TAXATION

The Department did not submit any decision items solely affecting this division.

LINE ITEM DETAIL — PROPERTY TAXATION

DIVISION OF PROPERTY TAXATION

The Property Tax Administrator is a constitutionally created position, responsible for administering property tax laws under the supervision and control of the State Board of Equalization. The Property Tax Administrator is head of the Division of Property Taxation. The key statutory responsibilities that drive the Division's workload are carried out by four sections:

- The *Appraisal Standards Section* ensures property tax equity by issuing appraisal standards and training county assessors.
- The *Administrative Resources Section* prepares and publishes administrative manuals, procedures, and instructions for assessors' offices.
- The *Exemptions Section* grants exemptions from taxation for charities, churches, and other eligible entities to assure a standardization of exemptions.
- The *State Assessments Section* performs original valuations of multi-county companies in Colorado, including railroads, pipelines, and other utilities.

The Division is supported by General Fund, fees for approving property tax exemptions², and mineral and energy impact funds.

The line item supports 36.2 FTE, including:

- 3.0 FTE for management and administration;
- 7.0 FTE for the appraisal standards section;
- 11.1 FTE for the administrative resources section;
- 11.1 FTE for the exemptions section; and
- 4.0 FTE for the state assessments section.

STATUTORY AUTHORITY: Section 15 of Article X of the State Constitution; Article 2 of Title 39, C.R.S.

REQUEST: The Department requests \$3,129,431 total funds (including \$1,877,952 General Fund) and 36.2 FTE. The request includes salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the Department’s request.**

PROPERTY TAXATION, DIVISION OF PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$3,042,370	\$1,817,236	\$992,358	\$232,776	\$0	36.2
TOTAL	\$3,042,370	\$1,817,236	\$992,358	\$232,776	\$0	36.2
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$3,042,370	\$1,817,236	\$992,358	\$232,776	\$0	36.2
Annualize prior year budget actions	87,061	60,716	20,003	6,342	0	0.0
TOTAL	\$3,129,431	\$1,877,952	\$1,012,361	\$239,118	\$0	36.2
INCREASE/(DECREASE)						
Percentage Change	2.9%	3.3%	2.0%	2.7%	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

STATE BOARD OF EQUALIZATION

The State Board of Equalization ("State Board") consists of five members:

- The Governor (or his or her designee).
- The Speaker of the House of Representatives (or his or her designee).
- The President of the Senate (or his or her designee).
- Two members appointed by the Governor with the consent of the Senate.

The State Board supervises the administration of property taxation laws by local county assessors. In this regard, the State Board meets at least once annually to review real and personal property valuations, hear complaints concerning valuation (including petitions by tax-levying authorities),

² Since FY 2010-11, filing fees for applications for exemptions from taxation have been \$175 per exemption application, \$75 for timely filed exempt property reports, and \$250 for exempt property reports filed after the April 15 deadline.

redirect assessments, and set the residential assessment ratio. The Board also approves training manuals, appraisal standards, and written instructions issued by the Property Tax Administrator.

During each property tax year, an assessment study is conducted to determine whether county assessors have complied with constitutional and statutory property tax provisions. The State Board is responsible for ordering a reappraisal of affected classes of property that were not properly assessed. The State Board also appoints the Property Tax Administrator.

The Constitution requires the General Assembly to provide by statute for the compensation of State Board members. State Board members receive \$50 per day for each day spent attending State Board meetings or hearings, as well as reimbursement for actual and necessary expenses incurred in performing State Board duties. This line item funds the Board's direct operating expenses, including \$50 per diem payments and expense reimbursements.

STATUTORY AUTHORITY: Section 15 of Article X of the State Constitution; and Article 9 of Title 39, C.R.S.

REQUEST: The Department requests \$12,856 General Fund.

RECOMMENDATION: **Staff recommends approving the Department's request** for a continuation level of \$12,856 General Fund.

BOARD OF ASSESSMENT APPEALS

The Board of Assessment Appeals is a quasi-judicial body that operates as a "type 1" agency within DOLA. The Board hears appeals by individual taxpayers who disagree with county boards of equalization, county boards of commissioners, and the Property Tax Administrator on the valuation of real and personal property, property tax abatements (reductions), and property tax exemptions. State assessed properties and exemptions are first appealed to the Property Tax Administrator. These cases may then be appealed to the Board. Appeals to the Board must be made in writing within 30 days of the decision that is being appealed. After the appeal is docketed, a receipt of appeal is sent to the Petitioner. A notice of hearing is mailed to all parties at least 30 days prior to the scheduled hearing. The Board's decision is transmitted in a written order and mailed to all parties, and is posted on the Board's website. Board decisions may be appealed to the Colorado Court of Appeals.

Each Board member must be registered, certified, or licensed as an appraiser. The Board must consist of at least three members, and an additional six members may be appointed based on workload. There are currently eight members. All Board members are employees of the State who are appointed by the Governor, with the consent of the Senate, and serve at the pleasure of the Governor. As employees of the State, they are entitled to benefits such as health, life and dental, short-term disability, and PERA. Compensation is based on a statutory rate of \$150 per day. Board members often have private sector employment in addition to their duties on the Board. This line item supports 13.2 FTE, including the eight board members and 5.2 FTE staff.

In recent years, the number of appeals heard by the Board has ranged from 1,300 to nearly 4,000 cases per year, depending upon whether it is an assessment or non-assessment year. In FY 2018-2019 (a non-assessment year, so the number of appeals filed is lower), the Board received 1,338 appeals, and

resolved 2,644 appeals. In FY 2019-20 (an assessment year, so the number of appeals filed is higher), the Board received 3,736 appeals, and resolved 3,239 appeals. Cases are typically resolved within one year.

The Board is partially supported by statutory filing fees that are credited to the Board of Assessment Appeals Cash Fund.³ The Department spends the full amount of available cash fund revenues before spending General Fund.

STATUTORY AUTHORITY: Sections 39-2-123 and 125, C.R.S.

REQUEST: The Department requests \$673,851 total funds (including \$551,437 General Fund) and 13.2 FTE. The request includes salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.** The Board of Assessment Appeals Cash Fund had a fund balance of \$156,546 the end of FY 2020-21. If the Committee approves the request, the Department projects a fund balance of \$173,744 at the end of FY 2022-23.

PROPERTY TAXATION, BOARD OF ASSESSMENT APPEALS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$658,826	\$538,214	\$120,612	\$0	\$0	13.2
TOTAL	\$658,826	\$538,214	\$120,612	\$0	\$0	13.2
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$658,826	\$538,214	\$120,612	\$0	\$0	13.2
Annualize prior year budget actions	15,025	13,223	1,802	0	0	0.0
TOTAL	\$673,851	\$551,437	\$122,414	\$0	\$0	13.2
INCREASE/(DECREASE)	\$15,025	\$13,223	\$1,802	\$0	\$0	0.0
Percentage Change	2.3%	2.5%	1.5%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$673,851	\$551,437	\$122,414	\$0	\$0	13.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line reflects the amount of statewide and departmental indirect cost assessments within this division. Statewide indirect cost assessments are charged to cash and federal programs for statewide overhead costs (such as those generated by the Department of Personnel), and then the assessments are used in administrative divisions to offset General Fund appropriations. Departmental indirect cost assessments are charged to cash and federally funded programs for departmental overhead costs.

Indirect cost assessments are currently used to offset General Fund in the Executive Director's Office.

STATUTORY AUTHORITY: Colorado Fiscal Rules #8-3; Section 24-75-1401, C.R.S. [Indirect Costs Excess Recovery Fund]

³ Fees are currently \$101.25 per property for a person who is represented. For a person representing him or herself, filing is free for the first two filings per year and \$33.75 thereafter.

REQUEST: The Department requests \$197,549 total funds.

RECOMMENDATION: **Staff recommends appropriating \$175,819 total funds based on the Department’s updated indirect cost plan.** [More information about the Department’s indirect cost assessments is provided at the end of this packet.]

PROPERTY TAXATION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$190,723	\$0	\$152,472	\$38,251	\$0	0.0
TOTAL	\$190,723	\$0	\$152,472	\$38,251	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$190,723	\$0	\$152,472	\$38,251	\$0	0.0
Indirect cost assessment	(14,904)	0	(14,904)	0	0	0.0
TOTAL	\$175,819	\$0	\$137,568	\$38,251	\$0	0.0
INCREASE/(DECREASE)						
Percentage Change	(7.8%)	0.0%	(9.8%)	0.0%	0.0%	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$21,730	\$0	\$21,730	\$0	\$0	0.0

(3) DIVISION OF HOUSING

The Division of Housing (DoH) provides financial and technical assistance designed to increase the availability of housing to individuals with a low income, individuals with disabilities, and elderly individuals. Financial assistance programs include State and federal grants, loans, loan guarantees, equity investments, and subordinated debt for construction or rehabilitation of affordable housing. The Division provides technical assistance to local communities, including assisting communities to identify housing needs and to apply for and secure available private and public financing for housing projects. The Division develops and updates various studies on the availability and affordability of housing in Colorado. Finally, the Division works with local governments to reform local development and building regulations in ways that lower housing production costs. The Division consists of three subsections:

- *Community and Non-Profit Services* includes centrally located staff that provide services for administering the Division and services directly supported in the community. The community programs are partnerships with community service and non-profit agencies throughout the state.
- *Field Services* reflects the Division's outreach and technical assistance activities throughout the state. These staff are stationed at various locations statewide and they assist local communities in developing affordable housing, oversee private activity bond incentives, and regulates the residential and non-residential factory-built industry in Colorado.
- *Indirect Cost Assessment* includes the Department's assessment of indirect cost recoveries from cash, reappropriated, and federal fund sources used in this division.

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$111,436,279	\$22,768,920	\$18,000,827	\$1,995,275	\$68,671,257	73.2
Other legislation	98,518,704	18,704	98,500,000	0	0	0.3
TOTAL	\$209,954,983	\$22,787,624	\$116,500,827	\$1,995,275	\$68,671,257	73.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$209,954,983	\$22,787,624	\$116,500,827	\$1,995,275	\$68,671,257	73.5
BA1 State Housing Vouchers	4,456,333	4,456,333	0	0	0	2.8
Technical adjustments	187,438	0	187,438	0	0	2.0
Annualize prior year budget actions	177,438	25,366	24,148	47,048	80,876	0.0
Indirect cost assessment	(97,986)	0	(11,315)	(49,984)	(36,687)	0.0
Annualize prior year legislation	(98,470,238)	12,150	(98,500,000)	0	17,612	0.0
TOTAL	\$116,207,968	\$27,281,473	\$18,201,098	\$1,992,339	\$68,733,058	78.3
INCREASE/(DECREASE)	(\$93,747,015)	\$4,493,849	(\$98,299,729)	(\$2,936)	\$61,801	4.8
Percentage Change	(44.7%)	19.7%	(84.4%)	(0.1%)	0.1%	6.5%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$231,561	\$114,204	\$16,702	\$49,984	\$50,671	0.3

DECISION ITEMS – DIVISION OF HOUSING

→ BA1 STATE HOUSING VOUCHERS

The Department requests an increase of \$4,570,537 General Fund for FY 2022-23 to provide an increased number of housing vouchers with supportive services, as well as 3.1 FTE to administer the additional vouchers.

RECOMMENDATION: Staff recommends \$4,456,333 General Fund, including \$4,265,233 as requested for additional housing vouchers, \$168,315 and 2.8 FTE for staff to administer the additional vouchers, and \$22,785 for operating costs associated with the new FTE.

ANALYSIS:

The Department requests an increase of \$4,570,537 General Fund for FY 2022-23, annualizing to \$10,862,673 in FY 2023-24. The request compared to staff recommendation is shown below.

BA1 REQUEST AND RECOMMENDATION			
	FY 2022-23	FY 2023-24	OUT-YEAR CHANGE
Request			
Personal Services	\$280,659	\$280,659	\$0
FTE	3.1	3.1	0.0
Operating Expenses	24,645	2,945	(21,700)
Housing Vouchers	4,265,233	10,579,069	6,313,836
Total Request	4,570,537	10,862,673	6,292,136
Recommendation			
Personal Services	\$168,315	\$260,821	\$92,506
FTE	2.8	3.1	0.3
Operating Expenses	22,785	4,185	(18,600)
Housing Vouchers	4,265,233	10,579,069	6,313,836
Total Recommendation	\$4,456,333	\$10,844,075	\$6,387,742
Request Above/(Below) Recommendation	114,204	18,598	

Housing Vouchers

Staff recommends funding for housing vouchers in the Low Income Rental Subsidies line as requested. The additional funding will help ensure that persons who are willing and able to live in a community setting are allowed to do so, consistent with a U.S. Supreme Court decision (Olmstead Decision) concerning state services for individuals with disabilities. Providing additional housing vouchers paired with supportive services, known as supportive housing, will also result in an overall reduction in State expenditures due to the lower relative cost of community-based care compared to institutional settings.

The request seeks to expand the number of vouchers currently administered by DOLA's Division of Housing and create two new types of vouchers paired with supportive housing. The amount requested for vouchers increases from \$4,265,233 in FY 2022-23 to \$10,579,069 in FY 2023-24 due to the ramp-up over two years. The request will add up to 804 new vouchers and result in an estimated General

Fund savings to the Department of Health Care Policy and Financing (HCPF) of \$1,698,066 in FY 2022-23 and \$4,840,464 in FY 2023-24.

ESTIMATED FUNDING BY VOUCHER TYPE				
	Appropriated	Requested		Est. New Vouchers
	FY 2021-22	FY 2022-23	FY 2023-24	
Requested Vouchers				
Community Access Team - Transition Services	\$6,437,430	\$1,503,551	\$2,967,464	322
State Housing Vouchers - Mental Health	955,813	1,405,957	4,024,030	210
Community Access Team - Supported Living Services	0	506,125	1,053,175	130
State Housing Vouchers - Mental Health -Tenancy Support Services	0	849,600	2,534,400	142
Requested Voucher Funding	\$7,393,243	\$4,265,233	\$10,579,069	804
Estimated General Fund Savings in HCPF		\$1,698,066	\$4,840,464	

Community Access Team

The Department of Local Affairs and HCPF have partnered on the Community Access Team – Transition Services (CAT-TS) voucher program since FY 2014-15 to provide housing vouchers for persons with disabilities that require long-term services and support to transition out of institutions, or prevent institutionalization, using Medicaid’s Transition Services benefit. These vouchers were previously referred to as CCT, or Colorado Choice Transitions. The program has grown from serving 75 households in FY 2015-16 to 515 at the end of FY 2020-21. The average cost of a CAT-TS voucher is currently \$9,876 per home per year. The existing CAT-TS vouchers have demonstrated savings of \$39,036 per person per year.

The request seeks to expand the number of CAT-TS vouchers and add a new sub-group of vouchers referred to as CAT-Supported Living Services (SLS). The existing CAT-TS vouchers are open to Medicaid clients utilizing the Transition Services Benefit to exit institutions and the Home and Community Based Services (HCBS) waiver for ongoing support. The CAT-SLS vouchers will serve a new population; Medicaid members who qualify for expanded benefits under the Supported Living Services (SLS) HCBS waiver will be eligible to apply for CAT-SLS vouchers. Without expanded supportive living services benefits and a voucher, these people could end up with an emergency placement on the Developmental Disability (DD) waiver and have to live in a group home or host home. HCPF estimates savings from the CAT-SLS vouchers could be as high as \$58,645 per person per year. The goal of the CAT-TS and CAT-SLS programs are similar - to enable people to live independently in the community instead of in institutions.

State Housing Vouchers

DOLA and the Department of Human Services partner on the State Housing Vouchers – Mental Health (SHV-MH) program to help people transition out of mental health institutions or divert people without housing from institutional settings. Under this program, DOLA provides housing vouchers to approximately 136 households per year that are referred from DHS’ Momentum/Transitions Programs, with approximately 12 percent turnover. Approximately 17 vouchers are available for new clients each year, out of an estimated 352 individuals in need.

The Momentum/Transitions Programs provide six to nine months of direct services and help connect participants to community-based support. However, some of the most highly acute individuals need direct services indefinitely. The new SHV-MH-Tenancy Support Service (TSS) category of vouchers

will provide ongoing services for individuals who cannot be safely discharged from institutions without the assurance of continuous support. The services (and cost of services) provided by SHV-MH-TSS vouchers would be attached to the voucher.

The SHV-MH vouchers average \$10,668 in housing assistance costs annually, not including tenancy support services. National research estimates that the minimum funding needed to provide tenancy support services is \$7,200 annually.

Additional FTE

The existing CAT-TS and SHV-MH vouchers currently have 1.35 FTE to manage 651 vouchers; the staffing level was determined when the programs were much smaller. The Division estimates that it needs 3.1 Administrator III positions to manage the additional vouchers and relieve existing workload.

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions. Staff recommendation differs from the request due to funding salaries at the range minimum versus the second quartile, the exclusion of certain centrally appropriated items (POTS), application of the General Fund pay date shift, and differences in the PERA employer rate and cost assumptions for computer and software license subscriptions.

LEVEL OF EVIDENCE PURSUANT TO S.B. 21-284

Senate Bill 21-284 states that a program or practice is “proven” if it reflects a high or well-supported level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by one or more high-quality randomized control trials, multiple evaluations with strong comparison groups, or an equivalent measure. The Department identified this budget request as a proven practice, and identified the theory of change as “Housing plus services will enable individuals to live safely in their community, improve their well-being, and reduce public costs.” A theory of change is a method that explains how a given intervention, or set of interventions, is expected to lead to specific outcomes, drawing on a causal analysis based on available evidence.

There is substantial evidence that providing supportive services with housing vouchers reduces public costs. Specifically, a recent study of the Denver Social Impact Bond program⁴ found that people with previous instances of jail utilization who were on Medicaid and homeless had an average public cost savings of \$6,875. This five-year randomized control trial of 724 individuals compared those who received supportive services with a housing voucher to a control group that received usual care services in the community. Key findings include:

- **The program resulted in increased housing stability:** Of those housed through the program, 86 percent remained in stable housing after one year. At two years, 81 percent remained in stable housing, and at three years, 77 percent remained.
- **The program caused a reduction in participants’ interactions with the criminal justice system:** In the three years after being randomized into the evaluation, people referred to supportive housing had a 34 percent reduction in police contacts and a 40 percent reduction in arrests when compared with those who received services as usual in the community.

⁴https://www.urban.org/sites/default/files/publication/104500/denver-supportive-housing-social-impact-bond-initiative-final-outcome-payments_1.pdf

- **The program resulted in fewer emergency health care visits and more office-based health care:** Two years after participants were referred to supportive housing, they had a 40 percent decrease in emergency department visits, a 155 percent increase in office-based visits, and a 29 percent increase in unique prescription medications to support their wellbeing when compared with the control group.
- **The program helped people reduce their use of short-term, city-funded detoxification facilities:** After three years in the program, participants receiving supportive housing had a 65 percent reduction in the use of detoxification facilities, which don't provide follow-up treatment, compared to the control group.

Numerous other studies from throughout the country yielded similar results. JBC agrees that, pursuant to S.B. 21-284 (Evidence-based Evaluations for Budget), assignment of a “proven” level of evidence for this program is appropriate.

LINE ITEM DETAIL — DIVISION OF HOUSING

(A) COMMUNITY AND NON-PROFIT SERVICES

This subdivision encompasses activities headquartered at the main Division of Housing office in Denver. This includes the administration of the Division and oversight of services that are managed in the community through partnerships with community service and non-profit agencies. This section is also responsible for coordinating the allocation of Private Activity Bonds (tax-exempt bonds) through the work of the Private Activity Bond Allocation Committee.

(i) ADMINISTRATION

PERSONAL SERVICES

This line item provides funding for overall division administration, including division management, budget, research, and accounting staff, as well as centrally located Department staff who oversee homeless prevention rental subsidy programs. Cash funds sources include the Homeless Prevention Activities Program Fund and the Private Activity Bond Allocations Fund. Reappropriated sources are from the Local Government Mineral and Energy Impact Grants and Disbursements line item and originate as Local Government Severance and Mineral Impact funds. Federal funds are comprised primarily of administrative allocations for the housing choice voucher (“section 8”) rental subsidy program.

The line item supports 28.9 FTE, including:

- 8.3 FTE for management and administration;
- 18.3 FTE for administration of low-income rental subsidies;
- 1.0 FTE for the income tax credit for retrofitting a residence (HB 18-1267); and
- 1.3 FTE who oversee homeless prevention programs.

In addition, the 1.0 FTE associated with the Fort Lyon program is functionally managed in this section although appropriated in the Fort Lyon line item.

STATUTORY AUTHORITY: Section 24-32-705, C.R.S.

REQUEST: The Department requests \$2,987,830 total funds (including \$801,176 General Fund) and 32.0 FTE. The request includes an increase of \$280,659 General Fund and 3.1 FTE associated with BA1, the out-year impacts for S.B. 18-200, and salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends \$2,875,486 total funds (including \$688,832 General Fund).** Differences between the recommendation and request are related to FTE calculations for BA1.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,579,962	\$474,912	\$74,576	\$66,525	\$1,963,949	28.6
Other legislation	\$17,804	\$17,804	\$0	\$0	\$0	0.3
TOTAL	\$2,597,766	\$492,716	\$74,576	\$66,525	\$1,963,949	28.9
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$2,597,766	\$492,716	\$74,576	\$66,525	\$1,963,949	28.9
BA1 State Housing Vouchers	168,315	168,315	0	0	0	2.8
Annualize prior year budget actions	79,643	15,651	541	2,439	61,012	0.0
Annualize prior year legislation	29,762	12,150	0	0	17,612	0.0
TOTAL	\$2,875,486	\$688,832	\$75,117	\$68,964	\$2,042,573	31.7
INCREASE/(DECREASE)	\$277,720	\$196,116	\$541	\$2,439	\$78,624	2.8
Percentage Change	10.7%	39.8%	0.7%	3.7%	4.0%	9.7%
FY 2022-23 EXECUTIVE REQUEST	\$2,987,830	\$801,176	\$75,117	\$68,964	\$2,042,573	32.0
Request Above/(Below) Recommendation	\$112,344	\$112,344	\$0	\$0	\$0	0.3

OPERATING EXPENSES

This line item funds the operating expenses of the Division. Common operating expenses for the Division include postage, equipment maintenance, and in-state travel. The majority of funds are federal administrative allocations for the Housing Choice Voucher (“Section 8”) rental subsidy program.

STATUTORY AUTHORITY: Section 24-32-705, C.R.S.

REQUEST: The Department requests \$475,128 total funds (including \$65,710 General Fund), including a \$24,645 increase associated with BA1.

RECOMMENDATION: **Staff recommends \$473,268 total funds, including \$63,850 General Fund.** The difference is due to calculations for new FTE related to BA1.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$449,583	\$40,165	\$4,938	\$64,385	\$340,095	0.0
Other legislation	\$900	\$900	\$0	\$0	\$0	0.0
TOTAL	\$450,483	\$41,065	\$4,938	\$64,385	\$340,095	0.0

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$450,483	\$41,065	\$4,938	\$64,385	\$340,095	0.0
BA1 State Housing Vouchers	22,785	22,785	0	0	0	0.0
TOTAL	\$473,268	\$63,850	\$4,938	\$64,385	\$340,095	0.0
INCREASE/(DECREASE)	\$22,785	\$22,785	\$0	\$0	\$0	0.0
Percentage Change	5.1%	55.5%	0.0%	0.0%	0.0%	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,860	\$1,860	\$0	\$0	\$0	0.0

(II) COMMUNITY SERVICES

LOW INCOME RENTAL SUBSIDIES

This line item supports programs that provide rental subsidies for low-income populations. The Division functions as a statewide public housing authority that primarily serves individuals and families with very low incomes, people with disabilities, and people who are homeless. In this role, the Division administers a number of the state and federal rental assistance programs that target different populations.

The largest program is the federal Department of Housing and Urban Development's (HUD's) "Housing Choice Voucher Program" (formerly called "Section 8"), which allocates about 5,000 vouchers to the Division and about 25,000 vouchers to local public housing authorities. Federal vouchers that are allocated to and administered by local housing authorities and are not reflected in the State budget. While local housing authorities generally focus on serving low-income populations, approximately 85 percent of the Department's vouchers support individuals with disabilities.

Pursuant to H.B. 11-1230, the Department of Local Affairs took responsibility for federal housing assistance vouchers previously administered by the Department of Human Services for special populations (e.g., individuals with a behavioral health disorder). Funding supports both rental subsidies and administration expenses. For example, the Department currently has offices in 14 of the 17 Community Mental Health Centers; the remaining three Centers have memorandums of understanding with local housing authorities. The Department contracts with the Centers to staff the office, and it pays a monthly fee of about \$30 per voucher for related administrative work by Center. The Department has similar arrangements with Community Centered Boards and Independent Living Centers. These local offices allocate both state and federal vouchers.

The Division administers two state-funded voucher programs:

- Since FY 2013-14, the Division has administered a voucher program specifically for people who are either transitioning out of one of the State's Mental Health Institutes or who are at risk of needing inpatient psychiatric care. The full \$950,000 that was initially appropriated for this purpose has been allocated, and the Department is now utilizing a portion of the \$15.3 million appropriated from the Marijuana Tax Cash Fund to support the housing needs of additional individuals who are discharged from an Institute.

- Since FY 2014-15, the Division has administered Community Access Team – Transition Services (previously known as Community Choice Transitions) vouchers for individuals who are transitioning from nursing homes or long-term care facilities. The Department of Local Affairs (DOLA) partners with the Department of Health Care Policy and Financing (HCPF) to identify clients who are living in a nursing or long-term care facility and who are able to and interested in moving to the community. Transitioning clients may receive home and community-based services and supports through HCPF and assistance in finding and paying for housing through DOLA.

STATUTORY AUTHORITY: Section 24-32-705 (1)(t), C.R.S. [Division’s role in administering and distributing financial housing assistance to persons in low- and moderate-income households and persons with disabilities]; Section 25.5-6-1501 (1)(d), C.R.S. [Colorado Choice Transition program housing vouchers]

REQUEST: The Department requests \$64,082,787 total funds (including \$11,613,101 General Fund), which includes an increase associated with BA1.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, LOW INCOME RENTAL SUBSIDIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$59,763,554	\$7,347,868	\$939,649	\$0	\$51,476,037	0.0
TOTAL	\$59,763,554	\$7,347,868	\$939,649	\$0	\$51,476,037	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$59,763,554	\$7,347,868	\$939,649	\$0	\$51,476,037	0.0
BA1 State Housing Vouchers	4,265,233	4,265,233	0	0	0	0.0
TOTAL	\$64,028,787	\$11,613,101	\$939,649	\$0	\$51,476,037	0.0
INCREASE/(DECREASE)	\$4,265,233	\$4,265,233	\$0	\$0	\$0	0.0
Percentage Change	7.1%	58.0%	0.0%	n/a	0.0%	n/a
FY 2022-23 EXECUTIVE REQUEST	\$64,028,787	\$11,613,101	\$939,649	\$0	\$51,476,037	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

HOMELESS PREVENTION PROGRAMS

This line supports homeless prevention activities, and is supported by:

- the federal Emergency Shelter Grant; and
- the state Homeless Prevention Activities Program Fund, which receives revenue from the state income tax “check-off” for homeless prevention activities.

State income tax checkoff revenues for state homeless prevention activities are to be used for direct services such assistance in avoiding eviction to people who are homeless or in danger of becoming homeless, with up to 5.0 percent or \$15,000 (whichever is greater) for related administrative costs. An advisory committee, created in statute, provides recommendations to DOLA’s Executive Director on the allocation of homeless prevention grants.

STATUTORY AUTHORITY: Section 24-32-705 (1)(i), C.R.S. [authority to receive grants]; Sections 26-7.8-101, et seq., and 39-22-1302, C.R.S. [Homeless Prevention Activities Program Fund]

REQUEST: The Department requests \$1,984,430 total funds, including \$170,000 cash funds and the balance from federal funds.

RECOMMENDATION: **Staff recommends approving the request**, which is a continuation level of funding.

(III) FORT LYON SUPPORTIVE HOUSING PROGRAM

Program Description

This line item supports the Fort Lyon Supportive Housing Program, which is located at the historic Fort Lyon campus in the rural town of Las Animas. This facility was previously the Fort Lyon Veterans Administration Hospital (from 1922 to 2001) and a state prison (decommissioned in 2012). The Division of Housing is responsible for managing the program. The Division contracts with the Colorado Coalition for the Homeless to administer the program's residential and supportive services, and with Bent County for facility maintenance and operations. The current appropriation includes \$2.6 million for the contract with the Colorado Coalition for the Homeless, \$2.1 million for the contract with Bent County, and the remainder for the Division of Housing for oversight and contingencies. Although the cost of the program has not changed significantly, through FY 2015-16 a portion was covered through custodial funds from the 2012 Mortgage Servicing Settlement.

The staff at Colorado Coalition for the Homeless (CCH) that administer the Program includes a four-member team that provides onsite leadership and 31 additional staff members both on- and off-site. Support staff typically includes:

- nine case managers;
- four peer mentors;
- four kitchen staff;
- six administrative staff;
- two reintegration specialists;
- three security staff;
- one referral coordinator;
- one benefits specialist; and
- one discharge planner.

The Division of Housing's Fort Lyon Program Manager visits monthly for a site visit to meet with program leaders, participants, and Bent County officials, and to attend special events. Starting in 2016, the contract between the Division of Housing and the Colorado Coalition for the Homeless set program participation levels at 250 on average each month, with up to a ten percent vacancy rate.

Participants must be referred by a homelessness service organization or health care provider, or any other public or non-profit agency that works directly with homeless persons and who will follow up with that individual after he or she leaves the Program. To increase referrals, CCH staff members visited the State's Continuum of Care regions during 2017 to educate and disseminate information about the Fort Lyon Program. These entities coordinate housing and services for homeless families

and individuals. The CCH staff have also worked to streamline the referral process and to reinforce their relationships with referral sources in order to support participants' community reintegration. Client participation is voluntary and cannot be court-ordered. Program entrance requirements are:

- 1 Be homeless or at imminent risk of homelessness.
- 2 Be at least 21 years or older and a resident of Colorado.
- 3 Have a documented substance use disorder and express a strong motivation and desire to change.
- 4 Be detoxed prior to program entry – meeting the American Society of Addiction Medicine (ASAM) Level I Detox Criteria. (The ASAM criteria provide guidelines for placement, continued stay and transfer/discharge of patients with addiction and co-occurring problems.)
- 5 If there is a mental health diagnosis, participants must have stable symptoms and have a 30-day supply of all prescription medications at the time of transportation to the Fort Lyon campus.
- 6 If there are chronic health conditions, participants must be medically cleared to enter the Program and have a 30-day supply of any required medication.
- 7 Must not have open warrants or cases, be a registered sex offender, or have a history of sexual offenses or recent violent offenses.
- 8 Must agree to live in a communal living environment and comply with the Resident Handbook and Fort Lyon Policies and Procedures.

Following an intake process designed to screen for readiness, participants are scheduled for the next available opening on a van to Fort Lyon (usually about a week).

Program participants receive housing, food, and access to a variety of supportive services, with a focus on substance use and its role in chronic homelessness. The Program has zero tolerance substance abuse and violent behavior policies. The Program is operated using three key service models:

- *Trauma informed care*, which recognizes that homelessness may be both the cause and result of trauma
- *Peer support*, which incorporates social support for recovery
- *On-demand transitional recovery housing* that is voluntary, driven by client choice, entails minimal service requirements, and is accessible without an extensive wait period

On-site services include case management, vocational and educational training, support groups, peer mentoring, and permanent housing reintegration. Participants can access additional resources through partner programs or independently in local communities (e.g., attending church, accessing social services, attending community college courses, etc.). The Fort Lyon Health Clinic, a U.S. Department of Health and Human Services' Health Resource and Service Administration-funded Health Care for the Homeless Clinic, provides integrated primary and behavioral health services for the five-county region. When a certain health care need cannot be met timely at the Fort Lyon Health Clinic or within the local community, participants are provided transportation to Pueblo for those services. Fort Lyon Program participants are eligible for Medicaid, which covers the cost of medical and behavioral health services.

The Program is designed as a two-year program, but participants are not required to stay for any specific length of time and may stay for up to three years. For the first 30 days, participants are

encouraged to focus on rest, becoming physically healthy, and obtaining deferred medical treatment. They are required to attend the New Beginnings education program and to attend a morning community meeting three days a week; they are not allowed to leave campus. After 30 days, participants may leave the campus during the day and after 90 days may request an overnight pass. In 2017 a life skills program was added that emphasizes basic knowledge essential to independent living (budgeting, establishing leases and accounts, etc.). Participants may also participate in paid work on campus (up to 10 hours per week at minimum wage), and some participants have employment in the surrounding communities.

Currently, “Program completion” is defined as occurring when a participant exits to permanent housing when they leave the Fort Lyon Program and attains one or more personal goals identified in his or her Goals and Outcomes Plan. Previously, participants self-determined when they completed the program, using their progress in meeting their goals and outcomes as a guide.

Case managers and other Program staff identify paperwork, credentials, and benefit applications that each participant needs. Other personnel assist participants in finding transitional or permanent supportive housing. Upon leaving, a participant may also become part of Friends of Fort Lyon, a support network of alumni that provides continued recovery and social support. Program staff have continued to develop program support for participants’ transitions into permanent housing and independent living. Members of the Resource Team stated that participants now have a better understanding of what it takes to move out into a community and more confidence throughout the transition. There are also clearer expectations on the part of the participant and the referral source.

STATUTORY AUTHORITY: Section 24-32-724 (2), C.R.S.

REQUEST: The Department requests \$4,999,361 General Fund and 1.0 FTE, which includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, FORT LYON SUPPORTIVE HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$4,996,662	\$4,996,662	\$0	\$0	\$0	1.0
TOTAL	\$4,996,662	\$4,996,662	\$0	\$0	\$0	1.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$4,996,662	\$4,996,662	\$0	\$0	\$0	1.0
Annualize prior year budget actions	2,699	2,699	0	0	0	0.0
TOTAL	\$4,999,361	\$4,999,361	\$0	\$0	\$0	1.0
INCREASE/(DECREASE)	\$2,699	\$2,699	\$0	\$0	\$0	0.0
Percentage Change	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) FIELD SERVICES

AFFORDABLE HOUSING PROGRAM COSTS

This line item funds the affordable housing program, which focuses on providing outreach and technical assistance throughout the state. This line item currently supports 31.5 FTE, including:

- 12.2 FTE for management, budget, research, database management, and administrative support;
- 15.3 FTE for staff located throughout the state who assist local governments in development and management of affordable housing projects;
- 2.0 FTE to oversee the home modification benefit for individuals enrolled in Medicaid Home and Community-based Services (HCBS) programs;
- 1.0 FTE to oversee housing assistance for persons transitioning from the criminal or juvenile justice systems; and
- 1.0 FTE for oversight of the private activity bond program.

STATUTORY AUTHORITY: Section 24-32-705 (1), C.R.S.

REQUEST: The Department requests \$2,373,939 total funds (including \$216,329 General Fund) and 31.5 FTE. The request includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF HOUSING, FIELD SERVICES, AFFORDABLE HOUSING PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,300,648	\$209,313	\$80,087	\$1,409,958	\$601,290	31.5
TOTAL	\$2,300,648	\$209,313	\$80,087	\$1,409,958	\$601,290	31.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$2,300,648	\$209,313	\$80,087	\$1,409,958	\$601,290	31.5
Annualize prior year budget actions	73,291	7,016	1,802	44,609	19,864	0.0
TOTAL	\$2,373,939	\$216,329	\$81,889	\$1,454,567	\$621,154	31.5
INCREASE/(DECREASE)	\$73,291	\$7,016	\$1,802	\$44,609	\$19,864	0.0
Percentage Change	3.2%	3.4%	2.3%	3.2%	3.3%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$2,373,939	\$216,329	\$81,889	\$1,454,567	\$621,154	31.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS

This line reflects federal and state funds used to promote development of affordable housing through grant and loan programs administered by the Department. Affordable housing in Colorado is generally developed and administered by local authorities, rather than by the State, and the majority of federal funds for affordable housing are distributed directly to local housing authorities. However, the State is a partner in affordable housing development initiatives throughout the state that are consistent with state housing priorities.

Most of the funding in this line item is for front-end construction support, which is typically tied to a requirement that the new housing serve those at 60 percent of area median income or below and remain affordable for at least 30 years. If it participates in a project, the Department typically serves as a “gap financier,” helping to buy down housing construction costs, as well as assisting locals to move the project forward. If they wish to access state funds, local housing authorities, and private for-profit and non-profit developers, submit a funding application that can apply to a number of the Division’s fund sources, including the Housing Grants and Loan Program, the Community Development Block Grant funds it administers, and Federal HOME grants, as well as some smaller sources of federal funds. Department staff determine whether the project is consistent with state priorities and feasible and identifies the most appropriate mix of funds. Recommendations are then submitted to the State Housing Board.

In FY 2020-21, the General Assembly appropriated \$9.2 million General Fund and \$15.3 million cash funds from the Marijuana Tax Cash Fund in this line item. These funds are being used for a mix of construction subsidies, rental vouchers, and related administrative costs. These funds are being used to serve individuals with behavioral health disorders, individuals transitioning from the justice system, and other populations at risk of homelessness.

STATUTORY AUTHORITY: Sections 24-32-705 [Division of Housing functions]; 24-32-717 [Housing Investment Trust Fund]; and 24-32-721 [Housing Development Fund], C.R.S.

Background Information – Statutory Authority Related to the Affordable Housing Construction Grants and Loans Line Item

Section 24-32-721, C.R.S., creates the Housing Development Grant Fund, which consists of money appropriated to the “Colorado Affordable Housing Construction Grants and Loan Fund” and federal grants and other contributions, gifts, grants, and donations received by the Division of Housing for purposes consistent with Section 24-32-721, C.R.S. Money in the Housing Development Fund is continuously appropriated to the Division for the purpose of making a *grant or loan* to “improve, preserve, or expand the supply of affordable housing in Colorado as well as to fund the acquisition of housing and economic data necessary to advise the [State Housing Board] on local housing conditions”. The Division is also authorized to:

- Annually transfer up to 20.0 percent of the Housing Development Fund balance to the Housing Investment Trust Fund, which is available for the Division to make loans for development or redevelopment costs for low- or moderate-income housing; and
- Spend up to 3.0 percent of the money appropriated from the Housing Development Fund for the Divisions’ related *administrative costs*.

Senate Bill 17-021 added subsection (4) to Section 24-32-721, C.R.S., to authorize the Division to establish a program that provides *rental vouchers* and *other support services* for housing assistance for a person with a mental health disorder or co-occurring behavioral health disorder who is transitioning from the Department of Corrections, the Division of Youth Corrections in the Department of Human Services, or a county jail into the community. This subsection also requires the Division to provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with behavioral or mental health disorders.

Finally, this subsection creates the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund to provide housing assistance for persons with behavioral or

mental health disorders who are transitioning from incarceration, which appears in the following line item.

REQUEST: The Department requests a continuation of \$36,528,793 total funds, including \$9,200,000 General Fund and \$15,300,000 Marijuana Tax Cash Fund.

RECOMMENDATION: **Staff recommends approving the request.**

HOUSING ASSISTANCE FOR PERSONS TRANSITIONING FROM THE CRIMINAL OR JUVENILE JUSTICE SYSTEMS

This line item provides authority for the Division to spend money in the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund to provide housing assistance for persons with behavioral or mental health disorders who are transitioning from incarceration, consistent with S.B. 17-021 (Assistance to Released Mentally Ill Offenders). Originally, the source of funding was unspent General Fund money that was appropriated in the prior fiscal year for community corrections programs and services and reappropriated funds from the Department of Corrections, Community Services, Parole Subprogram, Parolee Housing Support line item appropriation. House Bill 20-1262 (Housing Assistance Justice System Transition Money) repealed the requirement that unspent appropriations for community corrections programs be credited to the Fund and subsequently be appropriated to DOLA. Instead, as was already authorized by statute, the General Assembly made an appropriation of \$500,000 General Fund directly to DOLA in the FY 2020-21 and FY 2021-22 Long Bill for these services.

STATUTORY AUTHORITY: Section 24-32-721 (4)(d), C.R.S.

REQUEST: The Department requests a continuation level of \$500,000 General Fund.

RECOMMENDATION: **Staff recommends approving the request.**

MANUFACTURED BUILDINGS PROGRAM

This line item supports the Department's Housing Technology and Standards section, which supports, licenses, and regulates the residential and non-residential factory-built industry in Colorado. This includes the registration and certification of manufacturers, dealers, and installation professionals statewide. This section also:

- administers the manufactured housing consumer complaint process;
- provides support for the adoption, enforcement, and compliance with the 2015 International Energy Conservation Code (IECC); and
- provides technical assistance concerning lead-based paint, mold, and asbestos in affordable housing projects.

This program is supported by fees, which are deposited in the Building Regulation Fund.

STATUTORY AUTHORITY: Sections 24-32-3301 to 3327, C.R.S.

REQUEST: The Department requests \$792,744 cash funds and 7.3 FTE, which includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF HOUSING, FIELD SERVICES, MANUFACTURED BUILDINGS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$779,589	\$0	\$779,589	\$0	\$0	7.3
TOTAL	\$779,589	\$0	\$779,589	\$0	\$0	7.3
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$779,589	\$0	\$779,589	\$0	\$0	7.3
Annualize prior year budget actions	13,155	0	13,155	0	0	0.0
TOTAL	\$792,744	\$0	\$792,744	\$0	\$0	7.3
INCREASE/(DECREASE)	\$13,155	\$0	\$13,155	\$0	\$0	0.0
Percentage Change	1.7%	n/a	1.7%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$792,744	\$0	\$792,744	\$0	\$0	7.3
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

MOBILE HOME PARK ACT OVERSIGHT

This line item supports the Department’s Mobile Home Park Dispute Resolution and Enforcement Program, established by H.B. 19-1309 (Mobile Home Park Oversight Act). Through this program, mobile home owners, mobile home park owners, and mobile home park managers can submit complaints for dispute resolution through the Division, instead of taking issues to court, which can be costly. The Division of Housing’s requirements under the Program include:

- conducting outreach and education on mobile home park laws;
- registering all mobile home parks annually;
- receiving and investigating complaints;
- facilitating dispute resolution between mobile home owners and mobile home park landlords;
- determining whether violations of the law have occurred and taking enforcement actions; and
- engaging in public rulemaking to clarify the law.

This program is supported by fees that are deposited in the Mobile Home Park Act Dispute Resolution and Enforcement Program Fund, which is continuously appropriated.

STATUTORY AUTHORITY: Sections 38-12-1101 to 38-12-1110, C.R.S.

REQUEST: The Department requests an informational cash funds appropriation of \$701,628. The request includes an increase of \$187,438 and 2.0 FTE that was originally submitted as the Department’s R2. Because the Program is funded by a continuously appropriated cash fund and included in the Long Bill for informational purposes only, JBC staff and the Department/OSPB agreed it would be more appropriate to classify this item as a technical adjustment. The additional staff will help the Program catch up on the current backlog of complaints and process new complaints more quickly.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF HOUSING, FIELD SERVICES, MOBILE HOME PARK ACT OVERSIGHT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$505,540	\$0	\$505,540	\$0	\$0	4.8
TOTAL	\$505,540	\$0	\$505,540	\$0	\$0	4.8
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$505,540	\$0	\$505,540	\$0	\$0	4.8
Technical adjustments	187,438	0	187,438	0	0	2.0
Annualize prior year budget actions	8,650	0	8,650	0	0	0.0
TOTAL	\$701,628	\$0	\$701,628	\$0	\$0	6.8
INCREASE/(DECREASE)	\$196,088	\$0	\$196,088	\$0	\$0	2.0
Percentage Change	38.8%	n/a	38.8%	n/a	n/a	41.7%
FY 2022-23 EXECUTIVE REQUEST	\$701,628	\$0	\$701,628	\$0	\$0	6.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(C) INDIRECT COST ASSESSMENTS

INDIRECT COST ASSESSMENTS

This line reflects the amount of statewide and departmental indirect cost assessments within this division. Statewide indirect cost assessments are charged to cash and federal programs for statewide overhead costs (such as those generated by the Department of Personnel), and then the assessments are used in administrative divisions to offset General Fund appropriations. Departmental indirect cost assessments are charged to cash and federally funded programs for departmental overhead costs.

The funds are currently used to offset General Fund in the Executive Director's Office, the Board of Assessment Appeals, and the Division of Local Government.

STATUTORY AUTHORITY: Colorado Fiscal Rules #8-3; Section 24-75-1401, C.R.S. [Indirect Costs Excess Recovery Fund]

REQUEST: The Department requests \$1,066,889 total funds.

RECOMMENDATION: Staff recommends appropriating \$949,532 total funds based on the Department's updated indirect cost plan. [More information about the Department's indirect cost assessment is provided at the end of this packet.]

DIVISION OF HOUSING, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,047,518	\$0	\$146,448	\$454,407	\$446,663	0.0
TOTAL	\$1,047,518	\$0	\$146,448	\$454,407	\$446,663	0.0

DIVISION OF HOUSING, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,047,518	\$0	\$146,448	\$454,407	\$446,663	0.0
Indirect cost assessment	(97,986)	0	(11,315)	(49,984)	(36,687)	0.0
TOTAL	\$949,532	\$0	\$135,133	\$404,423	\$409,976	0.0
INCREASE/(DECREASE)						
	(\$97,986)	\$0	(\$11,315)	(\$49,984)	(\$36,687)	0.0
Percentage Change	(9.4%)	0.0%	(7.7%)	(11.0%)	(8.2%)	0.0%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$117,357	\$0	\$16,702	\$49,984	\$50,671	0.0

(4) DIVISION OF LOCAL GOVERNMENT

This Division provides information and training for local governments concerning budget development, purchasing, demographics, land use planning, and regulatory issues. This division also manages federal- and state-funded programs that support local government infrastructure and services. To provide this assistance to local governments, the Division operates eight field offices.

DIVISION OF LOCAL GOVERNMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$185,930,881	\$15,214,078	\$150,236,430	\$8,552,982	\$11,927,391	58.7
Other legislation	60,879,070	13,479,070	46,400,000	1,000,000	0	3.7
S1 Interconnectivity Grant roll-forward	0	0	0	0	0	0.0
TOTAL	\$246,809,951	\$28,693,148	\$196,636,430	\$9,552,982	\$11,927,391	62.4
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$246,809,951	\$28,693,148	\$196,636,430	\$9,552,982	\$11,927,391	62.4
Annualize prior year budget actions	5,979,483	865,042	5,013,353	81,224	19,864	0.0
Technical adjustments	(112,439)	(110,000)	16,748	(19,187)	0	0.0
Indirect cost assessment	(65,382)	0	(18,821)	(37,531)	(9,030)	0.0
R3 Gray & Black Mkt Marijuana Enforcement	(5,000,000)	0	(5,000,000)	0	0	0.0
Annualize prior year legislation	(59,278,585)	(15,320,385)	(41,157,362)	(2,800,838)	0	(3.4)
TOTAL	\$188,333,028	\$14,127,805	\$155,490,348	\$6,776,650	\$11,938,225	59.0
INCREASE/(DECREASE)	(\$58,476,923)	(\$14,565,343)	(\$41,146,082)	(\$2,776,332)	\$10,834	(3.4)
Percentage Change	(23.7%)	(50.8%)	(20.9%)	(29.1%)	0.1%	(5.4%)
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$96,275	\$0	\$2,073	\$85,172	\$9,030	2.6

DECISION ITEMS – DIVISION OF LOCAL GOVERNMENT**→ R3 GRAY & BLACK MARKET MARIJUANA ENFORCEMENT GRANT REDUCTION**

The Departments requests a three-year reduction of \$5.0 million Marijuana Tax Cash Funds annually to the Gray and Black Market Marijuana Enforcement Grant Program, leaving an appropriation of \$955,178 intact.

RECOMMENDATION: Staff recommends an ongoing reduction of \$5.0 million from the Marijuana Tax Cash Fund, for a total appropriation of \$955,178.

ANALYSIS:

The Program provides grants to local governments, law enforcement agencies, and district attorneys to assist with the enforcement of unlicensed and illegal marijuana cultivation and related crimes. A reduction of the same amount was made in FY 2020-21 and FY 2021-22 at the Department's request. The program has been over-appropriated and underutilized since its inception in FY 2017-18, even after switching from a reimbursement model to an "opt-in" formula. Appropriations are made available for two fiscal years, allowing the Program to carry forward unspent funds each year. The

Department wishes to maintain the approximately \$950,000 appropriation for the next three fiscal years while it continues to assess the demand for this program.

The Gray and Black Market Marijuana Enforcement Grant Program received an annual appropriation of just under \$6.0 million from the MTCF in FY 2017-18 through FY 2019-20. The Program is allowed to spend remaining funds over the next fiscal year, after which the dollars are returned to the Marijuana Tax Cash Fund (MTCF). For FY 2017-18, the first year of this program, just \$708,395 of grant funding was awarded and spent across 32 applicants. The program rolled forward \$5.1 million in unused funds into FY 2018-19.

In response to the low level of demand, the Department worked with the State Controller's Office to change the method of financial assistance from a reimbursement model to a formula-based distribution model, similar to that utilized by the Conservation Trust Fund program. Under the new model, local governments interested in receiving funds from the Grant Program opt-in to receive funding, and then later provide the Department with information on how the funding was utilized for the investigation and prosecution of unlicensed marijuana. Unspent funds will be utilized for future grant recipients or returned to the MTCF at the end of the year.

FY 2018-19 utilized both funding models; \$3.3 million was awarded and spent, and \$809,075 was returned to the MTCF. The formula distribution method was used for the entirety of FY 2019-20, with \$11.3 million disbursed. The Department requested a decrease of \$4.0 million for this program in FY 2020-21, and an additional \$1.0 million was subtracted during final budget balancing. The FY 2020-21 appropriation was \$950,673, plus an additional \$291,317 rolled forward from FY 2019-20. A total of \$777,216 was awarded to 27 communities, and \$625,560 was returned to the MTCF at the close of FY 2020-21.

The Department wishes to maintain the \$950,000 appropriation in FY 2022-23, FY 2023-24, and FY 2024-25 while it continues to assess the demand for, and effectiveness of, the program. The Department is unsure whether the dollars are efficiently targeting areas with the greatest need and is considering returning to the original grant model. The Department will work to clarify the program's objective and implement data collection requirements in an attempt to measure the program's impact.

Staff supports the reduction, but recommends it be ongoing. This is the third budget cycle in a row the Department as requested a "one-time" reduction to this program. Given the repeated requests to reduce the funding, staff believes it is appropriate to assume the reduction is ongoing, and a prioritized request to increase funding can be made when appropriate. If approved as submitted, the request allows the Department to assume a \$5.0 million increase from the MTCF after three years with little scrutiny, as it would be classified as an annualization of a prior year's budget action.

LEVEL OF EVIDENCE PURSUANT TO S.B. 21-284

Senate Bill 21-284 states that a program or practice is "theory-informed" if a theory of change has been identified and implemented. The Department identified this budget request as a theory-informed practice, and identified the theory of change as "the Gray and Black Marijuana Grant Program will prevent the loss of marijuana tax revenue...by providing resources to local law enforcement agencies to investigate illegal marijuana growth." The program's objective is to "find and prevent further activity of illegal residential marijuana growing".

A theory of change is a method that explains how a given intervention, or set of interventions, is expected to lead to specific outcomes, drawing on a causal analysis based on available evidence. While there are identifiable outputs observed, such as number and amount of grants awarded and number of law enforcement agencies assisted, JBC staff disagrees that the reduction of illegal marijuana growth and decrease loss of marijuana sales tax revenue can be effectively measured in relation to this program. Additionally, there would need to be evidence showing that local law enforcement agencies would not have apprehended specific illegal operations absent grant dollars from the Gray and Black Program. JBC staff has determined that, pursuant to S.B. 21-284 (Evidence-based Evaluations for Budget), this program is opinion-based due to the ability to survey law enforcement agencies about the number and volume of illegal operations thwarted as a result of grant dollars.

LINE ITEM DETAIL—DIVISION OF LOCAL GOVERNMENT

(A) LOCAL GOVERNMENT AND COMMUNITY SERVICES

(I) ADMINISTRATION

PERSONAL SERVICES

This line item funds salaries and associated Medicare and PERA contributions, as well as contractual services, for approximately half of the technical assistance and grants management FTE in the Division of Local Government (the remaining half are in the Field Services, Program Costs line item). The line item supports 16.8 FTE centrally located staff, including:

- 3.1 FTE for management and administration;
- 5.4 FTE for local government services;
- 3.0 FTE for the Colorado Resiliency Office;
- 2.8 FTE for the Energy Impact Grant Program; and
- 2.5 FTE for administration of the federal Community Services Block Grant.

The *Local Government Services* section provides administrative, financial, and other assistance to local officials, staff, and citizens in the operation of a local government. This includes assistance on budgeting, finance, general government administration, special district administration and elections, and enterprise management. It also assists with the preparation, processing and publication of various required local government filings received by DOLA from over 3,500 local governments statewide, including over 2,000 special districts.

The *Energy Impact Grant Program* is supported by central management staff that are supported by this line item as well as by regional staff that are supported by the Field Services Program Costs line item.

The federal *Community Services Block Grant* provides funds to alleviate the causes and conditions of poverty in communities. The Governor has designated DOLA as the lead agency for the grant.

STATUTORY AUTHORITY: Section 24-32-104, C.R.S.

REQUEST: The Department requests \$1,481,314 total funds (including \$620,309 General Fund) and 16.8 FTE. The request includes salary increases that were awarded in FY 2021-22 and the out-year impacts of S.B. 18-200 to reflect the scheduled increase in the employer PERA contribution.

RECOMMENDATION: **Staff recommends approving the request**, which is calculated consistent with Committee common policy.

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,426,150	\$591,428	\$0	\$675,804	\$158,918	16.8
TOTAL	\$1,426,150	\$591,428	\$0	\$675,804	\$158,918	16.8
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,426,150	\$591,428	\$0	\$675,804	\$158,918	16.8
Annualize prior year budget actions	43,014	16,731	0	19,757	6,526	0.0
Annualize prior year legislation	12,150	12,150	0	0	0	0.0
TOTAL	\$1,481,314	\$620,309	\$0	\$695,561	\$165,444	16.8
INCREASE/(DECREASE)	\$55,164	\$28,881	\$0	\$19,757	\$6,526	0.0
Percentage Change	3.9%	4.9%	n/a	2.9%	4.1%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$1,481,314	\$620,309	\$0	\$695,561	\$165,444	16.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

OPERATING EXPENSES

This line item funds the operating expenses of the Division of Local Government's administration. Common operating expenses include advertising, in-state travel, printing, postage, and various other cost items.

STATUTORY AUTHORITY: Section 24-32-104, C.R.S.

REQUEST: The Department requests \$135,851 total funds (including \$46,678 General Fund), which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER

House Bill 15-1033 created the Strategic Planning Group on Aging within DOLA. The group consists of 23 voting members appointed by the Governor. The group was required to present to the Governor and General Assembly, by November 1, 2016, comprehensive data and recommendations to develop an action plan on aging in Colorado through the year 2030.

Throughout 2021 and 2022, the Planning Group, in concert with the Senior Advisor on Aging and other aging-related representatives from State departments, worked to aggregate, organize, and prioritize the 2016, 2018, 2019, and 2020 Action Plan recommendations to present an integrated and

coherent comprehensive aging plan that can influence decision making across all levels of government – with some elements connected to the non-profit, and private sectors. The Planning Group will also continue to make recommendations as appropriate throughout 2022 for inclusion in the Strategic Action Plan on Aging. The Group will undergo a sunset review during the 2022 Legislative Session and is scheduled for repeal on July 1, 2022.

STATUTORY AUTHORITY: Section 24-32-3401 through 3408, C.R.S.

REQUEST: The Department does not request any funding for this line item, as the Planning Group is scheduled to repeal on July 1, 2022.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$110,000	\$110,000	\$0	\$0	\$0	0.0
TOTAL	\$110,000	\$110,000	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$110,000	\$110,000	\$0	\$0	\$0	0.0
Technical adjustments	(110,000)	(110,000)	0	0	0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$110,000)	(\$110,000)	\$0	\$0	\$0	0.0
Percentage Change	(100.0%)	(100.0%)	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(II) LOCAL GOVERNMENT SERVICES

CONSERVATION TRUST FUND DISBURSEMENTS

This line item reflects lottery proceeds anticipated to be transferred to the Conservation Trust Fund each fiscal year. Lottery proceeds (after payment of lottery-related administrative expenses, prizes, and operating reserves) are distributed pursuant to Article XXVII, Section 3 of the State Constitution as follows:

- 40 percent to the Conservation Trust Fund in the Department of Local Affairs "for distribution to municipalities and counties and other eligible entities for parks, recreation, and open space purposes";
- 10 percent to Colorado Parks and Wildlife for the acquisition, development and improvement of new and existing state parks, recreation areas and recreational trails;
- 50 percent to Great Outdoors Colorado (GOCO) up to the constitutional cap (\$71.7 million in FY 2020-21); and

Net lottery proceeds in excess of the GOCO cap are transferred to the Outdoor Equity Fund, Public School Capital Construction Assistance Fund (also known as Building Excellent Schools Today),

Wildlife Cash Fund, and Parks and Outdoor Recreation Cash Fund pursuant to Section 44-40-112 (12)(b), C.R.S.

RECENT LOTTERY DISTRIBUTIONS (MILLIONS)						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Conservation Trust Fund	\$57.4	\$53.4	\$56.3	\$66.6	\$57.0	\$67.7
Great Outdoors Colorado	63.7	64.5	66.3	68.5	70.4	71.7
Colorado Parks and Wildlife	14.4	13.3	14.1	16.7	14.2	16.9
Building Excellent Schools Today	8.1	2.3	4.1	14.7	0.8	7.6
Outdoor Equity Fund	n/a	n/a	n/a	n/a	n/a	0.8
Outdoor Recreation Cash Fund	n/a	n/a	n/a	n/a	n/a	2.3
Wildlife Cash Fund	n/a	n/a	n/a	n/a	n/a	2.3
Total	\$143.6	\$133.5	\$140.8	\$166.5	\$142.4	\$169.4

Money in the Conservation Trust Fund is not subject to the Taxpayer Bill of Rights (TABOR), and the State Constitution states that lottery proceeds are "set aside, allocated, allotted, and continuously appropriated" for purposes of the distributions specified above. Thus, this line item is included in the Long Bill for informational purposes only.

Money in the Conservation Trust Fund is primarily distributed based on population. Funds may be used for acquiring and developing land or water for parks, open space, historic, recreation, scenic, aesthetic, or similar purposes. Money may also be used for maintenance of recreational facilities. In addition, the Division of Local Government may utilize the Conservation Trust Fund to recover its direct and indirect costs related to distributing money in the Trust Fund.

STATUTORY AUTHORITY: Section 3 (1)(b)(I) of Article XXVII of the State Constitution and Section 33-60-104 (1)(a), C.R.S. [transfer from the Lottery Fund to the Conservation Trust Fund]; Section 24-77-102 (17)(b)(IX), C.R.S [money in Conservation Trust Fund not subject to TABOR]; Section 29-21-101 (2) and (3), C.R.S. [distribution and use of money in the Conservation Trust Fund]; Section 3 (1) of Article XXVII of the State Constitution [lottery proceeds are continuously appropriated]

REQUEST: The Department requests an informational appropriation of \$58,001,099 cash funds and 1.0 FTE, which includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, CONSERVATION TRUST FUND DISBURSEMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$58,000,000	\$0	\$58,000,000	\$0	\$0	1.0
TOTAL	\$58,000,000	\$0	\$58,000,000	\$0	\$0	1.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$58,000,000	\$0	\$58,000,000	\$0	\$0	1.0
Annualize prior year budget actions	1,099	0	1,099	0	0	0.0
TOTAL	\$58,001,099	\$0	\$58,001,099	\$0	\$0	1.0
INCREASE/(DECREASE)	\$1,099	\$0	\$1,099	\$0	\$0	0.0

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, CONSERVATION TRUST FUND DISBURSEMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$58,001,099	\$0	\$58,001,099	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

VOLUNTEER FIREFIGHTER RETIREMENT PLANS

This line item reflects the State's contribution to local volunteer firefighter retirement plans. Eligible entities include:

- Municipalities with a population under 100,000 that maintain a regularly organized volunteer fire department and that offer fire protection services;
- Fire protection districts having volunteers and offering fire protection services;
- County improvement districts having volunteer fire department members and offering fire protection services; and
- Counties contributing to a volunteer pension fund at one of the above.

Eligible entities must have active, pension-eligible volunteer firefighters and have contributed tax revenue to the pension fund in the year prior to the year in which the distribution is made. Municipalities with populations of less than 100,000 may levy a tax of not more than one mill (one percent) on the taxable property in the municipality, county, or district to fund their individual volunteer firefighter pension funds.

The State payment to any municipality or district that is contributing an amount necessary to pay volunteer firefighter pension plans of \$300 or less per month must equal 90 percent of all amounts contributed by the locality in the previous year. The State payment to localities that contribute an amount necessary to pay pensions in excess of \$300 per month also must equal 90 percent of all amounts contributed by the locality in the previous year, as long as that 90 percent is less than the greater of (1) the contribution actuarially required to pay a pension of \$300 per month or (2) the highest actual contribution received by the municipality during the calendar years 1998, 1999, 2000, or 2001. The State has to contribute an amount equal to the greater of these two categories if such amount is less than 90 percent of municipal or special district contributions in the previous year. In each case, the State contribution cannot exceed an amount that is equal to a tax of one-half mill (.05 percent) on the total taxable property in the municipality or special district.

DOLA conducts an application process in which volunteer firefighting agencies submit an actuarial review of their plans "soundness" over the next 20 years. DOLA uses these studies to determine how much assistance each locality receives. Due to the "greater of" language currently included in statute, any locality which submits a request will be funded at some level, regardless of whether its pension plan requires such funding to meet the \$300 per month pension. In recent years, DOLA has distributed moneys to 227 qualified pension plans, 91 of which distribute more than \$300 per month to eligible retirees.

This line item is supported by revenues from a two percent tax on the gross amount of all insurance premiums collected during the previous calendar year. These funds are not subject to the annual

statutory limit on General Fund appropriations. The General Assembly has identified at least a portion of this appropriation as coming from the General Fund Exempt account in all but one year since FY 2005-06. *The line item is continuously funded and is included in the Long Bill for informational purposes only.*

STATUTORY AUTHORITY: Sections 31-30-1112 (2) [State contribution] and 10-3-209, C.R.S. [source of funding for State contribution]

REQUEST: The Department requests a continuation of \$4,412,692 from the General Fund Exempt Account that is reflected in the Long Bill for informational purposes.

RECOMMENDATION: This figure is **pending**. Staff requests permission to use the amount included in whichever March 2022 General Fund revenue forecast the Committee chooses to adopt. The table below shows recent actual expenditures.

VOLUNTEER FIREFIGHTER RETIREMENT PLANS	
FISCAL YEAR	ANNUAL EXPENDITURES
2011-12	\$4,358,691
2012-13	4,175,447
2013-14	4,096,705
2014-15	4,170,673
2015-16	4,116,022
2016-17	4,202,791
2017-18	4,351,123
2018-19	4,201,417
2019-20	4,265,444
2020-21	4,317,686

VOLUNTEER FIREFIGHTER DEATH AND DISABILITY INSURANCE

This line item reflects the State's contribution for local volunteer firefighter death and disability insurance. This amount is not subject to the statutory limit on General Fund appropriations, and it is included in the Long Bill for informational purposes. This line item is supported by revenues from a two percent tax on the gross amount of all insurance premiums collected during the previous calendar year.

STATUTORY AUTHORITY: Section 31-30-1112 (2)(h)(II), C.R.S.

REQUEST: The Department's request reflects a continuation of the \$30,000 General Fund amount that is reflected in the Long Bill for informational purposes.

RECOMMENDATION: This figure is **pending**. Staff requests permission to use the amount included in whichever March 2022 General Fund revenue forecast the Committee chooses to adopt. The table below shows recent actual expenditures.

Volunteer Firefighter Death and Disability Insurance	
Fiscal Year	Annual Expenditures
2011-12	\$21,065
2012-13	21,065
2013-14	21,065
2014-15	21,065
2015-16	21,065
2016-17	21,065
2017-18	21,065
2018-19	21,065
2019-20	21,065
2020-21	21,065

FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS

Pursuant to S.B. 14-172, any municipality, special district, fire authority, or county improvement district employing one or more firefighters is required to provide benefits for heart and circulatory malfunctions for full-time firefighters, as long as the state provides sufficient funding to cover the cost. The employer may purchase accident insurance, self-insure, or participate in a self-insurance pool or multi-employer health trust. The act specifies minimum and maximum benefits that must be provided, ranging from a lump sum payment of \$4,000 if an exam reveals a firefighter has a heart and circulatory malfunction to a maximum one-time payment of \$250,000.

In order to receive benefits a firefighter must:

- have had a recent medical examination that found no heart or circulatory malfunction present;
- be employed for at least five continuous years as a firefighter, except for a volunteer firefighter that must have five years of continuous service with the same employer; and
- have experienced the heart and circulatory malfunction within 48 hours of a stressful or strenuous work event.

The act created the Firefighter Benefits Cash Fund, which consists of money that is annually appropriated from the General Fund; money in this fund is subject to annual appropriation to the Department for the purpose of reimbursing employers for the direct costs of maintaining accident insurance, self-insurance, or participation in a self-insurance pool or multiple employer health trust as required by Section 29-5-302, C.R.S. Thus, this cash fund is established solely for the purpose of paying benefits and not for the Department’s costs of administering the program.

The bill specifies that “if, at any time, the funding provided for the benefit required by this section is insufficient to cover the cost of the benefit, then the requirements of this section to maintain the benefit shall become optional pursuant to section 29-1-304.5.” If appropriations are insufficient, staff assumes the General Assembly will need to decide whether it wishes to provide additional funding or whether it wishes to make the benefit optional. There does not appear to be a sunset on the program, but the General Assembly could choose to eliminate the program at any time through defunding, in light of the above provision.

STATUTORY AUTHORITY: Section 29-5-302, C.R.S.

REQUEST: The Department requests an appropriation of \$869,222 General Fund and 0.5 FTE, and continuation of the \$839,053 appropriation of reappropriated funds from the Firefighters Benefits Cash Fund. The General Fund portion includes an increase of \$150,000 related to prior year reductions that forced the program to spend down its fund balance and a salary increase awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,556,926	\$717,873	\$0	\$839,053	\$0	0.5
TOTAL	\$1,556,926	\$717,873	\$0	\$839,053	\$0	0.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,556,926	\$717,873	\$0	\$839,053	\$0	0.5
Annualize prior year budget actions	151,349	151,349	0	0	0	0.0
TOTAL	\$1,708,275	\$869,222	\$0	\$839,053	\$0	0.5
INCREASE/(DECREASE)	\$151,349	\$151,349	\$0	\$0	\$0	0.0
Percentage Change	9.7%	21.1%	n/a	0.0%	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$1,708,275	\$869,222	\$0	\$839,053	\$0	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LOCAL UTILITY MANAGEMENT ASSISTANCE

This program assists the Water Resources and Power Development Authority in implementing drinking water and wastewater treatment loans. DOLA advises local governments about the mechanics of the loans and their potential eligibility. DOLA reviews about 50 loan applications per year and analyzes their economic feasibility. DOLA provides support because it already has information about the finances of local governments and has financial/economic analysis expertise. The Authority pays DOLA for portions of the salaries of several employees who work on these loans (2.0 FTE total).

STATUTORY AUTHORITY: Sections 37-95-107.6 (3) and 107.8 (3), C.R.S.

REQUEST: The Department requests \$186,879 cash funds and 2.0 FTE, which includes salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, LOCAL UTILITY MANAGEMENT ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, LOCAL UTILITY MANAGEMENT ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 21-205 (Long Bill)	\$183,275	\$0	\$183,275	\$0	\$0	2.0
TOTAL	\$183,275	\$0	\$183,275	\$0	\$0	2.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$183,275	\$0	\$183,275	\$0	\$0	2.0
Annualize prior year budget actions	3,604	0	3,604	0	0	0.0
TOTAL	\$186,879	\$0	\$186,879	\$0	\$0	2.0
INCREASE/(DECREASE)	\$3,604	\$0	\$3,604	\$0	\$0	0.0
Percentage Change	2.0%	n/a	2.0%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$186,879	\$0	\$186,879	\$0	\$0	2.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT

This is a federally funded project to determine eligibility and credit worthiness of local governments for Environmental Protection Agency (EPA) water and sewer loans. These funds are reflected in the Long Bill for informational purposes.

STATUTORY AUTHORITY: Section 24-32-106 (1)(d), C.R.S.

REQUEST: The Department requests \$68,423 federal funds and 0.5 FTE, which includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$67,004	\$0	\$0	\$0	\$67,004	0.5
TOTAL	\$67,004	\$0	\$0	\$0	\$67,004	0.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$67,004	\$0	\$0	\$0	\$67,004	0.5
Annualize prior year budget actions	1,419	0	0	0	1,419	0.0
TOTAL	\$68,423	\$0	\$0	\$0	\$68,423	0.5
INCREASE/(DECREASE)	\$1,419	\$0	\$0	\$0	\$1,419	0.0
Percentage Change	2.1%	0.0%	0.0%	0.0%	2.1%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$68,423	\$0	\$0	\$0	\$68,423	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(III) COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

The federal Community Services Block Grant (CSBG), distributed by the federal Department of Health and Human Services, provides funding to local communities for services that address the causes of poverty, including employment assistance, education, affordable housing, emergency services, nutrition, counseling, health, transportation, elderly projects, summer youth recreation, and community development. Recipients must be at or below 125 percent of federal poverty guidelines. Colorado has 44 eligible entities that receive CSBG funds annually, which are distributed on a formula basis. Eligible entities include qualified locally based nonprofit anti-poverty agencies, which provide services to low income individuals and families. Ninety percent of the funds are allocated to grantees, five percent is available for administration, and five percent is reserved for the Governor's discretion.

In order for the State to be eligible to receive federal moneys under the CSBG program, it is required to hold at least one legislative hearing every three years in conjunction with the development of the approved state plan. Historically, the Joint Budget Committee has served as the legislative committee holding the required hearing.

STATUTORY AUTHORITY: Section 24-32-106 (1)(d), C.R.S.

REQUEST: The Department's request reflects continuation of the \$6,000,000 federal funds amount that is reflected in the Long Bill for informational purposes.

RECOMMENDATION: **Staff recommends approving the Department's request.**

MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM (NEW LINE ITEM)

Senate Bill 21-032 created the Mobile Veterans-Support Unit Grant Program to provide funding to a veteran-owned organization. Grants must include funding for two years, and support two staff members and the purchase of a vehicle to distribute supplies or to transport rural or homeless veterans without access to other transportation. By October 15, 2021, the Department was required to adopt policies for the program, publicize selection criteria for grants, and establish timelines for applications and reporting. The Division of Local Government was required to accept applications beginning December 1, 2021 and award grants no later than January 21, 2022. By March 21, 2024, the Department must submit a request to the General Assembly to continue the grant program. The grant program is repealed on January 1, 2025.

STATUTORY AUTHORITY: Section 24-32-118.5 (2), C.R.S.

REQUEST: The Department requests \$21,535 General Fund and 0.3 FTE.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
Other legislation	\$229,070	\$229,070	\$0	\$0	\$0	0.6
TOTAL	\$229,070	\$229,070	\$0	\$0	\$0	0.6
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$229,070	\$229,070	\$0	\$0	\$0	0.6
Annualize prior year legislation	(207,535)	(207,535)	0	0	0	(0.3)
TOTAL	\$21,535	\$21,535	\$0	\$0	\$0	0.3
INCREASE/(DECREASE)	(\$207,535)	(\$207,535)	\$0	\$0	\$0	(0.3)
Percentage Change	(90.6%)	(90.6%)	n/a	n/a	n/a	(50.0%)
FY 2022-23 EXECUTIVE REQUEST	\$21,535	\$21,535	\$0	\$0	\$0	0.3
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) FIELD SERVICES

PROGRAM COSTS

This line funds salaries and associated Medicare and PERA contributions, as well as contractual services, for approximately half of the technical assistance and grants management FTE in the Division (the remaining half are in the Administration, Personal Services line item). It also includes associated operating expenses. The line currently supports 31.1 FTE, including:

- 7.3 FTE for management and administration;
- 18.0 FTE for field representatives;
- 4.3 FTE for administration of the federal Community Development Block Grant for non-entitlement areas;
- 1.0 FTE for local government limited gaming grant administration; and
- 1.0 FTE to support implement H.B. 20-1095 (Local Governments Water Elements in Master Plans).

Responsibilities are described below.

- Field staff provide education and customized assistance for local governments on issues such as budget review, property tax limitations, TABOR, water and sewer financing, election rules, land use planning, and application for federal and state grant funds. Staff is responsible for working with the local governments in their region. Field staff have typically worked as city and county managers prior to employment with the Department and are thus well positioned to advise local governments.
- Field Service staff review grant applications for the Mineral Impact Program, authorize smaller grants, and manage grant disbursements. In FY 2017-18, the General Assembly approved a request to add 1.0 FTE for a field representative position in Grand Junction assist local communities in responding to the economic impact of energy transformation in western parts of the state, as well as in other rural areas.

- The Community Development Office, which operates in this section, is comprised of 4.0 FTE who focus on providing technical assistance to local governments in land-use planning, economic development, and sustainable and resilient community development. The Office is responsible advising the Governor, the General Assembly, and local governments on growth issues, and providing technical assistance to communities dealing with economic and population growth and decline.
- The Community Development Office is also responsible for a local economic development initiative known as the Main Street Program. The Main Street Program supports downtown revitalization through asset-based economic development and historic preservation. In addition to funding for 2.0 FTE, this program is supported by \$462,500 reappropriated funds (from energy impact funds) for consulting services for local communities (this funding was added in FY 2015-16 in response to a Department budget request). The Office may also use other existing resources to provide scholarships and non-competitive mini-grants to Main Street communities.

STATUTORY AUTHORITY: Sections 24-32-104 and 106 [functions of the Division of Local Government and duties of the Division Director], 24-32-303 [Authority and responsibility of the Division of Commerce and Development], and 24-32-803 [duties of the Office of Rural Development], C.R.S.

REQUEST: The Department requests \$3,513,953 total funds and 31.6 FTE (including \$348,875 General Fund). The request includes salary increases that were awarded in FY 2021-22 and the out-year impacts of S.B. 18-200 to reflect the scheduled increase in the employer PERA contribution.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
Other legislation	\$7,250,000	\$7,250,000	\$0	\$0	\$0	0.0
SB 21-205 (Long Bill)	\$3,410,876	\$340,887	\$0	\$2,714,628	\$355,361	31.6
TOTAL	\$10,660,876	\$7,590,887	\$0	\$2,714,628	\$355,361	31.6
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$10,660,876	\$7,590,887	\$0	\$2,714,628	\$355,361	31.6
Annualize prior year budget actions	78,935	7,988	0	59,028	11,919	0.0
Annualize prior year legislation	(7,225,858)	(7,250,000)	114,788	(90,646)	0	0.0
TOTAL	\$3,513,953	\$348,875	\$114,788	\$2,683,010	\$367,280	31.6
INCREASE/(DECREASE)	(\$7,146,923)	(\$7,242,012)	\$114,788	(\$31,618)	\$11,919	0.0
Percentage Change	(67.0%)	(95.4%)	0.0%	(1.2%)	3.4%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$3,513,953	\$348,875	\$114,788	\$2,683,010	\$367,280	31.6
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COMMUNITY DEVELOPMENT BLOCK GRANT

The federal Community Development Block Grant (CDBG), distributed by the federal Department of Housing and Urban Development, provides funding to local communities for housing, public

facility, and business assistance projects that benefit primarily low to moderate-income individuals through community development efforts. The federal agency distributes funds to each state based on a statutory formula that takes into account total population, poverty, incidence of overcrowded housing, and age of housing.

DOLA administers the funds for smaller, "non-entitlement" communities. Non-entitlement areas are cities with populations of less than 50,000, and counties with populations of less than 200,000. Large counties and metropolitan areas receive their funding directly on an entitlement basis. DOLA divides CDBG funds in equal thirds for the following purposes:

- To make discretionary loans to local businesses to promote rural development. Administration of the business development program is coordinated between DOLA field staff and the Governor's Office of Economic Development and International Trade.
- To provide discretionary grants to local governments for local infrastructure development such as roads, water treatment facilities, and public buildings.
- To provide discretionary grants for affordable housing development. This portion of CDBG funds is shown as part of the Affordable Housing Grants and Loans line item in the Division of Housing section of the Long Bill.

STATUTORY AUTHORITY: Section 24-32-106 (1)(d), C.R.S.

REQUEST: The Department's request reflects continuation of a \$5,200,000 appropriation.

RECOMMENDATION: **Staff recommends approving the request.** The amount in this line item is included in the Long Bill for informational purposes, and it is intended to reflect the portion of federal block grant funding that is not used for Department administrative functions, and that is available for purposes other than affordable housing.

LOCAL GOVERNMENT MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS

This grant program is intended to assist communities that are impacted by the growth and decline of the mineral and energy industries. The Local Government Severance Tax Fund and the Local Government Mineral Impact Fund serve as revenue sources for the program.

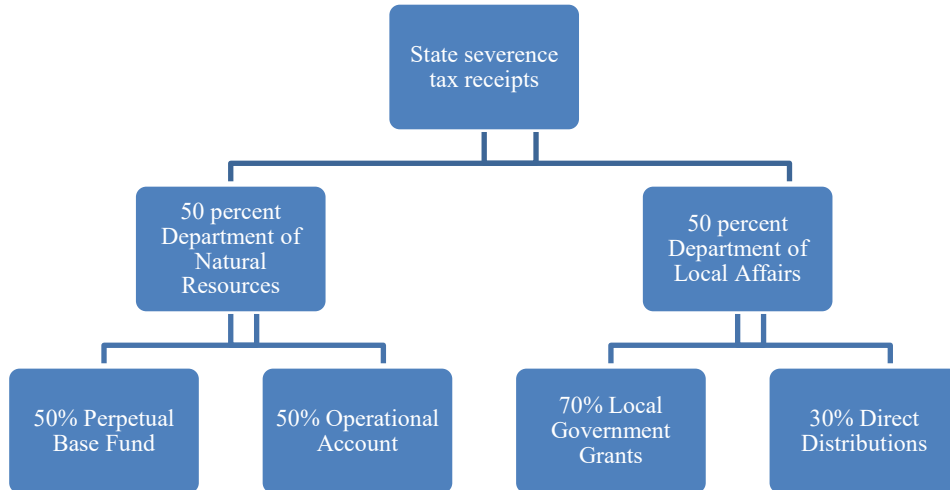
- Fifty percent of total gross receipts realized from the *state severance taxes* imposed on five types of extracted minerals and mineral fuels, including oil and natural gas, coal, metallic minerals, molybdenum ore, and oil shale, are deposited in the Local Government Severance Tax Fund on a monthly basis. The tax applies for resources that are removed from both privately and publicly owned lands; however, the severance tax is not paid when resources are removed from Tribal lands.
- Forty percent of the State's share of private sector payments to the federal government for mineral and mineral fuel production on federal lands (referred to as *federal mineral lease revenues*) is deposited to the Local Government Mineral Impact Fund on a quarterly basis.

By statute, a portion of each program's funding is **distributed directly** back to the local jurisdictions based on the reported residence of mineral production employees, mining and well permits, and mineral production:

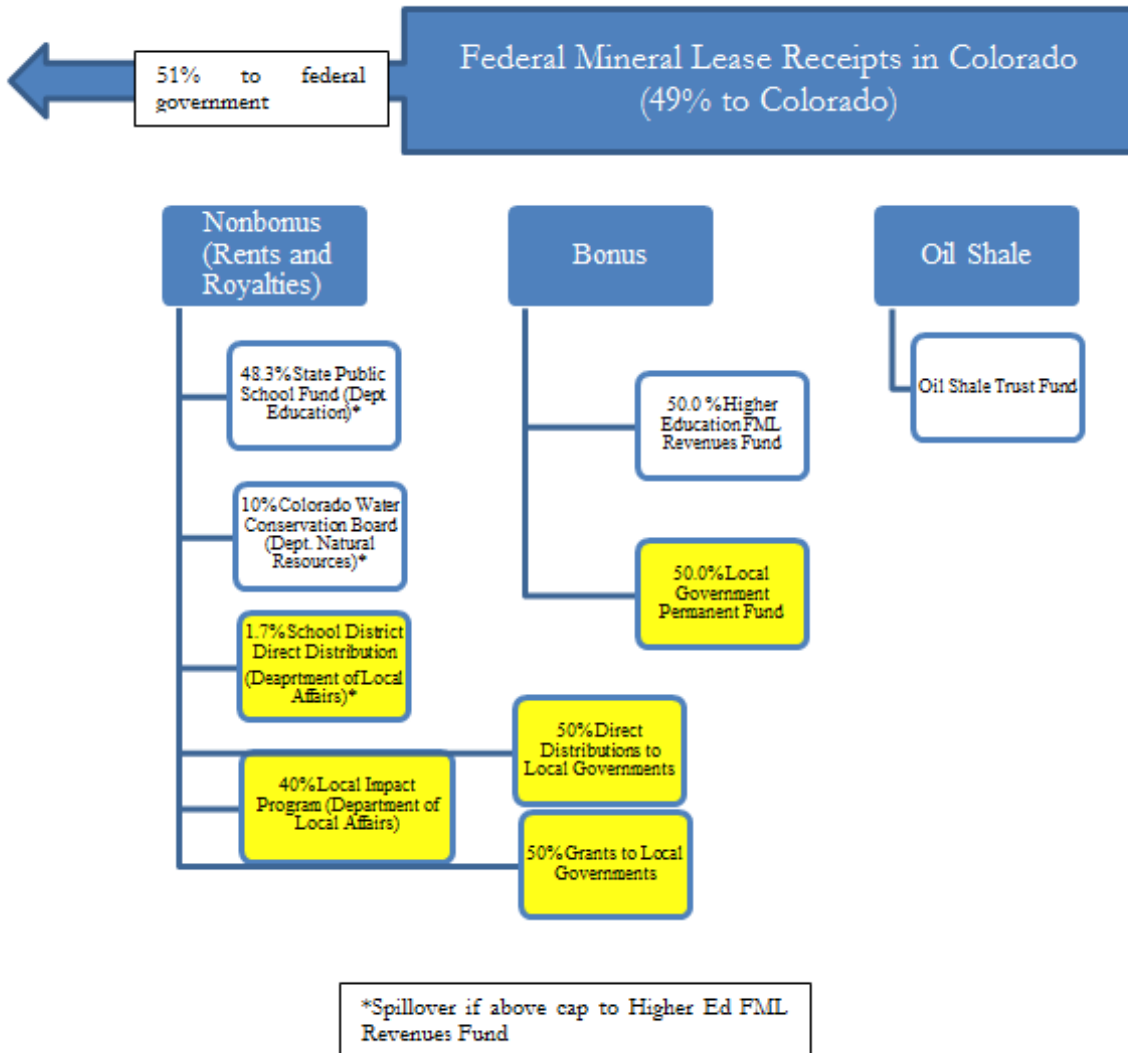
- 30 percent of severance tax revenues; and
- 50 percent of federal mineral lease revenues.

The remaining portion of these funds is distributed through **discretionary grants** to local jurisdictions. The following graphics illustrate the allocation of state severance tax revenues and federal mineral lease revenues.

Allocation of State Severance Tax Revenue
(Section 39-29-108, C.R.S.)



Allocation of Federal Mineral Lease Receipts
(Section 34-63-102, C.R.S.)



In administering the grant program, the Department is assisted by the nine-member Energy and Mineral Impact Assistance Advisory Committee. Final funding decisions are made by the Executive Director of the Department. Entities eligible to receive grants and loans include municipalities, counties, school districts, special districts and other political subdivisions, and state agencies for the planning, construction, and maintenance of public facilities and public services. Priority is given to schools and local governments socially or economically impacted by the mineral extraction industry on federal lands.

The interpretation by the executive branch is that these funds are *continuously appropriated*. The statutory language governing the funds predates the standardized usage by the General Assembly of the term "continuously appropriated." However, there is language saying that the money "shall be distributed" by the Department. The General Assembly has never challenged the interpretation.

The amount of funding available fluctuates with changes in production, commodity prices, severance tax refunds, and periodic transfers to or from the General Fund. The Division adjusts the funding available for grant cycles based on changes in projected revenues. The Division also maintains a reserve balance that can be utilized for grants when revenues decline significantly. In the event of a significant spike in revenues, the Division may allocate a portion of available funding in response to specific local demand such as the Broadband Grant Program or the Renewable and Clean Energy Initiative.

From a timing standpoint, there are three ways to look at Mineral and Energy Impact funding:

View #1: Fund amounts and allocations based on the fiscal year received, based on statutory requirements.

View #2: Fund amounts and allocations, based on the fiscal year in which they are distributed (for direct distributions) or newly awarded (for grants). This should parallel amounts described in #1 above, but on a partially delayed cycle. Specifically, direct distributions are distributed in the August following the fiscal year of receipt. New grant awards are typically made three times a year in August, December and April. Money is allocated throughout the year but only after receipt. Thus, August grants are based on prior fiscal year receipts, while December and April grants are based on current fiscal year receipts.

View #3: Fiscal year expenditures. For direct distributions, this reflects the prior fiscal year revenue. Grant amounts, however, are spent down over multiple years for infrastructure projects. Thus, the expenditure pattern lags years behind the pattern for new grants awarded.

How Energy Impact Funds May be Shown for Revenues Received in Year 1 (Total Funds the Same for Option 1, 2, 3)					
	Year 1	Year 2	Year 3	Year 4	Year 5
View 1 – Amount shown in year received					
View 2 – Amount shown in year in which new money is distributed for direct distributions or <u>allocated</u> for new grants					
View 3 – Amount shown spread across years in which it is actually spent.					

STATUTORY AUTHORITY: Sections 39-29-108 (2)(b) [allocation of severance tax revenues to Local Government Severance Tax Fund]; 39-29-110 (1)(b) and (c) [Local Government Severance Tax Fund]

allocations for grants and distributions]; 34-63-102 (5)(a) and (5.4)(b) [Mineral Leasing Fund allocation to Local Government Mineral Impact Fund], C.R.S.

REQUEST: The Department requests continuation of the \$90,000,000 cash funds amount that is included in the Long Bill for informational purposes.

RECOMMENDATION: **Staff recommends approving the request.**

Based on Legislative Council Staff's December 2021 economic forecast, the Department anticipates that this program will include the following for FY 2022-23:

- Two grant cycles to award (encumber but not necessarily spend) approximately \$41.2 million (down from \$53.4 million in FY 2020-21).
- Direct distributions to local governments totaling \$37.1 million based on projected revenues collected in FY 2022-23.
- Approximately \$8.2 million expended to support personal services and operating expenses throughout the Department (reappropriated funds).

The following three tables, prepared by the Department, detail actual and projected revenues to and expenditures from the Local Government Severance Tax Fund and the Local Government Mineral Impact Fund.

LOCAL GOVERNMENT SEVERANCE TAX FUND					
	ACTUAL FY 2019-20	ACTUAL FY 2020-21	APPROPRIATED FY 2021-22	PROJECTED FY 2022-23	PROJECTED FY 2023-24
Beginning Fund Balance (cash)	\$190,564,478	\$171,697,263	\$113,718,218	\$109,699,275	\$96,239,014
Revenue	\$77,910,550	(\$5,543,714)	\$63,101,354	\$57,609,789	\$55,027,737
Expenditures	\$96,777,765	\$52,435,331	\$67,120,297	\$71,070,051	\$57,623,511
Administration	3,273,798	3,290,207	3,686,475	3,797,069	3,910,981
Indirect Costs	246,844	344,845	501,085	516,118	531,601
Transfers to Other Agency (CDPHE)	312,960	328,671	307,267	316,485	325,980
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	50,008,944	7,075,830	1,242,882	17,430,406	17,282,937
Payments on Prior Year Encumbrances	42,935,219	41,395,779	48,585,231	37,089,973	18,318,679
Payments on New Grant Encumbrances Est.			12,797,357	11,920,000	17,253,333
Net Income	(\$18,867,215)	(\$57,979,045)	(\$4,018,943)	(\$13,460,262)	(\$2,595,774)
Ending Fund Balance (cash)	\$171,697,263	\$113,718,218	\$109,699,275	\$96,239,014	\$93,643,240
Encumbrances					
New Grant Contracts Encumbered	52,092,830	37,406,357	31,993,393	29,800,000	43,133,333
Less Payments on New Grant Encumbrances Est.	0	0	(12,797,357)	(11,920,000)	(17,253,333)
Roll Forward Prior Years Grants Encumbered	79,294,802	72,877,847	24,292,616	6,398,679	5,960,000
Direct Distribution Payable	7,075,830	1,242,882	17,430,406	17,282,937	16,508,321
Emergency Grant Reserve	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
Fund Balance Available for Future Grants & Operation	\$30,233,802	(\$808,867)	\$45,780,218	\$51,677,398	\$42,294,919

LOCAL GOVERNMENT MINERAL IMPACT FUND					
	ACTUAL	ACTUAL	APPROPRIATED	PROJECTED	PROJECTED
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Beginning Fund Balance (cash)	\$80,027,994	\$59,982,484	\$65,060,286	\$67,960,257	\$63,778,262
Revenue	\$27,164,061	\$34,175,699	\$41,865,879	\$38,724,518	\$39,810,271
Expenditures	\$47,209,570	\$29,097,897	\$38,965,908	\$42,906,513	\$39,578,618
Administration	2,619,805	2,477,728	3,016,205	3,106,691	3,199,892
Indirect Costs	201,962	282,146	409,979	422,278	434,947
Transfers to Other Agency (DPS)	65,841	65,841	65,841	65,841	65,841
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	24,070,696	13,460,736	17,451,421	21,461,300	19,812,100
Payments on Prior Year Encumbrances	20,251,266	12,811,446	9,464,118	13,290,403	8,839,172
Payments on New Grant Encumbrances Est.	0	0	8,558,344	4,560,000	7,226,667
Net Income	(\$20,045,510)	\$5,077,802	\$2,899,971	(\$4,181,995)	\$231,653
Ending Fund Balance	\$59,982,484	\$65,060,286	\$67,960,257	\$63,778,262	\$64,009,916
Encumbrances					
New Grant Contracts Encumbered	11,683,372	7,318,640	21,395,859	11,400,000	18,066,667
Less Payments on New Grant Encumbrances Est.			(8,558,344)	(4,560,000)	(7,226,667)
Roll Forward Prior Years Grants Encumbered	22,508,645	14,196,177	4,732,059	4,279,172	2,280,000
Direct Distribution Payable	20,650,914	17,451,421	21,461,300	19,812,100	20,398,000
Emergency Grant Reserve	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
Fund Balance Available for Future Grants	\$2,139,553	\$23,094,048	\$25,929,383	\$29,846,991	\$27,491,916

DOLA ENERGY IMPACT ASSISTANCE PROGRAM (SEVERANCE & FML COMBINED)					
	ACTUAL	ACTUAL	APPROPRIATED	PROJECTED	PROJECTED
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Beginning Fund Balance (cash)	\$270,592,472	\$231,679,748	\$178,778,505	\$177,659,533	\$160,017,276
Revenue	\$105,074,610	\$28,631,986	\$104,967,233	\$96,334,308	\$94,838,008
Expenditures	\$143,987,335	\$81,533,229	\$106,086,205	\$113,976,564	\$97,202,129
Administration	5,893,602	5,767,936	6,702,680	6,903,760	7,110,873
Indirect Costs	448,806	626,991	911,064	938,396	966,548
Transfers to Other Agency (CDPHE, DPS)	378,801	394,512	373,108	382,326	391,821
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	74,079,640	20,536,566	18,694,302	38,891,706	37,095,037
Payments on Prior Year Encumbrances	63,186,485	54,207,224	58,049,350	50,380,376	27,157,850
Payments on New Grant Encumbrances Est.	0	0	21,355,701	16,480,000	24,480,000
Net Income	(\$38,912,725)	(\$52,901,243)	(\$1,118,972)	(\$17,642,256)	(\$2,364,121)
Ending Fund Balance	\$231,679,748	\$178,778,505	\$177,659,533	\$160,017,276	\$157,653,156
Encumbrances					
New Grant Contracts Encumbered	63,776,202	44,724,997	53,389,252	41,200,000	61,200,000
Less Payments on New Grant Encumbrances Est.	0	0	(21,355,701)	(16,480,000)	(24,480,000)
Roll Forward Prior Years Grants Encumbered	101,803,447	87,074,024	29,024,675	10,677,850	8,240,000
Direct Distribution Payable	27,726,743	18,694,302	38,891,706	37,095,037	36,906,321
Emergency Grant Reserve	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
Fund Balance Available for Future Grants	\$32,373,356	\$22,285,181	\$71,709,600	\$81,524,389	\$69,786,835

As detailed in the following table, the amount that is included in the Long Bill for this line item differs significantly from actual annual expenditures. This is due to forecast errors, but is also because a significant portion of annual expenditures relate to grant awards from previous fiscal years.

COMPARISON OF LONG BILL PROJECTION AND ACTUAL EXPENDITURES MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS			
FISCAL YEAR	LONG BILL ESTIMATE	ACTUAL	DIFFERENCE
2001-02	\$59,269,242	\$31,047,996	(\$28,221,246)
2002-03	62,848,376	36,674,567	(26,173,809)
2003-04	59,000,000	46,178,655	(12,821,345)
2004-05	59,000,000	64,962,478	5,962,478
2005-06	59,300,000	99,340,403	40,040,403
2006-07	63,300,000	101,477,804	38,177,804
2007-08	63,300,000	140,619,011	77,319,011
2008-09	125,900,000	211,857,880	85,957,880
2009-10	192,000,000	232,269,508	40,269,508
2010-11	129,000,000	205,213,806	76,213,806
2011-12	166,400,000	86,789,460	(79,610,540)
2012-13	150,000,000	68,608,798	(81,391,202)
2013-14	150,000,000	115,191,372	(34,808,628)
2014-15	150,000,000	130,466,720	(19,533,280)
2015-16	150,000,000	123,909,064	(26,090,936)
2016-17	125,000,000	142,925,791	17,925,791

COMPARISON OF LONG BILL PROJECTION AND ACTUAL EXPENDITURES MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS			
FISCAL YEAR	LONG BILL ESTIMATE	ACTUAL	DIFFERENCE
2017-18	100,000,000	132,314,238	32,314,238
2018-19	100,000,000	121,250,094	21,250,094
2019-20	123,000,000	106,656,070	(16,343,930)
2020-21	123,000,000	82,144,801	(40,855,199)

LOCAL GOVERNMENT PERMANENT FUND

Fifty percent of the state's share of all bonus payments from federal mineral leases is deposited to the Local Government Permanent Fund. Section 34-63-102 (5.3)(a)(I)(B), C.R.S., states that "If, based on the revenue estimate prepared by the staff of the legislative council in December of any fiscal year, it is anticipated that the total amount of moneys that will be deposited into the mineral leasing fund...during the fiscal year will be at least ten percent less than the amount of moneys so deposited during the immediately preceding fiscal year, the general assembly may appropriate moneys from the local government permanent fund to the department of local affairs for the current or next fiscal year." Money appropriated from this Fund is used to enhance the direct distributions to localities federal mineral leasing funds.

A transfer of \$2.3 million was made from the Local Government Permanent Fund to the General Fund pursuant to H.B. 20-1406 (Cash Fund Transfers to the General Fund) as part of 2020 balancing actions.

STATUTORY AUTHORITY: Section 34-63-102 (5.3)(a)(I)(B), C.R.S.

REQUEST: The Department does not request any funds for this line item, and has not requested an appropriation since FY 2016-17.

RECOMMENDATION: **Consistent with the Department request, staff does not recommend an appropriation from this fund for FY 2022-23.** Based on the December 2021 revenue forecast from Legislative Council Staff, an appropriation would not be statutorily authorized.

APPROPRIATION TO THE LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND AND LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS

Historically, the Local Government Limited Gaming Impact Fund received \$5,000,000 of the 50 percent “state share” of limited gaming revenue. Two percent of this amount (\$100,000) was set aside for gambling addiction counseling under the authority of the Department of Human Services and the remaining 98 percent (\$4,900,000) was used to provide financial assistance to designated local governments for documented gaming impacts.

Pursuant to S.B. 18-191(Local Government Limited Gaming Impact Fund), the portion of the state share of gaming revenues that is transferred to the Local Government Limited Gaming Impact Fund increases proportionally when the state share increases. If the state share does not increase, the transfer remains the same as the prior year. In addition, the State Treasurer is required to transfer an additional amount at the beginning of the fiscal year equal to the DOLA’s projected direct and indirect costs of

administering the Local Government Limited Gaming Impact Grant Program; any unspent money from this transfer reverts to the Local Government Limited Gaming Impact Fund.

Limited Gaming revenues declined sharply in FY 2019-20 due to COVID-19 related casino closures. The General Assembly subsequently passed H.B. 20-1399 (Suspend Limited Gaming Tax Transfers to Cash Funds) to address revenue shortfalls. The bill suspended all statutory formula distributions for FY 2019-20 and FY 2020-21 and instead made General Fund appropriations to certain cash funds in FY 2020-21. The Local Government Limited Gaming Impact Fund received a \$1,875,000 General Fund appropriation in FY 2020-21 and FY 2021-22, and approximately \$1,710,192 was available to make grants after paying the direct and indirect costs of administering the program. Due to the changes in H.B. 20-1399, the General Fund appropriation to the Local Government Limited Gaming Impact Fund was shown on a separate, new line item in the 2021 Long Bill, and the Local Government Limited Gaming Impact Grants line included \$1,710,192 available for grants as reappropriated funds.

The money available for grants is distributed under the authority of the Executive Director of DOLA to eligible local governmental entities upon their application for grants to finance planning, construction, and maintenance of public facilities and the provision of public services related to the documented gaming impacts resulting from limited gaming permitted in Gilpin and Teller counties and on Indian lands. Statute specifies that, at the end of any fiscal year, all unexpended and unencumbered moneys in the Limited Gaming Impact Account remain available for expenditure without further appropriation by the General Assembly.

STATUTORY AUTHORITY: Sections 44-30-1301 (1)(a), C.R.S. [Local Government Limited Gaming Impact Fund and the Limited Gaming Impact Account; 44-30-701 (2)(a)(III), C.R.S. [allocation from the Limited Gaming Fund]

REQUEST: The Department requests \$5,127,850 from the Local Government Limited Gaming Impact Fund, based on estimated formula distributions.

RECOMMENDATION: **Staff recommends approving the request.** The Appropriation to the Local Government Limited Gaming Impact Fund line is no longer needed and will be eliminated for FY 2022-23.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,710,192	\$0	\$0	\$1,710,192	\$0	0.0
TOTAL	\$1,710,192	\$0	\$0	\$1,710,192	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,710,192	\$0	\$0	\$1,710,192	\$0	0.0
Annualize prior year legislation	3,417,658	0	5,127,850	(1,710,192)	0	0.0
TOTAL	\$5,127,850	\$0	\$5,127,850	\$0	\$0	0.0
INCREASE/(DECREASE)	\$3,417,658	\$0	\$5,127,850	(\$1,710,192)	\$0	0.0
Percentage Change	199.8%	0.0%	0.0%	(100.0%)	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$5,127,850	\$0	\$5,127,850	\$0	\$0	0.0

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LOCAL GOVERNMENT GEOTHERMAL ENERGY IMPACT GRANTS

Senate Bill 10-174 created the Geothermal Resource Leasing Fund in response to 2007 regulations by the federal Department of the Interior that were designed to promote geothermal energy development on public lands.

Pursuant to federal regulations, geothermal lease revenue from sales, bonuses, royalties, leases, and rentals is distributed 50.0 percent to the states and 25.0 percent to local counties. Counties in which there are geothermal leases receive a direct federal distribution for their share of revenue. The State’s share is transferred to the State Treasurer’s Office for deposit to the Geothermal Resource Leasing Fund. The Fund is available for appropriation to the Department for grants to state agencies, school districts, and political subdivisions of the state affected by the development and production of geothermal resources.

In FY 2014-15, the General Assembly approved a request for spending authority from the Geothermal Resource Leasing Fund for grants to local authorities for planning or providing facilities and services necessitated by geothermal resource development. The Department indicated it would use policies and procedures like those used for the existing Energy Impact Assistance Grant Program to make awards. No grants have ever been awarded from the Fund.

STATUTORY AUTHORITY: Section 34-63-105, C.R.S.

REQUEST: The Department requests \$50,000 cash funds from the Geothermal Resource Leasing Fund, which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS

This program helps eligible rural communities develop plans and undertake projects to create jobs, drive capital investment, and increase wages to create more resilient and diverse local economies. This program was initially created in FY 2013-14 when the General Assembly added \$3.0 million for this purpose through the Long Bill in response to threatened prison closures in rural areas. Although no prisons closed at that time, the funds were still used to promote local economic resiliency.

Funding of \$750,000 General Fund was again added by the General Assembly in FY 2015-16 through a Long Bill amendment, and this funding has been continued annually. Prior to S.B. 20-002 (Rural Economic Development Initiative Grant Program), there was no separate statutory authority for this program. The bill specifies criteria that the Department is required to consider when evaluating grant applications and requires prioritization of applications that would create new jobs. It also specifies the types of projects for which REDI grants may be awarded, requires grant recipients to provide matching funds, and directs DOLA to administer the program in consultation with the Colorado

Office of Economic Development. S.B. 21-204 (Rural Economic Development Initiative Grant Funding) provided a one-time appropriation of \$5.0 million General Fund to the program in FY 2021-22, in addition to the \$780,000 provided in the Long Bill.

STATUTORY AUTHORITY: Section 24-32-128, C.R.S.

REQUEST: The Department requests a \$780,000 General Fund appropriation.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
Other legislation	\$5,000,000	\$5,000,000	\$0	\$0	\$0	0.0
SB 21-205 (Long Bill)	\$780,000	\$780,000	\$0	\$0	\$0	0.0
TOTAL	\$5,780,000	\$5,780,000	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$5,780,000	\$5,780,000	\$0	\$0	\$0	0.0
Annualize prior year legislation	(5,000,000)	(5,000,000)	0	0	0	0.0
TOTAL	\$780,000	\$780,000	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$5,000,000)	(\$5,000,000)	\$0	\$0	\$0	0.0
Percentage Change	(86.5%)	(86.5%)	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$780,000	\$780,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SEARCH AND RESCUE PROGRAM

The Search and Rescue Program reimburses political subdivisions for the costs incurred in search and rescue operations, and provides partial funding for search and rescue equipment. The cash fund that supports the program receives revenue from a statutory \$0.25 surcharge on hunting and fishing licenses, boat registrations, snowmobile registrations, and off-highway vehicle registrations. The program also receives funding from other outdoor recreational users, such as hikers, bikers, cross country skiers, and climbers who voluntarily purchase a Colorado Outdoor Recreation Search and Rescue Card for \$3 for one year or \$12 for five years.

STATUTORY AUTHORITY: Section 33-1-112.5, C.R.S.

REQUEST: The Department requests \$628,246 cash funds and 1.3 FTE, which includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, SEARCH AND RESCUE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$625,903	\$0	\$625,903	\$0	\$0	1.3
TOTAL	\$625,903	\$0	\$625,903	\$0	\$0	1.3
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$625,903	\$0	\$625,903	\$0	\$0	1.3
Annualize prior year budget actions	2,343	0	2,343	0	0	0.0
TOTAL	\$628,246	\$0	\$628,246	\$0	\$0	1.3
INCREASE/(DECREASE)	\$2,343	\$0	\$2,343	\$0	\$0	0.0
Percentage Change	0.4%	n/a	0.4%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$628,246	\$0	\$628,246	\$0	\$0	1.3
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM

The Gray and Black Market Marijuana Enforcement Grant Program provides funding to local law enforcement agencies and district attorneys to cover costs associated with the investigation and prosecution of unlicensed and illegal marijuana cultivation or distribution operations pursuant to H.B. 17-1221 (Grey and Black Market Marijuana Enforcement Efforts). The Division of Local Government is required to prioritize grants to provide necessary financial assistance to local law enforcement agencies and district attorneys in rural areas⁵ and to support the investigation and prosecution of unlicensed and illegal operations that are large-scale, involve organized crime, or divert marijuana outside of Colorado.

The Program is supported by annual appropriations from the Marijuana Tax Cash Fund (MTCF). Any unexpended and unencumbered money from an appropriation remains available for expenditure by the Division over the next fiscal year without further appropriation. The program received an annual appropriation of approximately \$6.0 million from FY 2017-18 to FY 2019-20, before being reduced to just under \$1.0 million in FY 2020-21 and FY 2021-22.

In response to an initially low level of demand, the Department worked with the State Controller’s Office to change the method of financial assistance from a reimbursement model to a formula-based distribution model during FY 2018-19. Under the new model, local governments interested in receiving funds from the Grant Program opt-in to receive funding, and then later provide the Department with information on how the funding was utilized for the investigation and prosecution of unlicensed marijuana. Unspent funds will be utilized for future grant recipients or returned to the MTCF at the end of the year.

STATUTORY AUTHORITY: Section 24-32-119, C.R.S.

⁵ A rural area is defined as a county with a population of less than 200,000 people or a municipality with a population of less than 30,000 people that is located 10 miles or more from a municipality with a population of more than 50,000 people.

REQUEST: The Department requests \$955,178 cash funds from the Marijuana Tax Cash Fund and 2.5 FTE. The request includes salary increases awarded in FY 2021-22 and a three-year \$5.0 million reduction requested in R3.

RECOMMENDATION: **Staff recommends approving the request**, but with an ongoing reduction associated with R3.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$950,673	\$0	\$950,673	\$0	\$0	2.5
TOTAL	\$950,673	\$0	\$950,673	\$0	\$0	2.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$950,673	\$0	\$950,673	\$0	\$0	2.5
Annualize prior year budget actions	5,004,505	0	5,004,505	0	0	0.0
R3 Gray & Black Mkt Marijuana Enforcement	(5,000,000)	0	(5,000,000)	0	0	0.0
TOTAL	\$955,178	\$0	\$955,178	\$0	\$0	2.5
INCREASE/(DECREASE)	\$4,505	\$0	\$4,505	\$0	\$0	0.0
Percentage Change	0.5%	n/a	0.5%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$955,178	\$0	\$955,178	\$0	\$0	2.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

HB 17-1326 CRIME PREVENTION INITIATIVE GRANTS

Background Information – H.B. 17-1326

House Bill 17-1326 established a grant program and a small business loan program designed to reduce crime and promote community development in the target communities of north Aurora and southeast Colorado Springs. The act included an appropriation clause that reduced General Fund appropriations to the Department of Corrections for FY 2017-18 by a total of \$5,865,182 General Fund based on the projected impact of various changes to parole and appropriated the same amount of General Fund to the Department of Local Affairs for several purposes.

General Fund appropriations to the Division’s Field Services, Program Costs line item and to centrally appropriated line items support 1.0 FTE to oversee both the grant and loan programs. The loan program is no longer receiving new appropriations due to underutilization, but continues to operate with the goal of expending funds that have already been appropriated to meet anticipated loan demand until the program is repealed. Senate Bill 19-064 (Retain Criminal Justice Programs Funding) extended the repeal date for both programs from September 1, 2020 to September 1, 2023.

Grant Program

This line item supports the grant program. The Division was required to issue a request for participation to select one or more community foundations to manage a grant program that supports:

- academic improvement programs;
- community-based services;
- community engagement programs;

- increasing safety and usability of common outdoor-spaces programs;
- technical assistance related to data collection, data analysis, and evaluation; and
- administrative costs of the foundation.

The program was appropriated \$3.0 million General Fund annually since FY 2017-18 until being reduced to \$2.0 million in FY 2020-21. In FY 2019-20, 43 organizations in the target communities of North Aurora and southeast Colorado Springs received funding through this line item. Grants focus on recidivism reduction, substance use, safety for homeless persons, trafficking prevention, and addressing systemic causes of disparities. Geographic diversity, makeup of the organization (i.e. minority led), and diversity of persons served are all considered in grant criteria. The Denver Foundation, the organization that oversees the program, reported that only 21 grantees received funding in FY 2020-21 due to the reduction. The funding was restored to \$3.0 million in FY 2021-22.

The Division is required to transfer to the community foundation(s) up to 4.0 percent of the appropriation for the grant program to cover the foundation's costs of managing the grant program. House Bill 17-1326 included a provision stating that, "any unexpended funds are not subject to reversion to the state and may be allocated in the subsequent fiscal year". Thus, any unexpended appropriations are statutorily "rolled forward" to the next fiscal year and available for expenditure without any further appropriation. The program has expended its full appropriation each year since its inception.

STATUTORY AUTHORITY: Section 24-32-120 (2), C.R.S.

REQUEST: The Department requests a \$3,000,000 General Fund appropriation, which is a continuation level of funding.

RECOMMENDATION: **Staff recommends approving the request.**

APPROPRIATION TO THE PEACE OFFICERS MENTAL HEALTH SUPPORT FUND and PEACE OFFICERS MENTAL HEALTH SUPPORT GRANT PROGRAM

House Bill 17-1215 established the Peace Officers Mental Health Support Grant Program to provide grants to county sheriffs' offices and municipal police departments for the purpose of helping these agencies engage mental health professionals who can provide:

- On-scene response services to support peace officers' handling of persons with mental health disorders; and
- Counseling services to peace officers.

County sheriffs' offices and municipal police departments that apply for grants are encouraged to do so, to the extent possible, in collaboration with the community mental health centers in their regions.

The General Assembly appropriated \$2,000,000 General Fund for FY 2020-21 for this program. This amount is credited to the Peace Officers Mental Health Support Fund, so the Department receives a corresponding \$2,000,000 appropriation from reappropriated funds. The Department is authorized to use up to 5.0 percent of the money annually appropriated for the program (currently \$100,000) to pay

the direct and indirect costs of administering the program. All unexpended and unencumbered money remains in the Peace Officers Mental Health Support Fund at the end of any fiscal year and can be used for future cycles

STATUTORY AUTHORITY: Section 24-32-3501, C.R.S.

REQUEST: The Department requests a continuation of the existing appropriation of \$2,000,000 General Fund into the Peace Officers Mental Health Support Fund, and a \$2,002,439 and 1.0 FTE appropriation out of this cash fund. The request for reappropriated funds includes salary increases awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends \$2,000,000 General Fund and \$2,000,000 in corresponding reappropriated funds.** Approval of \$2,002,439 reappropriated funds as requested would put the program out of compliance with the 5.0 percent administrative cap and require a corresponding increase in the General Fund appropriation.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, APPROPRIATION TO THE PEACE OFFICERS MENTAL HEALTH SUPPORT FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,000,000	\$2,000,000	\$0	\$0	\$0	0.0
Other legislation	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
TOTAL	\$3,000,000	\$3,000,000	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$3,000,000	\$3,000,000	\$0	\$0	\$0	0.0
Annualize prior year legislation	(1,000,000)	(1,000,000)	0	0	0	0.0
TOTAL	\$2,000,000	\$2,000,000	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$1,000,000)	(\$1,000,000)	\$0	\$0	\$0	0.0
Percentage Change	(33.3%)	(33.3%)	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$2,000,000	\$2,000,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PEACE OFFICERS MENTAL HEALTH SUPPORT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$2,000,000	\$0	\$0	\$2,000,000	\$0	1.0
Other legislation	\$1,000,000	\$0	\$0	\$1,000,000	\$0	0.5
TOTAL	\$3,000,000	\$0	\$0	\$3,000,000	\$0	1.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$3,000,000	\$0	\$0	\$3,000,000	\$0	1.5
Annualize prior year budget actions	2,439	0	0	2,439	0	0.0
Annualize prior year legislation	(1,000,000)	0	0	(1,000,000)	0	(0.5)
Technical adjustments	(2,439)	0	0	(2,439)	0	0.0
TOTAL	\$2,000,000	\$0	\$0	\$2,000,000	\$0	1.0

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PEACE OFFICERS MENTAL HEALTH SUPPORT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	(\$1,000,000)	\$0	\$0	(\$1,000,000)	\$0	(0.5)
Percentage Change	(33.3%)	n/a	n/a	(33.3%)	n/a	(33.3%)
FY 2022-23 EXECUTIVE REQUEST	\$2,002,439	\$0	\$0	\$2,002,439	\$0	1.0
Request Above/(Below) Recommendation	\$2,439	\$0	\$0	\$2,439	\$0	0.0

DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM

House Bill 18-1353 established the Defense Counsel on First Appearance Grant Program to provide grants to reimburse local governments, in part or in full, for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. This line item provides funding for the Program, including related administrative expenses. Approximately \$1.8 million is set aside for grant awards annually, and unspent funds remain in the program for the following year.

STATUTORY AUTHORITY: Sections 13-10-114.5 [requirement to provide legal representation] and 24-32-123 [grant program], C.R.S.

REQUEST: The Department requests \$1,998,474 General Fund and 0.5 FTE. The request includes the restoration of temporary reductions to the program from prior year budget actions and salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,309,520	\$1,309,520	\$0	\$0	\$0	0.5
TOTAL	\$1,309,520	\$1,309,520	\$0	\$0	\$0	0.5
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,309,520	\$1,309,520	\$0	\$0	\$0	0.5
Annualize prior year budget actions	688,974	688,974	0	0	0	0.0
TOTAL	\$1,998,494	\$1,998,494	\$0	\$0	\$0	0.5
INCREASE/(DECREASE)	\$688,974	\$688,974	\$0	\$0	\$0	0.0
Percentage Change	52.6%	52.6%	0.0%	0.0%	0.0%	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$1,998,494	\$1,998,494	\$0	\$0	\$0	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM

House Bill 18-1020 makes changes to civil asset forfeiture reporting requirements and establishes two law enforcement grant programs:

- The *Law Enforcement Assistance Grant Program*, administered by the Department of Public Safety, reimburses local governments for revenue lost from the changes established under HB17-1313. Seizing agencies can apply for grants for up to the amount of revenue they would have received prior to the passage of HB 17-1313 (Civil forfeiture reform). These agencies may only use awarded grant funds for purposes permissible under federal equitable sharing guidelines, such as operations and investigations, training and education, equipment and supplies, joint law enforcement and public safety operations, and community-based programs. Beginning August 1, 2019, agencies must annually report how grant funds were used, and the Department of Public Safety must report annually to the General Assembly on this program beginning October 1, 2019. The act appropriated \$1,487,821 cash funds from the Marijuana Tax Cash Fund (and 1.0 FTE) to the Department of Public Safety for FY 2019-20.
- The *Law Enforcement Community Services Grant Program*, administered by the Department of Local Affairs (DOLA) is created to provide funding to law enforcement entities, local governments, and community organizations to improve services to communities through community policing and outreach; drug intervention, prevention, treatment, and recovery; technology; training; and other community services. The act creates a 17-member Law Enforcement Community Services Grant Program Committee (which includes two legislators) to make recommendations to DOLA's Executive Director concerning which grants should be approved.

This line item supports the DOLA Grant Program. This program will be subject to available appropriations from the Law Enforcement Community Services Grant Program Fund. This fund will consist of:

- any gifts, grants, or donations received by the Division of Local Government for this program;
- 25 percent of the proceeds from personal property that is seized a part of a criminal investigation; and
- any other money that the General Assembly may appropriate to the Fund.

DOLA was not required to implement this program until it received “sufficient funds”. The Legislative Council Staff Fiscal Note for H.B. 18-1020 estimated that \$500,000 in revenue would be transferred to the Fund each year from civil forfeiture proceeds, and the first grant awards would be made in FY 2020-21. The Fund collected \$741,530 between its inception on July 1, 2018 and June 30, 2021, falling short of expectations by more than half. The Department requested and received a \$200,000 appropriation for its inaugural grant cycle in FY 2021-22, in addition to funding for the program staff.

STATUTORY AUTHORITY: Section 24-32-124, C.R.S.

REQUEST: The Department requests \$274,029 cash funds and 1.0 FTE. The request includes salary increases that were awarded in FY 2021-22.

RECOMMENDATION: **Staff recommends approving the request.**

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$272,227	\$0	\$272,227	\$0	\$0	1.0
TOTAL	\$272,227	\$0	\$272,227	\$0	\$0	1.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$272,227	\$0	\$272,227	\$0	\$0	1.0
Annualize prior year budget actions	1,802	0	1,802	0	0	0.0
TOTAL	\$274,029	\$0	\$274,029	\$0	\$0	1.0
INCREASE/(DECREASE)	\$1,802	\$0	\$1,802	\$0	\$0	0.0
Percentage Change	0.7%	n/a	0.7%	n/a	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST	\$274,029	\$0	\$274,029	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM (NEW LINE ITEM)

House Bill 21-1271 created the Affordable Housing Development Incentives Grant Program to offer grants to local governments that adopt at least three policy and regulatory tools from a menu of options enumerated in the bill that incentivize the development of affordable housing. The bill transferred \$9.3 million from the General Fund and \$30.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities Fund to support this grant program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2023-24.

STATUTORY AUTHORITY: Section 24-32-130 (2), C.R.S.

REQUEST: The Department requests no funding for this line item, but did not eliminate the 0.9 FTE.

RECOMMENDATION: **Staff recommends approving the request,** and also eliminating the associated FTE.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
Other legislation	\$39,300,000	\$0	\$39,300,000	\$0	\$0	0.9
TOTAL	\$39,300,000	\$0	\$39,300,000	\$0	\$0	0.9
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$39,300,000	\$0	\$39,300,000	\$0	\$0	0.9
Annualize prior year legislation	(39,300,000)	0	(39,300,000)	0	0	(0.9)
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	(\$39,300,000)	\$0	(\$39,300,000)	\$0	\$0	(0.9)
Percentage Change	(100.0%)	n/a	(100.0%)	n/a	n/a	(100.0%)
FY 2022-23 EXECUTIVE REQUEST	\$0	\$0	\$0	\$0	\$0	0.9
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.9

LOCAL GOVERNMENT PLANNING GRANT PROGRAM (NEW LINE ITEM)

House Bill 21-1271 created the Local Government Planning Grant Program to provide grants to local governments to assess housing needs or to make changes to local policies to become eligible for a Housing Development Incentives Grant. The Division of Local Government is required to update model land use codes for local governments. The bill transferred \$2.1 million from the General Fund and \$5.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities fund to support this grant program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2023-24.

STATUTORY AUTHORITY: Section 24-32-130 (5), C.R.S.

REQUEST: The Department requests no funding for this line item, but did not eliminate the 1.7 FTE.

RECOMMENDATION: **Staff recommends approving the request,** and also eliminating the associated FTE.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LOCAL GOVERNMENT PLANNING GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
Other legislation	\$7,100,000	\$0	\$7,100,000	\$0	\$0	1.7
TOTAL	\$7,100,000	\$0	\$7,100,000	\$0	\$0	1.7
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$7,100,000	\$0	\$7,100,000	\$0	\$0	1.7
Annualize prior year legislation	(7,100,000)	0	(7,100,000)	0	0	(1.7)
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$7,100,000)	\$0	(\$7,100,000)	\$0	\$0	(1.7)
Percentage Change	(100.0%)	n/a	(100.0%)	n/a	n/a	(100.0%)
FY 2022-23 EXECUTIVE REQUEST	\$0	\$0	\$0	\$0	\$0	1.7
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	1.7

(C) INDIRECT COST ASSESSMENTS

This line reflects the amount of statewide and departmental indirect cost assessments within this division. Statewide indirect cost assessments are charged to cash and federal programs for statewide overhead costs (such as those generated by the Department of Personnel), and then the assessments are used in administrative divisions to offset General Fund appropriations. Departmental indirect cost assessments are charged to cash and federally funded programs for departmental overhead costs.

The funds are currently used to offset General Fund in the Executive Director's Office.

STATUTORY AUTHORITY: Colorado Fiscal Rules #8-3; Section 24-75-1401, C.R.S. [Indirect Costs Excess Recovery Fund]

REQUEST: The Department requests \$853,046 total funds.

RECOMMENDATION: **Staff recommends appropriating \$759,210 total funds based on the Department’s updated indirect cost plan.** [More information about the Department’s indirect cost assessments is provided at the end of this packet.]

DIVISION OF LOCAL GOVERNMENT, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$824,592	\$0	\$154,352	\$588,159	\$82,081	0.0
TOTAL	\$824,592	\$0	\$154,352	\$588,159	\$82,081	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$824,592	\$0	\$154,352	\$588,159	\$82,081	0.0
Technical adjustments	0	0	16,748	(16,748)	0	0.0
Indirect cost assessment	(65,382)	0	(18,821)	(37,531)	(9,030)	0.0
TOTAL	\$759,210	\$0	\$152,279	\$533,880	\$73,051	0.0
INCREASE/(DECREASE)	(\$65,382)	\$0	(\$2,073)	(\$54,279)	(\$9,030)	0.0
Percentage Change	(7.9%)	n/a	(1.3%)	(9.2%)	(11.0%)	n/a
FY 2022-23 EXECUTIVE REQUEST	\$853,046	\$0	\$154,352	\$616,613	\$82,081	0.0
Request Above/(Below) Recommendation	\$93,836	\$0	\$2,073	\$82,733	\$9,030	0.0

LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

LONG BILL FOOTNOTES

Staff recommends **continuing** the following Long Bill footnotes:

- 72 Department of Local Affairs, Executive Director's Office, Moffat Tunnel Improvement District -- It is the General Assembly's intent that the Department continue its current practice of retaining lease payment revenues in the Moffat Tunnel Cash Fund and suspending distribution payments to Improvement District counties because this practice ensures that funds remain available to cover any potential Improvement District liabilities related to the Tunnel and any costs related to studies or other actions that need to occur prior to the expiration of the lease with Union Pacific Railroad in 2025 in order to protect the interests of the Improvement District and the State.

COMMENT: This footnote was first included in the FY 2018-19 Long Bill. The Union Pacific lease expires in 2025 and current statute contemplates the sale of this asset. At this time, the Department does not have any plans to sell the District's assets or to renegotiate the current lease agreements with Union Pacific Railroad or Century Link. If the General Assembly is genuinely interested in selling these assets, the Department would need to consult with an engineering firm familiar with railroad assets to determine the steps required to organize those assets for sale.

Under current law, lease payment revenue from the property is to be distributed to the nine Improvement District counties (Adams, Boulder, Denver, Eagle, Gilpin, Grand, Jefferson, Moffat, and Routt) after the Department has set aside sufficient revenue for administrative costs. In light of the information provided in response to a 2017 request for information, the Committee added this footnote to express the General Assembly's intent that the Department continue its practice of retaining lease payment revenues in the Moffat Tunnel Cash Fund and suspending distribution payments to Improvement District counties.

- 73 Department of Local Affairs, Division of Housing -- It is the General Assembly's intent that the Department target state General Fund appropriations for affordable housing to projects and clients that can be reasonably expected to reduce other State costs. It is the General Assembly's further intent that the Department prioritize State-funded rental assistance for the following populations: Medicaid clients who are transitioning from a nursing home or long-term care facility; clients transitioning from a State Mental Health Institute or a State-funded behavioral healthcare facility; and clients transitioning from the Department of Corrections, the Division of Youth Services in Department of Human Services, or a county jail.

COMMENT: This footnote expresses legislative intent, and was first included in the FY 2015-16 Long Bill. Further detail regarding types of clients to be targeted for rental assistance was included in the FY 2019-20 Long Bill.

- 74 Department of Local Affairs, Division of Housing, Community and Non-Profit Services, Community Services, Low Income Rental Subsidies; Field Services, Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S.; and Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems -- It is the General Assembly's intent that the Department record expenditures for rental vouchers issued by the Division of Housing within the Low Income Rental Subsidies line item.

COMMENT: This footnote was first included in the FY 2017-18 Long Bill to state the General Assembly's intent that when the Department utilizes a portion of the "Affordable Housing Construction Grants and Loans" line item appropriation for rental vouchers, it record the related expenditures within the "Low Income Rental Subsidies" line item. This footnote is intended to improve transparency by requesting that the Department separately report rental voucher expenditures and expenditures for construction grants and loans.

Background Information – Appropriations from the Marijuana Tax Cash Fund

The Department requested and received an appropriation from the Marijuana Tax Cash Fund for FY 2017-18 as part of the Affordable Housing Construction Grants and Loans line item. The requested funds were intended to be used for a mix of housing development subsidies, rental assistance (both tenant-based and project-based housing vouchers), and related administrative expenses. The request was intended to address the housing needs of two populations:

- individuals transitioning from or at risk of entering hospitals or the state mental health institutes; and
- individuals who are homeless or at risk of homelessness, including veterans, youth, and people transitioning to the community from the Department of Corrections, the Division of Youth Services in the Department of Human Services, or a county jail.

The General Assembly continued this \$15.3 million appropriation in each subsequent Long Bill.

Background Information – Statutory Authority Related to the Affordable Housing Construction Grants and Loans Line Item

The Housing Development Grant Fund consists of money appropriated to the "Colorado Affordable Housing Construction Grants and Loan Fund" and other grants and donations received by the Division of Housing for purposes consistent with Section 24-32-721, C.R.S. Money in the Housing Development Grant Fund is continuously appropriated to the Division for the purpose of making a *grant or loan* to "improve, preserve, or expand the supply of affordable housing in Colorado as well as to fund the acquisition of housing and economic data necessary to advise the [State Housing Board] on local housing conditions". The Division is also authorized to:

- Annually transfer up to 20.0 percent of the Housing Development Fund balance to the Housing Investment Trust Fund, which is available for the Division to make loans for development or redevelopment costs for low- or moderate-income housing; and
- Spend up to 3.0 percent of the money appropriated from the Housing Development Fund for the Divisions' related *administrative costs*.

Senate Bill 17-021 added subsection (4) to Section 24-32-721, C.R.S., to authorize the Division to establish a program that provides *rental vouchers* and *other support services* for housing assistance

for a person with a mental health disorder or co-occurring behavioral health disorder who is transitioning from the Department of Corrections, the Division of Youth Services in the Department of Human Services, or a county jail into the community.

This subsection also requires the Division to provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with behavioral or mental health disorders.

Finally, this subsection creates the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund to provide housing assistance for persons with behavioral or mental health disorders who are transitioning from incarceration. This fund is subject to annual appropriation by the General Assembly.

- 75 Department of Local Affairs, Division of Housing, Field Services, Affordable Housing Program Costs; and Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S. -- It is the General Assembly's intent that appropriations for State administration of affordable housing construction grants and loans, including administration funding authorized pursuant to Section 24-32-721(3)(b), C.R.S., be expended in the Affordable Housing Program Costs line item.

COMMENT: This footnote was first included in the FY 2017-18 Long Bill to state the General Assembly's intent that when the Department utilizes a portion of the "Affordable Housing Grants and Loans" line item appropriation for administrative purposes, it record the related expenditures within the "Affordable Housing Program Costs" line item. This footnote is intended to improve transparency by requesting that the Department separately report administrative expenditures and expenditures for construction grants and loans and rental vouchers.

- 76 Department of Local Affairs, Division of Local Government, Field Services, Program Costs - - It is the General Assembly's intent that \$462,500 of the reappropriated funds in this line item appropriation be used for the Colorado Main Street Program.

COMMENT: This footnote expresses legislative intent, and was first included in the FY 2019-20 Long Bill.

Staff recommends eliminating the following footnote

- ~~75a Department of Local Affairs, Division of Housing, Field Services, Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S. -- It is the General Assembly's intent that \$5,000,000 of the General Fund in this line item be used to provide housing assistance to individuals who cannot verify their lawful presence in the United States.~~

COMMENT: This footnote was added to the FY 2021-22 Long Bill by a Long Bill amendment to express legislative intent. Staff's understanding is that the footnote was intended to be one-time in nature, as it related to the exclusion of individuals who cannot verify lawful presence in the United States from federal COVID-19 pandemic assistance funds.

REQUESTS FOR INFORMATION

There were no information requests for the Department of Local Affairs include with the 2021 Long Bill. Staff does not recommend adding any information requests.

INDIRECT COST ASSESSMENTS

DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

The Department of Local Affairs' indirect cost assessment methodology is calculated based on three components: an “Indirect Cost Pool”, an “Indirect Cost Base”, and an “Indirect Cost Rate”. The Department’s plan is negotiated with the federal Department of Housing and Urban Development, which oversees most of the Department’s federal grants.

INDIRECT COST POOL

The Indirect Cost Pool is comprised of approved division level costs that provide support either to the entire department through the Executive Director’s Office (EDO) or to individual divisions through program and personal services lines. The Indirect Cost Pool is based on the most recently available actual costs, which results in a two-year lag time. For example, FY 2022-23 pool is based on actual expenditures in FY 2020-21. The pool also includes the Department’s allocation of statewide indirect costs, as well as fixed asset depreciation, leave costs, and indirect cost carry-forward adjustments.

INDIRECT COST BASE

The Department uses eligible personal services costs to calculate the Indirect Cost Base, which is used in determining the proportional allocation of the Total Recoverable Indirect Cost Pool to divisions.

INDIRECT COST RATE

The Department calculates an Indirect Cost Rate for each division by dividing the Indirect Cost Pool by the Indirect Cost Base. The Indirect Cost Rate is multiplied by the projected salary and fringe benefits by funding source to determine the estimated indirect cost assessment for each division. Table 1 shows the estimated indirect cost assessment for FY 2022-23 for each division by fund source. The figures in this table are based on the Department’s updated indirect cost rates for FY 2022-23 and its requested appropriations for FY 2022-23.

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2022-23 PER DEPARTMENT UPDATE

Description	Total Funds	Cash Fund Sources	Reappropriated Fund Sources	Federal Fund Sources
State Demography Office				
Conservation Trust Fund	\$11,634	\$9,480	\$0	\$2,154
Subtotal - State Demography Office	\$11,634	\$9,480	\$0	\$2,154
Division of Property Taxation				
Local Government Severance Tax Fund	\$18,724	\$0	\$18,724	\$0

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2022-23 PER DEPARTMENT UPDATE

Description	Total Funds	Cash Fund Sources	Reappropriated Fund Sources	Federal Fund Sources
Local Government Mineral Impact Fund	15,320	0	15,320	0
Property Tax Exemption Fund	136,858	136,858	0	0
Board of Assessment Appeals Cash Fund	4,917	4,917	0	0
Subtotal - Property Taxation	\$175,819	\$141,775	\$34,044	\$0
Division of Housing				
Local Government Severance Tax Fund	147,536	0	147,536	0
Local Government Mineral Impact Fund	120,712	0	120,712	0
Marijuana Tax Cash Fund (transferred from Affordable Housing Construction Grants and Loans line item)	16,450	0	16,450	0
General Fund (transferred from Affordable Housing Construction Grants and Loans line item)	70,574	0	70,574	0
Medicaid funds transferred from HCPF (transferred from Affordable Housing Construction Grants and Loans line item)	49,150	0	49,150	0
Building Regulation Fund	57,295	57,295	0	0
Private Activity Bond Allocations Fund	24,932	24,932	0	0
Homeless Prevention Activities Program Fund	2,199	2,199	0	0
Mobile Home Park Act Program Fund	50,707	50,707	0	0
Federal grants	409,976	0	0	409,976
Subtotal - Housing	\$949,531	\$135,133	\$404,422	\$409,976
Division of Local Government				
Local Government Severance Tax Fund	293,634	0	293,634	0
Local Government Mineral Impact Fund	240,246	0	240,246	0
Water Pollution Control Revolving Fund	36,355	36,355	0	0
Conservation Trust Fund	36,717	36,717	0	0
Local Government Limited Gaming Impact Fund	14,906	14,906	0	0
Search and Rescue Fund	16,006	16,006	0	0
Marijuana Tax Cash Fund	35,112	35,112	0	0
Law Enforcement Community Services Grant	13,183	13,183	0	0
Community Development Block Grant	36,408	0	0	36,408
Community Services Block Grant	30,254	0	0	30,254
Other Federal Funds	6,390	0	0	6,390
Subtotal - Local Government	\$759,211	\$152,279	\$533,880	\$73,052
Total Indirect Cost Assessments	\$1,896,195	\$438,667	\$972,346	\$485,182

USE OF INDIRECT COST COLLECTIONS TO REDUCE GENERAL FUND APPROPRIATIONS

Indirect cost assessments are applied in certain line items to offset General Fund that would otherwise be required. For FY 2022-23, the Department wishes to decrease the balance in its Indirect Cost Excess Recoveries Fund, which is projected to be \$175,000 at the close of FY 2021-22. As a result, use of total indirect costs will be more than the FY 2022-23 assessments reflected in Table 1 by \$55,223. Staff recommends applying all of the indirect cost assessments within line items in the Executive Director’s Office, consistent with the FY 2021-22 Long Bill. Staff recommendation for application of indirect costs in Table 2 is slightly lower than the Department’s request due to

differences in the request versus recommendation for R1 Operational Staff Adjustment, which affects the Personal Services and Operating Expenses lines.

TABLE 2: APPLICATION OF INDIRECT COST RECOVERIES AND INDIRECT COSTS EXCESS RECOVERY FUND			
	FY 2021-22	FY 2022-23	CHANGE
Personal Services	\$1,521,406	\$1,740,149	\$218,743
Operating Expenses	133,829	156,479	22,650
Payments to OIT	30,000	54,790	24,790
TOTAL	\$1,685,235	\$1,951,418	\$266,183

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
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DEPARTMENT OF LOCAL AFFAIRS Richard Garcia, Executive Director

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) Administration

Personal Services	<u>1,471,293</u>	<u>1,269,805</u>	<u>1,521,406</u>	<u>1,838,514</u>	<u>1,740,149</u> *
FTE	14.0	11.8	14.2	17.2	16.9
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,471,293	1,269,805	1,521,406	1,838,514	1,740,149
Health, Life, and Dental	<u>1,379,275</u>	<u>1,319,919</u>	<u>2,106,270</u>	<u>2,346,059</u>	<u>2,346,059</u> *
General Fund	474,073	404,300	651,944	687,889	687,889
Cash Funds	306,816	326,995	330,927	569,468	569,468
Reappropriated Funds	598,386	588,624	692,328	614,550	614,550
Federal Funds	0	0	431,071	474,152	474,152
Short-term Disability	<u>17,777</u>	<u>18,674</u>	<u>22,573</u>	<u>26,068</u>	<u>26,068</u>
General Fund	7,365	6,920	6,606	7,462	7,462
Cash Funds	2,163	3,256	2,899	5,785	5,785
Reappropriated Funds	8,249	8,498	8,317	7,413	7,413
Federal Funds	0	0	4,751	5,408	5,408

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Paid Family Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>39,281</u>	<u>39,281</u>
General Fund	0	0	0	11,243	11,243
Cash Funds	0	0	0	8,718	8,718
Reappropriated Funds	0	0	0	11,171	11,171
Federal Funds	0	0	0	8,149	8,149
 S.B. 04-257 Amortization Equalization Disbursement	 <u>550,366</u>	 <u>564,462</u>	 <u>735,418</u>	 <u>872,902</u>	 <u>872,902</u>
General Fund	220,035	209,181	215,232	249,852	249,852
Cash Funds	80,917	98,408	94,444	193,722	193,722
Reappropriated Funds	249,414	256,873	270,948	248,231	248,231
Federal Funds	0	0	154,794	181,097	181,097
 S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>550,366</u>	<u>564,462</u>	<u>735,418</u>	<u>872,902</u>	<u>872,902</u>
General Fund	220,035	209,181	215,232	249,852	249,852
Cash Funds	80,917	98,408	94,444	193,722	193,722
Reappropriated Funds	249,414	256,873	270,948	248,231	248,231
Federal Funds	0	0	154,794	181,097	181,097
 PERA Direct Distribution	 <u>334,253</u>	 <u>0</u>	 <u>345,152</u>	 <u>355,929</u>	 <u>355,929</u>
General Fund	164,607	0	101,015	101,878	101,878
Cash Funds	47,722	0	44,325	78,991	78,991
Reappropriated Funds	121,924	0	127,163	101,217	101,217
Federal Funds	0	0	72,649	73,843	73,843

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Salary Survey	<u>344,253</u>	<u>0</u>	<u>481,308</u>	<u>573,826</u>	<u>573,826</u>
General Fund	132,230	0	140,862	164,247	164,247
Cash Funds	52,359	0	61,811	127,349	127,349
Reappropriated Funds	159,664	0	177,327	163,181	163,181
Federal Funds	0	0	101,308	119,049	119,049
Workers' Compensation	<u>125,130</u>	<u>116,923</u>	<u>108,971</u>	<u>74,345</u>	<u>103,789</u>
General Fund	42,819	41,363	38,550	24,143	36,717
Cash Funds	28,426	23,913	22,234	15,395	21,177
Reappropriated Funds	53,885	51,647	48,187	34,807	45,895
Operating Expenses	<u>133,829</u>	<u>119,055</u>	<u>133,829</u>	<u>133,829</u>	<u>156,479</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	133,829	119,055	133,829	133,829	156,479
Legal Services	<u>481,187</u>	<u>541,182</u>	<u>391,103</u>	<u>241,278</u>	<u>241,278</u>
General Fund	242,263	356,182	125,082	162,210	162,210
Cash Funds	212,826	25,000	246,021	64,101	64,101
Reappropriated Funds	26,098	160,000	20,000	14,967	14,967
Administrative Law Judge Services	<u>0</u>	<u>0</u>	<u>810</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	810	0	0
Reappropriated Funds	0	0	0	0	0

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Payment to Risk Management and Property Funds	<u>60,465</u>	<u>48,411</u>	<u>81,766</u>	<u>123,317</u>	<u>123,317</u> *
General Fund	20,760	17,126	28,925	40,045	40,045
Cash Funds	13,581	9,901	16,945	25,536	25,536
Reappropriated Funds	26,124	21,384	35,896	57,736	57,736
Vehicle Lease Payments	<u>98,103</u>	<u>97,980</u>	<u>113,942</u>	<u>115,843</u>	<u>115,843</u> *
General Fund	91,668	92,917	102,347	104,055	104,055
Cash Funds	0	0	0	0	0
Reappropriated Funds	6,435	5,062	11,595	11,788	11,788
Information Technology Asset Maintenance	<u>69,240</u>	<u>65,590</u>	<u>74,950</u>	<u>74,950</u>	<u>74,950</u>
General Fund	28,713	28,713	28,713	28,713	28,713
Cash Funds	7,787	11,429	11,530	11,530	11,530
Reappropriated Funds	32,740	25,447	34,707	34,707	34,707
Leased Space	<u>57,502</u>	<u>41,451</u>	<u>47,000</u>	<u>47,000</u>	<u>47,000</u>
General Fund	20,655	18,500	18,500	18,500	18,500
Cash Funds	0	0	0	0	0
Reappropriated Funds	36,847	22,951	28,500	28,500	28,500
Capitol Complex Leased Space	<u>489,321</u>	<u>537,077</u>	<u>780,494</u>	<u>754,155</u>	<u>842,998</u>
General Fund	200,604	224,267	247,412	231,844	267,225
Cash Funds	112,115	108,638	120,286	142,488	129,919
Reappropriated Funds	176,602	204,172	224,807	239,545	242,810
Federal Funds	0	0	187,989	140,278	203,044

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Payments to OIT	<u>2,107,044</u>	<u>1,568,352</u>	<u>2,224,181</u>	<u>2,805,632</u>	<u>2,805,632</u> *
General Fund	1,256,025	599,713	772,276	749,184	724,394
Cash Funds	365,504	238,230	307,264	477,760	477,760
Reappropriated Funds	485,515	730,409	809,027	1,080,156	1,104,946
Federal Funds	0	0	335,614	498,532	498,532
CORE Operations	<u>302,858</u>	<u>405,208</u>	<u>436,027</u>	<u>609,738</u>	<u>617,841</u>
General Fund	103,638	143,348	120,337	162,818	170,515
Cash Funds	68,802	82,877	69,140	103,830	97,970
Reappropriated Funds	130,418	178,983	150,687	234,746	213,520
Federal Funds	0	0	95,863	108,344	135,836
Moffat Tunnel Improvement District	<u>100</u>	<u>109</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
General Fund	0	0	0	0	0
Cash Funds	100	109	5,000	5,000	5,000
Reappropriated Funds	0	0	0	0	0
SUBTOTAL - (A) Administration	8,572,362	7,278,660	10,345,618	11,910,568	11,961,243
FTE	<u>14.0</u>	<u>11.8</u>	<u>14.2</u>	<u>17.2</u>	<u>16.9</u>
General Fund	3,225,490	2,351,712	2,813,033	2,993,935	3,024,797
Cash Funds	1,380,035	1,027,164	1,428,080	2,023,395	2,010,748
Reappropriated Funds	3,966,837	3,899,784	4,565,672	5,103,289	5,045,491
Federal Funds	0	0	1,538,833	1,789,949	1,880,207

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(B) State Demography Office					
n the Executive Director's Office in FY 2020-21.					
Program Costs	0	522,432	567,609	603,662	603,662
FTE	0.0	6.0	6.0	6.0	6.0
General Fund	0	422,034	468,243	482,383	482,383
Cash Funds	0	77,509	80,976	102,321	102,321
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	22,889	18,390	18,958	18,958
Indirect Cost Assessment	0	13,277	13,071	13,071	11,634
General Fund	0	0	0	0	0
Cash Funds	0	13,277	10,651	10,651	9,479
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	2,420	2,420	2,155
SUBTOTAL - (B) State Demography Office	0	535,709	580,680	616,733	615,296
FTE	0.0	6.0	6.0	6.0	6.0
General Fund	0	422,034	468,243	482,383	482,383
Cash Funds	0	90,786	91,627	112,972	111,800
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	22,889	20,810	21,378	21,113
TOTAL - (1) Executive Director's Office	8,572,362	7,814,369	10,926,298	12,527,301	12,576,539
FTE	14.0	17.8	20.2	23.2	22.9
General Fund	3,225,490	2,773,746	3,281,276	3,476,318	3,507,180
Cash Funds	1,380,035	1,117,950	1,519,707	2,136,367	2,122,548
Reappropriated Funds	3,966,837	3,899,784	4,565,672	5,103,289	5,045,491
Federal Funds	0	22,889	1,559,643	1,811,327	1,901,320

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(2) PROPERTY TAXATION					
ted fund sources include transfers from the Local Government Mineral and Energy Impact Grants and Disbursements line item in the Division of Local Government and indirect cost recoveries.					
Division of Property Taxation	<u>2,544,063</u>	<u>2,503,043</u>	<u>3,042,370</u>	<u>3,129,431</u>	<u>3,129,431</u>
FTE	34.9	32.0	36.2	36.2	36.2
General Fund	1,798,386	1,859,323	1,817,236	1,877,952	1,877,952
Cash Funds	524,172	489,307	992,358	1,012,361	1,012,361
Reappropriated Funds	221,505	154,413	232,776	239,118	239,118
State Board of Equalization	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>
General Fund	12,856	12,856	12,856	12,856	12,856
Board of Assessment Appeals	<u>560,308</u>	<u>612,870</u>	<u>658,826</u>	<u>673,851</u>	<u>673,851</u>
FTE	7.2	8.0	13.2	13.2	13.2
General Fund	442,218	501,161	538,214	551,437	551,437
Cash Funds	118,090	111,709	120,612	122,414	122,414
Indirect Cost Assessment	<u>159,820</u>	<u>158,875</u>	<u>190,723</u>	<u>197,549</u>	<u>175,819</u>
Cash Funds	124,840	131,233	152,472	159,298	137,568
Reappropriated Funds	34,980	27,642	38,251	38,251	38,251
TOTAL - (2) Property Taxation	<u>3,277,047</u>	<u>3,287,644</u>	<u>3,904,775</u>	<u>4,013,687</u>	<u>3,991,957</u>
FTE	<u>42.1</u>	<u>40.0</u>	<u>49.4</u>	<u>49.4</u>	<u>49.4</u>
General Fund	2,253,460	2,373,340	2,368,306	2,442,245	2,442,245
Cash Funds	767,102	732,249	1,265,442	1,294,073	1,272,343
Reappropriated Funds	256,485	182,055	271,027	277,369	277,369

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(3) DIVISION OF HOUSING					
on of Local Government.					
(A) Community and Non-Profit Services					
(1) Administration					
Personal Services	647,193	711,210	2,597,766	2,987,830	2,875,486 *
FTE	5.2	21.2	28.9	32.0	31.7
General Fund	582,383	616,231	492,716	801,176	688,832
Cash Funds	17,699	41,150	74,576	75,117	75,117
Reappropriated Funds	47,111	53,829	66,525	68,964	68,964
Federal Funds	0	0	1,963,949	2,042,573	2,042,573
Operating Expenses	<u>51,370</u>	<u>109,488</u>	<u>450,483</u>	<u>475,128</u>	<u>473,268</u> *
General Fund	47,114	40,165	41,065	65,710	63,850
Cash Funds	2,500	4,938	4,938	4,938	4,938
Reappropriated Funds	1,756	64,385	64,385	64,385	64,385
Federal Funds	0	0	340,095	340,095	340,095
SUBTOTAL - (1) Administration	698,563	820,698	3,048,249	3,462,958	3,348,754
FTE	<u>5.2</u>	<u>21.2</u>	<u>28.9</u>	<u>32.0</u>	<u>31.7</u>
General Fund	629,497	656,396	533,781	866,886	752,682
Cash Funds	20,199	46,088	79,514	80,055	80,055
Reappropriated Funds	48,867	118,214	130,910	133,349	133,349
Federal Funds	0	0	2,304,044	2,382,668	2,382,668

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(2) Community Services					
Low Income Rental Subsidies	<u>75,912,165</u>	<u>79,380,573</u>	<u>59,763,554</u>	<u>64,028,787</u>	<u>64,028,787</u> *
FTE	19.5	0.0	0.0	0.0	0.0
General Fund	6,221,788	6,795,331	7,347,868	11,613,101	11,613,101
Cash Funds	2,323,363	4,973,489	939,649	939,649	939,649
Federal Funds	67,367,014	67,611,753	51,476,037	51,476,037	51,476,037
Homeless Prevention Programs	<u>2,468,774</u>	<u>2,083,046</u>	<u>1,984,430</u>	<u>1,984,430</u>	<u>1,984,430</u>
FTE	0.8	0.0	0.0	0.0	0.0
Cash Funds	125,969	110,080	170,000	170,000	170,000
Federal Funds	2,342,805	1,972,966	1,814,430	1,814,430	1,814,430
SUBTOTAL - (2) Community Services	78,380,939	81,463,619	61,747,984	66,013,217	66,013,217
FTE	<u>20.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	6,221,788	6,795,331	7,347,868	11,613,101	11,613,101
Cash Funds	2,449,332	5,083,569	1,109,649	1,109,649	1,109,649
Federal Funds	69,709,819	69,584,719	53,290,467	53,290,467	53,290,467
(3) Fort Lyon Supportive Housing Program					
Program Costs	<u>4,984,968</u>	<u>4,856,475</u>	<u>4,996,662</u>	<u>4,999,361</u>	<u>4,999,361</u>
FTE	1.4	0.8	1.0	1.0	1.0
General Fund	4,984,968	4,856,475	4,996,662	4,999,361	4,999,361
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
SUBTOTAL - (3) Fort Lyon Supportive Housing					
Program	4,984,968	4,856,475	4,996,662	4,999,361	4,999,361
<i>FTE</i>	<u>1.4</u>	<u>0.8</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
General Fund	4,984,968	4,856,475	4,996,662	4,999,361	4,999,361
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
SUBTOTAL - (A) Community and Non-Profit					
Services	84,064,470	87,140,792	69,792,895	74,475,536	74,361,332
<i>FTE</i>	<u>26.9</u>	<u>22.0</u>	<u>29.9</u>	<u>33.0</u>	<u>32.7</u>
General Fund	11,836,253	12,308,202	12,878,311	17,479,348	17,365,144
Cash Funds	2,469,531	5,129,657	1,189,163	1,189,704	1,189,704
Reappropriated Funds	48,867	118,214	130,910	133,349	133,349
Federal Funds	69,709,819	69,584,719	55,594,511	55,673,135	55,673,135
(B) Field Services					
Affordable Housing Program Costs	<u>1,383,810</u>	<u>1,910,593</u>	<u>2,300,648</u>	<u>2,373,939</u>	<u>2,373,939</u>
FTE	14.4	25.1	31.5	31.5	31.5
General Fund	196,957	209,313	209,313	216,329	216,329
Cash Funds	25,664	3,525	80,087	81,889	81,889
Reappropriated Funds	1,148,337	1,686,631	1,409,958	1,454,567	1,454,567
Federal Funds	12,852	11,124	601,290	621,154	621,154

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S.	<u>32,542,660</u>	<u>33,043,558</u>	<u>36,528,793</u>	<u>36,528,793</u>	<u>36,528,793</u>
FTE	10.7	0.0	0.0	0.0	0.0
General Fund	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Cash Funds	13,079,132	10,976,918	15,300,000	15,300,000	15,300,000
Federal Funds	10,263,528	12,866,640	12,028,793	12,028,793	12,028,793
Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems	<u>5,417,126</u>	<u>688,738</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
General Fund	0	500,000	500,000	500,000	500,000
Cash Funds	4,917,126	188,738	0	0	0
Reappropriated Funds	500,000	0	0	0	0
Manufactured Buildings Program	<u>919,923</u>	<u>1,498,012</u>	<u>779,589</u>	<u>792,744</u>	<u>792,744</u>
FTE	7.3	6.1	7.3	7.3	7.3
Cash Funds	919,923	1,498,012	779,589	792,744	792,744
Mobile Home Park Act Oversight	<u>0</u>	<u>0</u>	<u>505,540</u>	<u>701,628</u>	<u>701,628</u> *
FTE	0.0	3.6	4.8	6.8	6.8
General Fund	0	0	0	0	0
Cash Funds	0	0	505,540	701,628	701,628
Reappropriated Funds	0	0	0	0	0
H.B. 21-1329 Affordable Housing Funds	<u>0</u>	<u>0</u>	<u>98,500,000</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	98,500,000	0	0

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
SUBTOTAL - (B) Field Services	40,263,519	37,140,901	139,114,570	40,897,104	40,897,104
<i>FTE</i>	<u>32.4</u>	<u>34.8</u>	<u>43.6</u>	<u>45.6</u>	<u>45.6</u>
General Fund	9,396,957	9,909,313	9,909,313	9,916,329	9,916,329
Cash Funds	18,941,845	12,667,193	115,165,216	16,876,261	16,876,261
Reappropriated Funds	1,648,337	1,686,631	1,409,958	1,454,567	1,454,567
Federal Funds	10,276,380	12,877,764	12,630,083	12,649,947	12,649,947
(C) Indirect Cost Assessments					
Indirect Cost Assessments	<u>248,018</u>	<u>403,936</u>	<u>1,047,518</u>	<u>1,066,889</u>	<u>949,532</u>
Cash Funds	106,908	121,176	146,448	151,835	135,133
Reappropriated Funds	141,110	282,760	454,407	454,407	404,423
Federal Funds	0	0	446,663	460,647	409,976
SUBTOTAL - (C) Indirect Cost Assessments	248,018	403,936	1,047,518	1,066,889	949,532
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	106,908	121,176	146,448	151,835	135,133
Reappropriated Funds	141,110	282,760	454,407	454,407	404,423
Federal Funds	0	0	446,663	460,647	409,976
TOTAL - (3) Division of Housing	124,576,007	124,685,629	209,954,983	116,439,529	116,207,968
<i>FTE</i>	<u>59.3</u>	<u>56.8</u>	<u>73.5</u>	<u>78.6</u>	<u>78.3</u>
General Fund	21,233,210	22,217,515	22,787,624	27,395,677	27,281,473
Cash Funds	21,518,284	17,918,026	116,500,827	18,217,800	18,201,098
Reappropriated Funds	1,838,314	2,087,605	1,995,275	2,042,323	1,992,339
Federal Funds	79,986,199	82,462,483	68,671,257	68,783,729	68,733,058

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(4) DIVISION OF LOCAL GOVERNMENT					
Disbursements line item in this division, spending authority out of the Firefighter Benefits Cash Fund, and indirect cost recoveries.					
(A) Local Government and Community Services					
(1) Administration					
Personal Services	1,671,928	1,260,121	1,426,150	1,481,314	1,481,314
FTE	19.5	18.5	16.8	16.8	16.8
General Fund	1,042,367	594,589	591,428	620,309	620,309
Reappropriated Funds	629,561	665,532	675,804	695,561	695,561
Federal Funds	0	0	158,918	165,444	165,444
Operating Expenses	330,620	59,994	135,851	135,851	135,851
General Fund	330,620	59,065	46,678	46,678	46,678
Reappropriated Funds	0	929	25,146	25,146	25,146
Federal Funds	0	0	64,027	64,027	64,027
Strategic Planning Group on Coloradans Age 50 and Over	182,731	185,054	110,000	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	110,000	110,000	110,000	0	0
Cash Funds	72,731	75,054	0	0	0
SUBTOTAL - (1) Administration	2,185,279	1,505,169	1,672,001	1,617,165	1,617,165
FTE	19.5	18.5	16.8	16.8	16.8
General Fund	1,482,987	763,654	748,106	666,987	666,987
Cash Funds	72,731	75,054	0	0	0
Reappropriated Funds	629,561	666,461	700,950	720,707	720,707
Federal Funds	0	0	222,945	229,471	229,471

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(2) Local Government Services					
Conservation Trust Fund Disbursements	<u>56,885,783</u>	<u>67,804,864</u>	<u>58,000,000</u>	<u>58,001,099</u>	<u>58,001,099</u>
FTE	2.2	1.6	1.0	1.0	1.0
Cash Funds	56,885,783	67,804,864	58,000,000	58,001,099	58,001,099
Volunteer Firefighter Retirement Plans	<u>4,265,444</u>	<u>4,317,686</u>	<u>4,412,692</u>	<u>4,412,692</u>	<u>4,412,692</u>
General Fund Exempt	4,265,444	4,317,686	4,412,692	4,412,692	4,412,692
Volunteer Firefighter Death and Disability Insurance	<u>21,065</u>	<u>21,065</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
General Fund	21,065	21,065	30,000	30,000	30,000
Firefighter Heart and Circulatory Malfunction					
Benefits	<u>1,705,286</u>	<u>1,687,931</u>	<u>1,556,926</u>	<u>1,708,275</u>	<u>1,708,275</u>
FTE	0.3	0.3	0.5	0.5	0.5
General Fund	866,233	615,393	717,873	869,222	869,222
Cash Funds	0	250,000	0	0	0
Reappropriated Funds	839,053	822,538	839,053	839,053	839,053
Local Utility Management Assistance	<u>142,501</u>	<u>138,555</u>	<u>183,275</u>	<u>186,879</u>	<u>186,879</u>
FTE	1.8	1.9	2.0	2.0	2.0
Cash Funds	142,501	138,555	183,275	186,879	186,879
Environmental Protection Agency Water/Sewer File					
Project	<u>54,603</u>	<u>60,269</u>	<u>67,004</u>	<u>68,423</u>	<u>68,423</u>
FTE	0.4	0.5	0.5	0.5	0.5
Federal Funds	54,603	60,269	67,004	68,423	68,423

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
SUBTOTAL - (2) Local Government Services	63,074,682	74,030,370	64,249,897	64,407,368	64,407,368
<i>FTE</i>	<u>4.7</u>	<u>4.3</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
General Fund	887,298	636,458	747,873	899,222	899,222
General Fund Exempt	4,265,444	4,317,686	4,412,692	4,412,692	4,412,692
Cash Funds	57,028,284	68,193,419	58,183,275	58,187,978	58,187,978
Reappropriated Funds	839,053	822,538	839,053	839,053	839,053
Federal Funds	54,603	60,269	67,004	68,423	68,423
(3) Community Services					
Community Services Block Grant	<u>5,657,145</u>	<u>6,894,801</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
<i>FTE</i>	2.3	0.0	0.0	0.0	0.0
Federal Funds	5,657,145	6,894,801	6,000,000	6,000,000	6,000,000
Mobile Veterans Support Unit Grant Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,535</u>	<u>21,535</u>
<i>FTE</i>	0.0	0.0	0.0	0.3	0.3
General Fund	0	0	0	21,535	21,535
SUBTOTAL - (3) Community Services	5,657,145	6,894,801	6,000,000	6,021,535	6,021,535
<i>FTE</i>	<u>2.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0.3</u>	<u>0.3</u>
General Fund	0	0	0	21,535	21,535
Federal Funds	5,657,145	6,894,801	6,000,000	6,000,000	6,000,000

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
SUBTOTAL - (A) Local Government and					
Community Services	70,917,106	82,430,340	71,921,898	72,046,068	72,046,068
<i>FTE</i>	<u>26.5</u>	<u>22.8</u>	<u>20.8</u>	<u>21.1</u>	<u>21.1</u>
General Fund	2,370,285	1,400,112	1,495,979	1,587,744	1,587,744
General Fund Exempt	4,265,444	4,317,686	4,412,692	4,412,692	4,412,692
Cash Funds	57,101,015	68,268,473	58,183,275	58,187,978	58,187,978
Reappropriated Funds	1,468,614	1,488,999	1,540,003	1,559,760	1,559,760
Federal Funds	5,711,748	6,955,070	6,289,949	6,297,894	6,297,894

(B) Field Services

Program Costs	<u>2,779,420</u>	<u>3,063,333</u>	<u>10,660,876</u>	<u>3,513,953</u>	<u>3,513,953</u>
<i>FTE</i>	23.5	31.3	31.6	31.6	31.6
General Fund	271,550	544,660	7,590,887	348,875	348,875
Cash Funds	112,218	0	0	114,788	114,788
Reappropriated Funds	2,395,652	2,518,673	2,714,628	2,683,010	2,683,010
Federal Funds	0	0	355,361	367,280	367,280
 Community Development Block Grant	 <u>7,641,141</u>	 <u>8,494,936</u>	 <u>5,200,000</u>	 <u>5,200,000</u>	 <u>5,200,000</u>
<i>FTE</i>	5.5	0.0	0.0	0.0	0.0
Federal Funds	7,641,141	8,494,936	5,200,000	5,200,000	5,200,000
 Local Government Mineral and Energy Impact					
Grants and Disbursements	<u>106,656,070</u>	<u>82,144,801</u>	<u>90,000,000</u>	<u>90,000,000</u>	<u>90,000,000</u>
Cash Funds	106,656,070	82,144,801	90,000,000	90,000,000	90,000,000

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Appropriation to the Local Government Limited					
Gaming Impact Fund	<u>0</u>	<u>0</u>	<u>1,875,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	1,875,000	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Local Government Limited Gaming Impact Grants	<u>5,195,679</u>	<u>1,693,032</u>	<u>1,710,192</u>	<u>5,127,850</u>	<u>5,127,850</u>
General Fund	0	0	0	0	0
Cash Funds	5,195,679	0	0	5,127,850	5,127,850
Reappropriated Funds	0	1,693,032	1,710,192	0	0
Local Government Geothermal Energy Impact					
Grants	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	50,000	50,000	50,000
Reappropriated Funds	0	0	0	0	0
Rural Economic Development Initiative Grants	<u>592,328</u>	<u>518,513</u>	<u>5,780,000</u>	<u>780,000</u>	<u>780,000</u>
FTE	0.3	0.0	0.0	0.0	0.0
General Fund	592,328	518,513	5,780,000	780,000	780,000
Search and Rescue Program	<u>596,298</u>	<u>619,053</u>	<u>625,903</u>	<u>628,246</u>	<u>628,246</u>
FTE	1.4	1.3	1.3	1.3	1.3
Cash Funds	596,298	619,053	625,903	628,246	628,246
Gray and Black Market Marijuana Enforcement					
Grant Program	<u>11,407,383</u>	<u>116,026</u>	<u>950,673</u>	<u>955,178</u>	<u>955,178</u> *
FTE	1.3	1.2	2.5	2.5	2.5
Cash Funds	11,407,383	116,026	950,673	955,178	955,178

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
HB 17-1326 Crime Prevention Initiative Grants	<u>5,874,388</u>	<u>2,125,612</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
General Fund	3,000,000	2,000,000	3,000,000	3,000,000	3,000,000
Cash Funds	2,874,388	125,612	0	0	0
Appropriation to the Peace Officers Mental Health					
Support Fund	<u>2,000,000</u>	<u>2,000,000</u>	<u>3,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
General Fund	2,000,000	2,000,000	3,000,000	2,000,000	2,000,000
Peace Officers Mental Health Support Grant					
Program	<u>1,480,953</u>	<u>1,462,192</u>	<u>3,000,000</u>	<u>2,002,439</u>	<u>2,000,000</u>
FTE	0.7	0.7	1.5	1.0	1.0
Reappropriated Funds	1,480,953	1,462,192	3,000,000	2,002,439	2,000,000
Defense Counsel on First Appearance Grant					
Program	<u>542,695</u>	<u>517,918</u>	<u>1,309,520</u>	<u>1,998,494</u>	<u>1,998,494</u>
FTE	1.0	0.5	0.5	0.5	0.5
General Fund	542,695	517,918	1,309,520	1,998,494	1,998,494
Law Enforcement Community Services Grant					
Program	<u>52,609</u>	<u>65,520</u>	<u>272,227</u>	<u>274,029</u>	<u>274,029</u>
FTE	0.7	0.9	1.0	1.0	1.0
Cash Funds	52,609	65,520	272,227	274,029	274,029
Affordable Housing Development Incentives Grant					
Program	<u>0</u>	<u>0</u>	<u>39,300,000</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.9	0.9	0.0
Cash Funds	0	0	39,300,000	0	0

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Local Government Planning Grant Program	0	0	<u>7,100,000</u>	0	0
FTE	0.0	0.0	1.7	1.7	0.0
Cash Funds	0	0	7,100,000	0	0
2020 Census Outreach Grant Program	<u>5,628,108</u>	<u>77,395</u>	0	0	0
FTE	0.3	0.7	0.0	0.0	0.0
General Fund	5,628,108	77,395	0	0	0
Small Business Relief Program	0	<u>14,770,917</u>	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	14,770,917	0	0	0
Mobile Veterans Support Unit Grant Program	0	<u>0.0</u>	<u>229,070</u> 0.6	0	0
General Fund	0	0	229,070	0	0
Local Government Limited Gaming Impact Study	<u>50,000</u>	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	50,000	0	0	0	0
Reappropriated Funds	0	0	0	0	0
HB 17-1326 Crime Prevention Initiative Small					
Business Lending	<u>1,307,120</u>	<u>182,127</u>	0	0	0
General Fund	1,000,000	0	0	0	0
Cash Funds	307,120	182,127	0	0	0

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
SUBTOTAL - (B) Field Services	151,804,192	117,851,375	174,063,461	115,530,189	115,527,750
<i>FTE</i>	<u>34.7</u>	<u>36.6</u>	<u>41.6</u>	<u>40.5</u>	<u>37.9</u>
General Fund	13,034,681	20,429,403	22,784,477	8,127,369	8,127,369
Cash Funds	127,251,765	83,253,139	138,298,803	97,150,091	97,150,091
Reappropriated Funds	3,876,605	5,673,897	7,424,820	4,685,449	4,683,010
Federal Funds	7,641,141	8,494,936	5,555,361	5,567,280	5,567,280
(C) Indirect Cost Assessments					
Indirect Cost Assessment	<u>475,211</u>	<u>565,391</u>	<u>824,592</u>	<u>853,046</u>	<u>759,210</u>
Cash Funds	99,610	94,119	154,352	154,352	152,279
Reappropriated Funds	375,601	471,272	588,159	616,613	533,880
Federal Funds	0	0	82,081	82,081	73,051
SUBTOTAL - (C) Indirect Cost Assessments	475,211	565,391	824,592	853,046	759,210
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	99,610	94,119	154,352	154,352	152,279
Reappropriated Funds	375,601	471,272	588,159	616,613	533,880
Federal Funds	0	0	82,081	82,081	73,051
TOTAL - (4) Division of Local Government	223,196,509	200,847,106	246,809,951	188,429,303	188,333,028
<i>FTE</i>	<u>61.2</u>	<u>59.4</u>	<u>62.4</u>	<u>61.6</u>	<u>59.0</u>
General Fund	15,404,966	21,829,515	24,280,456	9,715,113	9,715,113
General Fund Exempt	4,265,444	4,317,686	4,412,692	4,412,692	4,412,692
Cash Funds	184,452,390	151,615,731	196,636,430	155,492,421	155,490,348
Reappropriated Funds	5,720,820	7,634,168	9,552,982	6,861,822	6,776,650
Federal Funds	13,352,889	15,450,006	11,927,391	11,947,255	11,938,225

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
TOTAL - Department of Local Affairs	359,621,925	336,634,748	471,596,007	321,409,820	321,109,492
<i>FTE</i>	<u>176.6</u>	<u>174.0</u>	<u>205.5</u>	<u>212.8</u>	<u>209.6</u>
General Fund	42,117,126	49,194,116	52,717,662	43,029,353	42,946,011
General Fund Exempt	4,265,444	4,317,686	4,412,692	4,412,692	4,412,692
Cash Funds	208,117,811	171,383,956	315,922,406	177,140,661	177,086,337
Reappropriated Funds	11,782,456	13,803,612	16,384,956	14,284,803	14,091,849
Federal Funds	93,339,088	97,935,378	82,158,291	82,542,311	82,572,603

* Indicates that the FY 2022-23 requested amount for a line item is affected by one or more decision items.