

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2022-23

## DEPARTMENT OF REVENUE

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

PREPARED BY:  
JON CATLETT, JBC STAFF  
MARCH 1, 2022

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>

# CONTENTS

Department Overview .....	1
Summary of Staff Recommendations .....	2
Description of Incremental Changes.....	3
Major Differences from the Request.....	6
Decision Items Affecting Multiple Divisions.....	7
➔ R1 DMV DRIVES System Support.....	7
➔ R4 Operational funding re-alignment .....	15
➔ R6 Refinance HB21-1314 to appropriate funding stream [Requires Legislation] .....	16
(1) The Executive Director’s Office .....	18
Decision Items – The Executive Director’s Office .....	18
➔ R3 Lease space savings and remote work.....	18
Line Item Detail - The Executive Director’s Office .....	19
(A) Administration And Support .....	19
(B) Hearings Division .....	34
(2) The Taxation Business Group .....	37
Decision Items – The Taxation Business Group (None) .....	37
Line Item Detail - Taxation Business Group .....	37
(A) Administration .....	37
(B) Taxation Services .....	40
(C) Tax Conferee.....	46
(D) Special Purpose.....	47
(3) Division of Motor Vehicles.....	52
Decision Items - Division Of Motor Vehicles.....	52
➔ R5 DMV safety expansion.....	52
Line Item Detail - Division of Motor Vehicles.....	54
(A) Administration .....	54
(B) Driver Services .....	56
(C) Vehicle Services.....	60
(D) County Support Services.....	65
(4) Specialized Business Group.....	67
Decision Items - Specialized Business Group (None).....	67
(A) Administration.....	67
(B) Limited Gaming Division.....	69

(C) Liquor and Tobacco Enforcement Division .....	72
(D) Division of Racing Events .....	74
(E) Motor Vehicle Dealer Licensing Board.....	77
(F) Marijuana Enforcement .....	79
(5) State Lottery Division.....	82
Decision Items - State Lottery Division .....	82
➔ R2 Lottery retailer payments .....	82
Line Item Detail - State Lottery Division .....	84
Long Bill Footnotes and Requests for Information .....	89
Long Bill Footnotes .....	89
Requests for Information.....	89
Indirect Cost Assessments.....	90
Appendix A Numbers Pages.....	A-1

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

### THE EXECUTIVE DIRECTOR’S OFFICE

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

### THE TAXATION BUSINESS GROUP

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

### THE DIVISION OF MOTOR VEHICLES (DMV)

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

### THE SPECIALIZED BUSINESS GROUP

- Regulates and enforces laws related to the limited stakes gaming industry in three historic mining towns;
- Regulates and enforces laws related to the sports betting industry;
- Enforces laws regarding liquor and tobacco retailers, including laws against selling those products to minors, and licenses retailers and special events where alcohol is served;
- Regulates horse racing (dog racing is currently inactive) and pari-mutuel betting (including off-track betting);

- Regulates retailers and sales agents in the motor vehicle sales industry; and
- Regulates medical and recreational marijuana dispensaries, cultivation, and manufacturing facilities.

**THE STATE LOTTERY DIVISION**

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

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

**SUMMARY OF STAFF RECOMMENDATIONS**

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$424,034,637	\$136,883,528	\$277,724,783	\$8,361,740	\$1,064,586	1,597.2
Other legislation	5,684,245	4,629,247	946,798	108,200	0	29.0
HB22-1181 (Supplemental Bill)	9,369,861	0	9,369,861	0	0	0.0
<b>TOTAL</b>	<b>\$439,088,743</b>	<b>\$141,512,775</b>	<b>\$288,041,442</b>	<b>\$8,469,940</b>	<b>\$1,064,586</b>	<b>1,626.2</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$439,088,743	\$141,512,775	\$288,041,442	\$8,469,940	\$1,064,586	1,626.2
R1 DMV drives system support	2,625,947	0	2,625,947	0	0	11.0
R2 Lottery retailer payments	19,143,696	0	19,143,696	0	0	0.0
R3 Lease space savings	(448,194)	(448,194)	0	0	0	0.0
R4 Operational funding realignment	0	0	0	0	0	0.0
R5 DMV safety expansion	179,720	0	179,720	0	0	0.0
R6 Refinance HB 21-1314	(140,000)	0	(140,000)	0	0	0.0
Centrally appropriated line items	11,113,206	6,367,691	4,947,551	(264,520)	62,484	0.0
Technical adjustments	5,045,056	4,930,441	114,615	0	0	0.0
Non-prioritized decision items	144,573	(253,124)	110,168	286,925	604	3.0
Annualize prior year legislation	(941,759)	(1,942,923)	1,104,835	(108,064)	4,393	20.9
Annualize prior year budget actions	(4,493,274)	(2,545,910)	(1,977,052)	0	29,688	0.0
<b>TOTAL</b>	<b>\$471,317,714</b>	<b>\$147,620,756</b>	<b>\$314,150,922</b>	<b>\$8,384,281</b>	<b>\$1,161,755</b>	<b>1,661.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$32,228,971</b>	<b>\$6,107,981</b>	<b>\$26,109,480</b>	<b>(\$85,659)</b>	<b>\$97,169</b>	<b>34.9</b>
Percentage Change	7.3%	4.3%	9.1%	(1.0%)	9.1%	2.1%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(\$23,196,312)	(\$4,449,143)	(\$18,747,169)	\$0	\$0	0.0

## DESCRIPTION OF INCREMENTAL CHANGES

**R1 DMV DRIVES SYSTEM SUPPORT:** The recommendation includes an increase of \$2.6 million in spending authority from the DRIVES Cash Fund and an additional 11.0 FTE to address the growing backlog of maintenance and system enhancements to the DRIVES information technology system. Additionally, the recommendation is for the Joint Budget Committee to deny the Department's request to sponsor legislation to merge the Department's two primary operational cash funds, the DRIVES Cash Fund, and the Licensing Services Cash Fund.

**R2 LOTTERY RETAILER PAYMENTS:** The recommendation includes an increase of \$19.1 million in Lottery Cash Fund spending authority to allow the Lottery to grow in Colorado and meet the obligation to retailers while also maintaining transparency in the budget. This line item is utilized only for the payment of contractually obligated payables to lottery retailers. These payments are based on a standardized fixed percentage of Lottery sales. Staff do not recommend JBC sponsored legislation for continuous spending authority for this line item.

**R3 LEASE SPACE SAVINGS AND REMOTE WORK:** The recommendation includes a General Fund appropriation shift from leased space to operating expenses for \$109,000 in FY 2022-23 and in subsequent years. Additionally, the recommendation includes an additional permanent General Fund reduction of \$448,194 to leased space.

**R4 OPERATIONAL FUNDING REALIGNMENT:** The recommendation is for a net-zero realignment in FY 2022-23 and in subsequent years of \$826,876 in General Fund personal services and 13.0 FTE, and \$9,000 in General Fund operating from the Taxation Business Group to the Executive Director's Office (EDO). The realignment moves the GenTax System Support Office team from the Taxation Business Group into the Innovation Strategy and Delivery team in EDO. Additionally, the recommendation includes a net-zero realignment in FY 2022-23 and in subsequent years of \$1,062,746 in cash fund spending authority for personal services and 17.0 FTE, and \$8,500 in cash fund spending authority for operating expenses from the DMV Administration and Driver Services to the EDO. The realignment moves the DRIVES Development Support team from DMV into the Innovation, Strategy, and Delivery team within the EDO.

**R5 DMV SAFETY EXPANSION:** The recommendation includes an increase of \$179,720 in cash fund spending authority for the Division of Motor Vehicles (DMV) in FY 2022-23 and in subsequent years for security guards at four additional driver license offices. Currently, the DMV has thirty-seven driver's license offices, of which fourteen have existing security in place.

**R6 REFINANCE HB 21-1314:** [Requires Legislation] The recommendation is for JBC sponsored legislation to change the funding source identified in H.B. 21-1314 (Section 39-28.8-501 (7)(a), C.R.S.), Department of Revenue Action Against Certain Documents and a 10 percent reduction to the amounts appropriated for this purpose. This revision would eliminate the funding transferred from the Marijuana Tax Cash Fund to fund DMV hearings and license services activities, and instead provide "off-the-top" spending authority from the Highway Users Tax Fund.

**CENTRALLY APPROPRIATED LINE ITEMS:** The recommendation includes adjustments to centrally appropriated line items. The Committee has only acted on some of these. The table below shows previously approved amounts and, where denoted by an asterisk, the requested amounts that are pending Committee action.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$3,511,891	\$1,571,176	\$1,939,792	\$923	\$0	0.0
Payments to OIT	2,365,283	903,479	1,461,804	0	0	0.0
Health, life, and dental	2,353,386	2,016,661	287,588	(3,911)	53,048	0.0
Legal services	964,602	541,066	423,536	0	0	0.0
CORE adjustment	693,572	264,517	429,055	0	0	0.0
AED	354,587	347,610	(4,428)	(928)	12,333	0.0
SAED	354,587	347,610	(4,428)	(928)	12,333	0.0
Department indirect cost recoveries adjustment	312,827	0	312,827	0	0	0.0
Leased space	233,490	21,075	212,415	0	0	0.0
Payment to risk management and property funds	186,374	71,080	115,294	0	0	0.0
Capitol Complex leased space	72,274	26,937	45,337	0	0	0.0
Short-term disability	545	844	(660)	(30)	391	0.0
FY2022-23 Department indirect entries	0	259,537	0	(259,537)	0	0.0
Document Management	(125,288)	(86,769)	(38,519)	0	0	0.0
Workers' compensation	(57,363)	(21,877)	(35,486)	0	0	0.0
Indirect cost assessment	(53,687)	(397)	(53,687)	397	0	0.0
PERA Direct Distribution	(38,540)	105,142	(127,555)	(506)	(15,621)	0.0
ALJ services	(12,448)	0	(12,448)	0	0	0.0
Shift differential	(2,887)	0	(2,887)	0	0	0.0
<b>TOTAL</b>	<b>\$11,113,205</b>	<b>\$6,367,691</b>	<b>\$4,947,550</b>	<b>(\$264,520)</b>	<b>\$62,484</b>	<b>0.0</b>

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The recommendation includes adjustments for the second-year impact of prior year budget actions. Details are presented in the table below.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year FY21-22 R1 lottery reimaged	\$6,643,691	\$0	\$6,643,691	\$0	\$0	0.0
Annualize FY19-20 R4 driver's license documents	428,495	0	428,495	0	0	0.0
Driver's license documents	296,823	0	296,823	0	0	0.0
Annualize prior year salary survey	29,688	0	0	0	29,688	0.0
Driver's license documents	23,800	0	23,800	0	0	0.0
Annualize FY21-22 S1 Lottery retailer compensation	(9,154,067)	0	(9,154,067)	0	0	0.0
Annualize prior year R8 DMV digital transformation	(2,520,072)	(2,520,072)	0	0	0	0.0
Annualize FY21-22 S2 Racing season delay	(215,794)	0	(215,794)	0	0	0.0
FY21-22 R2 Sales and use tax simplification	(23,515)	(23,515)	0	0	0	0.0
Proposition EE funding	(2,323)	(2,323)	0	0	0	0.0
<b>TOTAL</b>	<b>(\$4,493,274)</b>	<b>(\$2,545,910)</b>	<b>(\$1,977,052)</b>	<b>\$0</b>	<b>\$29,688</b>	<b>0.0</b>

**TECHNICAL ADJUSTMENTS:** The recommendation includes a net increase of \$5,045,056 total funds and \$4,930,441 General Fund for three technical adjustments.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Technical adjustments ids print production	\$4,650,236	\$4,650,236	\$0	\$0	\$0	0.0

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Contract escalator fast enterprises	282,231	174,348	107,883	0	0	0.0
Indirect related refinancing	112,589	105,857	6,732	0	0	0.0
<b>TOTAL</b>	<b>\$5,045,056</b>	<b>\$4,930,441</b>	<b>\$114,615</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**NON-PRIORITIZED DECISION ITEMS:** The recommendation includes a net increase of \$167,602 total funds, including a reduction of \$249,548 General Fund and an increase of \$129,621 cash funds and an increase of \$286,925 reappropriated funds and \$604 federal funds to reflect the FY 2022-23 impact of non-prioritized decision items, shown in the table below.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Equity Officer policy	\$286,880	\$0	\$0	\$286,880	\$0	3.0
DPA Paid family leave	232,817	105,511	125,210	63	2,033	0.0
DPA Paid Family Medical Leave Act Funding	143,618	54,368	89,250	0	0	0.0
OIT Budget package	57,672	57,672	0	0	0	0.0
DPA CSEAP resources	5,892	2,231	3,661	0	0	0.0
BANP COWINS Partnership Agreement	3,108	(49,913)	54,468	(18)	(1,429)	0.0
NP5 CDHS NP CBBR	1,045	0	1,045	0	0	0.0
BANP OIT CBMS Admin costs	(392,944)	(392,944)	0	0	0	0.0
NP3 Annual fleet vehicle	(170,486)	(26,473)	(144,013)	0	0	0.0
<b>TOTAL</b>	<b>\$167,602</b>	<b>(\$249,548)</b>	<b>\$129,621</b>	<b>\$286,925</b>	<b>\$604</b>	<b>3.0</b>

**ANNUALIZE PRIOR-YEAR LEGISLATION:** The recommendation includes a net decrease of \$941,759 total funds, including a reduction of \$1,942,923 General Fund and an increase of \$1,104,835 cash 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
HB21-1311 Income tax bill for FY 2022	\$1,412,765	\$1,412,765	\$0	\$0	\$0	12.2
SB18-200 PERA unfunded liability	502,106	227,901	269,676	136	4,393	0.0
SB21-069 LP expiration change of ownership	393,090	(102,600)	495,690	0	0	0.0
SB21-082 Alcohol beverage festival	303,286	0	303,286	0	0	4.7
SB21-257 Special mobile machinery exe	194,495	194,495	0	0	0	1.7
HB21-1327 State and local tax parity	59,866	59,866	0	0	0	5.2
HB21-1301 Cannabis outdoor cultivation	39,764	0	39,764	0	0	1.1
HB21-1141 Electric vehicle LP	37,256	0	37,256	0	0	0.0
HB19-1159 Modify motor vehicle income	33,160	33,160	0	0	0	0.8
HB21-1027 Alcohol takeout and delivery	4,636	0	4,636	0	0	0.2
HB21-1044 Winery license include non	2,309	0	2,309	0	0	0.1
SB21-076 Fund electronic third party	(1,295,594)	(1,631,792)	336,198	0	0	(3.9)
HB21-260 sustainability of transportation	(899,328)	(877,391)	(21,937)	0	0	(1.9)
SB21-131 Protect personal identifying	(256,500)	(256,500)	0	0	0	0.0
HB21-1312 Insurance premium property	(218,789)	(218,789)	0	0	0	(0.3)
HB21-1314 DOR action against certain	(211,500)	0	(211,500)	0	0	0.0
HB21-1233 Conservation easement modification	(204,722)	(204,722)	0	0	0	0.0
SB21-249 Keep CO wild pass	(108,200)	0	0	(108,200)	0	0.0
HB20-1420 Limit tax expenditure	(107,434)	(107,434)	0	0	0	0.0
HB21-1265 Qualified retailer sales tax	(101,600)	(101,600)	0	0	0	0.0
HB21-1014 Disability symbol id doc	(85,800)	(85,800)	0	0	0	0.0
SB21-199 Remove barriers to certain	(83,881)	(83,881)	0	0	0	0.0



ANNUALIZE PRIOR-YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB21-1002 Reductions to certain taxpayers	(82,785)	(82,785)	0	0	0	(0.7)
SB21-154 Suicide prevention	(72,966)	(72,966)	0	0	0	0.0
SB20-055 Collection of state debts	(50,625)	(50,625)	0	0	0	0.0
HB21-1317 Regulating marijuana concern	(48,329)	0	(48,329)	0	0	0.0
HB20-1236 Health care coverage easy e	(28,372)	(28,372)	0	0	0	0.0
HB20-1024 Net operating loss deduction	(22,859)	(22,859)	0	0	0	0.0
HB21-1145 Support Pollinator license plate	(20,400)	0	(20,400)	0	0	0.0
SB21-253 Women’s veterans license plate	(5,400)	0	(5,400)	0	0	0.0
HB21-1219 Nurse special	(5,400)	0	(5,400)	0	0	0.0
HB21-1128 Hospice and palliative care	(5,021)	0	(5,021)	0	0	0.0
HB21-1323 Special Olympics license plate	(3,385)	0	(3,385)	0	0	0.0
HB21-1073 Support foster families license plate	(3,208)	0	(3,208)	0	0	0.0
SB21-271 Misdemeanor reform for FY20	(2,394)	57,006	(59,400)	0	0	1.7
<b>TOTAL</b>	<b>(\$941,759)</b>	<b>(\$1,942,923)</b>	<b>\$1,104,835</b>	<b>(\$108,064)</b>	<b>\$4,393</b>	<b>20.9</b>

## MAJOR DIFFERENCES FROM THE REQUEST

- A \$4.7 million General Fund increase to the IDS print production line in the Taxation Business Group to reflect Committee operating common policy action.
- The R1 request comprises two separate issues that Staff recommend considering independently of each other. The first component of the request is a DRIVES related technology request to address the backlog of system enhancements and upgrades. The second part of the request is to merge the two primary cash funds within the Division of Motor Vehicles. Staff advocate for the DRIVES related technology request but recommend against combining the DRIVES Cash Fund and the Licensing Services Cash fund.
- Staff recommends against continuous spending authority for the Lottery Retailer appropriation line item in R2. Alternatively, Staff recommended increasing the appropriation for this line item to increase the Department’s cash fund spending authority from \$70 million to \$85 million. The increased funding should allow for sufficient Lottery growth capacity and the ability to meet the Department’s obligations to Lottery retailers. Additionally, it will keep the line item on the budget, maintaining budget consistency and transparency.
- The R6 request has components not related to the Department of Revenue but effect appropriations to the Judicial Department. Staff recommended restructuring the funding for H.B. 21-1314 as it pertains to the Department of Revenue, but recommend against adjustments to any Judicial Department funding.
- Committee common policy adjustments for centrally-appropriated line items.
- All FTE requests reflect Committee policy related to centrally appropriated line items in the first year.

## DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

## → R1 DMV DRIVES SYSTEM SUPPORT

*REQUEST:* The Department requests an increase of \$3.1 million in spending authority from the DRIVES Cash Fund and an additional 11.0 FTE to address a growing backlog of maintenance and system enhancements to DRIVES. Additionally, the request asks the Joint Budget Committee to sponsor legislation to merge two operational cash funds, the DRIVES fund, and the Licensing Services Cash Fund (LSCF).

*RECOMMENDATION:* Staff would like to note that there are two distinctly separate issues in this request which should be considered independently of each other. Consequently, **Staff recommends partial approval of the request.** Staff recommends full approval of the IT-related request of an increase of \$2.6 million, adjusted for Committee policy related to new FTE and centrally appropriated items, from the DRIVES Cash Fund and an additional 11.0 FTE to address the backlog of maintenance and system enhancements to the DRIVES system. Staff recommends denying the Department's request for JBC sponsored legislation to merge the Licensing Services Cash Fund and the DRIVES Cash Fund.

*ANALYSIS: DRIVES SYSTEM SUPPORT.* The DRIVES system is Colorado's Driver and Motor Vehicle services software platform. The system was developed with the objective of streamlining and consolidating two older and antiquated IT systems into a single statewide platform. The system is owned and was developed by FAST Enterprises. It supports the needs of a diverse stakeholder population including the state DMV, 64 counties title and registration delegates, DOR's Hearings Division, the Department of Public Safety, local Law Enforcement and many others.

This backlog of DRIVES system requests predated the pandemic, which drove additional requests in order to support the needed transformation of the system to best support the new remote and socially distanced needs of customers and employees. These pandemic-related needs are being addressed with temporary FTE supported by the American Recovery Plan Act (ARPA) funds allocated to the Governor for administrative expenses. These ARPA funds, however, cannot support the ongoing needs of the DRIVES system that predated the pandemic.

The Department's current contract with FAST Enterprises was negotiated initially to be conservative with the goal of gaining understanding the legislative and strategic demands from the multitude of stakeholder groups that currently benefit from the DRIVES system. Therefore, the contract was focused on keeping the existing DRIVES system operational in the form of service packs, version upgrades, and correcting inevitable programming flaws. It only includes 2,000 hours/year for other requests, such as enhancements necessary to support both user requests and new legislation, data requests, etc, which would roughly translate to resolving 60 small requests per year. In fiscal year 2020-21 the General Assembly passed approximately 20 bills that needed over 10,000 hours of programming just in the next fiscal year.

At the time of the Department's request submission, a backlog of 2,400 programming change requests were in the DRIVES queue. This backlog is currently growing by over 400 each year. According to the Department's analysis, the most-cost effective strategy to address the increase in DRIVES development demand resulting from the pandemic response, and the priority list of enhancements

and feature requests from the DMV and counties, is to implement non-FAST, state development teams composed of 11.0 FTE within the Department in FY 2022-23 and in subsequent years in partnership with OIT & FAST. The JBC referred this request to the Joint Technology Committee (JTC) for review, and on January 25, 2022 the JTC recommended fully funding the request. However, the JTC recommended that fiscal notes for all future bills that create a new license plate continue to include separate funding for any necessary DRIVES programming changes.

Staff recommends the DRIVES IT system component of this request. The table below describes the differences between the request and recommendation. These figures reflect standard adjustments for all Departmental FTE requests that reflect Committee policy related to salaries and centrally appropriated line items in the first year.

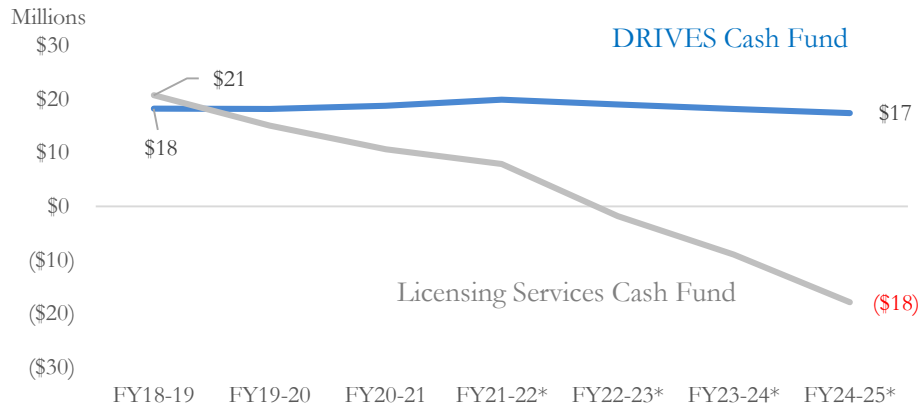
R1 DMV DRIVES SYSTEM SUPPORT		
	Request	Recommendation
FTE	11.0	11.0
Personal	\$1,046,631	\$846,257
Operating expenses	32,450	32,450
Centrally appropriated costs	249,596	-
	\$1,328,676	\$ 878,707

*ANALYSIS AND BACKGROUND: CASH FUND MERGER OF DRIVES AND LSCF.*

The two primary cash funds that support DMV operations are the DRIVES Cash Fund (DRIVES) and the Licensing Service Cash Fund (LSCF). The DRIVES Cash Fund is funded through title fees, registration fees, and specific ownership tax (SOT) transaction fees. LSCF is funded predominantly through document fees, which account for approximately 90 percent of the funds revenue. While the DRIVES fund projects a relatively stable balance through 2025, LSCF is projected to end FY 2022-23 with a small negative balance. However, deficits are projected to increase for the next three fiscal years, and the Fund is currently projected to end FY2024-25 with a -\$17.9 million balance. The chart and graph below show two years of actual and four years of projected year ending balances for the Divisions two primary cash funds, DRIVES and LSCF.

CASH FUND FISCAL YEAR ENDING BALANCE							
	FY18-19	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*
Colorado DRIVES Fund	\$18,176,245	\$18,145,138	\$18,737,271	\$19,884,029	\$18,962,937	\$18,132,093	\$17,370,200
Licensing Services Cash Fund	\$20,681,332	\$15,013,579	\$10,594,491	\$7,886,284	(\$182,003)	(\$9,011,465)	(\$17,908,552)
*Projected							

DMV Cash Funds, Fiscal Year Ending Balance



**LICENSING SERVICES CASH FUND**

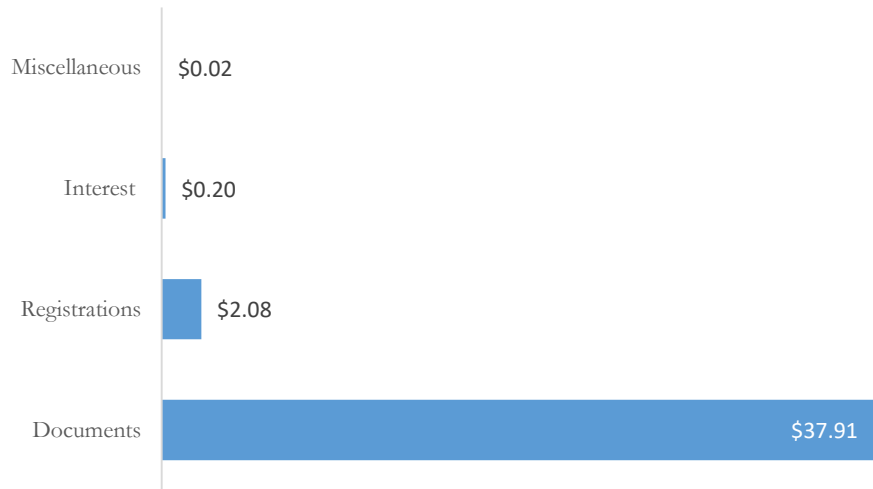
The primary source of revenue for the Licensing Service Cash Fund is through the issuance of drivers’ licenses, driving permits, and identification cards. This revenue stream accounts for over 90 percent of the LSCF total revenue. Volatility in the issuance of these documents, caused by demographic shifts, legislation, and changes in driving behavior, significantly affects this cash fund. Colorado Driver’s license fees last increased in June and July of 2020 when two five percent fee increases occurred at the end of FY 2019-20 and the beginning of FY2020-21. These fee increases raised the cost of a Colorado driver’s license from \$28 to \$30.87. The price of an identification card rose to \$12.67 from \$11.50. The projections below for fiscal years 2022 through 2025 do not incorporate any document fee increase; however, the forecast does include a 2.0 percent increase in documents issued in FY 2022-23, followed by a 1.0 percent increase in fiscal years 2023-24 and 2024-25. The chart below shows revenue projections over the next four years. Overall revenue is expected to rise by an average of 2.4 percent from FY 2019-20 to FY2024-25.

LICENSING SERVICES CASH FUND REVENUE

	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
Documents	\$33,674,694	\$37,913,961	\$39,060,276	\$39,841,482	\$40,239,897	\$40,642,296	3.8%
Annual Percent Change	-1.2%	11.2%	2.9%	2.0%	1.0%	1.0%	
Registrations	\$2,031,753	\$2,075,098	\$2,319,945	\$2,140,556	\$2,183,367	\$2,292,535	-1.5%
Annual Percent Change	-23.8%	2.1%	10.6%	-8.4%	2.0%	4.8%	
Interest	\$501,024	\$195,685	\$110,048	\$79,007	(\$1,676)		
Annual Percent Change	-28.6%	-156.0%	-77.8%	-39.3%			
Misc. Revenue	\$22,459	\$17,989	\$14,877	\$12,500	\$12,500	\$12,500	-11.06%
Annual Percent Change	-157.4%	-24.8%	-20.9%	-19.0%	0.0%	0.0%	
<b>TOTAL REVENUE</b>	<b>\$36,229,930</b>	<b>\$40,202,733</b>	<b>\$41,505,146</b>	<b>\$42,073,545</b>	<b>\$42,434,088</b>	<b>\$42,947,331</b>	<b>2.4%</b>
Annual Percent Change	-3.0%	9.9%	3.1%	1.4%	0.8%	1.2%	

The graph below illustrates the various revenue streams to the LSCF in FY 2020-21. The cash fund is overwhelmingly reliant on document fees, which accounted for 94.2 percent of all revenue in FY 2020-21.

Licensing Service Cash Fund Revenues by Source FY 20-21 (millions)

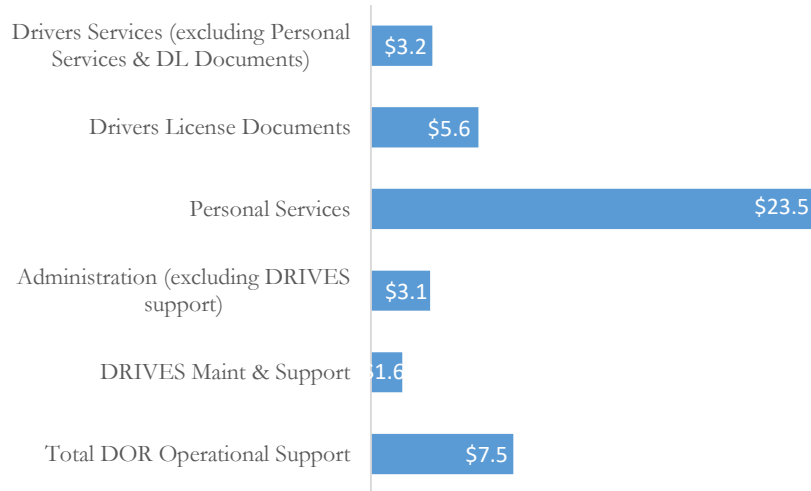


Licensing Service Cash Fund expenditures are projected to grow by a 4.3 percent compound annual growth rate between FY 2019-20 and FY 2024-25. The primary drivers of growth in LSCF expenditures are Administration expense, DRIVES maintenance and support, and Department of Revenue Operational Support. Based on Department projections, Personal Services is forecast to grow at only 2.2 percent over this five-year period, however this category is the largest expenditure in the LSCF, and accounts for approximately 53 percent of all LSCF expenditures.

LICENSING SERVICE CASH FUND EXPENDITURES

	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
Total DOR Operational Support	\$5,723,091	\$7,481,997	\$3,836,452	\$8,290,086	\$8,372,987	\$8,445,149	8.1%
Annual Percent Change		30.7%	-48.7%	116.1%	1.0%	0.9%	
DRIVES Maintenance & Support	1,532,640	1,645,140	2,346,847	2,398,712	2,470,674	2,544,794	10.7%
Annual Percent Change		7.3%	42.7%	2.2%	3.0%	3.0%	
Administration (excluding DRIVES support)	1,679,244	3,118,859	2,877,963	2,979,195	3,038,778	3,099,554	13.0%
Annual Percent Change		85.7%	-7.7%	3.5%	2.0%	2.0%	
Personal Services	23,585,458	23,503,083	24,313,453	25,529,126	26,039,708	26,300,106	2.2%
Annual Percent Change		-0.3%	3.4%	5.0%	2.0%	1.0%	
Driver's License Documents	5,656,874	5,648,165	6,679,675	6,353,566	6,417,101	6,481,272	2.8%
Annual Percent Change		-0.2%	18.3%	-4.9%	1.0%	1.0%	
Drivers Services (excluding Personal Services & DL Documents)	3,725,253	3,224,578	4,370,462	4,591,147	4,924,301	4,973,543	6.0%
Annual Percent Change		-13.4%	35.5%	5.0%	7.3%	1.0%	
<b>TOTAL Expenditures</b>	<b>\$41,902,560</b>	<b>\$44,621,822</b>	<b>\$44,424,852</b>	<b>\$50,141,832</b>	<b>\$51,263,549</b>	<b>\$51,844,418</b>	<b>4.3%</b>
Annual Percent Change		6.5%	-0.4%	12.9%	2.2%	1.1%	

FY 20-21 LSCF FUND EXPENDITURES BY SOURCE (millions)



Based on current projections, the Licensing Services Cash Fund will be insolvent by FY 2022-23 with a balance of -\$182,003. Fiscal years 2023-24 and 2024-25 are each projected to run deficits of approximately \$9.0 million, and under current projections by FY 2024-25, the fund will have a -\$17.9 million year-end balance.

LICENSE SERVICES CASH FUND FY ENDING FORECAST						
	FY19-20	FY20-21	FY21-22* <sup>1</sup>	FY22-23*	FY23-24*	FY24-25*
Total Revenue	\$36,229,930	\$40,202,733	\$41,505,146	\$42,073,545	\$42,434,088	\$42,947,331
Total Expenditures	\$41,902,560	\$44,621,822	\$44,424,852	\$50,141,832	\$51,263,549	\$51,844,418
Surplus / Deficit	\$(5,672,630)	\$(4,419,089)	\$(2,919,706)	\$(8,068,287)	\$(8,829,461)	\$(8,897,087)
<b>Fiscal Year Ending Balance</b>	\$15,013,579	\$10,594,490	\$7,886,284	\$(182,003)	\$(9,011,464)	\$(17,908,551)
FY Ending Target Fund Balance 16.5% of Expenditures	\$6,913,922	\$7,362,601	\$7,330,101	\$8,273,402	\$8,458,486	\$8,554,329

<sup>1</sup> FY ending Balance includes \$211,500 HB21-1314 related transfer for programming DRIVES

**DRIVES CASH FUND**

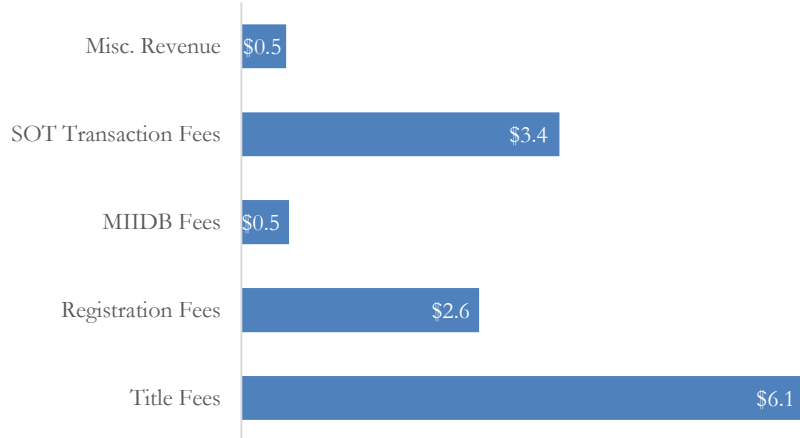
The primary sources of revenue in the DRIVES Cash Fund are through vehicle title fees, registration fees, and SOT transaction fees. These three revenue streams account for 93 percent of all revenue allocated towards the DRIVES Cash Fund. The chart below shows revenue trends for DRIVES for two historical year and revenue projections through FY 2024-25. Revenue in DRIVES is forecast to grow by a compound annual growth rate of 2.1 percent between fiscal year 2020 and fiscal year 2025.

DRIVES CASH FUND REVENUE							
	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
Title Fees	\$5,813,978	\$6,138,345	\$6,331,137	\$6,521,071	\$6,586,282	\$6,652,145	2.7%
Annual Percent Change		5.6%	3.1%	3.0%	1.0%	1.0%	
Registration Fees	\$ 2,544,163	\$ 2,556,529	\$ 2,664,105	\$ 2,744,028	\$ 2,771,468	\$ 2,799,183	1.9%
Annual Percent Change		0.5%	4.2%	3.0%	1.0%	1.0%	

DRIVES CASH FUND REVENUE							
	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
MIIDB Fees	\$ 509,948	\$ 512,548	\$ 416,347	\$ 428,837	\$ 433,125	\$ 437,457	-3.0%
Annual Percent Change		0.5%	-18.8%	3.0%	1.0%	1.0%	
SOT Transaction Fees	\$ 3,315,767	\$ 3,420,992	\$ 3,562,484	\$ 3,669,358	\$ 3,706,052	\$ 3,743,112	2.5%
Annual Percent Change		3.2%	4.1%	3.0%	1.0%	1.0%	
Misc. Revenue	\$ 579,430	\$ 480,743	\$ 521,556	\$ 537,203	\$ 542,575	\$ 548,001	-1.1%
Annual Percent Change		-17.0%	8.5%	3.0%	1.0%	1.0%	
<b>Total</b>	<b>\$12,763,286</b>	<b>\$13,109,157</b>	<b>\$13,495,629</b>	<b>\$13,900,497</b>	<b>\$14,039,502</b>	<b>\$14,179,898</b>	<b>2.1%</b>
Annual Percent Change		2.7%	2.9%	3.0%	1.0%	1.0%	

The graph below illustrates the various revenue streams to the DRIVES Cash Fund in the fiscal year 2021. The cash fund is primarily funded through vehicle title fees, which account for 47 percent of the fund’s revenue in fiscal year 2021. Registration fees and SOT transaction fees accounted for 20 percent and 26 percent respectively of the fund’s revenue in fiscal year 2021.

FY 2020-21 DRIVES FUND REVENUE BY SOURCE (millions)



DRIVES Cash Fund expenditures are projected to grow at 3.1 percent through FY 2024-25. Department of Revenue Operational Support is forecast to grow at 20.1 percent over this five-year period. The greatest expenditure is DRIVES maintenance and support, which is projected to grow at a 4.5 percent compound annual growth rate over the five-year period.

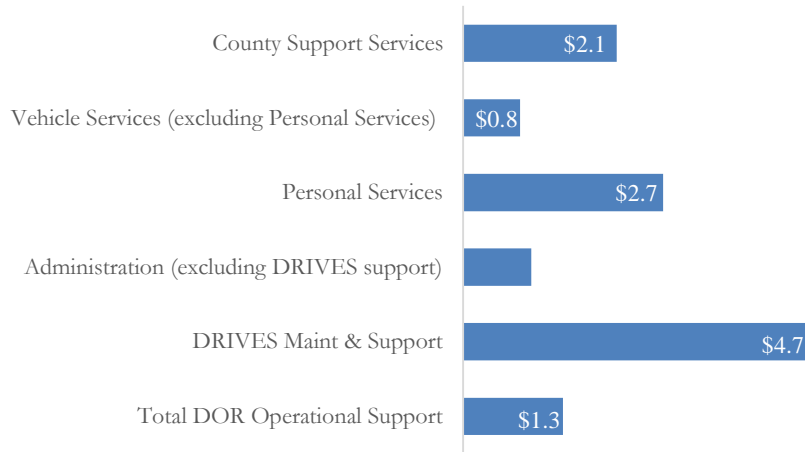
DRIVES CASH FUND EXPENDITURES							
	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
Total DOR Operational Support	\$849,382	\$1,349,251	\$401,874	\$2,075,865	\$2,091,652	\$2,119,905	20.1%
Annual Percent Change		58.9%	-70.2%	416.5%	0.8%	1.4%	
DRIVES Maintenance & Support	\$4,746,791	\$4,689,360	\$5,000,000	\$5,916,364	\$5,916,364	\$5,916,364	4.5%
Annual Percent Change		-1.2%	6.6%	18.3%	0.0%	0.0%	
Administration (excluding DRIVES support)	\$814,635	\$923,382	\$ 1,305,357	\$ 783,027	\$788,963	\$796,852	-0.4%
Annual Percent Change		13.3%	41.4%	-40.0%	0.8%	1.0%	
Personal Services	\$3,022,901	\$2,707,283	\$2,503,598	\$ 2,219,982	\$2,219,982	\$2,242,182	-5.8%
Annual Percent Change		-10.4%	-7.5%	-11.3%	0.0%	1.0%	
Vehicle Services (excluding Personal Services)	\$1,007,041	\$770,082	\$867,735	\$922,386	\$949,421	\$962,522	-0.9%
Annual Percent Change		-23.5%	12.7%	6.3%	2.9%	1.4%	
County Support Services	\$2,361,603	\$2,077,666	\$2,270,050	\$ 2,903,965	\$2,903,965	\$2,903,965	4.2%

DRIVES CASH FUND EXPENDITURES

	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*	CAGR
Annual Percent Change		-12.0%	9.3%	27.9%	0.0%	0.0%	
<b>Total Expenditures</b>	<b>\$12,802,353</b>	<b>\$12,517,024</b>	<b>\$12,348,614</b>	<b>\$14,821,589</b>	<b>\$14,870,347</b>	<b>\$14,941,790</b>	<b>3.1%</b>
Annual Percent Change		-2.2%	-1.3%	20.0%	0.3%	0.5%	

The graph below illustrates DRIVES Cash Fund expenditures for FY 2020-2021. DRIVES maintenance and support accounted for 37.5 percent of all cash fund expenditures. Personal Services and County Support Services accounted for 21.6 percent and 16.6 percent of all FY 2020-21 DRIVES Cash Fund expenditures.

FY 20-21 DRIVES FUND EXPENDITURES BY SOURCE (millions)



The DRIVES Cash Fund shows relatively level revenue and expenditure projections over the next four years. The DRIVES Cash Fund fiscal year ending balance for FY 2019-20 was \$18.1 million. It is projected to end FY 2024-25 with a \$17.3 million balance.

DRIVES CASH FUND FISCAL YEAR ENDING BALANCE

	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*
Total Revenue	\$12,763,286	\$13,109,157	\$13,495,629	\$13,900,497	\$14,039,502	\$14,179,898
Total Expenditures	12,802,353	12,517,024	12,348,614	14,821,589	14,870,347	14,941,790
Surplus / Deficit	(39,067)	592,133	1,147,015	(921,092)	(830,845)	(761,892)
Fiscal Year Ending Balance	18,145,137	18,737,270	19,884,285	18,963,193	18,132,348	17,370,456
FY Ending Target Fund Balance	2,112,388	2,065,309	2,037,521	2,445,562	2,453,607	2,465,395
16.5% of Expenditures						

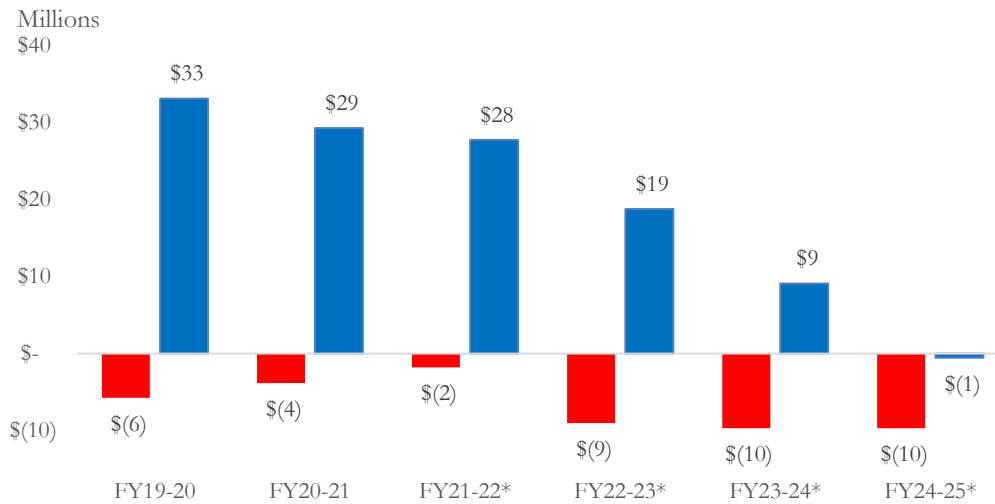
Combining DRIVES and LCSF, under current cash flow projections, would delay insolvency for LCSF. However, by FY 2024-25, three consecutive years of projected \$9 to \$10 million deficits will have depleted the current combined cash fund balance of \$29.3 million and the fund would end FY 2024-25 with a (\$538,352) balance.



CONSOLIDATED REVENUE & EXPENDITURES FOR DRIVES CASH FUND AND LICENSE SERVICE CASH FUND						
	FY19-20	FY20-21	FY21-22*	FY22-23*	FY23-24*	FY24-25*
Combined Revenue	\$48,993,216	\$53,311,890	\$55,000,775	\$55,974,041	\$56,473,589	\$57,127,228
Combined Expenditures	54,704,913	57,138,846	56,773,467	64,963,421	66,133,895	66,786,208
Surplus / Deficit	(5,711,697)	(3,826,956)	(1,772,692)	(8,989,380)	(9,660,306)	(9,658,980.00)
<b>Ending Fund Balance</b>	<b>\$33,158,716</b>	<b>\$29,331,760</b>	<b>\$27,770,570</b>	<b>\$18,781,190</b>	<b>\$9,120,884</b>	<b>(\$538,096)</b>
Target Fund Balance						
16.5% of Projected Expenditures	9,026,311	9,427,910	9,367,622	10,718,964	10,912,093	11,019,724

The graph below illustrates the cumulative effect of structural deficits in the combined cash fund, and shows the drawdown of the combined account balance over five years from \$33.0 million in FY 2019-20 to (\$0.5) million year-end balance in FY 2024-2025.

Combined DRIVES & LSCF Fiscal Year Ending Balance



Combined DRIVES & LSCF Annual Surplus / Deficit

The DRIVES Cash Fund was established Section 42-1-211, C.R.S. The purpose of the fund was for the development and operation of the Colorado DRIVES system, and other purposes as specifically described in the statute found below. Money received into the fund is derived specifically from fees generated through specific DMV activities such as:

(2)(b)(I) There is hereby created the Colorado DRIVES vehicle services account in the highway users tax fund for the purpose of providing funds for the development and operation of Colorado DRIVES, including operations performed under articles 3, 4, 6, 7, and 12 of this title 42, to cover the costs of administration and enforcement of the motorist insurance identification database program created in section 42-7-604 , and to purchase and issue license plates, decals, and validating tabs in accordance with article 3 of this title 42.

The Licensing Services Cash Fund was established in Section 42-2-114.5, C.R.S. The Fund was established for the purpose of implementing the specific activities as defined in the article, which are primarily the issuance of Colorado state driver’s license and identification documents. The fees generated from the issuance of these licenses and documents are to be used to support specific activities related to the issuance of licenses and related documents.

(1) The licensing services cash fund is hereby created in the state treasury. The general assembly shall appropriate moneys in the fund to the department for the cost of implementing this article.

Staff recommends against merging the two funds for several reasons. First, each cash fund was set up to serve a specific function, and the fee revenue generated from each service was purposed in statute to support the associated costs of that service. By combining the two funds, vehicle services will effectively subsidize driver services. The growing deficits in the LSCF would be covered, in the short run, by the comparatively stable fund balance in the DRIVES Cash Fund. The consolidation would mean revenues generated from driver and vehicle service fees would no longer match the associated expenses of each service. Additionally, the merger is not a fix to the long-term demographic and structural challenges that DMV and the LSCF will continue to face for the foreseeable future. The merger only temporarily pushes out the insolvency of LSCF and, in doing so, would only diminish transparency regarding the cash flow challenge faced by the division, which is insufficient fee revenue generated from driver services that fund the LSCF.

#### → R4 OPERATIONAL FUNDING RE-ALIGNMENT

*REQUEST:* The request includes a **permanent net-zero realignment** in FY 2022-23 and in subsequent years of \$826,876 in General Fund for personal services and 13.0 FTE, and \$9,000 General Fund for operating expenses from the Taxation Business Group to the Executive Director's Office (EDO). The realignment moves the GenTax System Support Office (SSO) team from the Taxation Business Group into the Innovation Strategy and Delivery team in EDO.

Additionally, the Department requests a permanent net-zero realignment in FY 2022-23 and in subsequent years of \$1,062,746 in cash fund spending authority for personal services and 17.0 FTE, and \$8,500 in cash fund spending authority for operating from the DMV Administration and Driver Services to the EDO. The realignment moves the DRIVES Development Support team from DMV into the Innovation, Strategy, and Delivery team in the EDO.

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

*ANALYSIS:* GenTax is a FAST Enterprise customizable off-the-shelf tax administration application that Colorado, along with forty other local, state, and international jurisdictions, utilize to administer the state's tax code. It is essential for responsibilities such as; return and payment processing, revenue distribution, return adjusting, billing, collections, auditing, customer correspondence, reporting, electronic filing, and self-service account management.

The DRIVES system is a FAST Enterprise software platform that streamlined activities across the DMV. DRIVES merged two separate, antiquated IT systems into a single integrated interface to generate efficiencies and modernize the delivery of licensing, vehicle titling, registration, identification services, and other DMV-related services to the citizens of Colorado.

Staff recommends that the Committee approve the request in the interest of improving budget transparency and more closely aligning the budget structure to the current operating realities within the Department of Revenue.

→ R6 REFINANCE HB21-1314 TO APPROPRIATE FUNDING STREAM [REQUIRES LEGISLATION]

*REQUEST:* The Department requests the JBC sponsor legislation to change the funding source for drivers' license revocations pursuant to H.B. 21-1314<sup>1</sup> (Department of Revenue Action Against Certain Documents) and reduce the amounts appropriated for this purpose by ten percent. The revisions would eliminate the funding transferred from the Marijuana Tax Cash Fund (MTCF) to fund DMV hearings and license services activities and instead provide “off-the-top” spending authority from the Highway Users Tax Fund (HUTF).

The request contains several components that are summarized in the points below.

1. Sponsor legislation to change 39-28.8-501 (7)(a) C.R.S to eliminate transfers from the MTCF
2. Create \$713,000 of “off-the-top” spending authority from HUTF for use by the Hearings Division (a reduction from the existing \$753,000)
3. Create \$548,000 of “off-the-top” spending authority from HUTF for use by the DMV (a reduction from the existing \$648,000)
4. Create \$996,951 of “off-the-top” spending authority from the HUTF for use by the Trial Courts program at the Judicial Department (a reduction from the existing \$1,107,723), and eliminate the existing \$553,862 and the H.B. 21-1314 annualization of \$553,861 in MTCF spending authority for the same program.
5. Exempt the appropriations from the HUTF from the 6% “off-the-top” growth cap<sup>2</sup> in FY 2022-23.

*RECOMMENDATION:* **Staff recommends partially approving the request.** Staff support Revenue related aspects of the request (1, 2, 3) but do not find it appropriate to recommend action on Judicial Department appropriations through this requested action. Additionally, in consultation with the Judicial JBC Staff Analyst, the Judicial Department was neither consulted nor had any input on the request. Judicial opposes any aspect of this request that impacts their Department.

*BACKGROUND AND ANALYSIS:* H.B. 21-1314, “Department of Revenue Against Certain Documents” repealed the Department of Revenue’s discretionary and mandatory authority to revoke driver’s licenses when certain offenses were committed. Some of the offenses that were affected by the bill’s repeal are listed below.

- Unlawful or fraudulent use or conviction of misuse of licenses, titles, permits, or license plates
- Failure to register a car in Colorado and having any of the following: an outstanding judgment for a violation related to the regulation of motor vehicles or traffic; a bench warrant for failure to appear to answer for a traffic situation; or an outstanding judgement for failing to present a valid transit pass or coupon.
- Underage possession or consumption of alcohol or marijuana [as long as the minor completes any required alcohol class]; aggravated motor vehicle theft; or second degree criminal trespass when the person knowingly and unlawfully enters a motor vehicle.

<sup>1</sup> Section 39-28.8-501 (7)(a), C.R.S.

<sup>2</sup> Section 43-4-201 (17)(B), C.R.S.

Additionally, the bill repeals the requirement that the Department of Revenue suspend the driver's license of a retail employee who is convicted of selling or procuring alcohol to a person under the age of 21 or failing to prevent the use of a fake ID card for a person under 21 trying to buy alcohol with knowledge that the person is using a fake ID card.

The intent of H.B. 21-1314 was to reduce the number of driver's license revocations required by law and diminish the adverse impact a driver's license revocation has on an individual and their family. The bill also led to a decline in revenue to the state due to the loss of associated fees generated from driver's license revocation and subsequent reinstatements. The total estimated fiscal impact of the bill was approximately \$1.8 million in FY 2021-22 (partial year), and \$3.6 million in FY 2022-23 and future years. Lost revenue adversely impacted funding to both the Department of Revenue and the Judicial Department. House Bill 21-1314 backfilled lost funding by appropriating money to each of the departments from the Marijuana Tax Cash Fund.

Under the Department's request, adjusting the funding stream for H.B. 21-1314 would involve JBC sponsored legislation consisting of two components. The first component is the reduction in funds totaling \$140,000 that the Department anticipates it will realize in the recent shift to digitized and automated processes. The second component to the request is the shift in funding source from the MTCF to the HUTF. Each of these components of the request merits consideration on its own, and should be viewed independently.

The Department has stated that because of anticipated economies and efficiencies gained through recent automation initiatives at the DMV, such as the FY 2021-22, DMV Digital Transformation, the reduction in funding would have minimal impact on operations and customer service levels at the DMV. However, the current wait time for a hearing related to accumulated points on a driver's record due to motor vehicle violations is seven months. The Department states that further reductions, beyond those requested, could push the wait time for a license suspension hearing out to twenty-four months. This delay could increase the number of unsafe drivers on Colorado roads and highways.

The Marijuana Tax Cash Fund outlook is inextricably linked to the revenue forecast for marijuana sales in Colorado. Slower than anticipated revenue growth will continue to impact Departments that depend on the revenue. In addition to the funding solution proposed in R6, several other options exist that would potentially alleviate pressure on MTCF. General Fund support for H.B. 21-1314 is one avenue that would allow for sustainable funding for the bill while also reducing cash flow demands on the MTCF. Finally, consideration should perhaps be given that appropriations that Revenue and Judicial receive from MTCF represent less than 1 percent each of the total appropriations from the Fund. Given the recent decline in the MTCF forecast and the uncertainty of future revenue to the Fund, a more extensive restructuring targeting departments with more significant funding from MTCF may prove more efficient and impactful over the long run.

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

The Executive Director's Office provides central budgeting, fiscal note coordination, revenue and expenditure accounting, purchasing and contract administration, human resources, internal auditing, project management, facilities safety, and security, and a hearings division for the Department. The office is funded through direct and indirect costs charged to divisions. Additionally, the Executive Director's Office supports the Office of Research and Analysis that develops reports, such as the Department's annual report and monthly and quarterly sales tax reports. They also develop analytical data and estimate the refunding of State of Colorado excess revenues under Article X, Section 20 of the State Constitution.

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 Appropriation</b>						
SB21-205 (Long Bill)	\$74,688,095	\$31,236,991	\$35,714,734	\$7,523,916	\$212,454	171.3
Other legislation	779,401	605,789	173,612	0	0	7.0
HB22-1181 (Supplemental Bill)	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$75,467,496</b>	<b>\$31,842,780</b>	<b>\$35,888,346</b>	<b>\$7,523,916</b>	<b>\$212,454</b>	<b>178.3</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$75,467,496	\$31,842,780	\$35,888,346	\$7,523,916	\$212,454	178.3
R1 DMV drives system support	1,351,240	0	1,351,240	0	0	0.0
R3 Lease space savings	(448,194)	(448,194)	0	0	0	0.0
R4 Operational funding realignment	1,907,122	835,876	1,071,246	0	0	30.0
R6 Refinance HB 21-1314	(40,000)	0	(40,000)	0	0	0.0
Centrally appropriated line items	10,985,130	6,454,460	4,732,706	(264,520)	62,484	0.0
Annualize prior year budget actions	(2,761,811)	(1,002,268)	(1,787,715)	(1,516)	29,688	0.0
Technical adjustments	266,310	0	266,310	0	0	0.0
Non-prioritized decision items	124,956	(253,124)	90,551	286,925	604	3.0
Annualize prior year legislation	66,000	(356,474)	417,945	136	4,393	(5.9)
<b>TOTAL</b>	<b>\$86,918,249</b>	<b>\$37,073,056</b>	<b>\$41,990,629</b>	<b>\$7,544,941</b>	<b>\$309,623</b>	<b>205.4</b>
<b>INCREASE/(DECREASE)</b>	<b>\$11,450,753</b>	<b>\$5,230,276</b>	<b>\$6,102,283</b>	<b>\$21,025</b>	<b>\$97,169</b>	<b>27.1</b>
Percentage Change	15.2%	16.4%	17.0%	0.3%	45.7%	15.2%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$86,820,539</b>	<b>\$37,028,788</b>	<b>\$41,937,187</b>	<b>\$7,544,941</b>	<b>\$309,623</b>	<b>205.4</b>
Request Above/(Below) Recommendation	(\$97,710)	(\$44,268)	(\$53,442)	\$0	\$0	0.0

**DECISION ITEMS – THE EXECUTIVE DIRECTOR'S OFFICE****→ R3 LEASE SPACE SAVINGS AND REMOTE WORK**

*REQUEST:* The request includes a permanent General Fund appropriation shift from leased space to operating expenses for \$109,000 in FY 2022-23 and in subsequent years. Additionally, the request offers a permanent General Fund reduction of \$448,194 to be repurposed for the Equity, Diversity, and Inclusion (EDI) request submitted as R1 Colorado Office of Equity by the Department of Personnel and Administration.

*RECOMMENDATION:* Staff recommends approving the request to shift \$109,000 from leased space to operating expense, and reducing the appropriation for leased space by an additional \$448,194. The Committee will take separate action on the DPA R1 request.

*ANALYSIS:* The COVID-19 pandemic significantly shifted the Department's operations and customer service delivery to citizens across the state. Additionally, the pandemic necessitated a re-evaluation of the Department's traditional operating model. After approximately eighteen months of operations in a decentralized model, the Department has acclimated to the new operating model and is planning to permanently adjust its processes and embrace the new decentralized service delivery system. The Annex building, which the Department formerly occupied, has been vacated. Consequently, the Department is reconfiguring and retrofitting existing office space into rotating hoteling stations, and expanding audio-visual systems and technology for increased virtual meetings.

Staff recommends approving both parts of the request, which net a \$448,194 General Fund reduction. The first is a net-neutral shift of \$109,000 General Fund from leased space to operating expense. The second is a \$448,194 General Fund reduction, also from leased space.

## LINE ITEM DETAIL - THE EXECUTIVE DIRECTOR'S OFFICE

### (A) ADMINISTRATION AND SUPPORT

#### PERSONAL SERVICES

This line item pays for program staff salary and contract services. The staff are responsible for the Department's administration, auditing, accounting, budgeting, personnel management, and research functions. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 24-50-101 *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$15,371,351 total funds, including \$5,916,985 General Fund, 1,941,896 cash funds, and \$7,512,466 reappropriated funds, \$4 federal funds, and 172.1 FTE.

The request includes the following annualization adjustments:

- H.B. 20-1024 Net Operating Loss Deduction;
- S.B. 21-076 Fund Electronic Third Party;
- H.B. 19-1159 Modify Motor Vehicle Income;
- H.B. 21-260 Sustainability of Transportation;
- H.B. 21-1311 Income Tax;
- H.B. 21-1265 Qualified Retailer Sales Tax;
- H.B. 21-1327 State and Local Tax Parity;

The request includes indirect cost recoveries refinancing; non-prioritized request NP5 DOR Printing; and the Department's R4, Operational Funding Realignment request item.

*RECOMMENDATION:* Staff recommends appropriating \$15,371,351 total funds, including \$5,916,985 General Fund, 1,941,896 cash funds, and \$7,512,466 reappropriated funds, \$4 federal funds, and 172.1 FTE. Adjustments are outlined in the following table. The recommendation includes approval of the R4 request, Operational Funding Realignment which is a permanent net-zero realignment which shifts the Taxation Business Group to the Executive Director’s Office. Adjustments are outlined in the table below.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$12,852,745	\$4,529,534	\$814,631	\$7,508,576	\$4	138.0
Other legislation	\$483,311	\$483,311	\$0	\$0	\$0	7.0
HB22-1181 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$13,336,056</b>	<b>\$5,012,845</b>	<b>\$814,631</b>	<b>\$7,508,576</b>	<b>\$4</b>	<b>145.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$13,336,056	\$5,012,845	\$814,631	\$7,508,576	\$4	145.0
R4 Operational funding realignment	1,889,622	826,876	1,062,746	0	0	30.0
Annualize prior year budget actions	280,021	280,021	0	0	0	0.0
Non-prioritized decision items	263,988	0	958	263,030	0	3.0
Centrally appropriated line items	0	259,140	0	(259,140)	0	0.0
Annualize prior year legislation	(398,336)	(461,897)	63,561	0	0	(5.9)
<b>TOTAL</b>	<b>\$15,371,351</b>	<b>\$5,916,985</b>	<b>\$1,941,896</b>	<b>\$7,512,466</b>	<b>\$4</b>	<b>172.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,035,295</b>	<b>\$904,140</b>	<b>\$1,127,265</b>	<b>\$3,890</b>	<b>\$0</b>	<b>27.1</b>
Percentage Change	15.3%	18.0%	138.4%	0.1%	0.0%	18.7%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$15,371,351</b>	<b>\$5,916,985</b>	<b>\$1,941,896</b>	<b>\$7,512,466</b>	<b>\$4</b>	<b>172.1</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**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. The reappropriated funds portion of this line item corresponds to the health, life, and dental benefits of employees whose salaries are included in the indirect cost recovery plan.

*STATUTORY AUTHORITY:* Sections 24-50-609, 24-50-611, and 24-50-104 (1) (a) (II), C.R.S.

*REQUEST:* The Department requests an appropriation of \$19,305,563 total funds, including \$8,514,392 General Fund, \$10,626,881 cash funds, \$4,073 reappropriated funds, and \$160,217 federal funds.

*RECOMMENDATION:* Staff recommends appropriating \$19,305,563 total funds, including \$8,514,392 General Fund, \$10,626,881 cash funds, \$4,073 reappropriated funds, and \$160,217 federal funds. The recommendation reflects Committee action on statewide compensation and includes staff recommendation to deny POTS adjustments included in Department request items. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$16,992,741	\$6,547,644	\$10,328,497	\$8,002	\$108,598	0.0
<b>TOTAL</b>	<b>\$16,992,741</b>	<b>\$6,547,644</b>	<b>\$10,328,497</b>	<b>\$8,002</b>	<b>\$108,598</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$16,992,741	\$6,547,644	\$10,328,497	\$8,002	\$108,598	0.0
Centrally appropriated line items	2,353,386	2,016,661	287,588	(3,911)	53,048	0.0
Non-prioritized decision items	(40,564)	(49,913)	10,796	(18)	(1,429)	0.0
<b>TOTAL</b>	<b>\$19,305,563</b>	<b>\$8,514,392</b>	<b>\$10,626,881</b>	<b>\$4,073</b>	<b>\$160,217</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,312,822</b>	<b>\$1,966,748</b>	<b>\$298,384</b>	<b>(\$3,929)</b>	<b>\$51,619</b>	<b>0.0</b>
Percentage Change	13.6%	30.0%	2.9%	(49.1%)	47.5%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$19,305,563</b>	<b>\$8,514,392</b>	<b>\$10,626,881</b>	<b>\$4,073</b>	<b>\$160,217</b>	<b>0.0</b>
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 the state employees' short-term disability insurance premiums.

*STATUTORY AUTHORITY:* Sections 24-51-701 and 24-50-104(1) (a) (II), C.R.S.

*REQUEST:* The Department requests an appropriation of \$164,290 total funds, including \$74,569 General Fund, \$88,239 cash funds, \$44 reappropriated funds, and \$1,438 federal funds.

*RECOMMENDATION:* Staff recommends appropriating \$164,290 total funds, including \$74,569 General Fund, \$88,239 cash funds, \$44 reappropriated funds, and \$1,438 federal funds. The recommendation reflects Committee action on statewide compensation policy. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$163,744	\$73,725	\$88,898	\$74	\$1,047	0.0
<b>TOTAL</b>	<b>\$163,744</b>	<b>\$73,725</b>	<b>\$88,898</b>	<b>\$74</b>	<b>\$1,047</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$163,744	\$73,725	\$88,898	\$74	\$1,047	0.0
Centrally appropriated line items	545	844	(660)	(30)	391	0.0
Non-prioritized decision items	1	0	1	0	0	0.0
<b>TOTAL</b>	<b>\$164,290</b>	<b>\$74,569</b>	<b>\$88,239</b>	<b>\$44</b>	<b>\$1,438</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$546</b>	<b>\$844</b>	<b>(\$659)</b>	<b>(\$30)</b>	<b>\$391</b>	<b>0.0</b>
Percentage Change	0.3%	1.1%	(0.7%)	(40.5%)	37.3%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$164,290</b>	<b>\$74,569</b>	<b>\$88,239</b>	<b>\$44</b>	<b>\$1,438</b>	<b>0.0</b>



EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAID FAMILY MEDICAL LEAVE INSURANCE [NEW LINE ITEM]**

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

*REQUEST:* The Department requests an appropriation of \$232,817 total funds including \$105,511 General Fund and \$125,210 Cash Funds.

*RECOMMENDATION:* Staff **recommends approval of this request**, in accordance with the Committee’s decision regarding compensation common policies.

**S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT**

This line item provides funding for an amortization payment to increase the funded status of the Public Employees' Retirement Association (PERA).

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

*REQUEST:* The Department requests an appropriation of \$5,173,740 total funds, including \$2,344,687 General Fund, \$2,782,485 cash funds, \$1,394 reappropriated funds, and \$45,174 federal funds.

*RECOMMENDATION:* Staff recommends appropriating \$5,173,740 total funds, including \$2,344,687 General Fund, \$2,782,485 cash funds, \$1,394 reappropriated funds, and \$45,174 federal funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$4,819,110	\$1,997,077	\$2,786,870	\$2,322	\$32,841	0.0
<b>TOTAL</b>	<b>\$4,819,110</b>	<b>\$1,997,077</b>	<b>\$2,786,870</b>	<b>\$2,322</b>	<b>\$32,841</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$4,819,110	\$1,997,077	\$2,786,870	\$2,322	\$32,841	0.0
Centrally appropriated line items	354,587	347,610	(4,428)	(928)	12,333	0.0
Non-prioritized decision items	43	0	43	0	0	0.0
<b>TOTAL</b>	<b>\$5,173,740</b>	<b>\$2,344,687</b>	<b>\$2,782,485</b>	<b>\$1,394</b>	<b>\$45,174</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$354,630</b>	<b>\$347,610</b>	<b>(\$4,385)</b>	<b>(\$928)</b>	<b>\$12,333</b>	<b>0.0</b>
Percentage Change	7.4%	17.4%	(0.2%)	(40.0%)	37.6%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT**

This line item provides funding for an amortization payment to increase the funded status of the Public Employees' Retirement Association (PERA).

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

*REQUEST:* The Department requests an appropriation of \$5,173,740 total funds, including \$2,344,687 General Fund, \$2,782,485 cash funds, \$1,394 reappropriated funds, and \$45,174 federal funds.

The request includes annual SAED base adjustments and annualization of the following prior year budget actions:

- FY 2019-20 R1 GenTax Support Enhancements; and
- H.B. 20-1001 Nicotine Product Reg.

*RECOMMENDATION:* Staff recommends appropriating \$5,173,740 total funds, including \$2,344,687 General Fund, \$2,782,485 cash funds, \$1,394 reappropriated funds, and \$45,174 federal funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$4,819,110	\$1,997,077	\$2,786,870	\$2,322	\$32,841	0.0
<b>TOTAL</b>	<b>\$4,819,110</b>	<b>\$1,997,077</b>	<b>\$2,786,870</b>	<b>\$2,322</b>	<b>\$32,841</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$4,819,110	\$1,997,077	\$2,786,870	\$2,322	\$32,841	0.0
Centrally appropriated line items	354,587	347,610	(4,428)	(928)	12,333	0.0
Non-prioritized decision items	43	0	43	0	0	0.0
<b>TOTAL</b>	<b>\$5,173,740</b>	<b>\$2,344,687</b>	<b>\$2,782,485</b>	<b>\$1,394</b>	<b>\$45,174</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$354,630</b>	<b>\$347,610</b>	<b>(\$4,385)</b>	<b>(\$928)</b>	<b>\$12,333</b>	<b>0.0</b>
Percentage Change	7.4%	17.4%	(0.2%)	(40.0%)	37.6%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
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 an appropriation of \$2,719,963 total funds, including \$1,252,385 General Fund, \$1,462,451 cash funds, \$734 reappropriated funds, and \$4,393 federal funds.

*RECOMMENDATION:* Staff recommendation is pending Committee action on PERA Direct Distribution comeback to be presented by the Total Compensation analyst. Staff requests permission to make adjustments if necessary based on the Committee’s final action on total compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$2,256,397	\$919,342	\$1,320,330	\$1,104	\$15,621	0.0
<b>TOTAL</b>	<b>\$2,256,397</b>	<b>\$919,342</b>	<b>\$1,320,330</b>	<b>\$1,104</b>	<b>\$15,621</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$2,256,397	\$919,342	\$1,320,330	\$1,104	\$15,621	0.0
Annualize prior year legislation	502,106	227,901	269,676	136	4,393	0.0
Centrally appropriated line items	(38,540)	105,142	(127,555)	(506)	(15,621)	0.0
<b>TOTAL</b>	<b>\$2,719,963</b>	<b>\$1,252,385</b>	<b>\$1,462,451</b>	<b>\$734</b>	<b>\$4,393</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$463,566</b>	<b>\$333,043</b>	<b>\$142,121</b>	<b>(\$370)</b>	<b>(\$11,228)</b>	<b>0.0</b>
Percentage Change	20.5%	36.2%	10.8%	(33.5%)	(71.9%)	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$2,719,963</b>	<b>\$1,252,385</b>	<b>\$1,462,451</b>	<b>\$734</b>	<b>\$4,393</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**SALARY SURVEY**

This line item funds salary increases. Salary survey increases may include across-the-board increases, movement to minimum related to salary range adjustments, and specified classification increases.

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

*REQUEST:* The Department requests an appropriation of \$2,233,516 total funds, including \$881,868 General Fund, \$1,335,920 cash funds, \$1,035 reappropriated funds, and \$14,693 federal funds.

*RECOMMENDATION:* Staff recommends appropriating \$2,697,763 total funds, including \$1,071,541 General Fund, \$1,607,042 cash funds, \$1,263 reappropriated funds, and \$17,917 federal funds. **The staff recommendation is shown in the table below and reflects Committee common policy for a 3.0 percent salary survey increase.** Staff requests permission to make adjustments if necessary based on the Committee’s final action on total compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2020-21 APPROPRIATION</b>						
HB 20-1360 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2021-22 RECOMMENDED APPROPRIATION</b>						
FY 2020-21 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	2,697,763	1,071,541	1,607,042	1,263	17,917	0.0
<b>TOTAL</b>	<b>\$2,697,763</b>	<b>\$1,071,541</b>	<b>\$1,607,042</b>	<b>\$1,263</b>	<b>\$17,917</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,697,763</b>	<b>\$1,071,541</b>	<b>\$1,607,042</b>	<b>\$1,263</b>	<b>\$17,917</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2021-22 EXECUTIVE REQUEST</b>	<b>\$2,233,516</b>	<b>\$881,868</b>	<b>\$1,335,920</b>	<b>\$1,035</b>	<b>\$14,693</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$464,247)	(\$189,673)	(\$271,122)	(\$228)	(\$3,224)	0.0

PAID FAMILY MEDICAL LEAVE FUNDING [NEW LINE ITEM]

*STATUTORY AUTHORITY:* There is currently no statutory authority for this line item.

*REQUEST:* The Department requests an appropriation of \$143,618 total funds including \$54,368 General Fund and \$89,250 cash funds.

*RECOMMENDATION:* **The staff recommendation is pending.** Staff requests permission to make adjustments if necessary based on the Committee’s final action on Paid Family Medical Leave Funding policy.

SHIFT DIFFERENTIAL

This line item pays for the incremental costs associated with higher compensation rates for employees who work beyond regular working hours.

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

*REQUEST:* The Department requests an appropriation of \$123,194 cash funds, including adjustments for non-prioritized and centrally appropriated line items.

*RECOMMENDATION:* Staff recommends appropriating \$123,194 cash funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHIFT DIFFERENTIAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$102,026	\$0	\$102,026	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$102,026</b>	<b>\$0</b>	<b>\$102,026</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$102,026	\$0	\$102,026	\$0	\$0	0.0
Non-prioritized decision items	24,055	0	24,055	0	0	0.0
Centrally appropriated line items	(2,887)	0	(2,887)	0	0	0.0
<b>TOTAL</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$21,168</b>	<b>\$0</b>	<b>\$21,168</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.7%	0.0%	20.7%	0.0%	0.0%	0.0%

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHIFT DIFFERENTIAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**WORKERS' COMPENSATION**

This line item pays the Department's estimated share for inclusion in the State's worker's compensation program for state employees.

*STATUTORY AUTHORITY:* Section 24-30-150.7, C.R.S.

*REQUEST:* The Department requests an appropriation of \$349,194 total funds, including \$132,191 General Fund, and \$217,003 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$487,491 total funds. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$544,854	\$207,799	\$337,055	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$544,854</b>	<b>\$207,799</b>	<b>\$337,055</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$544,854	\$207,799	\$337,055	\$0	\$0	0.0
Centrally appropriated line items	(57,363)	(21,877)	(35,486)	0	0	0.0
<b>TOTAL</b>	<b>\$487,491</b>	<b>\$185,922</b>	<b>\$301,569</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$57,363)</b>	<b>(\$21,877)</b>	<b>(\$35,486)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(10.5%)	(10.5%)	(10.5%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$349,194</b>	<b>\$132,191</b>	<b>\$217,003</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$138,297)	(\$53,731)	(\$84,566)	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds operating expenses for the Executive Director's Office, including office supplies and materials, telecommunications, travel, training, printing, variable vehicle expenses including maintenance, fuel and insurance for the Department's assigned fleet vehicles, information technology updates and equipment maintenance and replacement, and capital outlay.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,399,974 total funds, including \$2,216,377 General Fund and \$1,159,747 cash funds.

The request includes annualization adjustments for the following:

- S.B. 21-276 Fund Electronic Third Party Transactions

The request includes the fiscal impact of two of the Department’s FY 2022-23 change requests:

- R3 - Lease space savings and remote work,
- R4 - Operational fund realignment

**RECOMMENDATION: Staff recommends approving the request.** Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,248,139	\$2,098,377	\$1,149,762	\$0	\$0	0.0
Other legislation	\$44,625	\$44,625	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,292,764</b>	<b>\$2,143,002</b>	<b>\$1,149,762</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$3,292,764	\$2,143,002	\$1,149,762	\$0	\$0	0.0
R3 Lease space savings	109,000	109,000	0	0	0	0.0
Non-prioritized decision items	23,850	0	0	23,850	0	0.0
R4 Operational funding realignment	17,500	9,000	8,500	0	0	0.0
Annualize prior year legislation	(43,140)	(44,625)	1,485	0	0	0.0
<b>TOTAL</b>	<b>\$3,399,974</b>	<b>\$2,216,377</b>	<b>\$1,159,747</b>	<b>\$23,850</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$107,210</b>	<b>\$73,375</b>	<b>\$9,985</b>	<b>\$23,850</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.3%	3.4%	0.9%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$3,399,974</b>	<b>\$2,216,377</b>	<b>\$1,159,747</b>	<b>\$23,850</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**POSTAGE**

Due to the volume of mail that it handles, the Department operates its own mail center. The Department mails a wide variety of items to taxpayers and licensees, including tax forms, motor vehicle titles, driver license renewal applications, reminders, bill, refund warrants, inquiries, licenses, hearing notices, tax booklets, and other miscellaneous documents. This line item was added in FY 2014-15.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$152,880 total funds.

The request includes an annualization adjustment for the FY 2019-20 R4 DMV Driver's License Documents budget item.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, POSTAGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$97,272	\$52,165	\$45,107	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$97,272</b>	<b>\$52,165</b>	<b>\$45,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$97,272	\$52,165	\$45,107	\$0	\$0	0.0
Annualize prior year budget actions	55,608	0	55,608	0	0	0.0
<b>TOTAL</b>	<b>\$152,880</b>	<b>\$52,165</b>	<b>\$100,715</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$55,608</b>	<b>\$0</b>	<b>\$55,608</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	57.2%	0.0%	123.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$152,880</b>	<b>\$52,165</b>	<b>\$100,715</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**LEGAL SERVICES**

This line item provides funding for the Department to purchase legal services from the Department of Law.

*STATUTORY AUTHORITY:* Section 24-31-101, C.R.S.

*REQUEST:* The Department requests an appropriation of \$5,858,855 total funds, including \$2,903,333 General Fund and \$2,955,522 cash funds.

*RECOMMENDATION* The staff recommendation is **pending** the Committee common policy decision for this line item. Staff requests permission to adjust line item to reflect final Committee action on common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$4,708,158	\$2,362,267	\$2,345,891	\$0	\$0	0.0
Other legislation	\$186,095	\$47,853	\$138,242	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,894,253</b>	<b>\$2,410,120</b>	<b>\$2,484,133</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$4,894,253	\$2,410,120	\$2,484,133	\$0	\$0	0.0
Centrally appropriated line items	964,602	541,066	423,536	0	0	0.0
Annualize prior year legislation	0	(47,853)	47,853	0	0	0.0
<b>TOTAL</b>	<b>\$5,858,855</b>	<b>\$2,903,333</b>	<b>\$2,955,522</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$964,602</b>	<b>\$493,213</b>	<b>\$471,389</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	19.7%	20.5%	19.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$5,858,855</b>	<b>\$2,903,333</b>	<b>\$2,955,522</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ADMINISTRATIVE LAW JUDGE SERVICES

This line item provides funding for the Department to purchase Administrative Law Judge services from the Office of Administrative Courts in the Department of Personnel.

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

*REQUEST:* The Department requests an appropriation of \$311 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$322 cash funds. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$12,770	\$0	\$12,770	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$12,770</b>	<b>\$0</b>	<b>\$12,770</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$12,770	\$0	\$12,770	\$0	\$0	0.0
Centrally appropriated line items	(12,448)	0	(12,448)	0	0	0.0
<b>TOTAL</b>	<b>\$322</b>	<b>\$0</b>	<b>\$322</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>						
Percentage Change	(97.5%)	0.0%	(97.5%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$311</b>	<b>\$0</b>	<b>\$311</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$11)	\$0	(\$11)	\$0	\$0	0.0

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

This line item provides funding for the Department's share of liability and property insurance from Risk Management in the Department of Personnel.

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

*REQUEST:* The Department requests an appropriation of \$757,554 total funds including \$286,782 General Fund and \$470,772 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$617,678 total funds, including \$235,556 General Fund, and \$382,122 cash funds. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$425,411	\$162,245	\$263,166	\$0	\$0	0.0



EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$425,411</b>	<b>\$162,245</b>	<b>\$263,166</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$425,411	\$162,245	\$263,166	\$0	\$0	0.0
Centrally appropriated line items	186,375	71,080	115,295	0	0	0.0
Non-prioritized decision items	5,892	2,231	3,661	0	0	0.0
<b>TOTAL</b>	<b>\$617,678</b>	<b>\$235,556</b>	<b>\$382,122</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$192,267</b>	<b>\$73,311</b>	<b>\$118,956</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	45.2%	45.2%	45.2%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$757,554</b>	<b>\$286,782</b>	<b>\$470,772</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$139,876	\$51,226	\$88,650	\$0	\$0	0.0

**VEHICLE LEASE PAYMENTS**

This line item provides funding for payments to Fleet Management in the Department of Personnel for the cost of lease-purchase payments for Department vehicles.

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

*REQUEST:* The Department requests an appropriation of \$738,765 total funds, including \$103,731 General Fund and \$635,034 cash funds.

The request includes a common policy base adjustment and an annualization for the following bill:

- S.B. 21-082 Alcohol Beverage Festival

*RECOMMENDATION:* Staff recommends appropriating \$715,736 total funds, including \$100,155 General Fund, and \$615,581 cash funds. The recommendation reflects Committee action on common policies.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$838,511	\$130,204	\$708,307	\$0	\$0	0.0
Other legislation	\$35,370	\$0	\$35,370	\$0	\$0	0.0
HB22-1181 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$873,881</b>	<b>\$130,204</b>	<b>\$743,677</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$873,881	\$130,204	\$743,677	\$0	\$0	0.0
Annualize prior year legislation	35,370	0	35,370	0	0	0.0
Non-prioritized decision items	(193,515)	(30,049)	(163,466)	0	0	0.0
<b>TOTAL</b>	<b>\$715,736</b>	<b>\$100,155</b>	<b>\$615,581</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$158,145)</b>	<b>(\$30,049)</b>	<b>(\$128,096)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(18.1%)	(23.1%)	(17.2%)	0.0%	0.0%	0.0%

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$738,765</b>	<b>\$103,731</b>	<b>\$635,034</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$23,029	\$3,576	\$19,453	\$0	\$0	0.0

**LEASED SPACE**

This line item funds leasing costs for more than 80 office locations throughout the state, mostly for Driver's License Offices and State Lottery Offices.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$6,649,699 total funds, including \$480,592 General Fund and \$6,169,107 cash funds.

The request includes the Department's R3, Lease Space Savings and Remote Work, FY 2022-23 budget request item.

*RECOMMENDATION:* Staff recommends appropriating \$6,649,699 total funds, including \$480,592 General Fund and \$6,169,107 cash funds. The recommendation includes approval of R3. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$6,973,403	\$1,016,711	\$5,956,692	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,973,403</b>	<b>\$1,016,711</b>	<b>\$5,956,692</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$6,973,403	\$1,016,711	\$5,956,692	\$0	\$0	0.0
Centrally appropriated line items	233,490	21,075	212,415	0	0	0.0
R3 Lease space savings	(557,194)	(557,194)	0	0	0	0.0
<b>TOTAL</b>	<b>\$6,649,699</b>	<b>\$480,592</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$323,704)</b>	<b>(\$536,119)</b>	<b>\$212,415</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(4.6%)	(52.7%)	3.6%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$6,649,699</b>	<b>\$480,592</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**CAPITOL COMPLEX LEASED SPACE**

This line item pays for the Department's share of costs for space in the Department of Personnel's, Capitol Complex property management program.

*STATUTORY AUTHORITY:* Section 24-30-1104 (4), C.R.S.

*REQUEST:* The Department requests an appropriation of \$874,505 total funds, including \$331,053 General Fund and \$543,452 cash funds.

The request includes common policy base adjustments, which includes the Department vacating the Capitol Annex building in the Capitol Complex.

*RECOMMENDATION:* Staff recommends appropriating \$974,769 total funds, including \$363,304 General Fund, and \$611,465 cash funds. The recommendation reflects Committee action on common policies.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CAPITOL COMPLEX LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$902,495	\$336,367	\$566,128	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$902,495</b>	<b>\$336,367</b>	<b>\$566,128</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$902,495	\$336,367	\$566,128	\$0	\$0	0.0
Centrally appropriated line items	72,274	26,937	45,337	0	0	0.0
<b>TOTAL</b>	<b>\$974,769</b>	<b>\$363,304</b>	<b>\$611,465</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$72,274</b>	<b>\$26,937</b>	<b>\$45,337</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	8.0%	8.0%	8.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$874,505</b>	<b>\$331,053</b>	<b>\$543,452</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$100,264)	(\$32,251)	(\$68,013)	\$0	\$0	0.0

**PAYMENTS TO OIT**

This line item represents payments to the Governor’s Office of Information Technology for information technology services.

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

*REQUEST:* The Department requests an appropriation of \$11,159,877 total funds.

The request includes an OIT base adjustment request, an OIT non-prioritized request, and the Department's NP2 request.

*STAFF RECOMMENDATION:* The base appropriation adjustment is **pending** the Committee common policy decision for this line item. The OIT non-prioritized request is also pending. Staff requests permission to include adjustments based on Committee action. Requested adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB21-205 (Long Bill)	\$7,778,626	\$7,147,700	\$630,926	\$0	\$0	0.0
Other legislation	\$30,000	\$30,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$7,808,626</b>	<b>\$7,177,700</b>	<b>\$630,926</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$7,808,626	\$7,177,700	\$630,926	\$0	\$0	0.0
Centrally appropriated line items	2,365,283	903,479	1,461,804	0	0	0.0
R1 DMV drives system support	1,351,240	0	1,351,240	0	0	0.0
Non-prioritized decision items	(335,272)	(335,272)	0	0	0	0.0
Annualize prior year legislation	(30,000)	(30,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$11,159,877</b>	<b>\$7,715,907</b>	<b>\$3,443,970</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,351,251</b>	<b>\$538,207</b>	<b>\$2,813,044</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	42.9%	7.5%	445.9%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$11,159,877</b>	<b>\$7,715,907</b>	<b>\$3,443,970</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$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 an appropriation of \$1,658,640 total funds, including \$627,897 General Fund and \$1,030,743 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$1,680,683 total funds, including \$640,985 General Fund, and \$1,039,698 cash funds. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$987,111	\$376,468	\$610,643	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$987,111</b>	<b>\$376,468</b>	<b>\$610,643</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$987,111	\$376,468	\$610,643	\$0	\$0	0.0
Centrally appropriated line items	693,572	264,517	429,055	0	0	0.0
<b>TOTAL</b>	<b>\$1,680,683</b>	<b>\$640,985</b>	<b>\$1,039,698</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$693,572</b>	<b>\$264,517</b>	<b>\$429,055</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	70.3%	70.3%	70.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,658,640</b>	<b>\$627,897</b>	<b>\$1,030,743</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	(\$22,043)	(\$13,088)	(\$8,955)	\$0	\$0	0.0

**UTILITIES**

This line item provides funding to support the cost of utilities at the Department's state-owned facilities that include driver's license offices and gaming offices.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$83,703 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$83,703 cash funds.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, UTILITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(B) HEARINGS DIVISION**

This division conducts hearings in a variety of areas including driver's license suspensions, revocations, probationary licenses, cancellation or denial of medical and physical disability, habitual traffic offenders, horse and dog racing licenses, and other actions that affect the licensing rights of citizens. The division also provides computer support and data analysis for public awareness programs related to traffic safety. Starting in FY 2016-17 the Hearings Division budget moved from the Enforcement Division to the Executive Director's Office.

**PERSONAL SERVICES**

This line item pays for the program staff, benefits, and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 42-2-132, and 12-6-123, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,795,124 cash funds and 33.3 FTE.

The request includes the Department's R6 - Appropriate Funding Stream, request item.

*RECOMMENDATION:* Staff recommends appropriating \$2,795,124 cash funds and 33.3 FTE. The recommendation includes approval of R6. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$2,503,848	\$0	\$2,503,848	\$0	\$0	33.3
<b>TOTAL</b>	<b>\$2,503,848</b>	<b>\$0</b>	<b>\$2,503,848</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$2,503,848	\$0	\$2,503,848	\$0	\$0	33.3
Technical adjustments	266,310	0	266,310	0	0	0.0
Annualize prior year budget actions	64,966	0	64,966	0	0	0.0
R6 Refinance HB 21-1314	(40,000)	0	(40,000)	0	0	0.0
<b>TOTAL</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$291,276</b>	<b>\$0</b>	<b>\$291,276</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	11.6%	0.0%	11.6%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Sections 42-2-132, 12-6-123, and 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$110,412 cash funds.

The request includes an annualization adjustment for H.B. 20-1001 Nicotine Product Reg.

*RECOMMENDATION:* Staff recommends appropriating \$110,412 cash funds. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$110,412	\$0	\$110,412	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$110,412	\$0	\$110,412	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

This line item reflects the indirect cost assessment for this program, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$259,689 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$259,689 cash funds, consistent with the Department's indirect cost plan.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$253,913	\$0	\$253,913	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$253,913</b>	<b>\$0</b>	<b>\$253,913</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$253,913	\$0	\$253,913	\$0	\$0	0.0
Centrally appropriated line items	5,776	0	5,776	0	0	0.0
<b>TOTAL</b>	<b>\$259,689</b>	<b>\$0</b>	<b>\$259,689</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$5,776</b>	<b>\$0</b>	<b>\$5,776</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.3%	0.0%	2.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$259,689</b>	<b>\$0</b>	<b>\$259,689</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (2) THE TAXATION BUSINESS GROUP

The Taxation Business Group is charged with the collection, administration, audit, and enforcement responsibilities pertaining to all taxes, fees, bonds, and licenses covered under Colorado’s tax laws. The business group is directed by an administrative section. Senior management, policy-making, and budgetary support for the division are contained in this section. This division is primarily funded with General Fund, but does receive some funding from the Highway Users Tax Fund (HUTF) and federal programs.

TAXATION BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 Appropriation</b>						
SB21-205 (Long Bill)	\$102,972,830	\$98,575,827	\$3,227,503	\$317,368	\$852,132	423.4
Other legislation	1,888,755	1,888,755	0	0	0	9.1
<b>TOTAL</b>	<b>\$104,861,585</b>	<b>\$100,464,582</b>	<b>\$3,227,503</b>	<b>\$317,368</b>	<b>\$852,132</b>	<b>432.5</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$104,861,585	\$100,464,582	\$3,227,503	\$317,368	\$852,132	432.5
R4 Operational funding realignment	(835,876)	(835,876)	0	0	0	(13.0)
Centrally appropriated line items	(124,792)	(86,769)	(38,023)	0	0	0.0
Annualize prior year budget actions	850,298	810,888	39,410	0	0	0.0
Technical adjustments	4,824,583	4,829,978	(5,395)	0	0	0.0
Annualize prior year legislation	212,829	212,829	0	0	0	17.1
<b>TOTAL</b>	<b>\$109,788,627</b>	<b>\$105,395,632</b>	<b>\$3,223,495</b>	<b>\$317,368</b>	<b>\$852,132</b>	<b>436.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$4,927,042</b>	<b>\$4,931,050</b>	<b>(\$4,008)</b>	<b>\$0</b>	<b>\$0</b>	<b>4.1</b>
Percentage Change	4.7%	4.9%	(0.1%)	0.0%	0.0%	0.9%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(\$4,404,875)	(\$4,404,875)	\$0	\$0	\$0	(0.0)

### DECISION ITEMS – THE TAXATION BUSINESS GROUP (NONE)

The Department did not submit any decision items solely affecting this division. Changes requested in R4 are discussed under decision items impacting multiple divisions.

### LINE ITEM DETAIL - TAXATION BUSINESS GROUP

#### (A) ADMINISTRATION

##### PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.*, and 24-35-101, *et seq.*, C.R.S.



*REQUEST:* The Department requests an appropriation of \$578,260 total funds, including \$558,467 General Fund and \$19,793 cash funds, and 5.0 FTE.

*RECOMMENDATION:* Staff recommends appropriating \$578,260 total funds, including \$558,467 General Fund and \$19,793 cash funds, and 5.0 FTE. Adjustments are outlined in the following table.

TAXATION BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$567,667	\$542,905	\$24,762	\$0	\$0	5.0
<b>TOTAL</b>	<b>\$567,667</b>	<b>\$542,905</b>	<b>\$24,762</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$567,667	\$542,905	\$24,762	\$0	\$0	5.0
Annualize prior year budget actions	10,594	10,168	426	0	0	0.0
Technical adjustments	(1)	5,394	(5,395)	0	0	0.0
<b>TOTAL</b>	<b>\$578,260</b>	<b>\$558,467</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$10,593</b>	<b>\$15,562</b>	<b>(\$4,969)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.9%	2.9%	(20.1%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$578,260</b>	<b>\$558,467</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds general office expenses and the Group's share of a high volume printer that is capable of producing the forms and mass billings that the Group requires.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$12,543 General Fund.

*RECOMMENDATION:* Staff recommends appropriating \$12,543 General Fund.

**TAX ADMINISTRATION IT SYSTEM (GEN'TAX) SUPPORT**

This line item provides funding for the managed services contract that supports and maintains the Department's GenTax software tax collection and administration system. The GenTax software is the culmination of the Colorado Integrated Tax Architecture (CITA) project, a five-phase project to replace the Department of Revenue's tax collection systems. The project received \$53.6 million of capital construction funding.

*STATUTORY AUTHORITY:* Section 24-35-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$6,463,171 total funds, including \$6,445,279 General Fund and \$17,892 cash funds

The request includes the following annualization and technical adjustments:

- H.B. 21-1002 Reductions Certain Taxpayers;

- H.B. 20-1024 Net Operating Loss Deduction;
- S.B. 20-055 Incentivize Development Recycling;
- S.B. 21-154 Suicide Prevention Lifeline Network;
- H.B. 19-1159 Modify Motor Vehicle Income;
- S.B. 21-199 Remove Barriers to Certain Public;
- H.B. 21-1233 Conservation Easement Modification;
- H.B. 20-1236 Health Care Coverage;
- H.B. 21-260 Sustainability of Transportation;
- H.B. 21-1311 Income Tax Bill for FY2022;
- H.B. 21-1312 Insurance Premium Property;
- H.B. 21-1327 State and Local Tax Parity;
- H.B. 20-1420 Adjust Tax Expenditures;
- A GenTax – FAST Enterprises Contract Escalator.

*RECOMMENDATION:* Staff recommends appropriating \$6,463,171 total funds, including \$6,445,279 General Fund and \$17,892 cash funds. Adjustments are outlined in the following table.

TAXATION BUSINESS GROUP, ADMINISTRATION, TAX ADMINISTRATION IT SYSTEM (GENTAX) SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$5,968,950	\$5,951,058	\$17,892	\$0	\$0	0.0
Other legislation	\$903,176	\$903,176	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,872,126</b>	<b>\$6,854,234</b>	<b>\$17,892</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$6,872,126	\$6,854,234	\$17,892	\$0	\$0	0.0
Technical adjustments	174,348	174,348	0	0	0	0.0
Annualize prior year legislation	(583,303)	(583,303)	0	0	0	0.0
<b>TOTAL</b>	<b>\$6,463,171</b>	<b>\$6,445,279</b>	<b>\$17,892</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$408,955)</b>	<b>(\$408,955)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(6.0%)	(6.0%)	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### IDS PRINT PRODUCTION

This new line item provides funding for consolidated printing and mail services provided by Integrated Document Solutions in the Department of Personnel. This item was requested as a non-prioritized request by the Department of Revenue. The Committee approved the Department of Personnel's request for this item at the appropriation included in the recommendation.

Savings across affected line items in the Department total \$3.9 million General Fund and \$342,559 cash funds for this item approved for a first-year appropriation of \$4.6 million General Fund in this new line item. The NP2 Printing and Mail Migration to Integrated Document Solutions request item narrative states that "the costs associated with the transfer will require a minor increase in

appropriations at the Department of Revenue in the first year." In the narrative, the out-year appropriation is identified as \$3.9 million.

*STATUTORY AUTHORITY:* Sections 24-30-1104 and 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$4,971,755 General Fund.

*RECOMMENDATION:* Staff recommends appropriating \$9,376,630 General Fund consistent with Committee operating common policy. Adjustments are outlined in the following table.

TAXATION BUSINESS GROUP, ADMINISTRATION, IDS PRINT PRODUCTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$4,624,048	\$4,624,048	\$0	\$0	\$0	0.0
Other legislation	\$104,824	\$104,824	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,728,872</b>	<b>\$4,728,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$4,728,872	\$4,728,872	\$0	\$0	\$0	0.0
Technical adjustments	4,650,236	4,650,236	0	0	0	0.0
Annualize prior year legislation	(2,478)	(2,478)	0	0	0	0.0
<b>TOTAL</b>	<b>\$9,376,630</b>	<b>\$9,376,630</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$4,647,758</b>	<b>\$4,647,758</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	98.3%	98.3%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$4,971,755</b>	<b>\$4,971,755</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$4,404,875)	(\$4,404,875)	\$0	\$0	\$0	0.0

## (B) TAXATION SERVICES

The Taxation and Compliance Division utilizes various methods to assist in the collection of monies due the State including: filing bankruptcy claims; recording and releasing tax liens and judgments; garnishment of wages and bank accounts; income tax distraint warrants; resolution of taxpayer disputes; and the utilization of private collection agencies. The Division also audits or examines Colorado tax returns both at the Department through its Discovery Program and at business locations through its Field Audit program. Audits are also conducted for the purpose of ascertaining whether royalties have been properly submitted to the State from operating and royalty mineral interests in Colorado.

This division conducts more than 7,000 field audits each year, primarily for retail sales tax, consumer use tax, corporate income tax, and mineral royalties. Tax agents are located in Denver and in six district offices around Colorado, as well as out-of-state offices located in the New York City metro area, Chicago, Houston, Dallas, Los Angeles, and San Francisco. The Division also manages the Joint Audit Program, the Joint Federal/State Motor Fuel Tax program and the Mineral Audit Program.

The Taxpayer Service Division (TPS) administers the State's tax programs and provides assistance and information to Colorado taxpayers. The Division maintains five service centers in Colorado Springs,

Denver, Fort Collins, Grand Junction, and Pueblo, as well as a tax information call center. The Division produces public information campaigns, administers tax classes to promote voluntary compliance, and distributes information to the public to explain the State's tax laws and policies. TPS also issues licenses and permits, processes tax forms and requests for refunds, resolves taxpayer problems, and intercepts income tax refunds for payment of debts owed to other State agencies and the Internal Revenue Service.

The Division also collects local sales taxes on behalf of non-home-rule cities, counties, and special districts. The division administers the property tax/rent heat/fuel grant program; severance taxes; the gasoline, special fuel, and aviation fuel environmental response surcharge; the International Fuel Tax Agreement; cigarette, tobacco, liquor and marijuana excise taxes; public utility assessments; and food service licensing.

### PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Prior to consolidation, the Seasonal Tax Processing line item was added in FY 2014-15 and funds the seasonal processing expenses that occur during the individual income tax filing season.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.*, and 24-35-101 *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$30,752,551 total funds including \$29,333,647 General Fund, \$1,264,819 cash funds, and \$154,085 reappropriated funds, and 405.6 FTE.

*RECOMMENDATION:* Staff recommends appropriating \$30,802,998 total funds, including \$29,384,094 General Fund, \$1,264,819 cash funds, and \$154,085 reappropriated funds, and 406.3 FTE. The recommendation includes approval of the Department's R4 request, Operational Funding Realignment, which is a net-zero organizational restructuring which includes moving \$826,876 and 13.0 FTE from the GenTax System Support Office to the Executive Director's Office.

Additionally, The FY 2021-22 Long Bill included a format change that restructured appropriations for the Taxation Business Group. The Department requested this format change to consolidate appropriations from the Taxation and Compliance Division and the Taxpayer Service Division into a consolidated Taxation Services subdivision.

House Bill 21-1002 (Reductions certain taxpayers' income tax liability) included \$50,447 General Fund appropriations to the Department of Revenue for FY 2021-22 that were not consistent with the new Long Bill format. The Department requested, and staff recommends, maintaining these appropriations for FY 2022-23. However, staff's recommendation relocates these appropriations to the corresponding line items in the Taxation Services subdivision. Adjustments are outlined in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$29,402,046	\$28,019,213	\$1,228,748	\$154,085	\$0	393.1
Other legislation	\$750,285	\$750,285	\$0	\$0	\$0	9.1
<b>TOTAL</b>	<b>\$30,152,331</b>	<b>\$28,769,498</b>	<b>\$1,228,748</b>	<b>\$154,085</b>	<b>\$0</b>	<b>402.2</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$30,152,331	\$28,769,498	\$1,228,748	\$154,085	\$0	402.2
Annualize prior year budget actions	837,574	801,516	36,058	0	0	0.0
Annualize prior year legislation	639,956	639,956	0	0	0	17.1
Centrally appropriated line items	13	0	13	0	0	0.0
R4 Operational funding realignment	(826,876)	(826,876)	0	0	0	(13.0)
<b>TOTAL</b>	<b>\$30,802,998</b>	<b>\$29,384,094</b>	<b>\$1,264,819</b>	<b>\$154,085</b>	<b>\$0</b>	<b>406.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$650,667</b>	<b>\$614,596</b>	<b>\$36,071</b>	<b>\$0</b>	<b>\$0</b>	<b>4.1</b>
Percentage Change	2.2%	2.1%	2.9%	0.0%	0.0%	1.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$30,752,551</b>	<b>\$29,333,647</b>	<b>\$1,264,819</b>	<b>\$154,085</b>	<b>\$0</b>	<b>405.6</b>
Request Above/(Below) Recommendation	(\$50,447)	(\$50,447)	\$0	\$0	\$0	(0.7)

**OPERATING EXPENSES**

This line item funds the out-of-state travel needs of senior auditors, as well as providing the general office expenses for the subdivision and the expenses of five programs: Office Collection; Office Audit; Protest Resolution; Field Compliance; and Field Audit. A large expenditure in this line is for transaction fees (which are capped at \$13,000 per month) for the automated call system. These fees are assessed per interactive voice response system call and web hits. It also funds general office supplies and expenses.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,381,050 total funds, including \$3,362,117 General Fund and \$18,933 cash funds.

The request includes the transfer of operating expenses appropriations from the Taxation Business Group to the Executive Director’s Office, as included in the Department’s R4 request item.

*RECOMMENDATION:* Staff recommends appropriating \$3,381,050 total funds, including \$3,362,117 General Fund and \$18,933 cash funds. The recommendation includes approval of the Department’s R4 request, Operational Funding Realignment, which is a net-zero organizational restructuring which includes moving \$9,000 General Fund from the Taxation Business Group to the Executive Director’s Office. Adjustments are outline in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,335,375	\$3,316,442	\$18,933	\$0	\$0	0.0

TAXATION BUSINESS GROUP, TAXATION SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Other legislation	\$130,470	\$130,470	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,465,845</b>	<b>\$3,446,912</b>	<b>\$18,933</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$3,465,845	\$3,446,912	\$18,933	\$0	\$0	0.0
Annualize prior year legislation	(46,080)	(46,080)	0	0	0	0.0
Annualize prior year budget actions	(29,715)	(29,715)	0	0	0	0.0
R4 Operational funding realignment	(9,000)	(9,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,381,050</b>	<b>\$3,362,117</b>	<b>\$18,933</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$84,795)</b>	<b>(\$84,795)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(2.4%)	(2.5%)	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$3,381,050</b>	<b>\$3,362,117</b>	<b>\$18,933</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### JOINT AUDIT PROGRAM

This line item, previously included in the Taxation and Compliance Division, provides funding for the state's membership in the Multi-State Tax Commission (MTC). The MTC conducts audits on out-of-state businesses, which complements the Department's efforts in the Field Audit Program. The Department has had a partnership with the MTC for over 20 years.

*STATUTORY AUTHORITY:* Section 24-35-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$131,244 General Fund.

*RECOMMENDATION:* Staff recommends appropriating \$131,244 General Fund.

### MINERAL AUDIT PROGRAM

This line item, previously located in the Taxation and Compliance Division, provides funding for the Mineral Audit Program. Pursuant to Section 24-35-115, C.R.S., the Department audits royalties associated with oil, gas, and mineral mining activity on federal, state, and private land. Audits are conducted by a work group in the Department, which statutorily can have no other duties. The majority of the funding comes from the federal government, with the remainder from the State Land Board and the Oil and Gas Conservation Commission (OGCC), both in the Department of Natural Resources. Federal funds are from the Federal Minerals Management Service (MMS) as the Department conducts audits on their behalf on lands under federal control.

*STATUTORY AUTHORITY:* Section 24-35-115, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$918,132 total funds, including \$66,000 reappropriated funds and \$852,132 federal funds, and 10.2 FTE. The reappropriated funds are comprised of \$65,500 from the State Land Board and \$500 from the Oil and Gas Conservation Commission.

*RECOMMENDATION:* Staff recommends appropriating \$918,132 total funds, including \$66,000 reappropriated funds and \$852,132 federal funds, and 10.2 FTE.

**DOCUMENT MANAGEMENT**

This line item, previously located in the Taxpayer Service Division, provides funding for the data entry services provided by the Department of Personnel to capture information from paper tax forms and from driver's license documentation, and image and store tax returns and related documentation primarily for audit purposes, account error resolutions, or taxpayer requests and inquiries.

*STATUTORY AUTHORITY:* Sections 24-30-1104 and 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$4,714,433 General Fund.

*RECOMMENDATION:* Staff recommends approving the request. Adjustments from the prior fiscal year are outlined in the following table.

TAXATION BUSINESS GROUP, TAXATION SERVICES, DOCUMENT MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$4,634,987	\$4,596,468	\$38,519	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,634,987</b>	<b>\$4,596,468</b>	<b>\$38,519</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$4,634,987	\$4,596,468	\$38,519	\$0	\$0	0.0
Annualize prior year legislation	204,734	204,734	0	0	0	0.0
Centrally appropriated line items	(125,288)	(86,769)	(38,519)	0	0	0.0
<b>TOTAL</b>	<b>\$4,714,433</b>	<b>\$4,714,433</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$79,446</b>	<b>\$117,965</b>	<b>(\$38,519)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.7%	2.6%	(100.0%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$4,714,433</b>	<b>\$4,714,433</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**FUEL TRACKING SYSTEM**

This line item, previously located in the Taxpayer Service Division, funds the Fuel Tracking System. Pursuant to Section 39-27-109, C.R.S., the Department of Revenue tracks the movement of gasoline and special fuel with the goal of expediting the collection of excise taxes. Most funding provides an electronic tracking system maintained by a third party. Funding for this program is from the Highway Users Trust Fund (not from HUTF Off-the-Top), pursuant to Section 43-4-201 (3) (a) (V), C.R.S.

*STATUTORY AUTHORITY:* Section 39-27-109.7, C.R.S.

*REQUEST:* The Department requests an appropriation of \$504,071 total funds, including \$126 General Fund and \$503,945 cash funds and 1.5 FTE.

*RECOMMENDATION:* Staff recommends appropriating \$504,071 total funds, including \$126 General Fund and \$503,945 cash funds and 1.5 FTE. Adjustments from the prior fiscal year are outlined in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, FUEL TRACKING SYSTEM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$501,145	\$126	\$501,019	\$0	\$0	1.5
<b>TOTAL</b>	<b>\$501,145</b>	<b>\$126</b>	<b>\$501,019</b>	<b>\$0</b>	<b>\$0</b>	<b>1.5</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$501,145	\$126	\$501,019	\$0	\$0	1.5
Annualize prior year budget actions	2,926	0	2,926	0	0	0.0
<b>TOTAL</b>	<b>\$504,071</b>	<b>\$126</b>	<b>\$503,945</b>	<b>\$0</b>	<b>\$0</b>	<b>1.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,926</b>	<b>\$0</b>	<b>\$2,926</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.6%	0.0%	0.6%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$504,071</b>	<b>\$126</b>	<b>\$503,945</b>	<b>\$0</b>	<b>\$0</b>	<b>1.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$11,847 cash funds.

*RECOMMENDATION:* Staff recommends appropriating \$11,847 cash funds. Adjustments are outlined in the following table.

TAXATION BUSINESS GROUP, TAXATION SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$11,364	\$0	\$11,364	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$11,364</b>	<b>\$0</b>	<b>\$11,364</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$11,364	\$0	\$11,364	\$0	\$0	0.0
Centrally appropriated line items	483	0	483	0	0	0.0
<b>TOTAL</b>	<b>\$11,847</b>	<b>\$0</b>	<b>\$11,847</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$483</b>	<b>\$0</b>	<b>\$483</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>



TAXATION BUSINESS GROUP, TAXATION SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	4.3%	0.0%	4.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$11,847</b>	<b>\$0</b>	<b>\$11,847</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(C) TAX CONFEREE

The Tax Conferee serves as an intermediary in the hearing process and acts as the Executive Director’s official designee for tax hearings. These can include tax assessment disputes and refund denials. Employees in this unit conduct reviews, legal research, investigations, interviews, and negotiations. They also assist taxpayers in clarifying decisions. If a hearing with the Tax Conferee fails to achieve a successful resolution, then a formal hearing with the Executive Director is granted. Finally, if a feasible resolution is not attained, the aggrieved party may elevate the dispute to the judicial system. Under Section 29-2-106.1, C.R.S., Department staff may hear appeals of final decisions from home rule cities and counties.

PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Reappropriated funds in this line item are from the Governor's Economic Development Commission – General Economic Incentives and Marketing line item.

*STATUTORY AUTHORITY:* Sections 39-21-103, 39-21-104, 29-2-106.1, and 24-50-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,602,937 total funds, including \$1,505,654 General Fund and \$97,283 reappropriated funds, and 13.6 FTE.

*RECOMMENDATION:* Staff recommends an appropriation of \$1,602,937 total funds, including \$1,505,654 General Fund and \$97,283 reappropriated funds, and 13.6 FTE. Adjustments are outlined in the following table

TAXATION BUSINESS GROUP, TAX CONFEREE, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,574,018	\$1,476,735	\$0	\$97,283	\$0	13.6
<b>TOTAL</b>	<b>\$1,574,018</b>	<b>\$1,476,735</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,574,018	\$1,476,735	\$0	\$97,283	\$0	13.6
Annualize prior year budget actions	28,919	28,919	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,602,937</b>	<b>\$1,505,654</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$28,919</b>	<b>\$28,919</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.8%	2.0%	0.0%	0.0%	0.0%	0.0%

<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,602,937</b>	<b>\$1,505,654</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds subscriptions to legal research materials and phone charges, plus general office supplies and expenses.

*STATUTORY AUTHORITY:* Sections 39-21-103, 39-21-104, 29-2-106.1, and 24-35-105, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$60,905 General Fund.

*RECOMMENDATION:* Staff recommends appropriating \$60,905 General Fund.

**(D) SPECIAL PURPOSE**

This section of the Long Bill provides funding for five "pass-through" programs administered by the Department. The oversight costs are relatively small and are absorbed by other divisions within the Taxation Business Group.

**CIGARETTE TAX REBATE**

Pursuant to Section 39-22-623, C.R.S., this program distributes 27 percent of the gross state revenue from state cigarette tax to incorporated cities and towns that levy taxes and adopt formal budgets as well as to counties. These distributions are made in proportion to the state sales taxes collected in the jurisdiction to the total state sales taxes collected, which the Department of Revenue annually certifies to the State Treasurer. In order to qualify for the rebate, units of local government are prohibited from imposing fees, licenses, or taxes on cigarettes.

This appropriation is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S. and is included in the Long Bill for informational purposes.

*STATUTORY AUTHORITY:* Section 39-22-623, C.R.S.

*REQUEST:* The Department requests that \$8,686,720 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2022 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation included in the Long Bill.

**AMENDMENT 35 DISTRIBUTION TO LOCAL GOVERNMENTS**

House Bill 05-1262 implemented Amendment 35, passed by the voters in November 2004. Three percent of the total revenue and interest earned on proceeds deposited into the Tobacco Tax Cash Fund are earmarked for municipal and county governments to "compensate proportionately for tax Revenue reductions attributable to lower cigarette and tobacco sales resulting from implementation of the tax." This money is allocated to local governments according to the provisions set forth in Section 39-22-623, C.R.S. The Department of Revenue receives part of the 3 percent allocation to the General Fund (20%), the Old Age Pension Medical Fund (50%), and the Department of Revenue (30%).

This appropriation is authorized by Section 21 of Article X of the Colorado Constitution and thus, is not subject to the limitation on state fiscal year spending imposed by Section 20 of Article X of the State Constitution. The appropriation is included in the Long Bill for informational purposes.

*STATUTORY AUTHORITY:* Section 21, Article X, Colorado Constitution.

*REQUEST:* The Department requests an appropriation of \$1,265,742 cash funds from the Tobacco Tax Cash Fund. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation of \$1,265,742 cash funds, which represents Committee Action on Tobacco Revenue Allocation decisions. If the Committee makes any adjustments to the Tobacco Revenue Allocation, staff requests permission to reflect final action. Requested and recommended adjustments are outlined in the following table.

**OLD AGE HEAT AND FUEL AND PROPERTY TAX ASSISTANCE GRANT**

Pursuant to Sections 39-31-101 and 104, C.R.S., the Department distributes heat, fuel, and property tax assistance grants to qualified low-income individuals age 65 and over or disabled. This appropriation is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S. and is included in the Long Bill for informational purposes. Both the Governor’s Office of State Planning and Budgeting and Legislative Council often refer to this program as the "Aged Property Tax & Heating Credit".

*STATUTORY AUTHORITY:* Section 39-31-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests that \$6,327,420 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2022 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

**TAXATION BUSINESS GROUP, SPECIAL PURPOSE, OLD AGE HEAT AND FUEL AND PROPERTY TAX ASSISTANCE GRANT**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						

TAXATION BUSINESS GROUP, SPECIAL PURPOSE, OLD AGE HEAT AND FUEL AND PROPERTY TAX ASSISTANCE GRANT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB21-205 (Long Bill)	\$6,327,420	\$6,327,420	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,327,420</b>	<b>\$6,327,420</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$6,327,420	\$6,327,420	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,327,420</b>	<b>\$6,327,420</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$6,327,420</b>	<b>\$6,327,420</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**COMMERCIAL VEHICLE ENTERPRISE SALES TAX REFUND**

Section 42-1-225, C.R.S., requires the Department of Revenue to issue sales tax refunds for entities that paid sales taxes on qualified purchases or lease of commercial vehicles used for interstate commerce. The sales tax refund comes from the Commercial Vehicle Enterprise Tax Fund. Deposits into the cash fund are derived from a portion of the fines on overweight vehicles and pursuant to Section 42-1-225 (1), C.R.S., the fund is continuously appropriated to the Department of Revenue for the purpose of paying tax refunds.

*STATUTORY AUTHORITY:* Section 42-1-225, C.R.S.

*REQUEST:* The Department requests a continuation, informational appropriation of \$120,524 cash funds from the Commercial Vehicle Enterprise Tax Fund.

*RECOMMENDATION:* Staff recommends reflecting an informational appropriation of \$120,524 cash funds.

**RETAIL MARIJUANA SALES TAX DISTRIBUTION TO LOCAL GOVERNMENTS**

This line item was added in FY 2013-14. Section 39-28.8-203 (1)(a)(V), C.R.S., requires that money apportioned to local governments (15.0 percent of the special sales tax) as a result of the Proposition AA 10.0 percent special sales tax on retail marijuana products be included for informational purposes in the Long Bill or in supplemental appropriation bills. Statute provides that this funding is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S.

*STATUTORY AUTHORITY:* Section 39-28.8-203, C.R.S.

*REQUEST:* The Department requests that \$34,830,000 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2021 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

~~(E) TAXATION AND COMPLIANCE DIVISION~~

PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.*, and 24-35-101 *et seq.*, C.R.S.

*REQUEST:* The Department requested the elimination of this appropriation with a transfer of spending authority to the new Taxation Services subdivision's personal services line item. Other legislation remains \$14,805.

*RECOMMENDATION:* The FY 2021-22 Long Bill included a format change that restructured appropriations for the Taxation Business Group. The Department requested this format change to consolidate appropriations from the Taxation and Compliance Division and the Taxpayer Service Division into a consolidated Taxation Services subdivision.

House Bill 21-1002 (Reductions certain taxpayers' income tax liability) included appropriations to the Department of Revenue for FY 2021-22 that were not consistent with the new Long Bill format. The Department requested, and staff recommends, maintaining these appropriations for FY 2022-23. However, staff's recommendation relocates these appropriations to the corresponding line items in the Taxation Services subdivision.

TAXATION BUSINESS GROUP, TAXATION AND COMPLIANCE DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
Other legislation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$14,805</b>	<b>\$14,805</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

TAXATION BUSINESS GROUP, TAXATION AND COMPLIANCE DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$14,805	\$14,805	\$0	\$0	\$0	0.0

~~(F) TAXPAYER SERVICE DIVISION~~

PERSONAL SERVICES

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.*, and 24-35-101 *et seq.*, C.R.S.

*REQUEST:* The Department requested the elimination of this appropriation with a transfer of spending authority to the new Taxation Services subdivision's personal services line item. An annualization of other legislation remains \$35,642

*RECOMMENDATION:* The FY 2021-22 Long Bill included a format change that restructured appropriations for the Taxation Business Group. The Department requested this format change to consolidate appropriations from the Taxation and Compliance Division and the Taxpayer Service Division into a consolidated Taxation Services subdivision.

House Bill 21-1002 (Reductions certain taxpayers' income tax liability) included appropriations to the Department of Revenue for FY 2021-22 that were not consistent with the new Long Bill format. The Department requested, and staff recommends, maintaining these appropriations for FY 2022-23. However, staff's recommendation relocates these appropriations to the corresponding line items in the Taxation Services subdivision.

TAXATION BUSINESS GROUP, TAXPAYER SERVICE DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$0	\$0	\$0	\$0	\$0	(0.0)
Other legislation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(0.0)</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$0	\$0	\$0	\$0	\$0	(0.0)
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(0.0)</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$35,642</b>	<b>\$35,642</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.7</b>
Request Above/(Below) Recommendation	\$35,642	\$35,642	\$0	\$0	\$0	0.7

**(3) DIVISION OF MOTOR VEHICLES**

The Division of Motor Vehicles consists of Administration, Driver Services, and Vehicle Services sections. These sections are responsible for the enforcement and administration of the laws governing driver licensing and vehicle registration.

DIVISION OF MOTOR VEHICLES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 Appropriation</b>						
SB21-205 (Long Bill)	\$64,447,263	\$6,875,712	\$57,385,662	\$185,889	\$0	543.3
Other legislation	3,203,337	2,134,703	960,434	108,200	0	2.3
HB22-1181 (Supplemental Bill)	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$67,650,600</b>	<b>\$9,010,415</b>	<b>\$58,346,096</b>	<b>\$294,089</b>	<b>\$0</b>	<b>545.6</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$67,650,600	\$9,010,415	\$58,346,096	\$294,089	\$0	545.6
R1 DMV drives system support	1,274,707	0	1,274,707	0	0	11.0
R4 Operational funding realignment	(1,071,246)	0	(1,071,246)	0	0	(17.0)
R5 DMV safety expansion	179,720	0	179,720	0	0	0.0
R6 Refinance HB 21-1314	(100,000)	0	(100,000)	0	0	0.0
Centrally appropriated line items	(92,650)	0	(92,650)	0	0	0.0
Technical adjustments	(44,142)	100,463	(144,605)	0	0	0.0
Annualize prior year legislation	(1,439,031)	(1,799,278)	468,447	(108,200)	0	3.6
Annualize prior year budget actions	(751,877)	(2,359,666)	1,606,273	1,516	0	0.0
<b>TOTAL</b>	<b>\$65,606,081</b>	<b>\$4,951,934</b>	<b>\$60,466,742</b>	<b>\$187,405</b>	<b>\$0</b>	<b>543.2</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,044,519)</b>	<b>(\$4,058,481)</b>	<b>\$2,120,646</b>	<b>(\$106,684)</b>	<b>\$0</b>	<b>(2.4)</b>
Percentage Change	(3.0%)	(45.0%)	3.6%	(36.3%)	0.0%	(0.4%)
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$66,056,050</b>	<b>\$4,951,934</b>	<b>\$60,916,711</b>	<b>\$187,405</b>	<b>\$0</b>	<b>543.2</b>
Request Above/(Below) Recommendation	\$449,969	\$0	\$449,969	\$0	\$0	(0.0)

**DECISION ITEMS - DIVISION OF MOTOR VEHICLES****→ R5 DMV SAFETY EXPANSION**

*REQUEST:* The request includes an increase of \$179,720 in cash fund spending authority for the Division of Motor Vehicles (DMV) in FY 2022-23 and in subsequent years for security guards at four additional driver license offices. Currently, the DMV has thirty-seven driver's license offices, of which fourteen have existing security in place. The Department has identified four of the twenty-three remaining unsecured locations as high risk for altercations.

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

*ANALYSIS:* The R5 request aims to provide additional security resources to four DMV offices which currently do not have security officers in place at the offices. The Department has identified these offices as elevated risk, and noted that they have experienced an increase in disruptive behaviors which adversely impact DMV personnel as well as citizens conducting business at the DMV offices.

The table below shows incidents reported by DMV employees across all DMV offices over the previous five years. Note that medical incidents are the most frequently occurring type of incidents in offices, followed by threats. Also, although no clear trend is evident over this five-year period, the data does not capture the intensity of the incident nor the intervention required to remedy the situation.

DMV Office Incidents						
	2017	2018	2019	2020	2021	Total
Medical	10	15	36	22	26	109
Threat	7	20	24	17	22	90
Accident	8	13	21	1	0	43
Vandalism	4	9	3	4	3	23
Trespassing	0	7	5	6	1	19
Suspicious activity	0	5	7	3	2	17
Theft	0	6	4	2	2	14
Assault	1	1	0	1	0	3
Assault	1	1	0	1	0	3
Bomb threat	1	0	1	0	0	2
Suspicious package	0	2	0	0	0	2
Property damage	0	0	1	0	0	1
Fire	0	1	0	0	0	1
Burglary	0	0	1	0	0	1

The Department reports an increase in hostile and aggressive interactions with visitors to DMV offices who have been physically and verbally abusive towards DMV employees. DMV staff have repeatedly expressed to management and leadership the need to have a security presence in order to protect employees in the office as well as citizens conducting business at the DMV. The Department reports some of the following incidents at DMV offices which currently do not have security personnel on site.

- Groups of "First Amendment Auditors" (individuals who target government agencies, such as the DMV, in order to try and trigger employees while they film the interaction) who have become increasingly aggressive and do not respect personal distance requirements.
- Aggressive customers who have thrown objects at employees and made verbal threats to employees.
- An increasingly large homeless population camping near a DMV office. These individuals have become increasingly aggressive with staff when asked to move away from the office so as not to impede office business.



## LINE ITEM DETAIL - DIVISION OF MOTOR VEHICLES

## (A) ADMINISTRATION

The Administration subgroup includes the Senior Director, Deputy Director, administrative support staff, division financial staff, and the Investigations Unit. The Administration subgroup supports the administrative and financial management of all DMV operations. The Investigations Unit is responsible for conducting investigations on both driver and vehicle records. This unit is accountable for preserving and protecting the integrity of motor vehicle records by investigating and preventing fraud, ensuring statutory compliance, and providing victim advocacy. The unit is also responsible for all Exception Processing for Colorado residents who cannot meet the established requirements for driver licenses or identification cards.

## PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.* and 42-2-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,926,695 total funds, including \$584,878 General Fund, \$3,290,307 cash funds, \$51,510 reappropriated funds, and 42.9 FTE. The request includes a \$839,592 cash fund decrease and reduction of 13.0 FTE associated with R4 Operational Funding Re-alignment. Details of the request are provided in the table below.

*RECOMMENDATION:* Staff recommends an appropriation of \$3,633,618 total funds, including \$584,878 General Fund, \$2,977,230 cash funds, \$51,510 reappropriated funds, and 42.9 FTE. The recommendation includes an \$533,485 cash fund increase for R1 and an \$839,592 cash fund decrease and reduction of 13.0 FTE associated with R4 Operational Funding Re-alignment. Details of the recommendation are provided in the table below.

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,989,914	\$470,851	\$3,467,553	\$51,510	\$0	48.9
<b>TOTAL</b>	<b>\$3,989,914</b>	<b>\$470,851</b>	<b>\$3,467,553</b>	<b>\$51,510</b>	<b>\$0</b>	<b>48.9</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$3,989,914	\$470,851	\$3,467,553	\$51,510	\$0	48.9
R1 DMV drives system support	551,973	0	551,973	0	0	7.0
Annualize prior year budget actions	96,523	13,613	82,910	0	0	0.0
R4 Operational funding realignment	(839,592)	0	(839,592)	0	0	(13.0)
Technical adjustments	(146,712)	100,414	(247,126)	0	0	0.0
<b>TOTAL</b>	<b>\$3,652,106</b>	<b>\$584,878</b>	<b>\$3,015,718</b>	<b>\$51,510</b>	<b>\$0</b>	<b>42.9</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$337,808)</b>	<b>\$114,027</b>	<b>(\$451,835)</b>	<b>\$0</b>	<b>\$0</b>	<b>(6.0)</b>
Percentage Change	(8.5%)	24.2%	(13.0%)	0.0%	0.0%	(12.3%)

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$3,926,695</b>	<b>\$584,878</b>	<b>\$3,290,307</b>	<b>\$51,510</b>	<b>\$0</b>	<b>42.9</b>
Request Above/(Below) Recommendation	\$274,589	\$0	\$274,589	\$0	\$0	(0.0)

**OPERATING EXPENSES**

This line item funds telecommunications, general office supplies, and printing costs.

*STATUTORY AUTHORITY:* Sections 24-35-105, *et seq.* and 42-2-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$559,428 total funds, including \$63,731 General Fund, \$492,307 cash funds, and \$3,390 reappropriated funds. The request includes an increase of \$20,650 cash funds associated with R1, and a decrease of \$6,500 cash funds for R4.

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$550,591	\$63,682	\$483,519	\$3,390	\$0	0.0
<b>TOTAL</b>	<b>\$550,591</b>	<b>\$63,682</b>	<b>\$483,519</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$550,591	\$63,682	\$483,519	\$3,390	\$0	0.0
R1 DMV drives system support	20,650	0	20,650	0	0	0.0
R4 Operational funding realignment	(6,500)	0	(6,500)	0	0	0.0
Technical adjustments	(5,313)	49	(5,362)	0	0	0.0
<b>TOTAL</b>	<b>\$559,428</b>	<b>\$63,731</b>	<b>\$492,307</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,837</b>	<b>\$49</b>	<b>\$8,788</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.6%	0.1%	1.8%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$559,428</b>	<b>\$63,731</b>	<b>\$492,307</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DRIVES MAINTENANCE AND SUPPORT**

This line item was added in FY 2018-19 and provides funding for the managed services contract that supports and maintains the DRIVES IT system. The DRIVES project replaced the legacy driver’s license system and the Colorado State Titling and Registration System. The DRIVES project received \$93.4 million of capital construction funding, including \$41.0 million in FY 2014-15 and \$52.4 million in FY 2015-16. This line item funds the ten-year maintenance and support contract with the DRIVES system vendor, FAST Enterprises, LLC., estimated to total \$71.3 million over 10 years, with a base annual cost of \$6.24 million plus Denver-Boulder CPI inflation index adjustments.

*STATUTORY AUTHORITY:* Sections 24-35-105 and 42-2-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests a total appropriation of \$7,585,830, including \$101,700 General Fund, 7,484,130 cash fund. The request includes a technical adjustment for the FAST Enterprises contract, annualizations for several bills that passed in the 2021 legislative session and a \$396,000 General Fund increase associated with R1, as well as a \$100,000 decrease for R6.

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, DRIVES MAINTENANCE AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$7,022,947	\$18,000	\$7,004,947	\$0	\$0	0.0
Other legislation	\$1,982,800	\$1,532,700	\$341,900	\$108,200	\$0	0.0
HB22-1181 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$9,005,747</b>	<b>\$1,550,700</b>	<b>\$7,346,847</b>	<b>\$108,200</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$9,005,747	\$1,550,700	\$7,346,847	\$108,200	\$0	0.0
R1 DMV drives system support	396,000	0	396,000	0	0	0.0
Technical adjustments	107,883	0	107,883	0	0	0.0
Annualize prior year legislation	(1,823,800)	(1,449,000)	(266,600)	(108,200)	0	0.0
R6 Refinance HB 21-1314	(100,000)	0	(100,000)	0	0	0.0
<b>TOTAL</b>	<b>\$7,585,830</b>	<b>\$101,700</b>	<b>\$7,484,130</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,419,917)</b>	<b>(\$1,449,000)</b>	<b>\$137,283</b>	<b>(\$108,200)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(15.8%)	(93.4%)	1.9%	(100.0%)	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (B) DRIVER SERVICES

The Driver Services subgroup includes three programs: Driver License (including the Commercial Driver License Program (CDL), Driver Control, and Ignition Interlock.

The **Driver License Program** is responsible for issuing driver licenses, instruction permits, identification cards, and commercial driver licenses to the citizens of Colorado. Additionally, this section also issues copies of driving records, oversees the curriculum and training of commercial driving schools, and licenses and oversees third-party testers who administer driving and motorcycle skill tests.

The **Driver Control Program** is responsible for collecting, maintaining, analyzing, and producing all driver records for the state. It receives and processes penalty assessment citations and processes fine payments and administers driver license sanctions by imposing license suspensions and revocations in accordance with the law. The Driver Control Program also supports law enforcement with a 24/7 communications center that provides information on drivers and vehicles and supports prosecutors

and courts with the production of evidence packets. This section also monitors drive log data on interlock restricted drivers and imposes restraints.

The **Ignition Interlock Program** is discussed in detail at the line item level.

**PERSONAL SERVICES**

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Cash funds are predominantly provided from the Licensing Services Cash Fund, as well as the following accounts of the Highway Users Tax Fund: the Colorado State Titling and Registration Account/Colorado DRIVES Vehicle Services Account, Driver's License Administrative Revocation Account, and the First-time Drunk Driving Offender Account; and several funds that provide minimal funding.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.* and 42-2-125, C.R.S.

*REQUEST:* The Department requests an appropriation of \$24,784,851 total funds and 426.9 FTE. The request includes an increase of \$147,142 cash funds and 2.0 FTE associated with R1, and a decrease of \$223,154 cash funds and 4.0 FTE associated with R4.

*RECOMMENDATION:* Staff recommends approving \$24,697,161 total funds, including \$2,900,377 General Fund, \$21,674,449 cash funds, and \$122,335 reappropriated funds, and 426.9 FTE, including the R1 and R4 components discussed previously in this document.

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$24,315,270	\$3,167,300	\$21,027,151	\$120,819	\$0	426.6
Other legislation	\$66,946	\$66,946	\$0	\$0	\$0	0.6
<b>TOTAL</b>	<b>\$24,382,216</b>	<b>\$3,234,246</b>	<b>\$21,027,151</b>	<b>\$120,819</b>	<b>\$0</b>	<b>427.2</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$24,382,216	\$3,234,246	\$21,027,151	\$120,819	\$0	427.2
Annualize prior year budget actions	323,576	(401,250)	723,310	1,516	0	0.0
R1 DMV drives system support	147,142	0	147,142	0	0	2.0
Annualize prior year legislation	67,381	67,381	0	0	0	1.7
R4 Operational funding realignment	(223,154)	0	(223,154)	0	0	(4.0)
<b>TOTAL</b>	<b>\$24,697,161</b>	<b>\$2,900,377</b>	<b>\$21,674,449</b>	<b>\$122,335</b>	<b>\$0</b>	<b>426.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$314,945</b>	<b>(\$333,869)</b>	<b>\$647,298</b>	<b>\$1,516</b>	<b>\$0</b>	<b>(0.3)</b>
Percentage Change	1.3%	(10.3%)	3.1%	1.3%	0.0%	(0.1%)
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$24,784,851</b>	<b>\$2,900,377</b>	<b>\$21,762,139</b>	<b>\$122,335</b>	<b>\$0</b>	<b>426.9</b>
Request Above/(Below) Recommendation	\$87,690	\$0	\$87,690	\$0	\$0	(0.0)

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Sections 24-35-105 and 42-2-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,538,299 total funds, including \$414,260 General Fund, \$2,113,869 cash funds, and \$10,170 reappropriated funds. The request includes an increase of \$179,720 cash funds associated with R5 and an increase of \$5,900 cash funds associated with R1.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,451,646	\$1,511,227	\$1,930,249	\$10,170	\$0	0.0
Other legislation	\$13,480	\$13,480	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,465,126</b>	<b>\$1,524,707</b>	<b>\$1,930,249</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$3,465,126	\$1,524,707	\$1,930,249	\$10,170	\$0	0.0
R5 DMV safety expansion	179,720	0	179,720	0	0	0.0
R1 DMV drives system support	5,900	0	5,900	0	0	0.0
Annualize prior year budget actions	(1,100,072)	(1,100,072)	0	0	0	0.0
Annualize prior year legislation	(10,375)	(10,375)	0	0	0	0.0
R4 Operational funding realignment	(2,000)	0	(2,000)	0	0	0.0
<b>TOTAL</b>	<b>\$2,538,299</b>	<b>\$414,260</b>	<b>\$2,113,869</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$926,827)</b>	<b>(\$1,110,447)</b>	<b>\$183,620</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(26.7%)	(72.8%)	9.5%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DRIVER'S LICENSE DOCUMENTS**

This line item funds all material costs associated with the production of driver's licenses, instructional permits, and identification cards including related security features. The physical driver's license is produced by a third party vendor under contract to the Department, who also mails the document to the customer. The line also provides funding for verification of Social Security information, and verification of an applicant's legal immigration/visa status. In addition to receiving funding from the Licensing Services Cash Fund, this line receives funding for security purposes from the Identification Security Fund.

*STATUTORY AUTHORITY:* Section 42-2-101, C.R.S.

*REQUEST:* The Department requests an appropriation of \$7,109,465 cash funds, including an increase to annualize a prior year budget action.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, DRIVERS LICENSE DOCUMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$6,412,457	\$0	\$6,412,457	\$0	\$0	0.0
Other legislation	\$3,498	\$3,498	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,415,955</b>	<b>\$3,498</b>	<b>\$6,412,457</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$6,415,955	\$3,498	\$6,412,457	\$0	\$0	0.0
Annualize prior year budget actions	693,510	0	693,510	0	0	0.0
<b>TOTAL</b>	<b>\$7,109,465</b>	<b>\$3,498</b>	<b>\$7,105,967</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$693,510</b>	<b>\$0</b>	<b>\$693,510</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	10.8%	0.0%	10.8%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$7,109,465</b>	<b>\$3,498</b>	<b>\$7,105,967</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### IGNITION INTERLOCK PROGRAM

House Bill 08-1194 requires first time drunk driving offenders to obtain an ignition interlock for their vehicle in order to reinstate their licenses. It increased the driver's license reinstatement fee by \$35 and credited that increase to the newly created "First Time Drunk Driver Offender account". The money in the account is used to assist those who cannot afford an ignition interlock system to purchase them so they can continue to drive for employment related purposes. The fund also supports high-visibility drunk-driving enforcement actions administered by the Department of Transportation.

*STATUTORY AUTHORITY:* Section 42-2-125, C.R.S.

*REQUEST:* The Department requests an appropriation of \$682,567 cash funds and 6.9 FTE.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, IGNITION INTERLOCK PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$669,106	\$0	\$669,106	\$0	\$0	6.9
<b>TOTAL</b>	<b>\$669,106</b>	<b>\$0</b>	<b>\$669,106</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$669,106	\$0	\$669,106	\$0	\$0	6.9
Annualize prior year budget actions	13,461	0	13,461	0	0	0.0
<b>TOTAL</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, IGNITION INTERLOCK PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$13,461</b>	<b>\$0</b>	<b>\$13,461</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.0%	0.0%	2.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Sections 42-2-114.2, 42-2-132, and 24-75-1401, C.R.S  
C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,274,478 cash funds.

*RECOMMENDATION:* **Staff recommends approving the request**, consistent with the Department's indirect cost plan.

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,375,370	\$0	\$3,375,370	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,375,370</b>	<b>\$0</b>	<b>\$3,375,370</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$3,375,370	\$0	\$3,375,370	\$0	\$0	0.0
Centrally appropriated line items	(100,892)	0	(100,892)	0	0	0.0
<b>TOTAL</b>	<b>\$3,274,478</b>	<b>\$0</b>	<b>\$3,274,478</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$100,892)</b>	<b>\$0</b>	<b>(\$100,892)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(3.0%)	0.0%	(3.0%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$3,274,478</b>	<b>\$0</b>	<b>\$3,274,478</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(C) VEHICLE SERVICES

The Vehicle Services subgroup includes the following programs: Titles, Registrations, Motor Insurance Identification Database (MIIDB), and Vehicle Emissions.

The **Titles Program** oversees titling of vehicles by the Department's authorized agents, the county clerks in each county in the state. It also maintains an inventory of license plates and is the agency that orders and distributes license plates to the counties. The **Registration Program** is operationally managed alongside the Titles Program. This program coordinates vehicle registration and license plate issuance activities through the 64 county clerks throughout the state and orders and monitors inventory of license plates and related products.

**PERSONAL SERVICES**

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 24-50-101, *et seq.*, 42-4-301, and 42-7-601, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,962,604 total funds, including \$626,188 General Fund and \$2,336,416 cash funds, and 50.5 FTE. The request includes a \$147,142 cash funds increase associated with R1.

*RECOMMENDATION:* Staff recommends an appropriation of \$2,874,914 total funds, including \$626,188 General Fund and \$2,248,726 cash funds, and 50.5 FTE.

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$2,425,463	\$502,180	\$1,923,283	\$0	\$0	44.9
Other legislation	\$108,826	\$108,826	\$0	\$0	\$0	1.7
<b>TOTAL</b>	<b>\$2,534,289</b>	<b>\$611,006</b>	<b>\$1,923,283</b>	<b>\$0</b>	<b>\$0</b>	<b>46.6</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$2,534,289	\$611,006	\$1,923,283	\$0	\$0	46.6
R1 DMV drives system support	147,142	0	147,142	0	0	2.0
Annualize prior year legislation	103,573	(12,861)	116,434	0	0	1.9
Annualize prior year budget actions	89,910	28,043	61,867	0	0	0.0
<b>TOTAL</b>	<b>\$2,874,914</b>	<b>\$626,188</b>	<b>\$2,248,726</b>	<b>\$0</b>	<b>\$0</b>	<b>50.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$340,625</b>	<b>\$15,182</b>	<b>\$325,443</b>	<b>\$0</b>	<b>\$0</b>	<b>3.9</b>
Percentage Change	13.4%	2.5%	16.9%	0.0%	0.0%	8.4%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$87,690	\$0	\$87,690	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Sections 24-35-105, 42-4-301, and 42-7-601, *et seq.*, C.R.S.



*REQUEST:* The Department requests an appropriation of \$401,040 total funds, including \$40,987 General Fund and \$360,053 cash funds. The request includes an increase of \$5,900 cash funds associated with R1.

*RECOMMENDATION:* Staff recommends an appropriation of \$401,040 total funds, including \$40,987 General Fund and \$360,053 cash funds. Details of the recommendation are in the table below.

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,277,745	\$926,157	\$351,588	\$0	\$0	0.0
Other legislation	\$15,100	\$15,100	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,292,845</b>	<b>\$941,257</b>	<b>\$351,588</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,292,845	\$941,257	\$351,588	\$0	\$0	0.0
R1 DMV drives system support	5,900	0	5,900	0	0	0.0
Annualize prior year legislation	2,295	(270)	2,565	0	0	0.0
Annualize prior year budget actions	(900,000)	(900,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$401,040</b>	<b>\$40,987</b>	<b>\$360,053</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$891,805)</b>	<b>(\$900,270)</b>	<b>\$8,465</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(69.0%)	(95.6%)	2.4%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$401,040</b>	<b>\$40,987</b>	<b>\$360,053</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### LICENSE PLATE ORDERING

This line item funds payments to the Department of Correction, Correctional Industries for producing and distributing license plates, permits, placards, tabs, and other related items. These products are distributed to the State's 64 counties and the State offices for timely distribution to customers. The funding comes from the License Plate Cash Fund, which is funded by fees charged for license plates and associated products. The General Fund appropriation is provided to replace foregone revenue on plates and products for which the Division does not collect fees, pursuant to Section 42-3-213, C.R.S.

*STATUTORY AUTHORITY:* Sections 17-24-109 and 42-3-301, C.R.S.

*REQUEST:* The Department requests an appropriation of \$7,326,372 total funds, including \$216,315 General Fund and \$7,110,057 cash funds.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, LICENSE PLATE ORDERING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$6,091,790	\$216,315	\$5,875,475	\$0	\$0	0.0
Other legislation	\$1,012,687	\$394,153	\$618,534	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$7,104,477</b>	<b>\$610,468</b>	<b>\$6,494,009</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$7,104,477	\$610,468	\$6,494,009	\$0	\$0	0.0
Annualize prior year legislation	221,895	(394,153)	616,048	0	0	0.0
<b>TOTAL</b>	<b>\$7,326,372</b>	<b>\$216,315</b>	<b>\$7,110,057</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$221,895</b>	<b>(\$394,153)</b>	<b>\$616,048</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.1%	(64.6%)	9.5%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$7,326,372</b>	<b>\$216,315</b>	<b>\$7,110,057</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM

This program helps law enforcement officials verify owner compliance with motor vehicle insurance requirements and authorizes administrative suspension of driver's licenses that are held by motorists suspected of being uninsured. A \$0.10 motorist insurance identification fee is credited to the Motorist Insurance Identification (MII) Account, a special purpose account within the Highway Users Tax Fund (HUTF), whenever a motor vehicle is registered. All funding for the program is from the MII Account.

*STATUTORY AUTHORITY:* Section 42-7-601, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$344,394 cash funds and 1.0 FTE.

*RECOMMENDATION:* Staff recommends approving the request.

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$342,443	\$0	\$342,443	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$342,443</b>	<b>\$0</b>	<b>\$342,443</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$342,443	\$0	\$342,443	\$0	\$0	1.0
Annualize prior year budget actions	1,951	0	1,951	0	0	0.0
<b>TOTAL</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,951</b>	<b>\$0</b>	<b>\$1,951</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.6%	0.0%	0.6%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### EMISSIONS PROGRAM

This program conducts inspections of emissions stations to ensure compliance with vehicle emissions testing standards under the Automobile Inspection and Readjustment (AIR) program. Staff is responsible for licensing all emissions stations and inspectors, and overseeing station operations to prevent fraud and abuse. All funding for the program is from the AIR account, a subaccount of the Highway Users Tax Fund.

*STATUTORY AUTHORITY:* Section 42-4-301, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,201,525 cash funds and 15.0 FTE.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, EMISSIONS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,172,261	\$0	\$1,172,261	\$0	\$0	15.0
<b>TOTAL</b>	<b>\$1,172,261</b>	<b>\$0</b>	<b>\$1,172,261</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,172,261	\$0	\$1,172,261	\$0	\$0	15.0
Annualize prior year budget actions	29,264	0	29,264	0	0	0.0
<b>TOTAL</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$29,264</b>	<b>\$0</b>	<b>\$29,264</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.5%	0.0%	2.5%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$454,537 cash funds.

*RECOMMENDATION:* **Staff recommends approving the request**, consistent with the Department's indirect cost plan.

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$446,295	\$0	\$446,295	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$446,295</b>	<b>\$0</b>	<b>\$446,295</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$446,295	\$0	\$446,295	\$0	\$0	0.0
Centrally appropriated line items	8,242	0	8,242	0	0	0.0
<b>TOTAL</b>	<b>\$454,537</b>	<b>\$0</b>	<b>\$454,537</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,242</b>	<b>\$0</b>	<b>\$8,242</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.8%	0.0%	1.8%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$454,537</b>	<b>\$0</b>	<b>\$454,537</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(D) COUNTY SUPPORT SERVICES**

The DRIVES project replaced the legacy driver’s license system and the Colorado State Titling and Registration System (CSTARS). CSTARS was the state's centralized database for the distribution of registration taxes between the state, all its counties, and the Highway Users Tax Fund (HUTF). CSTARS was created in 1983 to automate the distribution of vehicle registration taxes. CSTARS enabled Colorado's 64 county clerks' offices to issue more than 2 million vehicle titles and 4.3 million vehicle registrations every year. The appropriations fund hardware, software, and technical support to maintain the system and ensure adequate access for the county clerks.

In FY 2019-20, the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund replaced the Colorado State Titling and Registration Account in the Highway Users Tax Fund, pursuant to Section 42-1-211 (2), C.R.S. Sources of Revenue include a share of fees and taxes for titling and registering motor vehicles; for titling manufactured homes; and for the sale of some special license plates.

**OPERATING EXPENSES**

This appropriation is primarily managed by the Department's OIT liaison and used for vendor-managed services for county equipment maintenance, building equipment maintenance at the Pierce and Capitol Annex buildings, renewals for software and hardware maintenance, and related supplies and administrative expenses. Other costs include telecommunications expenses, general office supplies, and printing expenses.

*STATUTORY AUTHORITY:* Sections 42-1-211 and 24-35-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,356,535 cash funds.

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

#### COUNTY OFFICE ASSET MAINTENANCE

This line item provides funding for replacement of infrastructure every four years (the OIT standard for replacement of this type of equipment is every three years).

*STATUTORY AUTHORITY:* Section 42-1-211, C.R.S.

The Department requests an appropriation of \$511,430 cash funds.

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

#### COUNTY OFFICE IMPROVEMENTS

This line item provides funding for improvements to and expansion of county offices to provide services related to CSTARS or DRIVES. Counties are required by statute (Section 42-1-210, C.R.S.) to provide motor vehicle title and registration services in a manner that is convenient and easily accessible to the public. The State (Department of Revenue) is required to provide necessary data processing equipment, software, support, and training to support the counties (Section 42-1-211, C.R.S.) The line item was established to provide for a stable appropriation to fund the expansion and improvements to the CSTAR system. Funding requests for this line item are based on approval from the CSTARS Advisory Committee or the Colorado DRIVES County Governance Committee (Section 42-1-211 (4), C.R.S.), which receives and prioritizes requests from the counties for funding the expansions and improvements in county offices.

*STATUTORY AUTHORITY:* Section 42-1-211, C.R.S.

The Department requests an appropriation of \$36,000 cash funds.

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

**(4) SPECIALIZED BUSINESS GROUP**

This group regulates and enforces laws related to: limited gaming; sports betting; the State's liquor wholesalers and retailers and tobacco retailers; licenses liquor retailers, wholesalers, and manufacturers; issues alcohol licenses for special events; regulates live horse racing events and pari-mutuel wagering (including off-track simulcast establishments); regulates and licenses the motor vehicle dealer industry; and licenses and regulates the marijuana industry.

SPECIALIZED BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 Appropriation</b>						
SB21-205 (Long Bill)	\$68,591,245	\$194,998	\$68,061,680	\$334,567	\$0	357.1
Other legislation	(187,248)	0	(187,248)	0	0	10.6
HB22-1181 (Supplemental Bill)	215,794	0	215,794	0	0	0.0
<b>TOTAL</b>	<b>\$68,619,791</b>	<b>\$194,998</b>	<b>\$68,090,226</b>	<b>\$334,567</b>	<b>\$0</b>	<b>367.7</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$68,619,791	\$194,998	\$68,090,226	\$334,567	\$0	367.7
Centrally appropriated line items	311,645	0	311,645	0	0	0.0
Annualize prior year budget actions	481,303	5,136	476,167	0	0	0.0
Technical adjustments	(1,695)	0	(1,695)	0	0	0.0
Annualize prior year legislation	218,443	0	218,443	0	0	6.1
<b>TOTAL</b>	<b>\$69,629,487</b>	<b>\$200,134</b>	<b>\$69,094,786</b>	<b>\$334,567</b>	<b>\$0</b>	<b>373.8</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,009,696</b>	<b>\$5,136</b>	<b>\$1,004,560</b>	<b>\$0</b>	<b>\$0</b>	<b>6.1</b>
Percentage Change	1.5%	2.6%	1.5%	0.0%	0.0%	1.7%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$69,629,487</b>	<b>\$200,134</b>	<b>\$69,094,786</b>	<b>\$334,567</b>	<b>\$0</b>	<b>373.8</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DECISION ITEMS - SPECIALIZED BUSINESS GROUP (NONE)**

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

**(A) ADMINISTRATION**

The Enforcement Business Group's administrative functions are contained in this separate long bill group, which contains senior management, budget, and support functions of the Enforcement Business Group.

**PERSONAL SERVICES**

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Section 24-50-101 *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,119,913 total funds, including \$7,871 General Fund, \$782,413 cash funds, and \$329,629 reappropriated funds, and 11.0 FTE.

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,098,437	\$7,694	\$761,114	\$329,629	\$0	11.0
<b>TOTAL</b>	<b>\$1,098,437</b>	<b>\$7,694</b>	<b>\$761,114</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,098,437	\$7,694	\$761,114	\$329,629	\$0	11.0
Annualize prior year budget actions	21,476	177	21,299	0	0	0.0
<b>TOTAL</b>	<b>\$1,119,913</b>	<b>\$7,871</b>	<b>\$782,413</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$21,476</b>	<b>\$177</b>	<b>\$21,299</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.0%	2.3%	2.8%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,119,913</b>	<b>\$7,871</b>	<b>\$782,413</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Section 24-35-105, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$13,934 total funds, including \$111 General Fund, \$8,885 cash funds, and \$4,938 reappropriated funds.

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
<b>TOTAL</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
<b>TOTAL</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) LIMITED GAMING DIVISION

This division licenses, regulates, and supervises any devices, persons, locations, and activities related to limited gaming in the cities of Black Hawk, Central City, and Cripple Creek. This includes conducting background checks on gaming license applicants, patrolling casinos to observe potential violations of gaming laws, and conducting audits to verify that regulated businesses remit the proper amount of gaming taxes. The Division also oversees the related sports betting industry in the three gaming cities and online through internet sports betting operators contracted by casinos.

The Colorado Limited Gaming Commission has the constitutional authority to allocate funds for the Division; funding is not subject to appropriation by the General Assembly. Thus, the appropriations for this Division are shown for informational purposes. The Commission has generally adopted the Committee's common policies where applicable. The source of cash funds is the Limited Gaming Fund created in Section 44-30-701 (1), C.R.S.

The Division's direct costs for Health, Life, and Dental and Short-term Disability Insurance, Amortization Equalization and Supplemental Amortization Equalization Disbursements, Worker's Compensation, Legal Services, Payment to Risk Management and Property Funds, Vehicle Lease Payments, and Leased Space for Gaming Site Offices are included in the Executive Director's Office centrally-appropriated budget lines.

PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Section 12-47.1-201, *et seq.*, C.R.S.

*REQUEST:* The Department's request reflects an informational appropriation of \$9,096,251 cash funds and 106.0 FTE. Including \$206,796 of annualization of prior year budget actions, and a decrease of \$15,394 due to technical adjustments.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$8,904,849	\$0	\$8,904,849	\$0	\$0	106.0
<b>TOTAL</b>	<b>\$8,904,849</b>	<b>\$0</b>	<b>\$8,904,849</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$8,904,849	\$0	\$8,904,849	\$0	\$0	106.0
Annualize prior year budget actions	206,796	0	206,796	0	0	0.0
Technical adjustments	(15,394)	0	(15,394)	0	0	0.0
<b>TOTAL</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$191,402</b>	<b>\$0</b>	<b>\$191,402</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>



SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	2.1%	0.0%	2.1%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

OPERATING EXPENSES

This line item funds operating costs, including telecommunications, general office supplies, and printing costs.

*STATUTORY AUTHORITY:* Section 12-47.1-201, *et seq.*, C.R.S.

*REQUEST:* The Department's request reflects an informational appropriation of \$1,130,731 cash funds. This is a continuation level of funding.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,131,445	\$0	\$1,131,445	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,131,445</b>	<b>\$0</b>	<b>\$1,131,445</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,131,445	\$0	\$1,131,445	\$0	\$0	0.0
Technical adjustments	(714)	0	(714)	0	0	0.0
<b>TOTAL</b>	<b>\$1,130,731</b>	<b>\$0</b>	<b>\$1,130,731</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$714)</b>	<b>\$0</b>	<b>(\$714)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.1%)	0.0%	(0.1%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,130,731</b>	<b>\$0</b>	<b>\$1,130,731</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PAYMENTS TO OTHER STATE AGENCIES

This line item funds the costs associated with other state agencies performing work for the Limited Gaming Division. These agencies include the Colorado State Patrol, Colorado Bureau of Investigations, Division of Fire Safety, and Department of Local Affairs.

*STATUTORY AUTHORITY:* Sections 12-47.1-1601, *et seq.*, C.R.S.

*REQUEST:* The Department request reflects a continuation of the informational appropriation of \$4,936,279 cash funds.

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

## DISTRIBUTION TO GAMING CITIES AND COUNTIES

The Distribution to Gaming Cities and Counties line item reflects the net proceeds distribution of Limited Gaming Funds to eligible counties and cities, including Gilpin and Teller counties, and the Cities of Black Hawk, Central City, and Cripple Creek. The Constitutional provisions provide directions as to the distribution of revenues: funding for historic preservation in the three gaming cities as well as statewide funding for the host cities and counties for the impacts of gaming, and the General Fund for state impacts.

Actual expenditures reflected in the numbers pages appear to greatly exceed the appropriations for those years. The Office of the Controller accounts for all distributions, such as to the State Historical Society and other funds, through this line item, but codes each category differently. Distributions to the limited gaming cities and counties are coded as expenditures, while transfers to the State Historical Society and other transfers are coded as transfers. This makes the line item appear to be over-expended, while the actual expenditures are well within the informational appropriation.

*STATUTORY AUTHORITY:* Section 9, Article XVIII, Colorado Constitution and Section 12-47.1-701, *et seq.*, C.R.S.

*REQUEST:* The Department request reflects a continuation of the informational appropriation of \$23,788,902 cash funds.

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

## INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department request reflects an informational appropriation of \$846,853 cash funds including an increase of \$20,267. Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request,** consistent with the Department's indirect cost plan.

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$826,586	\$0	\$826,586	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$826,586</b>	<b>\$0</b>	<b>\$826,586</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$826,586	\$0	\$826,586	\$0	\$0	0.0
Centrally appropriated line items	20,267	0	20,267	0	0	0.0
<b>TOTAL</b>	<b>\$846,853</b>	<b>\$0</b>	<b>\$846,853</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$20,267</b>	<b>\$0</b>	<b>\$20,267</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.5%	0.0%	2.5%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$846,853</b>	<b>\$0</b>	<b>\$846,853</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (C) LIQUOR AND TOBACCO ENFORCEMENT DIVISION

This Division licenses and regulates liquor wholesalers and retailers, licenses special events to serve alcohol, and enforces federal and state laws regarding the sales of liquor and tobacco products to minors. The major sources of funding are the Liquor Enforcement Division and State Licensing Authority Cash Fund, the Tobacco Education Programs Fund, the General Fund and the Reduced Cigarette Ignition Propensity Standards and Firefighter Protection Act Enforcement Fund.

#### PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Section 24-35-401, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$4,818,907 total funds, including \$185,187 General Fund and \$4,633,720 cash funds, and 63.7 FTE.

*RECOMMENDATION:* Staff recommends approving the request.

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$3,979,908	\$180,228	\$3,799,680	\$0	\$0	51.5
Other legislation	\$413,079	\$0	\$413,079	\$0	\$0	7.2
<b>TOTAL</b>	<b>\$4,392,987</b>	<b>\$180,228</b>	<b>\$4,212,759</b>	<b>\$0</b>	<b>\$0</b>	<b>58.7</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation	\$4,392,987	\$180,228	\$4,212,759	\$0	\$0	58.7
Annualize prior year legislation	303,735	0	303,735	0	0	5.0
Annualize prior year budget actions	100,881	4,959	95,922	0	0	0.0
Technical adjustments	21,304	0	21,304	0	0	0.0
<b>TOTAL</b>	<b>\$4,818,907</b>	<b>\$185,187</b>	<b>\$4,633,720</b>	<b>\$0</b>	<b>\$0</b>	<b>63.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$425,920</b>	<b>\$4,959</b>	<b>\$420,961</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
Percentage Change	9.7%	2.8%	10.0%	0.0%	0.0%	8.5%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$4,818,907</b>	<b>\$185,187</b>	<b>\$4,633,720</b>	<b>\$0</b>	<b>\$0</b>	<b>63.7</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

### OPERATING EXPENSES

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Section 24-35-401, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$537,565 total funds, including \$6,965 General Fund and \$564,782 cash funds.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$443,099	\$6,965	\$436,134	\$0	\$0	0.0
Other legislation	\$128,648	\$0	\$128,648	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$571,747</b>	<b>\$6,965</b>	<b>\$564,782</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$571,747	\$6,965	\$564,782	\$0	\$0	0.0
Technical adjustments	9	0	9	0	0	0.0
Annualize prior year legislation	(34,191)	0	(34,191)	0	0	0.0
<b>TOTAL</b>	<b>\$537,565</b>	<b>\$6,965</b>	<b>\$530,600</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$34,182)</b>	<b>\$0</b>	<b>(\$34,182)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$537,565</b>	<b>\$6,965</b>	<b>\$530,600</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$499,679 cash funds including an increase of \$118,376 increase due to centrally appropriated line items. Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request**, consistent with the Department's indirect cost plan.

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$381,303	\$0	\$381,303	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$381,303</b>	<b>\$0</b>	<b>\$381,303</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$381,303	\$0	\$381,303	\$0	\$0	0.0
Centrally appropriated line items	118,376	0	118,376	0	0	0.0
<b>TOTAL</b>	<b>\$499,679</b>	<b>\$0</b>	<b>\$499,679</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$118,376</b>	<b>\$0</b>	<b>\$118,376</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	31.0%	0.0%	31.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$499,679</b>	<b>\$0</b>	<b>\$499,679</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(D) DIVISION OF RACING EVENTS

This division regulates greyhound and horse racing events, and supervises pari-mutuel betting at race tracks. It is also responsible for allocating race dates to racing associations, and adopting rules for the supervision of racing events, racing officials, and licenses. The division regulates and oversees one horse racetrack and twelve licensed off-track betting facilities offering simulcast racing from out-of-state venues. The source of funds is the Division of Racing Cash Fund.

PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Sections 12-60-201, *et seq.*, and 12-60-501 *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$983,678 cash funds and 7.7 FTE.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$969,774	\$0	\$969,774	\$0	\$0	7.7
HB22-1181 (Supplemental Bill)	\$115,794	\$0	\$115,794	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,085,568</b>	<b>\$0</b>	<b>\$1,085,568</b>	<b>\$0</b>	<b>\$0</b>	<b>7.7</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,085,568	\$0	\$1,085,568	\$0	\$0	7.7
Annualize prior year budget actions	(100,772)	0	(100,772)	0	0	0.0
Technical adjustments	(1,118)	0	(1,118)	0	0	0.0
<b>TOTAL</b>	<b>\$983,678</b>	<b>\$0</b>	<b>\$983,678</b>	<b>\$0</b>	<b>\$0</b>	<b>7.7</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$101,890)</b>	<b>\$0</b>	<b>(\$101,890)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(9.4%)	0.0%	(9.4%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$983,678</b>	<b>\$0</b>	<b>\$983,678</b>	<b>\$0</b>	<b>\$0</b>	<b>7.7</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### OPERATING EXPENSES

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Sections 12-60-201, *et seq.*, and 12-60-501 *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$202,268 which includes a reduction of \$100,052 due to annualization of prior year budget actions and a technical adjustment. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$202,320	\$0	\$202,320	\$0	\$0	0.0
HB22-1181 (Supplemental Bill)	\$100,000	\$0	\$100,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$302,320</b>	<b>\$0</b>	<b>\$302,320</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$302,320	\$0	\$302,320	\$0	\$0	0.0
Annualize prior year budget actions	(100,000)	0	(100,000)	0	0	0.0

Technical adjustments	(52)	0	(52)	0	0	0.0
<b>TOTAL</b>	<b>\$202,268</b>	<b>\$0</b>	<b>\$202,268</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$100,052)</b>	<b>\$0</b>	<b>(\$100,052)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(33.1%)	0.0%	(33.1%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$202,268</b>	<b>\$0</b>	<b>\$202,268</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## PURSES AND BREEDERS AWARDS

This line item represents a pass-through appropriation. The Division does not spend the appropriation associated with this line item. Section 12-60-704, C.R.S., created a trust fund that contains money deposited by licensees and operators of in-state simulcast facilities for horse racing. The Racing Commission promulgates rules that allow for distributions from this fund to owners and breeders of Colorado-bred horses.

The funds available for distribution for this line item are driven by pari-mutuel wagering. Section 12-60-701 (2) (b), C.R.S., provides that the operator of a race track or licensed in-state facility that receives simulcast races shall pay 0.5 percent of the gross receipts of pari-mutuel wagers on win, place, or show, and 1.5 percent of all other pari-mutuel wagers. The money deposited under this section is paid into a trust account. The money is distributed according to statute and rules established by the Racing Commission to the breeder associations, whose by-laws govern the distributions.

*STATUTORY AUTHORITY:* Section 12-60-704, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$1,400,000 cash funds from the Horse Breeders' and Owners' Awards and Supplemental Purse Fund.

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

## INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$61,516 cash funds including an increase of \$2,544 Centrally appropriated funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$58,972	\$0	\$58,972	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$58,972</b>	<b>\$0</b>	<b>\$58,972</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$58,972	\$0	\$58,972	\$0	\$0	0.0
Centrally appropriated line items	2,544	0	2,544	0	0	0.0
<b>TOTAL</b>	<b>\$61,516</b>	<b>\$0</b>	<b>\$61,516</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,544</b>	<b>\$0</b>	<b>\$2,544</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.3%	0.0%	4.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$61,516</b>	<b>\$0</b>	<b>\$61,516</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(E) MOTOR VEHICLE DEALER LICENSING BOARD

The Motor Vehicle Dealer Licensing Board is responsible for licensing and regulation of automobile dealers and salespeople as well as promulgating consumer protection regulations. Additionally, the Board conducts licensing and disciplinary hearings and investigates suspected violations. Sources of cash fund includes fees imposed on the regulated industry.

PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Section 12-6-123, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,533,228 cash funds and 32.3 FTE.

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$2,474,903	\$0	\$2,474,903	\$0	\$0	32.3
<b>TOTAL</b>	<b>\$2,474,903</b>	<b>\$0</b>	<b>\$2,474,903</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$2,474,903	\$0	\$2,474,903	\$0	\$0	32.3
Annualize prior year budget actions	63,015	0	63,015	0	0	0.0
Technical adjustments	(4,690)	0	(4,690)	0	0	0.0
<b>TOTAL</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>



SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$58,325</b>	<b>\$0</b>	<b>\$58,325</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	0.0%	2.4%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Section 12-6-123, C.R.S.

*REQUEST:* The Department requests \$325,670 cash funds.

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$325,887	\$0	\$325,887	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$325,887</b>	<b>\$0</b>	<b>\$325,887</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$325,887	\$0	\$325,887	\$0	\$0	0.0
Technical adjustments	(217)	0	(217)	0	0	0.0
<b>TOTAL</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$217)</b>	<b>\$0</b>	<b>(\$217)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.1%)	0.0%	(0.1%)	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$258,051 cash funds including an increase of \$10,679 cash funds for centrally appropriated line items. Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request**, consistent with the Department's indirect cost plan.

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$247,372	\$0	\$247,372	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$247,372</b>	<b>\$0</b>	<b>\$247,372</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$247,372	\$0	\$247,372	\$0	\$0	0.0
Centrally appropriated line items	10,679	0	10,679	0	0	0.0
<b>TOTAL</b>	<b>\$258,051</b>	<b>\$0</b>	<b>\$258,051</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$10,679</b>	<b>\$0</b>	<b>\$10,679</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.3%	0.0%	4.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$258,051</b>	<b>\$0</b>	<b>\$258,051</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (F) MARIJUANA ENFORCEMENT

The Marijuana Enforcement Division provides regulatory oversight to the retail and medical marijuana industries. It does not have oversight over doctors prescribing marijuana or over the caregiver program. The Division inspects cultivation, storefronts, and processing facilities for compliance with statute and rule. It has rulemaking authority for marijuana regulation. Division funding is paid entirely out of the Marijuana Cash Fund created in Section 12-43.3-501 (1)(a), C.R.S., and not out of the Marijuana Tax Cash Fund.

### MARIJUANA ENFORCEMENT

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. This program line also funds the operating expenses, including telecommunications, general office supplies, and printing costs.

*STATUTORY AUTHORITY:* Sections 44-10-201, *et seq.* and 44-10-301, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$15,513,120 cash funds and 153.1 FTE. The request includes an increase of \$237,983 cash funds, which is comprised of a \$289,907 increase due

to prior year budget actions, and a \$51,924 decrease due to annualization of prior year legislation and technical adjustments. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, MARIJUANA ENFORCEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$14,868,384	\$0	\$14,868,384	\$0	\$0	148.6
Other legislation	\$406,753	\$0	\$406,753	\$0	\$0	3.4
<b>TOTAL</b>	<b>\$15,275,137</b>	<b>\$0</b>	<b>\$15,275,137</b>	<b>\$0</b>	<b>\$0</b>	<b>152.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$15,275,137	\$0	\$15,275,137	\$0	\$0	152.0
Annualize prior year budget actions	289,907	0	289,907	0	0	0.0
Annualize prior year legislation	(51,101)	0	(51,101)	0	0	1.1
Technical adjustments	(823)	0	(823)	0	0	0.0
<b>TOTAL</b>	<b>\$15,513,120</b>	<b>\$0</b>	<b>\$15,513,120</b>	<b>\$0</b>	<b>\$0</b>	<b>153.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$237,983</b>	<b>\$0</b>	<b>\$237,983</b>	<b>\$0</b>	<b>\$0</b>	<b>1.1</b>
Percentage Change	1.6%	0.0%	1.6%	0.0%	0.0%	0.7%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$15,513,120</b>	<b>\$0</b>	<b>\$15,513,120</b>	<b>\$0</b>	<b>\$0</b>	<b>153.1</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**TRANSFERS TO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, LABORATORY SERVICES FOR MARIJUANA LABORATORY TESTING REFERENCE LIBRARY**

This line item pays for the Marijuana Laboratory Testing Reference Library within the Colorado Department of Public Health and Environment (CDPHE) and is funded by the Marijuana Cash Fund. This laboratory was previously funded by the Marijuana *Tax* Cash Fund until changes were made in the FY 2020-21 Long Bill.

*STATUTORY AUTHORITY:* Section 44-10-202 (4), C.R.S.

*REQUEST:* The Department requests an appropriation of \$200,991 cash funds from the Marijuana Cash Fund.

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, TRANSFERS TO OTHER DEPARTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,336,719	\$0	\$1,336,719	\$0	\$0	0.0
Other legislation	(1,135,728)	0	(1,135,728)	0	0	0.0
<b>TOTAL</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$200,991	\$0	\$200,991	\$0	\$0	0.0

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, TRANSFERS TO OTHER DEPARTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$200,991</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$1,361,951 cash funds including a \$159,779 increase in cash funds due to adjustments to centrally appropriated line items. Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request,** consistent with the Department's indirect cost plan.

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$1,202,172	\$0	\$1,202,172	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,202,172</b>	<b>\$0</b>	<b>\$1,202,172</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$1,202,172	\$0	\$1,202,172	\$0	\$0	0.0
Centrally appropriated line items	159,779	0	159,779	0	0	0.0
<b>TOTAL</b>	<b>\$1,361,951</b>	<b>\$0</b>	<b>\$1,361,951</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$159,779</b>	<b>\$0</b>	<b>\$159,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	13.3%	0.0%	13.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$1,361,951</b>	<b>\$0</b>	<b>\$1,361,951</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(5) STATE LOTTERY DIVISION**

The State Lottery Division is a TABOR enterprise under Article X, Section 20, of the Colorado Constitution. Cash funds appropriations are from the Lottery Fund. The Lottery sells scratch lottery and jackpot (PowerBall, MegaMillions, and Lotto) tickets.

Expenses are paid from the Lottery Fund. After expenses of the State Lottery Division, the remainder is distributed to the Conservation Trust Fund, Great Outdoors Colorado, Parks and Outdoor Recreation in the Department of Natural Resources, and the Public School Capital Construction Fund.

The Executive Director of the Department of Revenue has budgetary control over the State Lottery and thus can limit the budget internally. This is the same control the Executive Director has over all areas of the budget for the Department, however, for the State Lottery Division every dollar that is not expended on administering the program is an extra dollar that is included for distributions to State Lottery Fund recipients.

STATE LOTTERY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 Appropriation</b>						
SB21-205 (Long Bill)	\$113,335,204	\$0	\$113,335,204	\$0	\$0	102.1
HB22-1181 (Supplemental Bill)	9,154,067	0	9,154,067	0	0	0.0
<b>TOTAL</b>	<b>\$122,489,271</b>	<b>\$0</b>	<b>\$122,489,271</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$122,489,271	\$0	\$122,489,271	\$0	\$0	102.1
R2 Lottery retailer payments	19,143,696	0	19,143,696	0	0	0.0
Centrally appropriated line items	33,873	0	33,873	0	0	0.0
Annualize prior year budget actions	(2,311,187)	0	(2,311,187)	0	0	0.0
Non-prioritized decision items	19,617	0	19,617	0	0	0.0
<b>TOTAL</b>	<b>\$139,375,270</b>	<b>\$0</b>	<b>\$139,375,270</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$16,885,999</b>	<b>\$0</b>	<b>\$16,885,999</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	13.8%	0.0%	13.8%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$120,231,574</b>	<b>\$0</b>	<b>\$120,231,574</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below) Recommendation	(\$19,143,696)		(\$19,143,696)	\$0	\$0	0.0

**DECISION ITEMS - STATE LOTTERY DIVISION****→ R2 LOTTERY RETAILER PAYMENTS**

*REQUEST:* The Department requests continuous spending authority for the Lottery's Retailer Compensation appropriation in both the current and all future fiscal years. This line item is utilized only for the payment of contractually obligated payables to lottery retailers. These payments are based on a standardized fixed percentage of Lottery sales. [Requires Legislation]

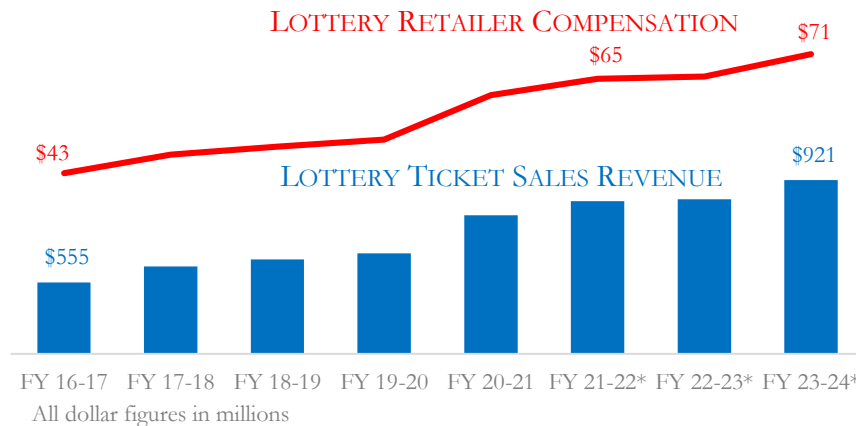
**RECOMMENDATION: Staff recommends denial of the request.** Staff recommends increasing the cash fund spending authority to \$85.0 million. Additionally, Staff recommends this line item be adjusted in future years as necessitated by lottery growth

*ANALYSIS:*

The Colorado Lottery is an enterprise of the State that generates revenue through the sale of tickets at more than 2,900 retailers across the state that offer Jackpot games and approximately 45 scratch games. The request includes continuous spending authority from the State Lottery Cash Fund to pay lottery retailer commissions and bonuses on a set structure in the amount of 8.05% for scratch sales and 7.05% for jackpot sales. This appropriation is only for these contractually obligated payments to lottery retailers, and any unspent dollars from the appropriation will revert to the State Lottery Cash Fund.

Lottery has experienced significant growth in recent years, with ticket sales growing by over 20 percent in FY 2020-21. This is the largest single year growth Lottery has experienced in the last decade, and there are numerous pandemic and stimulus related factors likely contributing to this growth. Future growth will likely revert to more traditional levels of growth which have averaged XYZ percent over the last fifteen years.

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



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)<sup>1</sup>

<sup>1</sup>Net lottery proceeds in excess of the GOCO cap are transferred to the Public School Capital Construction Fund

RECENT LOTTERY DISTRIBUTIONS (MILLIONS)						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Great Outdoors Colorado	\$ 63.7	\$64.5	\$66.3	\$68.5	\$70.4	\$71.7
Conservation Trust Fund	57.4	53.4	56.3	66.6	57	67.8
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	13
<b>Total</b>	<b>\$143.6</b>	<b>\$133.5</b>	<b>\$140.8</b>	<b>\$166.5</b>	<b>\$142.4</b>	<b>\$169.4</b>

The Colorado Lottery reported the following demographic information regarding Lottery players in their recent FY 2021 annual report.

- 63 percent are between the ages of 25 and 54
- 68 percent have an annual household income over \$45,000 per year
- 83 percent have had some college education, completed college, or have a postgraduate degree
- 61 percent are employed full time, and 25 percent are retired or homemakers

## LINE ITEM DETAIL - STATE LOTTERY DIVISION

### PERSONAL SERVICES

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$9,164,112 cash funds and 102.1 FTE. Details of the request and recommendation are listed in the table below.

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

STATE LOTTERY DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$8,945,306	\$0	\$8,945,306	\$0	\$0	102.1
<b>TOTAL</b>	<b>\$8,945,306</b>	<b>\$0</b>	<b>\$8,945,306</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$8,945,306	\$0	\$8,945,306	\$0	\$0	102.1
Annualize prior year budget actions	199,189	0	199,189	0	0	0.0
Non-prioritized decision items	19,617	0	19,617	0	0	0.0
<b>TOTAL</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>

STATE LOTTERY DIVISION, PERSONAL SERVICES						
<b>INCREASE/(DECREASE)</b>	<b>\$218,806</b>	<b>\$0</b>	<b>\$218,806</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	0.0%	2.4%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

This line item funds operating costs, including telecommunications, research, travel expenses, general office supplies and printing costs.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,540,533 cash funds, which is a continuation level of funding.

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

**PAYMENTS TO OTHER STATE AGENCIES**

This line item funds the costs of various audits, fingerprint and name checks through CBI, and data storage fees provided by the Department of Personnel’s, Integrated Document Solutions.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$239,410 cash funds.

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

**MARKETING AND COMMUNICATIONS**

This line item is used to reimburse vendors for goods and services related to the marketing, sale, advertising, public relations, consumer awareness, retailer awareness, drawings, customer support, and retailer support of Lottery games and products. These include sponsorships, newspaper and television advertising, promotional coupons, free tickets, Lottery Bucks, and billboards.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$14,700,000 cash funds.

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



## MULTI-STATE LOTTERY FEES

This line item is used to pay vendors for goods and services related to administering multi-state games of which Colorado is, or may become, a participating Lottery. These payments include the costs of maintaining compliance with multi-state game rules and policies. These costs vary year to year based on many factors such as per-capita sales of each state participating in a multi-state lottery, the number of states participating, the level of service provided by the multi-state game vendors, changes in multi-state rules and policies, and inflation.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$177,433 cash funds.

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

## VENDOR FEES

This line is used to pay vendors for variable vendor fees and fixed vendor fees.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests an appropriation of \$27,757,019 cash funds including an increase of \$1,633,320 from annualization of prior year budget actions.

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

STATE LOTTERY DIVISION, VENDOR FEES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$26,123,699	\$0	\$26,123,699	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$26,123,699</b>	<b>\$0</b>	<b>\$26,123,699</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$26,123,699	\$0	\$26,123,699	\$0	\$0	0.0
Annualize prior year budget actions	1,633,320	0	1,633,320	0	0	0.0
<b>TOTAL</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,633,320</b>	<b>\$0</b>	<b>\$1,633,320</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	6.3%	0.0%	6.3%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## RETAILER COMPENSATION

These payments are commissions, cashing bonuses, and marketing agreement bonuses to compensate retailers for selling State Lottery products. Retailers are paid a 7.0 percent commission on scratch sales,

and a 6.0 percent commission for online sales. The bonus for selling to a PowerBall jackpot winner is \$50,000. Retailers receiving these payments include convenience stores, gas stations, supermarkets, tobacco shops, and liquor stores.

*STATUTORY AUTHORITY:* Section 44-40-101, *et seq.*, C.R.S.

*REQUEST:* The Department requests continuous spending authority for this line item.

***RECOMMENDATION:* Staff recommends denial of the Department’s request. Staff recommends increasing the current appropriation to \$85,000,000 cash fund spending authority.**

STATE LOTTERY DIVISION, RETAILER COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$60,845,933	\$0	\$60,845,933	\$0	\$0	0.0
HB22-1181 (Supplemental Bill)	\$9,154,067	\$0	\$9,154,067	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$70,000,000</b>	<b>\$0</b>	<b>\$70,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$70,000,000	\$0	\$70,000,000	\$0	\$0	0.0
R2 Lottery retailer payments	19,143,696	0	19,143,696	0	0	0.0
Annualize prior year budget actions	(4,143,696)	0	(4,143,696)	0	0	0.0
<b>TOTAL</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$15,000,000</b>	<b>\$0</b>	<b>\$15,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	21.4%	0.0%	21.4%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(\$19,143,696)	\$0	(\$19,143,696)	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

*STATUTORY AUTHORITY:* Section 24-75-1401, C.R.S

*REQUEST:* The Department requests an appropriation of \$796,763 cash funds including an increase of \$33,873 cash funds. Details of the recommendation are listed in the table below.

***RECOMMENDATION:* Staff recommends approving the request, consistent with the Department's indirect cost plan.**

STATE LOTTERY DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2021-22 APPROPRIATION</b>						
SB21-205 (Long Bill)	\$762,890	\$0	\$762,890	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$762,890</b>	<b>\$0</b>	<b>\$762,890</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2022-23 RECOMMENDED APPROPRIATION</b>						
FY 2021-22 Appropriation	\$762,890	\$0	\$762,890	\$0	\$0	0.0
Centrally appropriated line items	33,873	0	33,873	0	0	0.0
<b>TOTAL</b>	<b>\$796,763</b>	<b>\$0</b>	<b>\$796,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$33,873</b>	<b>\$0</b>	<b>\$33,873</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.4%	0.0%	4.4%	0.0%	0.0%	0.0%
<b>FY 2022-23 EXECUTIVE REQUEST</b>	<b>\$796,763</b>	<b>\$0</b>	<b>\$796,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

The 2021 Long Bill includes no footnotes specific to the Department of Revenue. Staff recommends no footnotes for the Department of Revenue for the 2022 Long Bill.

### REQUESTS FOR INFORMATION

Staff recommends no requests for information for the Department of Revenue.

## INDIRECT COST ASSESSMENTS

The Department's Indirect Cost plan is discussed in the Figure Setting document dated March 3, 2021 that includes recommendations for the Executive Director's Office for the Department of Revenue.

## APPENDIX A NUMBERS PAGES

Appendix A is available in digital format only.

*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
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

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

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

**(A) Administration and Support**

Personal Services	<u>9,220,635</u>	<u>11,141,307</u>	<u>13,336,056</u>	<u>15,371,351</u>	<u>15,371,351</u> *
FTE	136.5	145.0	145.0	172.1	172.1
General Fund	3,877,533	5,277,113	5,012,845	5,916,985	5,916,985
Cash Funds	300,778	219,713	814,631	1,941,896	1,941,896
Reappropriated Funds	5,042,324	5,644,481	7,508,576	7,512,466	7,512,466
Federal Funds	0	0	4	4	4
Health, Life, and Dental	<u>13,409,236</u>	<u>14,493,017</u>	<u>16,992,741</u>	<u>19,305,563</u>	<u>19,305,563</u> *
General Fund	5,275,428	3,833,915	6,547,644	8,514,392	8,514,392
Cash Funds	8,002,942	10,646,037	10,328,497	10,626,881	10,626,881
Reappropriated Funds	34,422	13,065	8,002	4,073	4,073
Federal Funds	96,444	0	108,598	160,217	160,217
Short-term Disability	<u>147,347</u>	<u>158,490</u>	<u>163,744</u>	<u>164,290</u>	<u>164,290</u> *
General Fund	57,479	61,023	73,725	74,569	74,569
Cash Funds	88,393	97,307	88,898	88,239	88,239
Reappropriated Funds	258	160	74	44	44
Federal Funds	1,217	0	1,047	1,438	1,438

*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
S.B. 04-257 Amortization Equalization Disbursement	<u>4,360,113</u>	<u>4,685,439</u>	<u>4,819,110</u>	<u>5,173,740</u>	<u>5,173,740</u> *
General Fund	1,695,426	1,800,739	1,997,077	2,344,687	2,344,687
Cash Funds	2,621,010	2,879,995	2,786,870	2,782,485	2,782,485
Reappropriated Funds	7,631	4,705	2,322	1,394	1,394
Federal Funds	36,046	0	32,841	45,174	45,174
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>4,360,113</u>	<u>4,685,439</u>	<u>4,819,110</u>	<u>5,173,740</u>	<u>5,173,740</u> *
General Fund	1,695,426	1,800,739	1,997,077	2,344,687	2,344,687
Cash Funds	2,621,010	2,879,995	2,786,870	2,782,485	2,782,485
Reappropriated Funds	7,631	4,705	2,322	1,394	1,394
Federal Funds	36,046	0	32,841	45,174	45,174
PERA Direct Distribution	<u>2,218,686</u>	<u>0</u>	<u>2,256,397</u>	<u>2,719,963</u>	<u>2,719,963</u>
General Fund	849,711	0	919,342	1,252,385	1,252,385
Cash Funds	1,346,314	0	1,320,330	1,462,451	1,462,451
Reappropriated Funds	3,959	0	1,104	734	734
Federal Funds	18,702	0	15,621	4,393	4,393
Salary Survey	<u>2,798,869</u>	<u>0</u>	<u>3,213,596</u>	<u>3,563,081</u>	<u>3,563,081</u>
General Fund	1,067,127	0	1,282,289	1,571,176	1,571,176
Cash Funds	1,703,284	0	1,908,289	1,939,792	1,939,792
Reappropriated Funds	4,972	0	1,516	923	923
Federal Funds	23,486	0	21,502	51,190	51,190



*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
Shift Differential	<u>114,613</u>	<u>123,918</u>	<u>102,026</u>	<u>123,194</u>	<u>123,194</u> *
General Fund	0	0	0	0	0
Cash Funds	114,613	123,918	102,026	123,194	123,194
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Paid Family Medical Leave Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>143,618</u>	<u>143,618</u> *
General Fund	0	0	0	54,368	54,368
Cash Funds	0	0	0	89,250	89,250
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Paid Family Medical Leave Initiative	<u>0</u>	<u>0</u>	<u>0</u>	<u>232,817</u>	<u>232,817</u>
General Fund	0	0	0	105,511	105,511
Cash Funds	0	0	0	125,210	125,210
Reappropriated Funds	0	0	0	63	63
Federal Funds	0	0	0	2,033	2,033
Workers' Compensation	<u>939,970</u>	<u>692,913</u>	<u>544,854</u>	<u>349,194</u>	<u>487,491</u>
General Fund	364,681	264,266	207,799	132,191	185,922
Cash Funds	575,289	428,647	337,055	217,003	301,569
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,439,497</u>	<u>1,772,807</u>	<u>3,292,764</u>	<u>3,399,974</u>	<u>3,399,974</u> *
General Fund	1,141,897	1,545,317	2,143,002	2,216,377	2,216,377
Cash Funds	297,600	227,490	1,149,762	1,159,747	1,159,747
Reappropriated Funds	0	0	0	23,850	23,850
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
Postage	<u>2,662,721</u>	<u>2,403,106</u>	<u>97,272</u>	<u>152,880</u>	<u>152,880</u>
General Fund	2,469,257	2,049,195	52,165	52,165	52,165
Cash Funds	193,464	353,911	45,107	100,715	100,715
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>6,258,994</u>	<u>5,871,769</u>	<u>4,894,253</u>	<u>5,858,855</u>	<u>5,858,855</u>
General Fund	3,482,635	3,145,162	2,410,120	2,903,333	2,903,333
Cash Funds	2,776,359	2,726,607	2,484,133	2,955,522	2,955,522
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>2,099</u>	<u>1,405</u>	<u>12,770</u>	<u>311</u>	<u>322</u>
General Fund	0	0	0	0	0
Cash Funds	2,099	1,405	12,770	311	322
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>310,447</u>	<u>273,106</u>	<u>425,411</u>	<u>757,554</u>	<u>617,678</u> *
General Fund	120,609	104,158	162,245	286,782	235,556
Cash Funds	189,838	168,948	263,166	470,772	382,122
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vehicle Lease Payments	<u>529,808</u>	<u>560,096</u>	<u>873,881</u>	<u>738,765</u>	<u>715,736</u> *
General Fund	160,623	153,683	130,204	103,731	100,155
Cash Funds	369,185	406,413	743,677	635,034	615,581
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Leased Space	<u>5,090,250</u>	<u>5,193,913</u>	<u>6,973,403</u>	<u>6,649,699</u>	<u>6,649,699</u> *
General Fund	825,857	1,027,619	1,016,711	480,592	480,592
Cash Funds	4,264,393	4,166,294	5,956,692	6,169,107	6,169,107
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>2,156,289</u>	<u>2,316,836</u>	<u>902,495</u>	<u>874,505</u>	<u>974,769</u>
General Fund	1,497,525	863,503	336,367	331,053	363,304
Cash Funds	658,764	1,453,333	566,128	543,452	611,465
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>15,081,936</u>	<u>20,521,724</u>	<u>7,808,626</u>	<u>11,159,877</u>	<u>11,159,877</u> *
General Fund	10,522,374	11,915,609	7,177,700	7,715,907	7,715,907
Cash Funds	4,559,562	8,606,115	630,926	3,443,970	3,443,970
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>783,059</u>	<u>1,343,376</u>	<u>987,111</u>	<u>1,658,640</u>	<u>1,680,683</u>
General Fund	298,793	512,342	376,468	627,897	640,985
Cash Funds	484,266	831,034	610,643	1,030,743	1,039,698
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Utilities	<u>68,683</u>	<u>80,930</u>	<u>83,703</u>	<u>83,703</u>	<u>83,703</u>
General Fund	0	0	0	0	0
Cash Funds	68,683	80,930	83,703	83,703	83,703
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Statewide training	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Merit Pay	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration and Support</b>	71,953,365	76,319,591	72,599,323	83,655,314	83,753,024
<i>FTE</i>	<u>136.5</u>	<u>145.0</u>	<u>145.0</u>	<u>172.1</u>	<u>172.1</u>
General Fund	35,402,381	34,354,383	31,842,780	37,028,788	37,073,056
Cash Funds	31,237,846	36,298,092	33,020,173	38,771,962	38,825,404
Reappropriated Funds	5,101,197	5,667,116	7,523,916	7,544,941	7,544,941
Federal Funds	211,941	0	212,454	309,623	309,623

**(B) Hearings Division**

Personal Services	<u>2,178,429</u>	<u>2,288,991</u>	<u>2,503,848</u>	<u>2,795,124</u>	<u>2,795,124</u> *
FTE	32.0	33.0	33.3	33.3	33.3
General Fund	0	(29,512)	0	0	0
Cash Funds	2,178,429	2,318,503	2,503,848	2,795,124	2,795,124
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Operating Expenses	<u>85,747</u>	<u>67,979</u>	<u>110,412</u>	<u>110,412</u>	<u>110,412</u>
General Fund	0	0	0	0	0
Cash Funds	85,747	67,979	110,412	110,412	110,412
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>168,054</u>	<u>186,966</u>	<u>253,913</u>	<u>259,689</u>	<u>259,689</u>
General Fund	0	0	0	0	0
Cash Funds	168,054	186,966	253,913	259,689	259,689
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Hearings Division</b>	2,432,230	2,543,936	2,868,173	3,165,225	3,165,225
<i>FTE</i>	<u>32.0</u>	<u>33.0</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>
General Fund	0	(29,512)	0	0	0
Cash Funds	2,432,230	2,573,448	2,868,173	3,165,225	3,165,225
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (1) Executive Director's Office</b>	74,385,595	78,863,527	75,467,496	86,820,539	86,918,249
<i>FTE</i>	<u>168.5</u>	<u>178.0</u>	<u>178.3</u>	<u>205.4</u>	<u>205.4</u>
General Fund	35,402,381	34,324,871	31,842,780	37,028,788	37,073,056
Cash Funds	33,670,076	38,871,540	35,888,346	41,937,187	41,990,629
Reappropriated Funds	5,101,197	5,667,116	7,523,916	7,544,941	7,544,941
Federal Funds	211,941	0	212,454	309,623	309,623

*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
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

**(2) INFORMATION TECHNOLOGY DIVISION**

**(A) System Support**

Personal Services	<u>65,389</u>	<u>70,488</u>	<u>0</u>
General Fund	65,389	70,488	0
Cash Funds	0	0	0
Reappropriated Funds	0	0	0
Federal Funds	0	0	0
Operating Expenses	<u>1,296,096</u>	<u>1,170,329</u>	<u>0</u>
General Fund	1,047,217	839,219	0
Cash Funds	248,879	331,110	0
Reappropriated Funds	0	0	0
Federal Funds	0	0	0

<b>SUBTOTAL - (A) System Support</b>	1,361,485	1,240,817	0
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	1,112,606	909,707	0
Cash Funds	248,879	331,110	0
Reappropriated Funds	0	0	0
Federal Funds	0	0	0

**(B) DMV IT System (DRIVES) Support**

Operating Expenses	<u>1,836,204</u>	<u>1,543,737</u>	<u>0</u>
General Fund	0	0	0
Cash Funds	1,836,204	1,543,737	0
Reappropriated Funds	0	0	0
Federal Funds	0	0	0

*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
County Office Asset Maintenance	<u>520,665</u>	<u>512,298</u>	<u>0</u>		
General Fund	0	0	0		
Cash Funds	520,665	512,298	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		
County Office Improvements	<u>4,734</u>	<u>21,631</u>	<u>0</u>		
General Fund	0	0	0		
Cash Funds	4,734	21,631	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		
Personal Services	<u>0</u>	<u>0</u>	<u>0</u>		
General Fund	0	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		
<b>SUBTOTAL - (B) DMV IT System (DRIVES)</b>					
<b>Support</b>	2,361,603	2,077,666	0		
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
General Fund	0	0	0		
Cash Funds	2,361,603	2,077,666	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		

*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
<b>TOTAL - (2) Information Technology Division</b>	3,723,088	3,318,483	0		
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
General Fund	1,112,606	909,707	0		
Cash Funds	2,610,482	2,408,776	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		



*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
<b>(3) TAXATION BUSINESS GROUP</b>					
<b>(A) Administration</b>					
Personal Services	<u>387,272</u>	<u>491,614</u>	<u>567,667</u>	<u>578,260</u>	<u>578,260</u>
FTE	5.0	5.0	5.0	5.0	5.0
General Fund	367,838	465,612	542,905	558,467	558,467
Cash Funds	19,434	26,002	24,762	19,793	19,793
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>10,350</u>	<u>10,209</u>	<u>12,543</u>	<u>12,543</u>	<u>12,543</u>
General Fund	10,350	10,209	12,543	12,543	12,543
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Tax Administration IT System (GenTax) Support	<u>6,234,496</u>	<u>5,982,763</u>	<u>6,872,126</u>	<u>6,463,171</u>	<u>6,463,171</u>
General Fund	6,017,990	5,982,763	6,854,234	6,445,279	6,445,279
Cash Funds	216,506	0	17,892	17,892	17,892
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IDS Print Production	<u>0</u>	<u>0</u>	<u>4,728,872</u>	<u>4,971,755</u>	<u>9,376,630</u>
General Fund	0	0	4,728,872	4,971,755	9,376,630
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
<b>SUBTOTAL - (A) Administration</b>	6,632,118	6,484,586	12,181,208	12,025,729	16,430,604
<i>FTE</i>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
General Fund	6,396,178	6,458,584	12,138,554	11,988,044	16,392,919
Cash Funds	235,940	26,002	42,654	37,685	37,685
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(B) Taxation Services**

Personal Services	<u>0</u>	<u>0</u>	<u>30,152,331</u>	<u>30,752,551</u>	<u>30,752,551</u> *
<i>FTE</i>	0.0	0.0	402.2	405.6	405.6
General Fund	0	0	28,769,498	29,333,647	29,333,647
Cash Funds	0	0	1,228,748	1,264,819	1,264,819
Reappropriated Funds	0	0	154,085	154,085	154,085
Federal Funds	0	0	0	0	0
Operating Expenses	<u>0</u>	<u>0</u>	<u>3,465,845</u>	<u>3,381,050</u>	<u>3,381,050</u> *
General Fund	0	0	3,446,912	3,362,117	3,362,117
Cash Funds	0	0	18,933	18,933	18,933
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Joint Audit Program	<u>0</u>	<u>0</u>	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>
General Fund	0	0	131,244	131,244	131,244
Mineral Audit Program	<u>0</u>	<u>0</u>	<u>918,132</u>	<u>918,132</u>	<u>918,132</u>
<i>FTE</i>	0.0	0.0	10.2	10.2	10.2
Reappropriated Funds	0	0	66,000	66,000	66,000
Federal Funds	0	0	852,132	852,132	852,132

*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
Document Management	<u>0</u>	<u>0</u>	<u>4,634,987</u>	<u>4,714,433</u>	<u>4,714,433</u>
General Fund	0	0	4,596,468	4,714,433	4,714,433
Cash Funds	0	0	38,519	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>0</u>	<u>0</u>	<u>501,145</u>	<u>504,071</u>	<u>504,071</u>
FTE	0.0	0.0	1.5	1.5	1.5
General Fund	0	0	126	126	126
Cash Funds	0	0	501,019	503,945	503,945
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>11,364</u>	<u>11,847</u>	<u>11,847</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	11,364	11,847	11,847
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Taxation Services</b>	0	0	39,815,048	40,413,328	40,413,328
FTE	<u>0.0</u>	<u>0.0</u>	<u>413.9</u>	<u>417.3</u>	<u>417.3</u>
General Fund	0	0	36,944,248	37,541,567	37,541,567
Cash Funds	0	0	1,798,583	1,799,544	1,799,544
Reappropriated Funds	0	0	220,085	220,085	220,085
Federal Funds	0	0	852,132	852,132	852,132

*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
<b>(C) Tax Conferee</b>					
Personal Services	<u>1,485,244</u>	<u>1,455,173</u>	<u>1,574,018</u>	<u>1,602,937</u>	<u>1,602,937</u>
FTE	13.6	13.6	13.6	13.6	13.6
General Fund	1,485,244	1,455,173	1,476,735	1,505,654	1,505,654
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0
Operating Expenses	<u>57,742</u>	<u>45,175</u>	<u>60,905</u>	<u>60,905</u>	<u>60,905</u>
General Fund	57,742	45,175	60,905	60,905	60,905
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (C) Tax Conferee</b>	<b>1,542,986</b>	<b>1,500,348</b>	<b>1,634,923</b>	<b>1,663,842</b>	<b>1,663,842</b>
FTE	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>
General Fund	1,542,986	1,500,348	1,537,640	1,566,559	1,566,559
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0

**(D) Special Purpose**

Cigarette Tax Rebate	<u>8,894,085</u>	<u>9,264,323</u>	<u>8,686,720</u>	<u>8,686,720</u>	<u>8,686,720</u>
General Fund	8,894,085	9,264,323	8,686,720	8,686,720	8,686,720
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
Amendment 35 Distribution to Local Governments	<u>1,184,931</u>	<u>1,172,966</u>	<u>1,265,742</u>	<u>1,265,742</u>	<u>1,265,742</u>
General Fund	0	0	0	0	0
Cash Funds	1,184,931	1,172,966	1,265,742	1,265,742	1,265,742
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Old Age Heat and Fuel and Property Tax Assistance					
Grant	<u>5,842,930</u>	<u>6,358,838</u>	<u>6,327,420</u>	<u>6,327,420</u>	<u>6,327,420</u>
General Fund	5,842,930	6,358,838	6,327,420	6,327,420	6,327,420
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Commercial Vehicle Enterprise Sales Tax Refund	<u>86,752</u>	<u>46,068</u>	<u>120,524</u>	<u>120,524</u>	<u>120,524</u>
General Fund	0	0	0	0	0
Cash Funds	86,752	46,068	120,524	120,524	120,524
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retail Marijuana Sales Tax Distribution to Local					
Governments	<u>22,640,528</u>	<u>28,987,553</u>	<u>34,830,000</u>	<u>34,830,000</u>	<u>34,830,000</u>
General Fund	22,640,528	28,987,553	34,830,000	34,830,000	34,830,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
<b>SUBTOTAL - (D) Special Purpose</b>	38,649,226	45,829,748	51,230,406	51,230,406	51,230,406
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	37,377,543	44,610,714	49,844,140	49,844,140	49,844,140
Cash Funds	1,271,683	1,219,034	1,386,266	1,386,266	1,386,266
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(E) Taxation and Compliance Division**

Personal Services	<u>17,180,030</u>	<u>17,504,935</u>	<u>0</u>	<u>14,805</u>	<u>14,805</u>
FTE	235.3	0.0	0.0	0.0	0.0
General Fund	16,427,075	16,563,935	0	14,805	14,805
Cash Funds	608,260	802,357	0	0	0
Reappropriated Funds	144,695	138,643	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>955,451</u>	<u>903,466</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	942,111	902,759	0	0	0
Cash Funds	13,340	707	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Joint Audit Program	<u>131,244</u>	<u>131,244</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	131,244	131,244	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Mineral Audit Program	<u>838,132</u>	<u>2,265</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	10.2	10.2	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	13,744	2,265	0	0	0
Federal Funds	824,388	0	0	0	0

<b>SUBTOTAL - (E) Taxation and Compliance</b>					
<b>Division</b>	19,104,857	18,541,910	0	14,805	14,805
<i>FTE</i>	<u>245.5</u>	<u>10.2</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	17,500,430	17,597,938	0	14,805	14,805
Cash Funds	621,600	803,064	0	0	0
Reappropriated Funds	158,439	140,908	0	0	0
Federal Funds	824,388	0	0	0	0

**(F) Taxpayer Service Division**

Personal Services	<u>9,154,886</u>	<u>10,296,932</u>	<u>0</u>	<u>35,642</u>	<u>35,642</u>
FTE	154.9	0.0	0.0	0.7	0.7
General Fund	8,874,254	9,739,513	0	35,642	35,642
Cash Funds	280,632	557,419	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>508,406</u>	<u>306,254</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	505,102	305,500	0	0	0
Cash Funds	3,304	754	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Seasonal Tax Processing	<u>296,391</u>	<u>296,391</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	296,391	296,391	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Document Management	<u>5,260,588</u>	<u>4,855,832</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	5,260,588	4,855,832	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>497,426</u>	<u>499,472</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.5	1.5	0.0	0.0	0.0
General Fund	0	2,419	0	0	0
Cash Funds	497,426	497,053	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>8,674</u>	<u>9,603</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	8,674	9,603	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*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
<b>SUBTOTAL - (F) Taxpayer Service Division</b>	15,726,371	16,264,484	0	35,642	35,642
<i>FTE</i>	<u>156.4</u>	<u>1.5</u>	<u>NaN</u>	<u>0.7</u>	<u>0.7</u>
General Fund	14,936,335	15,199,655	0	35,642	35,642
Cash Funds	790,036	1,064,829	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (3) Taxation Business Group</b>	81,655,558	88,621,076	104,861,585	105,383,752	109,788,627
<i>FTE</i>	<u>420.5</u>	<u>30.3</u>	<u>432.5</u>	<u>436.6</u>	<u>436.6</u>
General Fund	77,753,472	85,367,239	100,464,582	100,990,757	105,395,632
Cash Funds	2,919,259	3,112,929	3,227,503	3,223,495	3,223,495
Reappropriated Funds	158,439	140,908	317,368	317,368	317,368
Federal Funds	824,388	0	852,132	852,132	852,132

*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
<b>(4) DIVISION OF MOTOR VEHICLES</b>					
<b>(A) Administration</b>					
Personal Services	<u>2,342,330</u>	<u>3,433,528</u>	<u>3,989,914</u>	<u>3,926,695</u>	<u>3,652,106</u> *
FTE	32.9	48.9	48.9	42.9	42.9
General Fund	369,059	370,437	470,851	584,878	584,878
Cash Funds	1,921,926	3,011,581	3,467,553	3,290,307	3,015,718
Reappropriated Funds	51,345	51,510	51,510	51,510	51,510
Federal Funds	0	0	0	0	0
Operating Expenses	<u>286,510</u>	<u>283,677</u>	<u>550,591</u>	<u>559,428</u>	<u>559,428</u> *
General Fund	65,317	63,633	63,682	63,731	63,731
Cash Funds	217,803	216,654	483,519	492,307	492,307
Reappropriated Funds	3,390	3,390	3,390	3,390	3,390
Federal Funds	0	0	0	0	0
DRIVES Maintenance and Support	<u>6,297,431</u>	<u>6,352,500</u>	<u>9,005,747</u>	<u>7,585,830</u>	<u>7,585,830</u> *
General Fund	18,000	18,000	1,550,700	101,700	101,700
Cash Funds	6,279,431	6,334,500	7,346,847	7,484,130	7,484,130
Reappropriated Funds	0	0	108,200	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration</b>	8,926,271	10,069,705	13,546,252	12,071,953	11,797,364
FTE	<u>32.9</u>	<u>48.9</u>	<u>48.9</u>	<u>42.9</u>	<u>42.9</u>
General Fund	452,376	452,070	2,085,233	750,309	750,309
Cash Funds	8,419,160	9,562,735	11,297,919	11,266,744	10,992,155
Reappropriated Funds	54,735	54,900	163,100	54,900	54,900
Federal Funds	0	0	0	0	0

*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
<b>(B) Driver Services</b>					
Personal Services	<u>22,672,826</u>	<u>21,340,705</u>	<u>24,382,216</u>	<u>24,784,851</u>	<u>24,697,161</u> *
FTE	444.7	428.5	427.2	426.9	426.9
General Fund	3,264,481	2,647,300	3,234,246	2,900,377	2,900,377
Cash Funds	19,296,143	18,572,586	21,027,151	21,762,139	21,674,449
Reappropriated Funds	112,202	120,819	120,819	122,335	122,335
Federal Funds	0	0	0	0	0
Operating Expenses	<u>2,310,816</u>	<u>1,472,558</u>	<u>3,465,126</u>	<u>2,538,299</u>	<u>2,538,299</u> *
General Fund	411,155	411,155	1,524,707	414,260	414,260
Cash Funds	1,889,491	1,051,233	1,930,249	2,113,869	2,113,869
Reappropriated Funds	10,170	10,170	10,170	10,170	10,170
Federal Funds	0	0	0	0	0
Drivers License Documents	<u>5,656,874</u>	<u>5,648,165</u>	<u>6,415,955</u>	<u>7,109,465</u>	<u>7,109,465</u>
General Fund	0	0	3,498	3,498	3,498
Cash Funds	5,656,874	5,648,165	6,412,457	7,105,967	7,105,967
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ignition Interlock Program	<u>598,476</u>	<u>589,878</u>	<u>669,106</u>	<u>682,567</u>	<u>682,567</u>
FTE	6.9	6.9	6.9	6.9	6.9
General Fund	0	0	0	0	0
Cash Funds	598,476	589,878	669,106	682,567	682,567
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
Indirect Cost Assessment	<u>2,145,672</u>	<u>2,482,987</u>	<u>3,375,370</u>	<u>3,274,478</u>	<u>3,274,478</u>
General Fund	0	0	0	0	0
Cash Funds	2,145,672	2,482,987	3,375,370	3,274,478	3,274,478
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Driver Services</b>	<b>33,384,664</b>	<b>31,534,293</b>	<b>38,307,773</b>	<b>38,389,660</b>	<b>38,301,970</b>
<i>FTE</i>	<u>451.6</u>	<u>435.4</u>	<u>434.1</u>	<u>433.8</u>	<u>433.8</u>
General Fund	3,675,636	3,058,455	4,762,451	3,318,135	3,318,135
Cash Funds	29,586,656	28,344,849	33,414,333	34,939,020	34,851,330
Reappropriated Funds	122,372	130,989	130,989	132,505	132,505
Federal Funds	0	0	0	0	0

**(C) Vehicle Services**

Personal Services	<u>2,723,524</u>	<u>2,560,101</u>	<u>2,534,289</u>	<u>2,962,604</u>	<u>2,874,914</u> *
FTE	56.7	46.6	46.6	50.5	50.5
General Fund	483,164	502,180	611,006	626,188	626,188
Cash Funds	2,240,360	2,057,921	1,923,283	2,336,416	2,248,726
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>18,597,061</u>	<u>202,582</u>	<u>1,292,845</u>	<u>401,040</u>	<u>401,040</u> *
General Fund	26,157	26,157	941,257	40,987	40,987
Cash Funds	18,570,904	176,425	351,588	360,053	360,053
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
License Plate Ordering	<u>6,067,808</u>	<u>5,270,486</u>	<u>7,104,477</u>	<u>7,326,372</u>	<u>7,326,372</u>
General Fund	216,315	216,315	610,468	216,315	216,315
Cash Funds	5,851,493	5,054,171	6,494,009	7,110,057	7,110,057
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Motorist Insurance Identification Database Program	<u>314,539</u>	<u>252,287</u>	<u>342,443</u>	<u>344,394</u>	<u>344,394</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	314,539	252,287	342,443	344,394	344,394
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emissions Program	<u>1,284,372</u>	<u>1,082,814</u>	<u>1,172,261</u>	<u>1,201,525</u>	<u>1,201,525</u>
FTE	15.0	15.0	15.0	15.0	15.0
General Fund	0	0	0	0	0
Cash Funds	1,284,372	1,082,814	1,172,261	1,201,525	1,201,525
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>380,561</u>	<u>423,381</u>	<u>446,295</u>	<u>454,537</u>	<u>454,537</u>
General Fund	0	0	0	0	0
Cash Funds	380,561	423,381	446,295	454,537	454,537
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
<b>SUBTOTAL - (C) Vehicle Services</b>	29,367,865	9,791,651	12,892,610	12,690,472	12,602,782
<i>FTE</i>	<u>72.7</u>	<u>62.6</u>	<u>62.6</u>	<u>66.5</u>	<u>66.5</u>
General Fund	725,636	744,652	2,162,731	883,490	883,490
Cash Funds	28,642,229	9,046,999	10,729,879	11,806,982	11,719,292
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) County Support Services**

Operating Expenses	<u>0</u>	<u>0</u>	<u>2,356,535</u>	<u>2,356,535</u>	<u>2,356,535</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	2,356,535	2,356,535	2,356,535
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Asset Maintenance	<u>0</u>	<u>0</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	511,430	511,430	511,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Improvements	<u>0</u>	<u>0</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	36,000	36,000	36,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
<b>SUBTOTAL - (D) County Support Services</b>	0	0	2,903,965	2,903,965	2,903,965
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	2,903,965	2,903,965	2,903,965
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (4) Division of Motor Vehicles</b>	71,678,800	51,395,649	67,650,600	66,056,050	65,606,081
<i>FTE</i>	<u>557.2</u>	<u>546.9</u>	<u>545.6</u>	<u>543.2</u>	<u>543.2</u>
General Fund	4,853,648	4,255,177	9,010,415	4,951,934	4,951,934
Cash Funds	66,648,045	46,954,583	58,346,096	60,916,711	60,466,742
Reappropriated Funds	177,107	185,889	294,089	187,405	187,405
Federal Funds	0	0	0	0	0

*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
<b>(5) SPECIALIZED BUSINESS GROUP</b>					
<b>(A) Administration</b>					
Personal Services	<u>833,900</u>	<u>651,842</u>	<u>1,098,437</u>	<u>1,119,913</u>	<u>1,119,913</u>
FTE	10.5	11.0	11.0	11.0	11.0
General Fund	7,524	7,694	7,694	7,871	7,871
Cash Funds	550,144	414,972	761,114	782,413	782,413
Reappropriated Funds	276,232	229,176	329,629	329,629	329,629
Federal Funds	0	0	0	0	0
Operating Expenses	<u>9,414</u>	<u>4,124</u>	<u>13,934</u>	<u>13,934</u>	<u>13,934</u>
General Fund	111	111	111	111	111
Cash Funds	6,803	2,710	8,885	8,885	8,885
Reappropriated Funds	2,500	1,303	4,938	4,938	4,938
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration</b>	<b>843,314</b>	<b>655,966</b>	<b>1,112,371</b>	<b>1,133,847</b>	<b>1,133,847</b>
FTE	<u>10.5</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>
General Fund	7,635	7,805	7,805	7,982	7,982
Cash Funds	556,947	417,682	769,999	791,298	791,298
Reappropriated Funds	278,732	230,479	334,567	334,567	334,567
Federal Funds	0	0	0	0	0



*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
<b>(B) Limited Gaming Division</b>					
Personal Services	<u>8,247,537</u>	<u>7,969,273</u>	<u>8,904,849</u>	<u>9,096,251</u>	<u>9,096,251</u>
FTE	99.3	106.0	106.0	106.0	106.0
General Fund	712,021	0	0	0	0
Cash Funds	7,535,516	7,969,273	8,904,849	9,096,251	9,096,251
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>924,467</u>	<u>615,706</u>	<u>1,131,445</u>	<u>1,130,731</u>	<u>1,130,731</u>
General Fund	219,838	0	0	0	0
Cash Funds	704,629	615,706	1,131,445	1,130,731	1,130,731
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>4,663,576</u>	<u>4,316,731</u>	<u>4,936,279</u>	<u>4,936,279</u>	<u>4,936,279</u>
General Fund	0	0	0	0	0
Cash Funds	4,663,576	4,316,731	4,936,279	4,936,279	4,936,279
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Distribution to Gaming Cities and Counties	<u>66,187,496</u>	<u>107,005,904</u>	<u>23,788,902</u>	<u>23,788,902</u>	<u>23,788,902</u>
General Fund	0	0	0	0	0
Cash Funds	66,187,496	107,005,904	23,788,902	23,788,902	23,788,902
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

	<b>FY 2019-20 Actual</b>	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Appropriation</b>	<b>FY 2022-23 Request</b>	<b>FY 2022-23 Recommendation</b>
Indirect Cost Assessment	<u>847,563</u>	<u>815,276</u>	<u>826,586</u>	<u>846,853</u>	<u>846,853</u>
General Fund	0	0	0	0	0
Cash Funds	847,563	815,276	826,586	846,853	846,853
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Limited Gaming Division</b>	80,870,639	120,722,890	39,588,061	39,799,016	39,799,016
<i>FTE</i>	<u>99.3</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>
General Fund	931,859	0	0	0	0
Cash Funds	79,938,780	120,722,890	39,588,061	39,799,016	39,799,016
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(C) Liquor and Tobacco Enforcement Division**

Personal Services	<u>2,250,749</u>	<u>1,784,650</u>	<u>4,392,987</u>	<u>4,818,907</u>	<u>4,818,907</u>
FTE	33.0	58.7	58.7	63.7	63.7
General Fund	175,694	180,228	180,228	185,187	185,187
Cash Funds	2,075,055	1,604,422	4,212,759	4,633,720	4,633,720
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>113,314</u>	<u>117,606</u>	<u>571,747</u>	<u>537,565</u>	<u>537,565</u>
General Fund	6,965	6,966	6,965	6,965	6,965
Cash Funds	106,349	110,640	564,782	530,600	530,600
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Indirect Cost Assessment	<u>176,728</u>	<u>197,793</u>	<u>381,303</u>	<u>499,679</u>	<u>499,679</u>
General Fund	0	0	0	0	0
Cash Funds	176,728	197,793	381,303	499,679	499,679
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (C) Liquor and Tobacco</b>					
<b>Enforcement Division</b>	2,540,791	2,100,049	5,346,037	5,856,151	5,856,151
<i>FTE</i>	<u>33.0</u>	<u>58.7</u>	<u>58.7</u>	<u>63.7</u>	<u>63.7</u>
General Fund	182,659	187,194	187,193	192,152	192,152
Cash Funds	2,358,132	1,912,855	5,158,844	5,663,999	5,663,999
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) Division of Racing Events**

Personal Services	<u>817,986</u>	<u>846,789</u>	<u>1,085,568</u>	<u>983,678</u>	<u>983,678</u>
FTE	7.7	7.7	7.7	7.7	7.7
General Fund	0	0	0	0	0
Cash Funds	817,986	846,789	1,085,568	983,678	983,678
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>140,207</u>	<u>131,259</u>	<u>302,320</u>	<u>202,268</u>	<u>202,268</u>
General Fund	0	0	0	0	0
Cash Funds	140,207	131,259	302,320	202,268	202,268
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Purses and Breeders Awards	<u>1,104,386</u>	<u>669,584</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
General Fund	0	0	0	0	0
Cash Funds	1,104,386	669,584	1,400,000	1,400,000	1,400,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>44,453</u>	<u>49,967</u>	<u>58,972</u>	<u>61,516</u>	<u>61,516</u>
General Fund	0	0	0	0	0
Cash Funds	44,453	49,967	58,972	61,516	61,516
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (D) Division of Racing Events</b>	<b>2,107,032</b>	<b>1,697,599</b>	<b>2,846,860</b>	<b>2,647,462</b>	<b>2,647,462</b>
<i>FTE</i>	<u>7.7</u>	<u>7.7</u>	<u>7.7</u>	<u>7.7</u>	<u>7.7</u>
General Fund	0	0	0	0	0
Cash Funds	2,107,032	1,697,599	2,846,860	2,647,462	2,647,462
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**Hearings Division**

Personal Services	<u>0</u>
FTE	0.0
General Fund	0
Cash Funds	0
Reappropriated Funds	0
Federal Funds	0

*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
Operating Expenses	<u>0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				
Indirect Cost Assessment	<u>0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				
<b>SUBTOTAL - Hearings Division</b>	<b>0</b>				
<i>FTE</i>	<u>0.0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				

**(F) Motor Vehicle Dealer Licensing Board**

Personal Services	<u>2,243,040</u>	<u>1,961,848</u>	<u>2,474,903</u>	<u>2,533,228</u>	<u>2,533,228</u>
FTE	32.3	32.3	32.3	32.3	32.3
General Fund	0	0	0	0	0
Cash Funds	2,243,040	1,961,848	2,474,903	2,533,228	2,533,228
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Operating Expenses	<u>116,351</u>	<u>194,055</u>	<u>325,887</u>	<u>325,670</u>	<u>325,670</u>
General Fund	0	0	0	0	0
Cash Funds	116,351	194,055	325,887	325,670	325,670
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>186,486</u>	<u>209,603</u>	<u>247,372</u>	<u>258,051</u>	<u>258,051</u>
General Fund	0	0	0	0	0
Cash Funds	186,486	209,603	247,372	258,051	258,051
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (F) Motor Vehicle Dealer</b>					
<b>Licensing Board</b>	2,545,877	2,365,506	3,048,162	3,116,949	3,116,949
<i>FTE</i>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>
General Fund	0	0	0	0	0
Cash Funds	2,545,877	2,365,506	3,048,162	3,116,949	3,116,949
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(G) Marijuana Enforcement**

Marijuana Enforcement	<u>12,587,665</u>	<u>10,773,174</u>	<u>15,275,137</u>	<u>15,513,120</u>	<u>15,513,120</u>
FTE	133.8	152.0	152.0	153.1	153.1
General Fund	0	0	0	0	0
Cash Funds	12,587,665	10,773,174	15,275,137	15,513,120	15,513,120
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Transfers to Other Departments	0	<u>1,336,719</u>	<u>200,991</u>	<u>200,991</u>	<u>200,991</u>
General Fund	0	0	0	0	0
Cash Funds	0	1,336,719	200,991	200,991	200,991
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>706,911</u>	<u>862,812</u>	<u>1,202,172</u>	<u>1,361,951</u>	<u>1,361,951</u>
General Fund	0	0	0	0	0
Cash Funds	706,911	862,812	1,202,172	1,361,951	1,361,951
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (G) Marijuana Enforcement</b>	13,294,576	12,972,705	16,678,300	17,076,062	17,076,062
<i>FTE</i>	<u>133.8</u>	<u>152.0</u>	<u>152.0</u>	<u>153.1</u>	<u>153.1</u>
General Fund	0	0	0	0	0
Cash Funds	13,294,576	12,972,705	16,678,300	17,076,062	17,076,062
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (5) Specialized Business Group</b>	102,202,229	140,514,715	68,619,791	69,629,487	69,629,487
<i>FTE</i>	<u>316.6</u>	<u>367.7</u>	<u>367.7</u>	<u>373.8</u>	<u>373.8</u>
General Fund	1,122,153	194,999	194,998	200,134	200,134
Cash Funds	100,801,344	140,089,237	68,090,226	69,094,786	69,094,786
Reappropriated Funds	278,732	230,479	334,567	334,567	334,567
Federal Funds	0	0	0	0	0

*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
<b>(6) STATE LOTTERY DIVISION</b>					
Personal Services	<u>8,234,292</u>	<u>7,821,646</u>	<u>8,945,306</u>	<u>9,164,112</u>	<u>9,164,112</u> *
FTE	102.1	102.1	102.1	102.1	102.1
General Fund	0	0	0	0	0
Cash Funds	8,234,292	7,821,646	8,945,306	9,164,112	9,164,112
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>975,534</u>	<u>944,015</u>	<u>1,540,533</u>	<u>1,540,533</u>	<u>1,540,533</u>
General Fund	0	0	0	0	0
Cash Funds	975,534	944,015	1,540,533	1,540,533	1,540,533
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>157,006</u>	<u>141,886</u>	<u>239,410</u>	<u>239,410</u>	<u>239,410</u>
General Fund	0	0	0	0	0
Cash Funds	157,006	141,886	239,410	239,410	239,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Marketing and Communications	<u>12,699,201</u>	<u>14,559,546</u>	<u>14,700,000</u>	<u>14,700,000</u>	<u>14,700,000</u>
General Fund	0	0	0	0	0
Cash Funds	12,699,201	14,559,546	14,700,000	14,700,000	14,700,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*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
Multi-State Lottery Fees	<u>157,515</u>	<u>156,370</u>	<u>177,433</u>	<u>177,433</u>	<u>177,433</u>
General Fund	0	0	0	0	0
Cash Funds	157,515	156,370	177,433	177,433	177,433
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vendor Fees	<u>12,650,591</u>	<u>15,418,546</u>	<u>26,123,699</u>	<u>27,757,019</u>	<u>27,757,019</u>
General Fund	0	0	0	0	0
Cash Funds	12,650,591	15,418,546	26,123,699	27,757,019	27,757,019
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retailer Compensation	<u>49,968,974</u>	<u>61,103,090</u>	<u>70,000,000</u>	<u>65,856,304</u>	<u>85,000,000</u> *
General Fund	0	0	0	0	0
Cash Funds	49,968,974	61,103,090	70,000,000	65,856,304	85,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>655,953</u>	<u>636,573</u>	<u>762,890</u>	<u>796,763</u>	<u>796,763</u>
General Fund	0	0	0	0	0
Cash Funds	655,953	636,573	762,890	796,763	796,763
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ticket Costs	<u>3,808,623</u>	<u>4,537,165</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	3,808,623	4,537,165	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Travel	<u>65,206</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	65,206	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Research	<u>10,150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	10,150	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (6) State Lottery Division</b>	89,383,045	105,318,837	122,489,271	120,231,574	139,375,270
<i>FTE</i>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>
General Fund	0	0	0	0	0
Cash Funds	89,383,045	105,318,837	122,489,271	120,231,574	139,375,270
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - Department of Revenue</b>	423,028,315	468,032,287	439,088,743	448,121,402	471,317,714
<i>FTE</i>	<u>1,564.9</u>	<u>1,225.0</u>	<u>1,626.2</u>	<u>1,661.1</u>	<u>1,661.1</u>
General Fund	120,244,260	125,051,993	141,512,775	143,171,613	147,620,756
Cash Funds	296,032,251	336,755,902	288,041,442	295,403,753	314,150,922
Reappropriated Funds	5,715,475	6,224,392	8,469,940	8,384,281	8,384,281
Federal Funds	1,036,329	0	1,064,586	1,161,755	1,161,755